

## TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1  
Stylesheet Version v1.2

ETAS ID: TM339413

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	SECURITY INTEREST		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
General LED, Inc.		04/22/2015	CORPORATION: DELAWARE
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Whitecap Texas Opportunity Fund II, LP		
<b>Street Address:</b>	3201 Rustic River Cove		
<b>City:</b>	Austin		
<b>State/Country:</b>	TEXAS		
<b>Postal Code:</b>	78746		
<b>Entity Type:</b>	LIMITED PARTNERSHIP: TEXAS		
<b>PROPERTY NUMBERS Total: 12</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
<b>Registration Number:</b>	2919130	AGILIGHT	
<b>Registration Number:</b>	3240507	SIDEWINDER	
<b>Registration Number:</b>	4115760	GENLED	
<b>Registration Number:</b>	4433241	BOXRAYZ	
<b>Registration Number:</b>	4180223	SIGNRAYZ	
<b>Registration Number:</b>	4395760	VERSALENZ	
<b>Registration Number:</b>	4410353	CAPZUL	
<b>Registration Number:</b>	4519039	ONEWHITE	
<b>Serial Number:</b>	86589883	RETRORAYZ	
<b>Serial Number:</b>	85204671	LINGEN	
<b>Serial Number:</b>	85204659	POINGEN	
<b>Serial Number:</b>	86505471	SIGNRAYZ PRO ULTRA	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>			
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
<b>Phone:</b>	512-610-9632		
<b>Email:</b>	mwbarton@dmc-law.com		
<b>Correspondent Name:</b>	Mary-Wommack Barton		
<b>Address Line 1:</b>	1301 West 25th Street, Suite 560		
<b>TRADEMARK</b>			

OP \$315.00 2919130

**Address Line 4:** Austin, TEXAS 78705

**ATTORNEY DOCKET NUMBER:** 1373.05

**NAME OF SUBMITTER:** David M. Lee

**SIGNATURE:** /s/David M. Lee

**DATE SIGNED:** 04/27/2015

**Total Attachments: 18**

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## SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this “*Security Agreement*”) is entered into as of April 22, 2015, by **GENERAL LED, INC.**, a Delaware corporation (“*Parent*”), **AGILIGHT, INC.**, a Delaware corporation and wholly owned subsidiary of Parent (“*AgiLight*”), **GENERAL LED FZE**, a Free Zone Establishment registered in the United Arab Emirates and wholly owned subsidiary of Parent (“*General FZE*”), **GENERAL LED GMBH**, a company with limited liability incorporated in Germany (“*General Germany*”) and **GENLED, INC.**, a Delaware corporation and wholly owned subsidiary of Parent (“*GenLED*”) and together with Parent, AgiLight, General FZE and General Germany, collectively and jointly and severally, the “*Debtor*”), in favor of **WHITECAP TEXAS OPPORTUNITY FUND II, LP**, a Texas limited partnership (“*Secured Party*” or “*Lender*”).

### RECITALS

**WHEREAS**, Secured Party has agreed to lend the Debtor Two Million Six Hundred Twenty Thousand Dollars (\$2,620,000.00), pursuant to the provisions of a Secured Loan Agreement dated as of the date hereof between the Debtor and Secured Party (the “*Loan Agreement*”); and

**WHEREAS**, to induce Secured Party to make the loan provided for in the Secured Promissory Note under, the Loan Agreement, Debtor has agreed to grant a security interest in certain collateral as hereinafter described as security for the repayment of such loan.

**NOW, THEREFORE**, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and to extend such additional credit as Secured Party may from time to time agree to extend, the parties do hereby agree as follows:

### AGREEMENT

1. **Terms.** Terms defined in the Loan Agreement have the same meanings when used herein unless otherwise defined herein or the context hereof otherwise requires. Certain terms used herein are defined in Appendix I hereto, which is incorporated herein. Terms not defined herein (including Appendix I) or in the Loan Agreement which are defined in the Texas Uniform Commercial Code, as in effect on the date hereof (the “*UCC*”), have the meanings specified in the UCC, and the definitions specified in Article 9 of the UCC control in the case of any conflicting definitions in the UCC. The singular number includes the plural and vice versa. Captions of Sections do not limit the terms of such Sections.

2. **Security.**

2.1 **Security Interest.** To secure the payment and performance of the Obligations, Debtor grants to Secured Party a first priority security interest (the “*Security Interest*”) in the Collateral (defined below); provided, however, that to the extent that the Existing Senior Lender has a first priority security interest in any of the Collateral, Secured Party’s Security Interest in such Collateral shall be a second priority security interest, except for all amount in the Loan Account and all additions, substitutes and replacements for, and proceeds (as defined in the

UCC) of, the foregoing which shall at all times remain subject to a first priority lien of Secured Party, until such time as all amounts owing by Debtor to the Existing Senior Lender on the Existing Senior Indebtedness have been paid and are no longer outstanding and the Existing Senior Lender no longer as an obligation to advance any additional amounts to any Debtor after which the Security Interest in such Collateral shall be a first priority security interest. “*Collateral*” shall include the following described property of Debtor wherever located:

(a) all “accounts,” all “chattel papers,” all “commercial tort claims,” all “deposit accounts,” all “documents,” all “equipment,” all “fixtures,” all “general intangibles,” all “goods,” all “instruments,” all “inventory,” all “investment property,” all “letter-of-credit rights,” and all “letters-of-credit” (as such terms are defined in Chapter 9 of the UCC) and all other properties and assets owned by Debtor or hereafter acquired by Debtor;

(b) all additions, substitutes and replacements for, and proceeds (as defined in the UCC) of, the above Collateral (including all income and benefits resulting from any of the above, such as distributions payable or distributable in cash or property; interest, premium and principal payments; redemption proceeds and subscription rights; and other proceeds of conversions or splits of any interest in the Collateral). Without limiting the generality of the foregoing, in case any stock dividend shall be declared on any of the Collateral or fractions thereof shall be issued pursuant to any stock split involving any of the Collateral, or any distribution of capital shall be made on any of the Collateral, or any shares, warrants, options, obligations or other property shall be distributed upon or with respect to the Collateral pursuant to a recapitalization or reclassification of the capital of the issuer thereof, or pursuant to the dissolution, liquidation, bankruptcy or reorganization of the issuer thereof, or to the merger or consolidation of the issuer of any of the Collateral with or into another entity, the shares, obligations, warrants, options or other property so distributed shall constitute Collateral for all purposes hereof; and

(c) all real property, including, without limitation, all easements, rights of way, restrictive covenants and other rights, held by, granted to, or running for the benefit of Debtor, together with any and all improvements now or hereafter located thereon; all equipment and appliances now or hereafter attached thereto or used in connection therewith, all machinery, supplies and related equipment and articles of personal property now or hereafter attached to or used in and about the improvements thereon; and the rights privileges and appurtenances belonging thereto, including all of Debtor’s right, title and interest in and to any development or use rights, applications, permits, approvals, licenses, authorizations, refunds, credits and offsets granted by or obtainable from governmental authorities to private parties and related to or for the benefit of the above-described rights.

**2.2 Debtor to Remain Liable.** Debtor shall remain liable under, and shall preserve the liability of all other parties with respect to, the Collateral and shall perform all of its obligations thereunder. The exercise by Secured Party of any of its rights hereunder shall not release Debtor from any duties under any agreement except to the extent the obligations have been repaid or performed. Secured Party has no obligation or liability with respect to any of the Collateral under any agreement by reason or arising out of the assignment thereof to Secured Party or the granting to Secured Party of a security interest therein or the receipt by Secured Party of any payment relating to any such agreement.

3. **Representations.** Debtor makes the following representations to Secured Party:

3.1 **Enforceability.** Debtor has all requisite authority to execute, deliver, and perform its duties under, and has duly authorized, executed, and delivered, this Security Agreement; and this Security Agreement is enforceable against Debtor in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other similar state or federal relief laws which affect enforcement of creditors' rights in general and the availability of equitable remedies. The execution, delivery, and performance hereof by Debtor do not violate, and do not require any authorization, notice, or filing under, any agreement, judgment, injunction, decree, determination, award, rule, regulation, order, or writ of any person, entity, court, or governmental agency or authority. This Security Agreement creates in favor of Secured Party an enforceable security interest; provided that, contemporaneous with the execution hereof, all filings or other actions necessary or appropriate to create, preserve, and perfect the Security Interest have been accomplished; and the Security Interests in the Collateral constitute perfected security interests therein free of all other Liens other than Permitted Liens.

3.2 **No Proceeding.** As of the Closing Date, there is no pending or threatened claim or proceeding which if determined adversely to Debtor would materially and adversely affect any aspect of Debtor's business or the Collateral.

3.3 **Title to Collateral and Related Matters.**

(a) Debtor has rights in or power to transfer the Collateral and its title to the Collateral free of any dispute, counterclaim, or defense, except Permitted Liens.

(b) Exhibit 3.3(b) lists all names (legal and trade) by which Debtor is now or has been previously known.

(c) Exhibit 3.3(c) lists all top level domain name registrations (e.g., .com, .net, .org, .info, .biz) and country code top level domain name registrations (e.g., .co.uk, .ca, .us, .de) and URLs registered in the Debtor's name or licensed to the Debtor.

(d) None of the Debtor's equipment is covered by any certificate of title. None of the Debtor's Collateral is of a type for which security interests or liens may be perfected by filing under any federal statute except for patents, trademarks and copyrights held by the Debtor and described on Exhibit 3.3(d).

3.4 **Address and Place of Business.** The address for Debtor specified on the signature page of this Security Agreement will, as of the Closing, be Debtor's correct mailing address and the location of its chief executive office. All of Debtor's records or copies thereof pertaining to the Collateral and the proceeds thereof will, as of the Closing, be maintained at its chief executive office.

3.5 **Name and Organization of Debtor.** Debtor's exact legal name, type of organization, and the jurisdiction under which Debtor is organized are as set forth in the first paragraph of this Security Agreement. Debtor's organizational identification number is set forth below Debtor's signature hereto. Debtor has not changed its name since its formation, and

Debtor conducts no business under any other name, whether or not registered as an assumed name, except as specified in Exhibit 3.3(b). Since its formation, Debtor has not changed the location of its chief executive office or where it maintains the records pertaining to the Collateral.

**3.6 Subsidiaries.** Except for AgiLight, General FZE, General Germany and GenLED, Debtor does not have any direct or indirect subsidiary and does not currently own or control, directly or indirectly, any equity interest or voting control in another Person. Debtor is not a participant in any joint venture, partnership, or similar arrangement.

**4. Covenants.** Debtor covenants as follows:

**4.1 In General.** Debtor will (a) maintain good and marketable title to its rights and interests in the Collateral free of any Lien (other than Permitted Liens); (b) perform fully and promptly in all material respects all agreements of Debtor contained herein and in all other Loan Documents; (c) preserve all material rights, privileges, and franchises held or used in its business; and (d) at its cost and expense, defend any action which may materially affect the Security Interest or Debtor's title to the Collateral.

**4.2 Notices.** Debtor promptly will notify Secured Party, including, without limitation, Lender's Representatives, of (a) any material adverse change in Debtor's financial condition or any change which adversely affects a material portion of the Collateral (or the Security Interest); (b) any claim, action, or proceeding which would reasonably be expected to materially and adversely affect the value of, or Debtor's title to, any of the Collateral, or the effectiveness of the Security Interest; and (c) the occurrence of any Event of Default.

**4.3 Change of Name or Location.** Debtor will not change its state of organization, name, or form of organization without the prior notice to Secured Party, including, without limitation, Lender's Representatives, and Debtor's delivery of all documents necessary or desirable to preserve the Security Interest. Debtor will not establish a new location for its chief executive office or for maintaining its books and records nor the location of any material portion of the Collateral (other than inventory to be sold in the ordinary course of business; provided, that Debtor provides Secured Party, including, without limitation, Lender's Representatives, with notice of such new location for such inventory and delivers to Secured Party, including, without limitation, Lender's Representatives, a notice and acknowledgement of Secured Party's security interest in a form satisfactory to Secured Party from any Bailee with respect to such inventory) and has given to Secured Party, including, without limitation, Lender's Representatives, not less than ten (10) days' prior written notice of its intention to do so which identifies such new location and provides such other information and documents in connection therewith as Secured Party may request.

**4.4 Records.** Debtor will maintain a complete and accurate set of books and records. Debtor will keep proper books and records with respect to the Collateral and will upon request mark or otherwise make entries with respect to such books and records to reflect the Security Interest.

4.5 **Indemnity.** Debtor indemnifies and agrees to hold Secured Party harmless from and against any loss, claim, demand, or expense (including attorneys' fees) (individually, a "*Claim*") arising by reason, or in any manner related to, this Security Agreement or the Collateral or the failure of Debtor to comply with the organizational documents of Debtor or with any state or federal statute, rule, regulation, order, or decree but excluding any Claim arising by reason of the gross negligence or willful misconduct of Secured Party.

4.6 **Taxes.** Debtor will pay all taxes and assessments arising from and related to its business and the Collateral or on its use or operation prior to the time such taxes become past due, except such as are being Contested in Good Faith by appropriate proceeding.

4.7 **Operations.** Debtor will at all times comply in all material respects with all applicable law, the non-compliance with which could have a materially adverse effect on Debtor.

4.8 **Assurances.** Debtor authorizes Secured Party to file a financing statement describing the Collateral. Debtor will at its own expense take all action as Secured Party may at any time reasonably request to protect, assure or enforce Secured Party's interests, rights and remedies created by, provided in or emanating from this Security Agreement. Debtor will (a) promptly advise Secured Party of any change in Debtor's current organizational identification number; and (b) execute and deliver to Secured Party, in due form for filing or recording (and pay the cost of filing or recording the same in all public offices deemed necessary or advisable by Secured Party) such assignments, including security agreements, consents, waivers, financing statements (and amendments thereof), powers of attorney, and other documents, and do such other reasonable acts and things, all as may from time to time in the reasonable opinion of Secured Party be necessary or desirable to establish and maintain a valid perfected security interest in the Collateral free of all Liens other than Permitted Liens and with the priority set forth in Section 2.1.

4.9 **Subsidiaries.** In the event that Debtor owns more than fifty percent (50%) of the equity interest in any subsidiary, Debtor shall cause such subsidiary to execute a joinder to this Agreement by which such subsidiary shall be jointly and severally bound by each and every Obligation set forth herein and in the other Loan Documents, and the parties shall thereafter amend this Agreement and each other applicable Loan Document to reflect such joinder.

5. **Secured Party's Rights.** Secured Party has the following rights:

5.1 **Information.** Secured Party may at any time during regular business hours and upon reasonable notice to Debtor obtain from any person (including, without limitation, any Principal) any information concerning Debtor, Debtor's business or affairs, the Collateral, or the Obligations. At any reasonable time and from time to time, Secured Party or any of its representatives may to the extent permitted by applicable law during regular business hours and upon reasonable notice to Debtor examine, audit, inspect, verify, and make copies of and abstracts from the books and records of Debtor, visit the properties of Debtor, discuss the affairs, finances, and accounts of Debtor with any of its officers or directors and discuss the affairs, finances, and accounts of Debtor with its independent public accountants; and Debtor will permit such accountants to disclose to Secured Party all financial statements and other information they may have with respect to Debtor.

**5.2 Delivery of Collateral.** At any time after the occurrence and during the continuance of any Event of Default, Secured Party may demand and Debtor shall deliver to Secured Party possession or control of any of the Collateral.

**5.3 Performance by Secured Party.** At any time after the occurrence and during the continuance of an Event of Default, Secured Party may, but is not obligated to, perform or attempt to perform any agreement of Debtor contained herein. If any material part of the Collateral becomes the subject of any proceeding and Debtor fails to defend fully such proceeding and to protect Debtor's and Secured Party's rights in such Collateral in good faith, Secured Party may, at its option but at the Debtor's cost, elect to defend and control the defense of such litigation or other proceeding, and may (a) select and retain counsel, (b) determine whether settlement shall be offered or accepted, and (c) determine and negotiate all settlement terms.

**5.4 Preservation.** Debtor has the risk of loss of the Collateral. Secured Party's duty with respect to any Collateral in the possession of Secured Party is solely to use reasonable care in the custody and preservation of the Collateral. Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of any Collateral in its possession if it takes such action for that purpose as Debtor may request in writing, but failure by Secured Party to comply with any such request shall not of itself be deemed a failure to exercise such reasonable care. Secured Party is not responsible for, nor are the Obligations (or Debtor's liability with respect thereto) subject to setoff or reduction by reason of, any shortage, discrepancy, damage, loss, or destruction in or to the Collateral unless caused by the gross negligence or willful misconduct of Secured Party nor, in any event, any depreciation in the value of the Collateral. Secured Party is not required to fulfill any of the obligations of Debtor with respect to any of the Collateral, or to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by it or the sufficiency of any performance of any party under any of the Collateral, or to present or file any claim, or to take any action to enforce any performance or the payment of any amounts which have been assigned to it, in which it has been granted a security interest, or to which it may be entitled at any time. Secured Party has no duty to maintain in force, to prevent lapse or impairment of, or to exercise any rights with respect to any of the Collateral or any insurance thereon, or to exercise any rights, options or privileges respecting any of the Collateral or to take any steps necessary to preserve rights against prior or other parties or to enforce collection of the Collateral or any part thereof by legal proceedings or otherwise. The duties of Secured Party are to account to the Debtor for Collateral actually received by Secured Party and to receive collections, remittances and payments on such Collateral as and when made and received by Secured Party and hold same as Collateral or apply same to the Obligations pursuant to the terms hereof.

**5.5 Regarding the Collateral.** Secured Party is not liable for any error, omission, or delay occurring in the settlement, collection, or payment of or enforcement of rights with respect to any Collateral or of any instrument received in full or part payment thereof or in dealing with any lien, security, or guaranty of or any other contractual undertaking related to any Collateral. At any time after the occurrence and during the continuance of any Event of Default, Secured Party may require Debtor to deposit in a bank account in a bank of Secured Party's choice over which Secured Party alone shall have the authority to make withdrawals, or deliver to Secured Party all checks, drafts, money, or other cash proceeds of the Collateral, immediately upon



receipt thereof and in form received (except for any necessary endorsement or assignment to permit a collection). Secured Party may hold the funds in said account as additional Collateral or may, at its discretion, apply same to the Obligations. At any time after the occurrence and during the continuance of any Event of Default, Secured Party may attempt to collect from any person liable in respect of any Collateral, by suit or otherwise, any sums due thereon and otherwise to enforce the Debtor's rights with respect thereto, and may surrender, release, or exchange any Collateral therefor and extend, renew, or compromise any sums payable in connection therewith, but Secured Party is in any event entitled to charge back against Debtor any uncollected amounts.

6. **Default.** Debtor is in default under this Security Agreement upon the occurrence of an Event of Default under the Loan Agreement.

7. **Remedies.** Upon the occurrence of an Event of Default and at any time thereafter if and so long as any Event of Default is continuing, and in any event subject to Section 3.1 of the Loan Agreement, Secured Party has the following rights and remedies to the full extent permitted by applicable law:

7.1 **Remedies Under Loan Agreement.** Secured Party may exercise its remedies under the Loan Documents.

7.2 **Removal and Possession.** Secured Party may require Debtor to assemble the Collateral and make it available to Secured Party at any place designated by Secured Party which is reasonably convenient to both parties. Secured Party is entitled to immediate access to, and may make and remove copies of, all books and records pertaining to any of the Collateral. Secured Party may leave the Collateral on Debtor's or any other party's premises but under Secured Party's control or may remove the Collateral (other than books and records pertaining to the Collateral) from the premises of Debtor or from wherever located, and, for purposes of removal and possession, Secured Party or its representatives may enter any premises of Debtor without legal process and thereafter hold or store same, and Debtor waives and releases Secured Party from all claims in connection therewith or arising therefrom, and Secured Party may maintain at Debtor's expense on Debtor's premises a custodian who may exercise Secured Party's rights to protect the Collateral.

7.3 **Sale of Collateral.**

(a) Secured Party may sell the Collateral, in one or more sales or parcels, at such price as Secured Party deems adequate and for cash or on credit or for future delivery, without assumption of any credit risk, any portion of the Collateral, at any broker's board or at public or private sale, without demand of performance or notice of intention to sell. The purchaser of any Collateral sold shall thereafter hold the same free from any claim or right, including any equity of redemption, of Debtor. Secured Party may make any such sale subject to any limitation or restriction, including but not limited to a limitation in the method of offering the Collateral or in the number or identity of prospective bidders, which Secured Party may believe to be necessary to comply with any requirement of applicable law or in order to obtain any required approval of the purchase or the purchaser by any governmental authority or officer subject to applicable law. No such limitation or restriction shall cause such sale not to be

considered a commercially reasonable sale, nor shall Secured Party be liable or accountable to Debtor, nor shall the Obligations be subject to any reduction, by reason of the fact that the proceeds of a sale subject to any such limitation or restriction are less than otherwise might have been obtained. Without notice to or consent by Debtor, Secured Party may exercise all rights as the insured, beneficiary, or owner of any insurance policy and may surrender same and receive the surrender value thereof or sell same pursuant to the terms thereof.

(b) Unless the Collateral is perishable or threatens to decline speedily in value or is of a type customarily sold on a recognized market, Secured Party will give Debtor commercially reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of commercially reasonable notice are met if such notice is given in accordance with Section 10.1 at least ten (10) days before the time of the sale or disposition. Expenses of retaking, holding, preparing for sale, selling, leasing or the like shall include Secured Party's reasonable attorneys' fees and legal expenses, and all such expenses shall be borne by Debtor. Public or private sales, for cash or on credit, to a wholesaler or retailer or investor, or use of Collateral of the types subject to this Security Agreement, or public auction, are commercially reasonable since differences in the sales prices generally realized in the different kinds of sales are ordinarily offset by the differences in the costs and the credit risks of such sales.

(c) At any sale Secured Party may sell any part of the Collateral without warranty of any kind and may specifically disclaim any warranty of title or the like, and none of the foregoing will be considered to make the sale not commercially reasonable.

#### **7.4 Other Rights.**

(a) Secured Party may exercise all other rights it may have under any of the other agreements between Debtor and Secured Party, or under applicable law. Secured Party is entitled to the appointment of a receiver to take possession of all or any portion of the Collateral and to exercise any such powers as the court confers upon the receiver.

(b) Secured Party may accept all or part of the Collateral in full or partial satisfaction of the Obligations.

**7.5 Exercise of Rights.** Secured Party may exercise its rights with respect to the Collateral in such manner and in such order as Secured Party determines, and Secured Party is not required to license, sell, or dispose of any part of the Collateral or to collect, or attempt to collect, any sum payable by reason of the Collateral before Secured Party may collect the Obligations, nor is Secured Party obligated to attempt to collect the Obligations before licensing, selling, or disposing of any part of the Collateral. Secured Party may, without foreclosing thereon, license, collect and otherwise enforce all amounts owing on the Collateral or any proceeds or otherwise enforce all of Debtor's or Secured Party's rights in any of the Collateral. Neither Debtor nor any other party liable in respect of the Obligations may direct the application of any proceeds received by Secured Party, and Secured Party may apply any such proceeds as herein provided.

#### **7.6 Proceeds of Sale or Collection Prior to Sale.**

(a) All proceeds of sale or other disposition or collection prior to sale of the Collateral (after the occurrence of an Event of Default and during its continuance), at Secured Party's discretion and to the extent permitted by applicable law, shall be applied first to all costs and expenses of sale or other disposition or collection, including reasonable attorneys' fees, and expenses for holding, preparing for sale, and selling the property; second, in whatever order Secured Party elects, to payment of the Obligations; and third, to the settling of any other Liens or claims against the Collateral. If the Obligations are fully satisfied and there are no other claims to any surplus, Debtor shall be entitled to receive the surplus of the Collateral or the proceeds received therefrom, but Debtor remains liable for any deficiency.

(b) If Secured Party sells any of the Collateral on credit, Debtor is entitled to credit on the Obligations for those payments actually made by the purchaser received by Secured Party and applied to the debt of the purchaser for such purchase.

8. ***Attorney-In-Fact.*** Upon the occurrence and during the continuance of an Event of Default, Debtor appoints Secured Party as Debtor's attorney-in-fact (without requiring it to act as such) with full power of substitution to do any act which Debtor is obligated by this Security Agreement to do, including, without limitation, (a) to receive cash and to receive and to endorse the name of Debtor on all checks, drafts, money orders, or other instruments for the payment of monies that are payable to Debtor and constitute collections of the Collateral, (b) to execute in the name of Debtor schedules, assignments, documents and other papers and to file financing statements and amendments of financing statements deemed necessary or appropriate by Secured Party to perfect, preserve, or enforce the Security Interest; (c) to exercise all rights of Debtor in the Collateral, (d) to make withdrawals from and to close deposit accounts and other accounts with any financial institution into which proceeds may have been deposited and to apply funds so withdrawn as provided herein, (e) to receive, open, and read mail addressed to Debtor, and (f) to prepare, adjust, execute, deliver, and receive payment under insurance claims and to collect and receive payment of and endorse any instrument in payment of loss or return premiums on any other insurance refund or return and to apply all amounts as received by Secured Party, at Secured Party's sole option, toward repayment of the Obligations or replacement of the Collateral. The power of attorney herein conferred is granted for valuable consideration, is coupled with an interest, and is irrevocable so long as any part of the Obligations is unpaid. Secured Party agrees it will not exercise its powers as attorney-in-fact until after the occurrence and only during the continuance of an Event of Default.

9. ***Right of Setoff.*** Upon the occurrence and during the continuance of an Event of Default, Secured Party is authorized at any time and from time to time, without notice to Debtor or to any other person, any such notice being hereby expressly waived, to set off and to appropriate and to apply any and all deposits (general or special) and any other indebtedness at any time held or owing by Secured Party to or for the credit or the account of Debtor against and on account of the liabilities of Debtor to Secured Party under this Security Agreement or any other Loan Document, including, without limiting the generality of the foregoing, all claims of any nature or description, whether or not Secured Party has made any demand hereunder and although said liabilities or claims, or any of them, are contingent or unmatured and whether or not other security held by Secured Party is considered by Secured Party to be adequate.

**10. Miscellaneous.**

**10.1 Notices.** All notices, requests, demands, or other communications to or upon the parties hereto shall be deemed to have been given or made if given or made in accordance with the Loan Agreement which shall include with respect to Secured Party notice to Secured Party and Lender's Representatives.

**10.2 Assignment of Collateral.** Secured Party may assign all or any part of the Obligations and may assign, transfer, or deliver to any transferee of any of the Obligations any or all of the rights of Secured Party in the Collateral, and thereafter Secured Party shall be fully discharged from all responsibility with respect to the Collateral so assigned, transferred, or delivered. Such transferee shall be vested with all the powers and rights of Secured Party hereunder with respect to such Collateral, but Secured Party shall retain all rights and powers hereby given with respect to any of the Collateral not so assigned or transferred.

**10.3 Alteration, Etc.** No waiver, amendment, modification, or alteration of any provision of this Security Agreement (individually, an "**Alteration**"), nor consent to any departure by Debtor from the terms hereof, or from the terms of any other document, is effective unless such is in writing and signed by Secured Party; and any such Alteration is effective only for the specific purpose and in the specific instance given. No waiver by Secured Party of any Event of Default shall be deemed to be a waiver of any other or subsequent Event of Default; nor shall such waiver be deemed to be a continuing waiver. No delay of Secured Party in exercising any right shall be deemed to be a waiver thereof, nor shall one exercise of any right affect or impair the exercise of any other right. Time is of the essence in the Debtor's performance hereof.

**10.4 Expenses.** To the extent permitted by applicable law, Debtor promptly will pay, upon demand, any out-of-pocket expenses incurred by Secured Party in connection with the exercise or enforcement of its rights hereunder, including all costs, expenses, taxes, assessments, insurance premiums, repairs, court costs, reasonable attorneys' fees, rent, storage costs, and expenses of sales incurred, whether incurred before or after the occurrence of an Event of Default or incurred in connection with the perfection, preservation, or defense of the Security Interest, or the custody, protection, collection, repossession, enforcement or sale or the Collateral. All such expenses shall become part of the Obligations and shall bear interest at a fixed rate of eight percent (8%) calculated on a 360 day year and on the actual number of days elapsed from the date paid or incurred by Secured Party until paid by Debtor.

**10.5 Parties Bound.** The rights of Secured Party hereunder inure to the benefit of its successors and assigns. The terms of this Security Agreement bind the successors and assigns of the parties hereto, but Debtor may not assign any of its rights or obligations hereunder without the prior written consent of Secured Party, including, without limitation, Lender's Representatives. All representations, warranties, and covenants of Debtor survive the execution and delivery hereof. All indemnities by Debtor in favor of Secured Party survive termination or release of this Security Agreement. This Security Agreement constitutes a continuing agreement, and applies to all future transactions, whether or not contemplated at the date hereof, and all renewals, modifications, and extensions thereof.

**10.6 Remedies Cumulative, Etc.** All rights and remedies of Secured Party hereunder are cumulative of each other and of every other right or remedy which Secured Party may otherwise have at law or in equity or under any other document for the enforcement of the Security Interest or the enforcement of any duties of Debtor or any other party liable in respect of the Obligations. The exercise by Secured Party of one or more rights or remedies shall not prejudice or impair the concurrent or subsequent exercise of other rights or remedies.

**10.7 Copy as Financing Statement.** A carbon, photographic, electronic or other reproduction of this Security Agreement or a financing statement describing the Collateral is sufficient as a financing statement.

**10.8 Severability.** If any portion of the Obligations or if any provision of this Security Agreement is held to be invalid or unenforceable for any reason, such holding shall not affect any other portion of the Obligations or any other provision contained herein or contained in any other agreement between Debtor and Secured Party, and the same shall continue in full force and effect according to their terms.

**10.9 APPLICABLE LAW. THIS SECURITY AGREEMENT AND EACH ISSUE RELATED HERETO, INCLUDING THE VALIDITY AND ENFORCEABILITY HEREOF, SHALL BE GOVERNED AND CONSTRUED ACCORDING TO AND DETERMINED UNDER THE LAWS OF THE STATE OF TEXAS AND IS PERFORMABLE IN BEXAR COUNTY, TEXAS.**

**10.10 Termination and Reinstatement.** This Security Agreement shall terminate automatically and all security interests in favor of the Secured Party shall also terminate automatically upon payment in full of the Obligations. If any payment received by Secured Party is or must be rescinded or returned, the Obligations shall, to the extent that such payment is or must be rescinded or returned, be deemed to have continued in existence, notwithstanding such payment, and the Security Interest shall continue to be effective or be reinstated.

**10.11 Conflicts.** If any term hereof conflicts with any provision of the Loan Agreement, the terms of the Loan Agreement shall control.

**10.12 Counterparts.** This Security Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures delivered by facsimile or in .pdf format shall have the same validity as signatures delivered in person.

**10.13 NOTICE OF FINAL AGREEMENT. THIS SECURITY AGREEMENT AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.**


*[Signature Page Follows]*

EXECUTED as of the day, month and year first above written.

**DEBTOR:**


**GENERAL LED, INC.,**

a Delaware corporation  
1074 Arion Circle, Suite 116  
San Antonio, Texas 78216

By:   
Name: Steven A. Moya  
Title: President & CEO  
Organizational Identification No.: DE4359839


**AGILIGHT, INC.,**

a Delaware corporation  
1074 Arion Circle, Suite 116  
San Antonio, Texas 78216

By:   
Name: Steven A. Moya  
Title: President & CEO  
Organizational Identification No.: DE4485972

**GENERAL LED FZE,**

a Free Zone Establishment registered in the United  
Arab Emirates  
PO Box 371378  
#822, Building 4EA  
Dubai Airport Free Zone, Dubai, UAE

By:   
Name: Steven A. Moya  
Title: President & CEO  
Organizational Identification No.: \_\_\_\_\_

**GENERAL LED GMBH,**

a company with limited liability incorporated in  
Germany

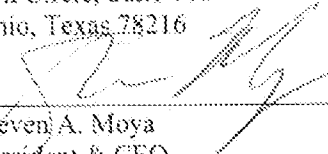
\_\_\_\_\_  
\_\_\_\_\_  
By:   
Name: Steven A. Moya  
Title: President & CEO  
Organizational Identification No.: \_\_\_\_\_

SIGNATURE PAGE TO  
SECURITY AGREEMENT

**TRADEMARK**  
**REEL: 005504 FRAME: 0503**

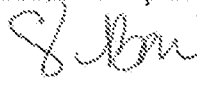
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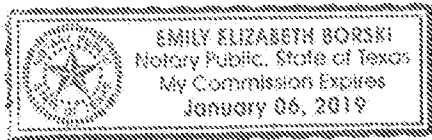
GENLED, INC.,  
a Delaware corporation  
1074 Arion Circle, Suite 116  
San Antonio, Texas 78216

By:   
Name: Steven A. Moya  
Title: President & CEO  
Organizational Identification No.: DE5697564

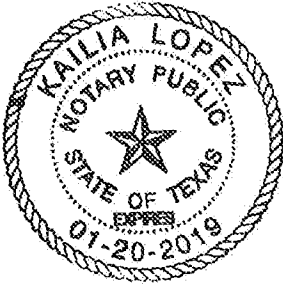
STATE OF Texas )  
COUNTY OF Bexar ) SS  
)

The foregoing instrument was acknowledged before me this 22 day of April, 2015, by Steven A. Moya, the President and CEO of each of General LED, Inc., AgiLight, Inc., General LED FZE, General LED GmbH and GenLED, Inc., on behalf of said companies.

Notary Public 



My commission expires: 1/6/19



SECURED PARTY:

**WHITECAP TEXAS OPPORTUNITY FUND II, LP**, a Texas limited partnership

By: Whitecap Texas Opportunity Fund II GP, LLC, a Texas limited liability company, its General Partner

By:   
David M. Lee, Treasurer

STATE OF *Texas* )  
 ) SS  
COUNTY OF *Bexar* )

The foregoing instrument was acknowledged before me this 27 day of April, 2015, by David M. Lee the Treasurer of Whitecap Texas Opportunity Fund II GP, LLC, the General Partner of Whitecap Texas Opportunity Fund II, LP.

Notary Public 

My commission expires: 1-20-2019



## APPENDIX I

“*Alteration*” has the meaning specified in Section 10.3.

“*Claim*” has the meaning specified in Section 4.5.

“*Debtor*” has the meaning specified in the Recitals.

“*Collateral*” has the meaning specified in Section 2.1.

“*Lender*” has the meaning specified in the Recitals.

“*Lien*” means any mortgage, deed of trust, pledge, security interest, lien, conditional sale or other title retention agreement, or any financing statement or any distraint, writ of attachment, writ of garnishment, writ of sequestration, or similar writ or any other encumbrance of any nature whatsoever, whether voluntary or not.

“*Loan Agreement*” has the meaning specified in the Recitals.

“*Secured Party*” has the meaning specified in the Recitals.

“*Security Agreement*” means this Security Agreement and all amendments hereof or supplements hereto.

“*Security Interest*” has the meaning set forth in Section 2.1.

“*UCC*” has the meaning specified in Section 1.

**Exhibit 3.3(b)**

**List of All Names of Debtor**

1. General LED, Inc.
2. AgiLight, Inc.
3. General LED FZE
4. General LED GmbH
5. GenLED, Inc.

**Exhibit 3.3(c)**

**List of All Domain Names and URLs**

1. [www.generalled.com](http://www.generalled.com)
2. [www.agilight.com](http://www.agilight.com)
3. [www.genledlighting.com](http://www.genledlighting.com)

**Exhibit 3.3(d)**

**Patents, Copyrights, Trademarks Protected under Federal Law\*:**

1. See attached Schedule 3.3(d)(1) for listing of trademarks.
2. See attached Schedule 3.3(d)(2) for listing of patents.

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\*For (i) trademarks, show the trademark itself, the registration date and the registration number; (ii) trademark applications, show the trademark applied for, the application filing date and the serial number of the application; (iii) patents, show the patent number, issue date and a brief description of the subject matter of the patent; and (iv) patent applications, show the serial number of the application, the application filing date and a brief description of the subject matter of the patent applied for. Any licensing agreements for patents or trademarks should be described on a separate schedule.