

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Security Agreement

CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
HelioVolt Corporation		11/28/2012	CORPORATION: DELAWARE

RECEIVING PARTY DATA	
Name:	New Enterprise Associates 11, Limited Partnership
Street Address:	1954 Greenspring Drive, Suite 600
City:	Timonium
State/Country:	MARYLAND
Postal Code:	21093
Entity Type:	LIMITED PARTNERSHIP: DELAWARE

PROPERTY NUMBERS Total: 4		
Property Type	Number	Word Mark
Registration Number:	3363887	FASST
Registration Number:	3329881	HELIOVOLT
Registration Number:	4023042	HELIOVOLT
Registration Number:	4063682	HELIOVOLT

CORRESPONDENCE DATA	
Fax Number:	
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>	
Email:	daniel.cote@thomsonreuters.com
Correspondent Name:	Jennifer Carroll
Address Line 1:	401 Congress Ave, Suite 2500
Address Line 2:	DLA Piper LLP
Address Line 4:	Austin, TEXAS 78701-3799

NAME OF SUBMITTER:	Jennifer Carroll
Signature:	/daniel cote thomsonreuters/

OP \$115.00 3363887

Date:

11/30/2012

Total Attachments: 21

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SECURITY AGREEMENT

This Security Agreement (as amended, modified or otherwise supplemented from time to time, this “**Security Agreement**”), dated as of November 28, 2012, is executed by **HelioVolt Corporation**, a Delaware corporation (together with its successors and assigns, “**Company**”), in favor of **Collateral Agent** (as herein defined) on behalf of the Investors listed on the signature pages hereof.

RECITALS

A. Company and the Investors have entered into a Note and Warrant Purchase Agreement, dated as of the November 28, 2012 (the “**Purchase Agreement**”), pursuant to which the Company has issued subordinated lien secured convertible promissory notes (as amended, modified or otherwise supplemented from time to time, (each a “**Note**” and collectively, the “**Notes**”) in an aggregate principal amount of up to \$12,173,791 in favor of the Investors.

B. In order to induce each Investor to extend the credit evidenced by the Notes, Company has agreed to enter into this Security Agreement and to grant Collateral Agent, for the benefit of itself and the Investors, the security interest in the Collateral described below.

AGREEMENT

NOW, THEREFORE, in consideration of the above recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Company hereby agrees with Collateral Agent and the Investors as follows:

1. Definitions and Interpretation. When used in this Security Agreement, the following terms have the following respective meanings:

“**Collateral**” has the meaning given to that term in Section 2 hereof.

“**Obligations**” means all loans, advances, debts, liabilities and obligations, howsoever arising, owed by Company to Collateral Agent and/or the Investors of every kind and description (whether or not evidenced by any note or instrument and whether or not for the payment of money), now existing or hereafter arising under or pursuant to the terms of the Notes, this Security Agreement and/or the Purchase Agreement, including, all interest, fees, charges, expenses, attorneys’ fees and costs and accountants’ fees and costs chargeable to and payable by Company hereunder and thereunder, in each case, whether direct or indirect, absolute or contingent, due or to become due, and whether or not arising after the commencement of a proceeding under Title 11 of the United States Code (11 U.S.C. Section 101 et seq.), as amended from time to time (including post-petition interest) and whether or not allowed or allowable as a claim in any such proceeding.

“**Permitted Liens**” means (a) Liens for taxes not yet delinquent or Liens for taxes being contested in good faith and by appropriate proceedings for which adequate reserves have been established; (b) Liens in respect of property or assets imposed by law which were incurred in the ordinary course of business, such as carriers’, warehousemen’s, materialmen’s and mechanics’ Liens and other similar Liens arising in the ordinary course of business which are not delinquent or remain payable without penalty or which are being contested in good faith and by appropriate proceedings; (c) Liens incurred or deposits made in the ordinary course of business in connection with workers’ compensation, unemployment insurance and other types of social security, and other Liens to secure the performance of tenders, statutory obligations, contract bids, government contracts, performance and return of money

bonds and other similar obligations, incurred in the ordinary course of business, whether pursuant to statutory requirements, common law or consensual arrangements; ; and (d) Liens securing the Senior Indebtedness in favor of the holders of Senior Indebtedness.

“**Senior Indebtedness**” means (I) all indebtedness and monetary obligations of the Company owing to (a) Silicon Valley Bank (“**SVB**”), or its successor or assignee, related to that certain Loan and Security Agreement between Company and SVB dated September 30, 2009, as amended, in an aggregate amount not to exceed the Senior Cap (as such term is defined in that certain Third Amended and Restated Intercreditor and Subordination Agreement between the Company, SVB, the Collateral Agent, and the other parties thereto dated as of the date hereof); and (b) the Office of the Governor, Economic and Tourism Division of the State of Texas (the “**OOGETD**”), related to that certain Economic Development Agreement dated March 21, 2008, between the Company and the OOGETD and that certain Pledge and Security Agreement dated on December 31, 2008, between the Company and the OOGETD, in an aggregate amount not to exceed \$1,000,000; and (II) all lease obligations of the Company owing to the lessor of any property leased by the Company pursuant to the lease agreement therefor.

“**UCC**” means the Uniform Commercial Code as in effect in the State of Texas from time to time.

All capitalized terms not otherwise defined herein shall have the respective meanings given in the Notes. Unless otherwise defined herein, all terms defined in the UCC have the respective meanings given to those terms in the UCC.

2. Grant of Security Interest. As security for the Obligations, Company hereby pledges to Collateral Agent, for the benefit of the Investors, and grants to Collateral Agent, for the benefit of the Investors, a valid and continuing security interest of first priority in all right, title and interests of Company in and to the property described in Attachment 1 hereto, whether now existing or hereafter from time to time acquired (collectively, the “**Collateral**”); provided, however, that such security interest shall be subordinated to the Permitted Liens.

3. General Representations and Warranties. Company represents and warrants to Collateral Agent and the Investors that (a) Company is the owner of the Collateral (or, in the case of after-acquired Collateral, at the time Company acquires rights in the Collateral, will be the owner thereof) and that except as set forth on Schedule A, no other Person has (or, in the case of after-acquired Collateral, at the time Company acquires rights therein, will have) any right, title, claim or interest (by way of Lien or otherwise) in, against or to the Collateral, other than Permitted Liens; (b) upon the filing of UCC-1 financing statements in the appropriate filing offices, Collateral Agent has (or in the case of after-acquired Collateral, at the time Company acquires rights therein, will have) a first priority (subject to Permitted Liens) perfected security interest in the Collateral, to the extent that a security interest in the Collateral can be perfected by such filing; (c) all Inventory has been (or, in the case of hereafter produced Inventory, will be) produced in compliance with applicable laws, including the Fair Labor Standards Act; (d) all accounts receivable and payment intangibles are genuine and enforceable against the party obligated to pay the same; (e) the originals of all documents evidencing all accounts receivable and payment intangibles of Company and the only original books of account and records of Company relating thereto are, and will continue to be, kept at the chief executive office of Company set forth on Schedule B or at such other locations as Company may establish in accordance with Section 5(d), (f) all information set forth in Schedules A and B hereto is true and correct and (g) no permit, notice to or filing with any governmental authority or any other person or any consent from any person is required for the exercise by the Collateral Agent of its rights provided for in this Security Agreement or the enforcement of remedies in respect of the Collateral pursuant to this Security Agreement, including the transfer of any Collateral, except as may be required in connection with the disposition of any portion of Collateral by laws

affecting the offering and sale of securities generally or any approvals that may be required to be obtained from any bailees or landlords to collect the Collateral.

4. Representations and Warranties regarding Intellectual Property. Company represents and warrants to Collateral Agent and the Investors that: (a) Company does not own any patents, trademarks, copyrights or mask works registered in, or the subject of pending applications in, the Patent and Trademark Office or the Copyright Office or any similar offices or agencies in any other country or any political subdivision thereof, other than, as of the date hereof, those described on Schedule A hereto; (b) Company has, except for Permitted Liens and as set forth on Schedule A, the sole, full and unencumbered right, title and interest in and to the trademarks shown on Schedule A and the goods and services covered by the registrations thereof and, to the extent registered, such registrations are, to Company's knowledge, valid and enforceable and in full force and effect, except where failure of which could not reasonably be expected to have a Material Adverse Effect (as such term is defined in the Purchase Agreement); (c) Company has, except for Permitted Liens and as set forth on Schedule A, the sole, full and unencumbered right, title and interest in and to each of the patents shown on Schedule A and the registrations thereof are, to Company's knowledge, valid and enforceable and in full force and effect, except where failure of which could not reasonably be expected to have a material adverse effect on the Company; (d) Company has, except for Permitted Liens and as set forth on Schedule A, the sole, full and unencumbered right, title and interest in and to each of the copyrights shown on Schedule A and according to the records of the Copyright Office, each of said copyrights is, to Company's knowledge, valid and enforceable and in full force and effect, except where failure of which could not reasonably be expected to have a material adverse effect on the Company; (e) Company has, except for Permitted Liens and as set forth on Schedule A, the sole, full and unencumbered right, title and interest in and to the mask works shown on Schedule A and according to the records of the Copyright Office, each of said mask works is, to Company's knowledge, valid and enforceable and in full force and effect, except where failure of which could not reasonably be expected to have a material adverse effect on the Company; (f) there is no claim by any third party that any patents, trademarks, copyrights or mask works are invalid and unenforceable or do or may violate the rights of any Person; (g) Company has obtained from each employee who may be considered the inventor of patentable inventions (invented within the scope of such employee's employment) an assignment to Company of all rights to such inventions, including patents; and (h) Company has taken all reasonable steps necessary to protect the secrecy and the validity under applicable law of all material trade secrets.

5. Covenants Relating to Collateral. Company hereby agrees, at its own expense, (a) to perform all acts that may be necessary to maintain, preserve, protect and perfect the Collateral, the Lien granted to Collateral Agent therein and the perfection and priority of such Lien, provided, however, the Company shall not need to take any action with respect to any Permitted Liens; (b) not to use or permit any Collateral to be used (i) in violation in any material respect of any applicable law, rule or regulation, or (ii) in violation of any policy of insurance covering the Collateral; (c) to pay promptly when due all taxes and other governmental charges, all other charges now or hereafter imposed upon or affecting any Collateral; (d) without 30 days written notice to Collateral Agent, (i) not to change Company's name or place of business (or, if Company has more than one place of business, its chief executive office), or the office in which Company's records relating to accounts receivable and payment intangibles are kept, (ii) not to change Company's state of incorporation, (iii) not to keep Collateral consisting of chattel paper at any location other than its chief executive office set forth in item 1 of Schedule B hereto, and (iv) not to keep Collateral consisting of equipment or inventory at any location other than the locations set forth in item 4 of Schedule B hereto, (f) to procure, execute and deliver from time to time any endorsements, assignments, financing statements and other writings reasonably deemed necessary or appropriate by Collateral Agent to perfect, maintain and protect its Lien hereunder and the priority thereof and to deliver promptly to Collateral Agent all originals of Collateral consisting of instruments; (g) to appear in and defend any action or proceeding which may affect its title to or Collateral Agent's interest in the

Collateral; (h) if Collateral Agent gives value to enable Company to acquire rights in or the use of any Collateral, to use such value for such purpose; (i) to keep separate, accurate and complete records of the Collateral and to provide Collateral Agent with such records and such other reports and information relating to the Collateral as Collateral Agent may reasonably request from time to time; (j) not to surrender or lose possession of (other than to Collateral Agent), sell, encumber, lease, rent, or otherwise dispose of or transfer any Collateral except in connection with Permitted Liens or right or interest therein, and to keep the Collateral free of all Liens except Permitted Liens; provided that Company may sell, lease, transfer, license or otherwise dispose of any of the Collateral in the ordinary course of business consisting of (i) the sale of inventory, (ii) sales of worn-out or obsolete equipment, (iii) non-exclusive licenses and similar arrangements for the use of the property of Company and (iv) in connection with Permitted Liens; (k) if requested by Collateral Agent, to type, print or stamp conspicuously on the face of all original copies of all Collateral consisting of chattel paper a legend satisfactory to Collateral Agent indicating that such chattel paper is subject to the security interest granted hereby; (l) to collect, enforce and receive delivery of the accounts receivable and payment intangibles in accordance with past practice until otherwise notified by Collateral Agent; (m) to comply with all material requirements of law relating to the production, possession, operation, maintenance and control of the Collateral (including the Fair Labor Standards Act); (n) furnish to the Collateral Agent from time to time statements and schedules further identifying and describing the Collateral and such other documents in connection with the Collateral as Collateral Agent may request from time to time and promptly provide notice to Collateral Agent of any acquisition of any Collateral in a transaction or series of related transactions with a value in the aggregate of \$50,000, (o) if requested by the Collateral Agent, arrange for the Collateral Agent's security interest to be noted on the certificate of title of any vehicles or titled equipment and file any other necessary documentation in each jurisdiction that the Collateral Agent shall deem advisable to perfect its security interest, (p) deliver any to the Collateral Agent, in suitable form for transfer and in form and substance satisfactory to the Collateral Agent, any (i) certificated securities and any stock or stock equivalents of any person evidenced by a certificate, instrument or similar document, (ii) any instruments evidencing any indebtedness owed to the Company or other obligations owed to the Company, and (iii) any other investment property, in each case owned by the Company, (q) to permit Collateral Agent and its representatives the right, at any time during normal business hours, upon reasonable prior notice, to visit and inspect the properties of Company and its corporate, financial and operating records, and make abstracts therefrom, and to discuss Company's affairs, finances and accounts with its directors, officers and independent public accountants and (r) with respect to any deposit account or securities account that is maintained by the Company, if requested by the Collateral Agent or the Majority Investors, the Company shall cause the bank or securities intermediary maintaining such deposit account or securities account, respectively, to enter into an agreement, in form and substance reasonably satisfactory to the Collateral Agent, pursuant to which such bank or securities intermediary shall agree to comply with the Collateral Agent's instructions with respect to the disposition of funds in such deposit account or entitlement orders with respect to the disposition of financial assets in such securities account, respectively, without further consent by the Company.

6. Covenants Regarding Intellectual Property. Company hereby agrees:

(a) Company will, at its own expense, perform reasonable acts and execute reasonable documents, including filing notices of security interest for each relevant type of intellectual property in forms suitable for filing with the Patent and Trademark Office or the Copyright Office, that may be necessary or desirable to record, maintain, preserve, protect and perfect Collateral Agent's interest in the Collateral and the Lien granted to Collateral Agent in the Collateral.

(b) Except to the extent that Collateral Agent gives its prior written consent which shall not be withheld unreasonably:

(i) Company (either itself or through licensees) will continue to use its material trademarks in connection with each and every trademark class of goods or services applicable to its current line of products or services as reflected in its current catalogs, brochures, price lists or similar materials in order to maintain such trademarks in full force and effect free from any claim of abandonment for nonuse, and Company will not (and will not permit any licensee thereof to) do any act or knowingly omit to do any act whereby any material trademark may become invalidated;

(ii) Company will not do any act or omit to do any act whereby any material patent registrations may become abandoned or dedicated to the public domain or the remedies available against potential infringers weakened and shall notify Collateral Agent immediately if it knows of any reason or has reason to know that any material patent registration may become abandoned or dedicated; and

(iii) Company will not do any act or omit to do any act whereby any material copyrights or mask works may become abandoned or dedicated to the public domain or the remedies available against potential infringers weakened and shall notify Collateral Agent immediately if it knows of any reason or has reason to know that any material copyright or mask work may become abandoned or dedicated to the public domain.

(c) Company will promptly deliver, upon request, to Collateral Agent a list of all current patents, trademarks, copyrights, and maskworks then in use by the Company.

(d) Company will take all necessary and reasonable steps in any proceeding before the Patent and Trademark Office, the Copyright Office or any similar office or agency in any other country or any political subdivision thereof, to diligently prosecute or maintain, as applicable, each application and registration of the patents, trademarks, copyrights and mask works, including filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference and cancellation proceedings (except to the extent that dedication, abandonment or invalidation is permitted hereunder).

7. Authorized Action by Collateral Agent. Company hereby irrevocably appoints Collateral Agent as its attorney-in-fact (which appointment is coupled with an interest) and agrees that Collateral Agent may perform (but Collateral Agent shall not be obligated to and shall incur no liability to Company or any third party for failure so to do) any act which Company is obligated by this Security Agreement to perform, and to exercise such rights and powers as Company might exercise with respect to the Collateral, including the right to (a) collect by legal proceedings or otherwise and endorse, receive and receipt for all dividends, interest, payments, proceeds and other sums and property now or hereafter payable on or on account of the Collateral; (b) enter into any extension, deposit, or other agreement pertaining to, or deposit, surrender, accept, hold or apply other property in exchange for the Collateral; (c) make any compromise or settlement, and take any action it deems advisable, with respect to the Collateral; (d) insure, process and preserve the Collateral; (e) pay any indebtedness of Company relating to the Collateral; and (f) file UCC financing statements and execute other documents, instruments and agreements required hereunder; provided, however, that Collateral Agent shall not exercise any such powers granted pursuant to subsections (a) through (e) prior to the occurrence of an Event of Default and shall only exercise such powers during the continuance of an Event of Default. Company agrees to reimburse Collateral Agent upon demand for any costs and expenses, including attorneys' fees, Collateral Agent may incur while acting as Company's attorney-in-fact hereunder, all of which costs and expenses are included in the Obligations. It is further agreed and understood between the parties hereto that such care as Collateral Agent gives to the safekeeping of its own property of like kind shall constitute reasonable care of the Collateral when in Collateral Agent's possession; provided, however, that Collateral Agent shall not be required to make any presentment, demand or protest, or give any notice and

need not take any action to preserve any rights against any prior party or any other person in connection with the Obligations or with respect to the Collateral.

8. Litigation and Other Proceedings

(a) Company shall have the right and obligation to commence and diligently prosecute such suits, proceedings or other actions for infringement or other damage, or reexamination or reissue proceedings, or opposition or cancellation proceedings as are reasonable to protect any of the patents, trademarks, copyrights, mask works or trade secrets. No such suit, proceeding or other actions shall be settled or voluntarily dismissed, nor shall any party be released or excused of any claims of or liability for infringement, without the prior written consent of Collateral Agent, which consent shall not be unreasonably withheld.

(b) Upon the occurrence and during the continuation of an Event of Default, Collateral Agent shall have the right but not the obligation to bring suit or institute proceedings in the name of Company or Collateral Agent to enforce any rights in the Collateral, including any license thereunder, in which event Company shall at the request of Collateral Agent do any and all lawful acts and execute any and all documents reasonably required by Collateral Agent in aid of such enforcement. If Collateral Agent elects not to bring suit to enforce any right under the Collateral, including any license thereunder, Company agrees to use all reasonable measures, whether by suit, proceeding or other action, to cause to cease any infringement of any right under the Collateral by any Person and for that purpose agrees to diligently maintain any action, suit or proceeding against any Person so infringing necessary to prevent such infringement.

9. Default and Remedies.

(a) Default. Company shall be deemed in default under this Security Agreement upon the occurrence and during the continuance of an Event of Default (as defined in the Notes).

(b) Remedies. Upon the occurrence and during the continuance of any such Event of Default, Collateral Agent shall have the rights of a secured creditor under the UCC, all rights granted by this Security Agreement and by law, including without limitation the right to: (a) require Company to assemble the Collateral and make it available to Collateral Agent and the Investors at a place to be designated by Collateral Agent and the Investors; and (b) prior to the disposition of the Collateral, store, process, repair or recondition it or otherwise prepare it for disposition in any manner and to the extent Collateral Agent and the Investors deem appropriate. Company hereby agrees that ten (10) days' notice of any intended sale or disposition of any Collateral is reasonable. In furtherance of Collateral Agent's rights hereunder and for so long as this Security Agreement is in full force and effect, Company hereby grants to Collateral Agent an irrevocable, non-exclusive license, exercisable without royalty or other payment by Collateral Agent, and only in connection with the exercise of remedies hereunder, to use, license or sublicense any patent, trademark, trade name, copyright or other intellectual property in which Company now or hereafter has any right, title or interest together with the right of access to all media in which any of the foregoing may be recorded or stored.

(c) Application of Collateral Proceeds. The proceeds and/or avails of the Collateral, or any part thereof, and the proceeds and the avails of any remedy hereunder (as well as any other amounts of any kind held by Collateral Agent at the time of, or received by Collateral Agent after, the occurrence of an Event of Default) shall be paid to and applied as follows:

(i) First, to the payment of reasonable costs and expenses, including all amounts expended to preserve the value of the Collateral, of foreclosure or suit, if any, and of such sale

and the exercise of any other rights or remedies, and of all proper and reasonable fees, expenses, liability and advances, including reasonable legal expenses and attorneys' fees, incurred or made hereunder by Collateral Agent; and

(ii) Second, to the payment to each Investor of the amount then owing or unpaid on such Investor's Note, and in case such proceeds shall be insufficient to pay in full the whole amount so due, owing or unpaid upon such Note, then its Pro Rata Share of the amount remaining to be distributed (to be applied first to accrued interest and second to outstanding principal).

For purposes of this Security Agreement, the term "**Pro Rata Share**" shall mean, when calculating a Investor's portion of any distribution or amount, that distribution or amount (expressed as a percentage) equal to a fraction (i) the numerator of which is the original outstanding principal amount of such Investor's Note and (ii) the denominator of which is the original aggregate outstanding principal amount of all Notes issued under the Purchase Agreement. In the event that a Investor receives payments or distributions in excess of its Pro Rata Share, then such Investor shall hold in trust all such excess payments or distributions for the benefit of the other Investors and shall pay such amounts held in trust to such other Investors upon demand by such Investors.

10. Collateral Agent.

(a) Appointment. The Investors hereby appoint New Enterprise Associates 11, Limited Partnership, as collateral agent for the Investors under this Security Agreement (in such capacity, the "**Collateral Agent**") to serve from the date hereof until the termination of the Security Agreement or until such Collateral Agent's earlier removal as provided herein. The Collateral Agent hereby undertakes and agrees, on the terms and conditions set forth herein, to act as agent and as representative for the ratable benefit of the Investors based on their respective Pro Rata Shares.

(b) Removal. The Collateral Agent may be removed, with or without cause, upon written notice from Investors holding at least fifty percent (50%) of the aggregate principal amount of the Notes then outstanding (the "**Majority Investors**") and such removal shall be effective immediately upon receipt of such notice. Upon such removal, a successor Collateral Agent may be appointed by the Majority Investors upon written notice to the Company of such appointment. If no successor Collateral Agent shall have been appointed by the Majority Investors, the Majority Investors shall thereafter perform all the duties of the Collateral Agent hereunder and/or under any other Transaction Agreement until such time, if any, as the Majority Investors appoint a successor Collateral Agent. Upon the effectiveness of any such removal, the rights, powers, privileges and duties of the retiring Collateral Agent shall automatically succeed to and become vested in the successor Collateral Agent, and the retiring Collateral Agent hereby agrees to execute and deliver any document reasonably requested by the successor Collateral Agent or the Majority Investors necessary or desirable to give effect to the replacement of the Collateral Agent under any Transaction Agreement or other document delivered in connection therewith.

(c) Powers and Duties of Collateral Agent, Indemnity by Investors.

(i) Each Investor hereby irrevocably authorizes the Collateral Agent to take such action and to exercise such powers hereunder as provided herein or as requested in writing by the Majority Investors in accordance with the terms hereof, together with such powers as are reasonably incidental thereto; the Collateral Agent shall take any action provided for in any written instruction from the Majority Investors. Collateral Agent may execute any of its duties hereunder by or through agents or employees and shall be entitled to request and act in reliance upon the advice of counsel concerning all matters pertaining to its duties hereunder and shall not be liable for any action taken or omitted to be taken by it in good faith in accordance therewith.

(ii) Neither the Collateral Agent nor any of its directors, officers or employees shall be liable or responsible to any Investor or to Company for any action taken or omitted to be taken by Collateral Agent or any other such person hereunder or under any related agreement, instrument or document, except in the case of fraud, gross negligence or willful misconduct on the part of the Collateral Agent, nor shall the Collateral Agent or any of its directors, officers or employees be liable or responsible for (i) the validity, effectiveness, sufficiency, enforceability or enforcement of the Notes, this Security Agreement or any instrument or document delivered hereunder or relating hereto; (ii) the title of Company to any of the Collateral or the freedom of any of the Collateral from any prior or other liens or security interests; (iii) the determination, verification or enforcement of Company's compliance with any of the terms and conditions of this Security Agreement; (iv) the failure by Company to deliver any instrument or document required to be delivered pursuant to the terms hereof; or (v) the receipt, disbursement, waiver, extension or other handling of payments or proceeds made or received with respect to the Collateral, the servicing of the Collateral or the enforcement or the collection of any amounts owing with respect to the Collateral.

(iii) In the case of this Security Agreement and the transactions contemplated hereby and any related document relating to any of the Collateral, each of the Investors agrees to pay to the Collateral Agent, on demand, its Pro Rata Share of all fees and all expenses incurred in connection with the operation and enforcement of this Security Agreement, the Notes or any related agreement to the extent that such fees or expenses have not been paid by Company; provided that nothing herein shall diminish the responsibility of the Company to pay such amounts, which shall at all times remain in full force and effect. In the case of this Security Agreement and each instrument and document relating to any of the Collateral, each of the Investors and the Company hereby agrees to hold the Collateral Agent harmless, and to indemnify the Collateral Agent from and against any and all loss, damage, expense or liability which may be incurred by the Collateral Agent under this Security Agreement and the transactions contemplated hereby and any related agreement or other instrument or document, as the case may be, unless such liability shall be caused by the fraud, willful misconduct or gross negligence of the Collateral Agent.

11. Miscellaneous.

(a) Notices. Except as otherwise provided herein, all notices, requests, demands, consents, instructions or other communications to or upon Company or Collateral Agent under this Security Agreement shall be in writing and faxed, mailed or delivered to each party to the facsimile number or its address set forth below (or to such other facsimile number or address as the recipient of any notice shall have notified the other in writing). All such notices and communications shall be effective (a) when sent by Federal Express or other overnight service of recognized standing, on the business day following the deposit with such service; (b) when mailed, by registered or certified mail, first class postage prepaid and addressed as aforesaid through the United States Postal Service, upon receipt; (c) when delivered by hand, upon delivery; and (d) when faxed, upon confirmation of receipt.

Collateral Agent:

New Enterprise Associates 11, Limited Partnership
1954 Greenspring Drive, Suite 600
Timonium, MD 21093
Attn: General Counsel

with a copy (which shall not constitute notice) to:

Wilson Sonsini Goodrich & Rosati, Professional Corporation
Attention: Daniel S. Peale, Esq.
1700 K Street, NW
Fifth Floor
Washington, DC 20006
Facsimile: (202) 973-8899

Company:

6301-8 E. Stassney Lane,
Austin, Texas 78744-3055
Attention: President or Secretary

with a copy (which
shall not constitute
notice) to:

DLA Piper LLP (US)
Attention: Paul E. Hurdlow, Esq.
401 Congress Ave.
Suite 2500
Austin, Texas 78701
Facsimile: (512) 457-7001

(b) Termination of Security Interest. Upon the payment in full of all Obligations, the security interest granted herein shall terminate and all rights to the Collateral shall revert to Company. Upon such termination Collateral Agent hereby authorizes Company to file any UCC termination statements necessary to effect such termination and Collateral Agent will, at Company's expense, execute and deliver to Company any additional documents or instruments as Company shall reasonably request to evidence such termination.

(c) Nonwaiver. No failure or delay on Collateral Agent's part in exercising any right hereunder shall operate as a waiver thereof or of any other right nor shall any single or partial exercise of any such right preclude any other further exercise thereof or of any other right.

(d) Amendments and Waivers. This Security Agreement may not be amended or modified, nor may any of its terms be waived, except by written instruments signed by Company and Collateral Agent, to the extent directed by the Requisite Majority-in-Interest. Each waiver or consent under any provision hereof shall be effective only in the specific instances for the purpose for which given.

(e) Assignments. This Security Agreement shall be binding upon and inure to the benefit of Collateral Agent, the Investors and Company and their respective successors and assigns; provided, however, that Company may not sell, assign or delegate rights and obligations hereunder without the prior written consent of Collateral Agent, to the extent directed by the Requisite Majority-in-Interest.

(f) Cumulative Rights, etc. The rights, powers and remedies of Collateral Agent under this Security Agreement shall be in addition to all rights, powers and remedies given to Collateral Agent by virtue of any applicable law, rule or regulation of any governmental authority, any Transaction Agreement or any other agreement, all of which rights, powers, and remedies shall be cumulative and may be exercised successively or concurrently without impairing Collateral Agent's rights hereunder. Company waives any right to require Collateral Agent to proceed against any person or entity or to exhaust any Collateral or to pursue any remedy in Collateral Agent's power.

(g) Payments Free of Taxes, Etc. All payments made by Company under the Transaction Agreements shall be made by Company free and clear of and without deduction for any and all present and future taxes, levies, charges, deductions and withholdings. In addition, Company shall pay upon demand any stamp or other taxes, levies or charges of any jurisdiction with respect to the execution, delivery, registration, performance and enforcement of this Security Agreement. Upon request by Collateral Agent, Company shall furnish evidence satisfactory to Collateral Agent that all requisite authorizations and approvals by, and notices to and filings with, governmental authorities and regulatory bodies have been obtained and made and that all requisite taxes, levies and charges have been paid.

(h) Partial Invalidity. If at any time any provision of this Security Agreement is or becomes illegal, invalid or unenforceable in any respect under the law or any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Security Agreement nor the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.

(i) Expenses. Company shall pay on demand all fees and expenses, including attorneys' fees and expenses, incurred by Collateral Agent in connection with custody, preservation or sale of, or other realization on, any of the Collateral or the enforcement or attempt to enforce any of the Obligations which is not performed as and when required by this Security Agreement.

(j) Construction. Each of this Security Agreement and the other Transaction Agreements is the result of negotiations among, and has been reviewed by, Company, Investors, Collateral Agent and their respective counsel. Accordingly, this Security Agreement and the other Transaction Agreements shall be deemed to be the product of all parties hereto, and no ambiguity shall be construed in favor of or against Company, Investors or Collateral Agent.

(k) Entire Agreement. This Security Agreement taken together with the other Transaction Agreements constitute and contain the entire agreement of Company, Investors and Collateral Agent and supersede any and all prior agreements, negotiations, correspondence, understandings and communications among the parties, whether written or oral, respecting the subject matter hereof.

(l) Other Interpretive Provisions. References in this Security Agreement and each of the other Transaction Agreements to any document, instrument or agreement (a) includes all exhibits, schedules and other attachments thereto, (b) includes all documents, instruments or agreements issued or executed in replacement thereof, and (c) means such document, instrument or agreement, or replacement or predecessor thereto, as amended, modified and supplemented from time to time and in effect at any given time. The words "hereof," "herein" and "hereunder" and words of similar import when used in this Security Agreement or any other Transaction Agreements refer to this Security Agreement or such other Transaction Agreements, as the case may be, as a whole and not to any particular provision of this Security Agreement or such other Transaction Agreements, as the case may be. The words "include" and "including" and words of similar import when used in this Security Agreement or any other Transaction Agreements shall not be construed to be limiting or exclusive.

(m) Governing Law. This Security Agreement shall be governed by and construed in accordance with the laws of the State of Delaware without reference to conflicts of law rules (except to the extent governed by the UCC).

(n) Counterparts. This Security Agreement may be executed in any number of counterparts (including, without limitation, facsimile or electronic counterparts), each of which shall be an original, but all of which together shall be deemed to constitute one instrument.

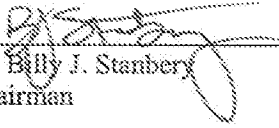
(o) Joinder of Investors. Notwithstanding anything to the contrary set forth herein, if the Company shall issue additional Notes pursuant to the Purchase Agreement or if any Notes are acquired or purchased by any other person or entity, any purchaser or acquiror of such Notes may become a party to this Agreement by executing and delivering an additional counterpart signature page to this Agreement and shall be deemed an Investor and a party hereunder.

[The remainder of this page is intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be executed as of the day and year first above written.

COMPANY

HELIOVOLT CORPORATION

By: 
Name: Dr. Billy J. Stanbery
Title: Chairman

AGREED:

NEW ENTERPRISE ASSOCIATES II, LIMITED PARTNERSHIP
as Collateral Agent

By: NEA Partners II, Limited Partnership
its General Partner

By: NEA II GP, LLC
its General Partner

By: _____
Name: _____
Title: Manager

Address: 1954 Greenspring Drive, Suite 600
Timonium, MD 21093
Attn: General Counsel

Facsimile: _____

Signature Page to Security Agreement

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be executed as of the day and year first above written.

COMPANY

HELIOVOLT CORPORATION

By: _____
Name: Dr. Billy J. Stanbery
Title: Chairman

AGREED:

NEW ENTERPRISE ASSOCIATES 11, LIMITED PARTNERSHIP
as Collateral Agent

By: NEA Partners 11, Limited Partnership
its General Partner

By: NEA 11 GP, LLC
its General Partner

By: *Thomas A. Cote*

Name: *Thomas A. Cote*

Title: ~~Manager~~ *Chief Reg. Officer*

Address: 1954 Greenspring Drive, Suite 600
Timonium, MD 21093
Attn: General Counsel

Facsimile: _____

Signature Page to Security Agreement

TRADEMARK
REEL: 004910 FRAME: 0295

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be executed as of the day and year first above written.

INVESTORS:

NEW ENTERPRISE ASSOCIATES 11, LIMITED PARTNERSHIP

By: NEA Partners 11, Limited Partnership
its General Partner

By: NEA 11 GP, LLC
its General Partner

By: *Louis S. Cohn*

Name: *Louis S. Cohn*

Title: ~~Manager.~~ *Chief legal officer*

1954 Greenspring Drive, Suite 600
Timonium, MD 21093
Attn: General Counsel

NEW ENTERPRISE ASSOCIATES 12, LIMITED PARTNERSHIP

By: NEA Partners 12, Limited Partnership
its General Partner

By: NEA 12 GP, LLC
its General Partner

By: *Louis S. Cohn*

Name: *Louis S. Cohn*

Title: ~~Manager.~~ *Chief legal officer*

1954 Greenspring Drive, Suite 600
Timonium, MD 21093
Attn: General Counsel

Signature Page to Security Agreement

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be executed as of the day and year first above written.

INVESTORS:

SK TECHNOLOGY INNOVATION COMPANY

By: _____

Name: Yu, Jeong Joon

Title: Chief Executive Officer

Address: Uglan House, Grand Cayman

KY1-1104, Cayman Islands



SK INNOVATION CO., LTD.

By: _____

Name: _____

Title: _____

Address: _____

INVESTORS

SK TECHNOLOGY INNOVATION COMPANY

By: _____

Name: _____

Title: _____

Address: _____

SK INNOVATION CO., LTD.

By: JMKOO

Name: JAY KOO

Title: President & CEO

Address: 26, Jongno, Jongno-gu,

Seoul 110-738, Korea

Signature Page to Security Agreement

**ATTACHMENT 1
TO SECURITY AGREEMENT**

All right, title, interest, claims and demands of Company in and to the following property:

- (i) All Accounts;
- (ii) All Chattel Paper;
- (iii) All Commercial Tort Claims;
- (iv) All Deposit Accounts and cash;
- (v) All Documents;
- (vi) All Equipment;
- (vii) All General Intangibles;
- (viii) All Goods;
- (ix) All Instruments;
- (x) All Intellectual Property;
- (xi) All Inventory;
- (xii) All Investment Property;
- (xiii) All Letter-of-Credit Rights; and
- (xiv) To the extent not otherwise included, all books and records relating to the foregoing, all Proceeds and products of any and all of the foregoing, and all accessions to, substitutions and replacements for, and rents and profits of each of the foregoing; and any supporting obligations in respect of the foregoing.

The term “**Intellectual Property**” means all intellectual and similar property of every kind and nature now owned or hereafter acquired by Company, including inventions, designs, patents (whether registered or unregistered), copyrights (whether registered or unregistered), trademarks (whether registered or unregistered), trade secrets, domain names, confidential or proprietary technical and business information, know-how, methods, processes, drawings, specifications or other data or information and all memoranda, notes and records with respect to any research and development, software and databases and all embodiments or fixations thereof whether in tangible or intangible form or contained on magnetic media readable by machine together with all such magnetic media and related documentation, registrations and franchises, and all additions, improvements and accessions to, and books and records describing or used in connection with, any of the foregoing.

All capitalized terms used in this Attachment 1 and not otherwise defined herein, shall have the respective meanings given to such terms in the Uniform Commercial Code of the State of Delaware as in effect from time to time.

SCHEDULE A
TO SECURITY AGREEMENT

(See attached.)

Schedule A

<u>Patents</u>	MX/a/2008/008975	PCT/US02/29684	IDM000146130
157709	679/2008	PCT/US02/29607	IDM000215878
285966	PI0707128-0	PCT/US02/29605	IDM000215879
287825	2,637,111	PCT/US02/29701	IDM000215989
1974392	07709803.6	PCT/US07/000940	887436
1974397	6210/DELNP/2008	PCT/US07/000941	958311
2,690,536	7019815/2008	PCT/US07/000935	189469
6,500,733	683/2008	2799001.9	206883
6,559,372	12/658,203	04109220.9	206884
6,593,213	2010211053	02759721.0	206885
6,720,239	2,740,363	04108676.0	887436
6,736,986	10738859.7	02761712.5	958311
6,787,012	12100484.9	04108675.1	958311
6,797,874	3905/DELNP/2011	10103799.5	2006/07528
6,881,647	10-2011-7012059	2,636,790	2008/00482
7,148,123	201101348-9	2,636,791	2008/00483
7,163,608	12/661,923	13/531,296	936617
7,767,904	2,708,193	783/2011	1059298
7,939,048	10739831.5	12/931,067	1082400
8,034,317	12103647.7	13/134,401	1038494
8,084,685	5355/DELNP/2010	61/682,672	887436
2002325038	10-2010-7019164	PCT/US12/00018	958311
2002334597	201005180-3		2006/08937
2007204811	35/2011	<u>Trademarks</u>	2008/00055
2007204812	12/807,232		2008/00056
2007204891	2004/4979	3363887	2008/00057
2008284446	2004/4981	887436	887436
602007005092.8	2008/06363	958311	958311
602007016421.4	2008/6364	828337462	1241207
08826925.3	2008/6365	829527109	Kor297933
2008/11087	10-2009-7026552	829527010	Kor301144
8296/DELNP/2009	2010202792	829527044	Kor301145
1146/2009	PCT/US08/007612	1400198	3329881
11/331,422	61/206,877	887436	4023042
PI0707127-2	PCT/US2010/000310	958311	8132151
6197/DELNP/2008	61/217,909	887436	4063682
7019813/2008	PCT/US2010/00914	6537476	8132169
678/2008	61/275,918	300630567	1348034
PI0707122-1	PCT/US2010/002381	301022967	
6205/DELNP/2008	PCT/US02/29529	1447677	
7019814/2008	PCT/US02/29608	1634642	

SCHEDULE B
TO SECURITY AGREEMENT

Chief Executive Officer
6301-8 E. Stassney Lane
Suite 100
Austin, Texas 78744-3055

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RECORDED: 11/30/2012

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