

Form PTO-1594 (Rev. 01-09)
OMB Collection 0651-0027 (exp. 02/28/2009)

U.S. DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies):

KAKAI, INC.

- Individual(s)
- General Partnership
- Corporation- State: DELAWARE
- Other _____
- Association
- Limited Partnership

Citizenship (see guidelines) _____

Additional names of conveying parties attached? Yes No

3. Nature of conveyance)/Execution Date(s) :

Execution Date(s) 01/06/2010

- Assignment
- Security Agreement
- Other _____
- Merger
- Change of Name

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: Square 1 Bank
 Internal Address: Lee Conner
 Street Address: 406 Blackwell Street, Suite 240
 City: Durham
 State: North Carolina
 Country: USA Zip: 27701

- Association
- General Partnership
- Limited Partnership
- Corporation
- Other _____

Citizenship _____
 If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
 (Designations must be a separate document from assignment)

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)
77/852,804 and as more particularly described in Exhibit C

B. Trademark Registration No.(s)

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

5. Name & address of party to whom correspondence concerning document should be mailed:

Name: Lee Conner
 Internal Address: Square 1 Bank
 Street Address: 406 Blackwell Street, Suite 240
 City: Durham
 State: North Carolina Zip: 27701
 Phone Number: 919-314-3099
 Fax Number: 919-354-1278 NEW
 Email Address: _____

6. Total number of applications and registrations involved: 8

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 215

- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

Deposit Account Number 50-3822
 Authorized User Name Lee Conner

9. Signature: Lee Conner for Lee Conner 01/13/10
 Signature Date
 Name of Person Signing Lee Conner Total number of pages including cover sheet, attachments, and document: 8

Documents to be recorded (Including cover sheet) should be faxed to (571) 273-0140, or mailed to: Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

CH \$215.00 503822 77852804

EXHIBIT C
TRADEMARKS

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
KNO	77/852,804	10/20/2009
KNO	77/852,801	10/20/2009
KNO	77/852,890	10/20/2009
KNO	77/852,876	10/20/2009
V	77/749,287	06/01/2009
KAKAI	77/749,284	06/01/2009
KAKAI	77/738,422	05/15/2009
BREAK FREE	77/763,566	06/18/2009

square 1 bank

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT is entered into as of January 6, 2010 by and between **SQUARE 1 BANK** ("*Bank*") and **KAKAI, INC.**, a Delaware corporation ("*Grantor*").

RECITALS

A. Bank has agreed to make certain advances of money and to extend certain financial accommodation to Grantor (the "*Loans*") in the amounts and manner set forth in that certain Loan and Security Agreement by and between Bank and Grantor dated of even date herewith (as the same may be amended, modified or supplemented from time to time, the "*Loan Agreement*"; capitalized terms used herein are used as defined in the Loan Agreement).

B. Bank is willing to extend and to continue to extend financial accommodations to Grantor, but only upon the condition, among others, that Grantor shall grant to Bank a security interest in certain Copyrights, Trademarks and Patents to secure the obligations of Grantor under the Loan Agreement.

C. Pursuant to the terms of the Loan Agreement, Grantor has granted to Bank a security interest in all of Grantor's right, title and interest, whether presently existing or hereafter acquired, in, to and under all of the Collateral.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, as collateral security for the prompt and complete payment when due of the Obligations, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure the Obligations, Grantor grants and pledges to Bank a security interest in all of Grantor's right, title and interest in, to and under its Intellectual Property Collateral (including without limitation those Copyrights, Patents and Trademarks listed on Exhibits A, B and C hereto, and including without limitation all proceeds thereof (such as, by way of example but not by way of limitation, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all re-issues, divisions continuations, renewals, extensions and continuations-in-part thereof).

This security interest is granted in conjunction with the security interest granted to Bank under the Loan Agreement. The rights and remedies of Bank with respect to the security interest granted hereby are in addition to those set forth in the Loan Agreement and the other Loan Documents, and those which are now or hereafter available to Bank as a matter of law or equity. Each right, power and remedy of Bank provided for herein or in the Loan Agreement or any of the Loan Documents, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or remedy provided for herein and the exercise by Bank of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Loan Agreement or any of the other Loan

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Documents, or now or hereafter existing at law or in equity, shall not preclude the simultaneous or later exercise by any person, including Bank, of any or all other rights, powers or remedies.

Grantor represents and warrants that Exhibits A, B, and C attached hereto set forth any and all intellectual property rights in connection to which Grantor has registered or filed an application with either the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

SIGNATURE PAGE FOLLOWS

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2.



IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

GRANTOR:

Address of Grantor:

KAKAI, INC.

4655 Old-Ironside Drive, Suite 350
Santa Clara, CA 95054

By:

[Handwritten Signature]

Title:

CEO

BANK:

Address of Bank:

SQUARE 1 BANK

406 Blackwell Street, Suite 240
Durham, NC 27701
Attn: Loan Documentation Department

By:

Title:



**EXHIBIT A
COPYRIGHTS**

<u>Description</u>	<u>Registration Number</u>	<u>Registration Date</u>
None.		

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EXHIBIT B

PATENTS

<u>Description</u>	<u>Registration OR Serial Number</u>	<u>Registration OR Filing Date</u>
None.		

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