

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM478265

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	RELEASE OF SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
MARBLE BRIDGE FUNDING GROUP, INC.		08/29/2016	Corporation: CALIFORNIA
RECEIVING PARTY DATA			
Name:	Wave Systems Corp.		
Street Address:	401 Congress Avenue		
Internal Address:	Suite 2650		
City:	Austin		
State/Country:	TEXAS		
Postal Code:	78701		
Entity Type:	Corporation: DELAWARE		
PROPERTY NUMBERS Total: 6			
Property Type	Number	Word Mark	
Registration Number:	4267014	WAVE	
Registration Number:	2231459	WAVE	
Registration Number:	2579157	EMBASSY	
Registration Number:	4350318	EMBASSY	
Registration Number:	2763874	SMARTSAFE	
Registration Number:	4203741	SCRAMBLS	
CORRESPONDENCE DATA			
Fax Number:	5122874866		
<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>			
Phone:	512-656-7960		
Email:	brian.spross@jonespross.com		
Correspondent Name:	Brian Spross		
Address Line 1:	1605 Lakecliff Hills Lane		
Address Line 2:	Suite 100		
Address Line 4:	Austin, TEXAS 78732		
NAME OF SUBMITTER:	Brian Spross		
SIGNATURE:	/brian spross/		

OP \$165.00 4267014

DATE SIGNED:

06/15/2018

Total Attachments: 97

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: §
§
WAVE SYSTEMS CORP., § Case No. 16-10284 (KJC)
§
Debtor. § Chapter 11

NOTICE OF (I) ENTRY OF ORDER CONFIRMING, AND OCCURRENCE OF
EFFECTIVE DATE OF, AMENDED CHAPTER 11 PLAN OF DEBTOR; AND
(II) CERTAIN RELEASES AND INJUNCTION THEREUNDER

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. Confirmation of the Plan.

On August 25, 2016, the United States Bankruptcy Court for the District of Delaware (the “**Bankruptcy Court**”) entered an order [Docket No. 303] (the “**Confirmation Order**”) confirming the *Amended Plan of Reorganization of the Debtor Dated August 23, 2016* [Docket No. 285] (collectively with all exhibits and supplements and any modifications or other amendments thereto, the “**Plan**”) in the chapter 11 case of the above-captioned debtor (the “**Debtor**”). Capitalized terms used but not defined in this Notice have the meanings given to them in the Plan and the Confirmation Order.

2. Occurrence of the Effective Date; Distribution Trustee; Vesting of Assets.

Pursuant to section 13.2 of the Plan, the Plan became effective on August 29, 2016 (the “**Effective Date**”). As of the Effective Date, among other things, (a) the Debtor continues in existence as the Reorganized Debtor; (b) the Distribution Trustee was appointed with the power to exercise the rights, power, and authority of the Distribution Trust under applicable provisions of the Plan, Distribution Trust Agreement, and bankruptcy and non-bankruptcy law; and (c) except as otherwise provided in the Plan, all property of the Estate and the Debtor (other than the Distribution Trust Assets) became the property of, and vested in, the Reorganized Debtor free and clear of all Claims, Liens, charges, other encumbrances, and interests. Except as otherwise provided in the Plan and Distribution Trust Agreement, all distributions to be made to creditors under the Plan shall be made by the Distribution Trustee (or his or her designated agent).

3. Resolution of Disputed Claims.

Except as otherwise provided in Article VII of the Plan, unless otherwise ordered by the Bankruptcy Court after notice and a hearing, and subject to section 502(a) of the Bankruptcy Code, the Distribution Trustee on behalf of the Distribution Trust has the right to make, file, prosecute, settle, compromise, withdraw, or resolve objections to Claims. Further, the Distribution Trustee may settle, resolve, release, or compromise any Claims and objections to Claims on behalf of the Distribution Trust without need for notice or order of the Bankruptcy Court.

4. Releases; Exculpation; Injunction.

Discharge. To the fullest extent provided under section 1141(d)(1)(A) and other applicable provisions of the Bankruptcy Code, except as otherwise expressly provided by the Plan or the Confirmation Order, upon the Effective Date, the Debtor and its estate will be deemed discharged and released under and to the fullest extent provided under section 1141(d)(1)(A) and other applicable provisions of the Bankruptcy Code from any and all Claims, causes of action and Equity Interests of any kind or nature whatsoever, whether known or unknown, including any interest accrued on such Claims from and after the Petition Date, liabilities of, Liens on, obligations of, rights against, and Equity Interests in the Debtor or any of its assets or properties, and regardless of whether any property will have been distributed or retained pursuant to the Plan on account of such Claims or Equity Interests, including, but not limited to, demands and liabilities that arose before the Confirmation Date, and all debts of the kind specified in section 502(g), 502(h), or 502(i) of the Bankruptcy Code. The Confirmation Order shall be a judicial determination of the discharge of all Claims and causes of action against and Equity Interests in the Debtor, subject to the occurrence of the Effective Date.

Injunction. Except as otherwise expressly provided in the Plan, the discharge and releases set forth in Section 11.1 shall also operate as an injunction permanently prohibiting and enjoining the commencement or continuation of any action or the employment of process with respect to, or any act to collect, recover from, or offset (except for offsets exercised prior to the Petition Date) any Claim or Interest or cause of action, whether known or unknown that is discharged and released in Section 11.1 . Except as otherwise expressly provided in the Plan, all Persons shall be precluded and forever barred from asserting against the Debtor, its estate or the Reorganized Debtor, their successors or assigns, or their assets, properties, or interests in property any other or further Claims or Interests, or causes of action, or any other right to legal or equitable relief regardless of whether such right can be reduced to a right to payment, based upon any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date, whether or not the facts of or legal bases therefor were known or existed prior to the Effective Date.

Except as otherwise expressly provided in the Plan, as of the Effective Date there shall be an injunction permanently prohibiting and enjoining the commencement or continuation of any action or the employment of process with respect to, or any act to collect, recover from, or offset (except for offsets exercised prior to the Petition Date) any Claim or Interest or cause of action, whether known or unknown against the Protected Parties that are released under section 11.5 of the Plan. Except as otherwise expressly provided in the Plan, all Persons shall be precluded and forever barred from asserting against the Protected Parties, their successors or assigns, or their assets, properties, or interests in property any Claims or Interests, or causes of action, or right to legal or equitable relief released under section 11.5 of the Plan, regardless of whether such right can be reduced to a right to payment, based upon any act or omission, transaction, or other activity of any kind or nature that occurred prior to the Effective Date, whether or not the facts of or legal bases therefor were known or existed prior to the Effective Date.

Terms of Existing Injunctions or Stays. All injunctions or stays arising under or entered during the Bankruptcy Case under section 105 or 362 of the Bankruptcy Code, or otherwise, that are in existence on the Confirmation Date shall remain in full force and effect until the Effective

Date, *provided, however*, that no such injunction or stay shall preclude enforcement of parties' rights under the Plan and the related documents.

Exculpation. The Chapter 7 Trustee, the Chapter 11 Trustee and their respective professionals will neither have nor incur any liability to any entity for any claims or causes of action arising before, on or after the Petition Date and prior to or on the Effective Date for any act taken or omitted to be taken in connection with, or related to formulating, negotiating, preparing, disseminating, implementing, administering, confirming or effecting the consummation of the Plan, the Disclosure Statement, or any other contract, instrument, release or other agreement or document created or entered into in connection with the Plan or any other postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtor, the approval of the Disclosure Statement or Confirmation or consummation of the Plan; provided, however, that the foregoing provisions will have no effect on the liability of any entity that results from any such act or omission that is determined in a Final Order of the Bankruptcy Court or other court of competent jurisdiction to have constituted gross negligence or willful misconduct; provided, further, that the Chapter 7 Trustee and the Chapter 11 Trustee will be entitled to rely upon the advice of counsel concerning their duties pursuant to, or in connection with, the above referenced documents, actions or inactions.

Releases by the Debtor. Notwithstanding anything to the contrary in the Plan, effective as of the Effective Date, for good and valuable consideration provided by each of the Released Parties, the adequacy of which is hereby acknowledged and confirmed, the Debtor will be deemed to have conclusively, absolutely, unconditionally, irrevocably, and forever provided a full waiver and release to the Released Parties and their respective related parties (and each such Released Party and their respective related parties so released shall be deemed forever released, and waived by the Debtor Releasing Parties) and their respective properties from any and all claims that the Debtor and their respective related parties would have been legally entitled to assert in their own right, on behalf of one another, or on behalf of another party against the Released Parties or their respective related parties; provided, however, that the foregoing provisions of this release shall not operate to waive or release (i) any Distribution Trust Action expressly set forth in and preserved by the Plan or the Plan Supplement; (ii) the rights of the Debtor to enforce the Plan and the contracts, instruments, releases and other agreements or documents delivered under or in connection with the Plan or assumed pursuant to the Plan or assumed pursuant to final order of the Bankruptcy Court; and/or (iii) any claims or defenses against third party.

The foregoing release shall be effective as of the Effective Date without further notice to or order of the Bankruptcy Court, act or action under applicable law, regulation, order, or rule or the vote, consent, authorization or approval of any person and the Confirmation Order will permanently enjoin the commencement or prosecution by any person or entity, whether directly, derivatively or otherwise, of any claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action, or liabilities released pursuant to this release. For purposes of this release, and without limiting the scope of the foregoing, the Debtor is specifically not releasing the Distribution Trust Actions.

Notwithstanding the foregoing, the provisions of this section 11.4 will have no effect on the liability of the Chapter 7 Trustee, the Chapter 11 Trustee or their respective professionals that

results from any act or omission that is determined in a Final Order of the Bankruptcy Court or other court of competent jurisdiction to have constituted gross negligence or willful misconduct.

Releases by the Holders of Claims. To the extent allowed by applicable law, on, and as of, the Effective Date and for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Protected Parties (acting in any capacity whatsoever) shall be forever released from any and all claims, obligations, actions, suits, rights, debts, accounts, causes of action, remedies, avoidance actions, agreements, promises, damages, judgments, demands, defenses, or claims in respect of equitable subordination, and liabilities throughout the world under any law or court ruling through the Effective Date (including all claims based on or arising out of facts or circumstances that existed as of or prior to the Plan in the Bankruptcy Case, including claims based on negligence or strict liability, and further including any derivative claims asserted on behalf of the Debtor, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity or otherwise, that the Debtor, its Estate, or the Reorganized Debtor would have been legally entitled by applicable law to assert in its own right, whether individually or collectively) which the (a) Creditors who are Unimpaired, (b) Creditors who voted to accept or reject the Plan and did not check the opt-out box on the ballot, and (c) creditors who were sent a solicitation package but did not vote and did not return a ballot with the opt-out box checked, have or may have against any of the Protected Parties in any way related to the Bankruptcy Case or the Debtor (or its predecessors); provided however that the release provided in this section shall not apply to any Creditor in category (c) above if the solicitation package was returned to the Chapter 11 Trustee as undelivered, and that such Creditor did not otherwise file a ballot;¹ provided further, however, the releases provided for in this paragraph shall not extend to any claims by any Governmental Unit with respect to criminal liability under applicable law, willful misconduct or bad faith under applicable law, or *ultra vires* acts under applicable law. No compliance with or reliance on the applicable law or the orders of the Bankruptcy Court shall be deemed or permitted to be judged, declared, or ruled to be in any way wrongful, in bad faith, *ultra vires*, inequitable or otherwise subject to any sanction or punishment, all of which are preempted, superseded and negated by the Plan to the maximum extent permitted by applicable law.

With respect to any Creditor who is unimpaired and therefore grants a release under this section, to the extent such Creditor has an impaired Claim in Class 3 or 4, and checks the box on the ballot to opt-out of the releases under this section, or holds an Equity Interest in Class 5, such a Creditor shall not provide the release in this section on account of its impaired Claim where such Creditor opted-out of such release. Nor shall such Creditor provide a release on account of its Equity Interest.

Notwithstanding the foregoing, the provisions of this section will have no effect on the liability of the Chapter 7 Trustee, the Chapter 11 Trustee or their respective professionals that results from any act or omission that is determined in a Final Order of the Bankruptcy Court or other court of competent jurisdiction to have constituted gross negligence or willful misconduct.

¹ Within ten (10) days after the Effective Date, the Debtor or its claims agent shall file a declaration specifying the name of any claimholder whose solicitation package was returned undelivered, and as to which the Debtor did not receive a ballot

For the avoidance of doubt, nothing in Article XI of the Plan shall prevent the enforcement of the terms of the Plan. Further, no Interest Holder will be deemed to consent to provide any release set forth in this section.

Limitation of Liability. The Protected Parties shall have all of the benefits and protections afforded under section 1125(e) of the Bankruptcy Code and applicable law.

5. Rejection of Executory Contracts and Unexpired Leases Not Assumed.

Except as otherwise provided (i) in the Plan; (ii) in the Schedule of Assumed Contracts and Unexpired Leases [Docket No. 260]; (iii) in any contract, instrument, release, or other agreement or document entered into in connection with the Plan; or (iv) in a Final Order of the Bankruptcy Court, as of the Effective Date, pursuant to section 365 of the Bankruptcy Code, the Debtor rejected each executory contract and unexpired lease not previously assumed, assumed and assigned, or rejected during the Bankruptcy Case. For the avoidance of doubt, executory contracts and unexpired leases listed on Exhibit B to the Plan were assumed as of the Effective Date, pursuant to section 365 of the Bankruptcy Code and the terms of the Confirmation Order. For the avoidance of doubt, the Chapter 11 Trustee, subject to the agreement of the Plan Sponsor, shall have the right to assume all executory contracts entered into by the Chapter 7 Trustee or the Chapter 11 Trustee postpetition prior to the Effective Date.

6. Bar Dates.

a. Administrative Bar Date. Unless previously filed or as otherwise governed by a bar date order or in another order of the Court, requests for payment of Administrative Claims must be filed with the Court and served on the parties identified in section 13.12 of the Plan by **September 28, 2016 at 4:00 p.m. (ET)** (the “**Administrative Claim Bar Date**”). Holders of Administrative Claims that are required to file and serve a request for payment of such Administrative Claims and that do not file and serve such a request by the Administrative Claim Bar Date shall be forever barred from asserting such Administrative Claims against the Debtor, the Estate, or its property, absent order of the Court to the contrary. Objections to any requests for payment of Administrative Claims must be asserted by the Claim Objection Deadline. Notwithstanding the foregoing, a governmental unit shall not be required to file and serve a request for payment of an Administrative Claim with respect to any administrative expense of the type described in section 503(b)(1)(B) or section 503(b)(1)(C) of the Bankruptcy Code as a condition to such amounts being an allowed administrative expense. Notice of the Administrative Claim Bar Date was previously provided to parties in interest, and nothing in this Notice is intended to extend the Administrative Claim Bar Date or recommence the occurrence of the Administrative Claim Bar Date.

b. Professional Compensation. Each Professional shall file an application for allowance of final compensation and reimbursement of expenses in the Bankruptcy Case, for the period through the Effective Date, no later than **October 13, 2016**, which is forty-five (45) days after the Effective Date.² Objections to applications of professionals for compensation or reimbursement of expenses must be filed and served on the Reorganized Debtor, the U.S.

² The Chapter 7 Trustee and the Chapter 11 Trustee shall not be subject to such deadline.

Trustee, and the professionals to whose application the objections are addressed no later than twenty-one (21) days after the date the application is served, or the Bankruptcy Court may enter an order authorizing the fees without a hearing. Any professional fees and reimbursements or expenses incurred by the Reorganized Debtor subsequent to the Effective Date may be paid without application to the Bankruptcy Court.

c. Rejection Damages Bar Date. Claims arising out of the rejection of an executory contract or unexpired lease pursuant to section 8.2 of the Plan must be filed on or before **September 28, 2016**, which is thirty (30) days after the Effective Date. Any such Claims not timely filed shall be forever barred from asserting such Claims against the Debtor, the Reorganized Debtor, the Estate, the Distribution Trust, or their respective property, absent order of the Court to the contrary.

d. Filing Rejection Damage Claims with Claims Agent. Proofs of Claim arising from the rejection of executory contracts or unexpired leases should be filed with the Court approved claims and noticing agent UpShot Services LLC ("**UpShot**"). Proofs of Claim may be filed electronically via UpShot's website: <http://www.upshotservices.com/wavesystems>. Further instructions regarding electronic filing can be found on the Claims Agent's website.

If you wish to file a Proof of Claim via submission of a hard copy, the hard copy must be delivered so as to be received by UpShot on or before the applicable Bar Date at the following address:

**Wave Systems Claims Processing
c/o UpShot Services LLC
8269 E. 23rd Avenue, Suite 275
Denver, CO 80238**

Proof of Claim forms may be obtained from UpShot's website: <http://www.upshotservices.com/wavesystems> or by calling (855) 812-6112

All proofs of claim arising from the rejection of executory contracts or unexpired leases must be filed by September 28, 2016. Proofs of Claim submitted by facsimile or e-mail shall not be accepted.

7. Retention of Jurisdiction by Bankruptcy Court.

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court retained jurisdiction over the Bankruptcy Case after the Effective Date to the fullest extent legally permissible, including, without limitation, with respect to all matters specified in Article XII of the Plan.

8. Post-Confirmation Service List.

If you wish to receive copies of court filings after the Effective Date, you must make such request in writing to counsel to the Distribution Trustee at the address listed in 9(a) below. You must make such request in writing to counsel to the Distribution Trustee even if you previously filed with the Court a request for service under Rule 2002 of the Bankruptcy Rules.

9. Notice Parties' Service Addresses.

For purposes of serving requests for payment of Administrative Claims, applications for allowance of Fee Claims, and any other papers required to be served on the notice parties set forth in the Plan, such service should be made, as applicable, on:

- a. counsel to the Distribution Trustee:

Archer & Greiner, P.C.
Attn: Alan M. Root
300 Delaware Avenue, Suite 1100
Wilmington, DE 19801
Email: aroot@archerlaw.com
Fax: 302-777-4352

- b. counsel to the Chapter 11 Trustee:

Archer & Greiner, P.C.
Attn: Alan M. Root
300 Delaware Avenue, Suite 1100
Wilmington, DE 19801
Email: aroot@archerlaw.com
Fax: 302-777-4352

- c. counsel to the Reorganized Debtor,

Haynes and Boone, LLP,
30 Rockefeller Plaza, 26th Floor,
New York, NY 10112,
Attention: Trevor R. Hoffmann, Esq.
Email: trevor.hoffmann@haynesboone.com;

and

Haynes and Boone, LLP
1221 McKinney Street, Suite 2100,
Houston, Texas 77010
Attention: Arsalan Muhammad, Esq.
Email: arsalan.muhammad@haynesboone.com

- d. U.S. Trustee (for service of Fee Claims only):

Juliet Sarkessian
Trial Attorney
United States Department of Justice

Office of the United States Trustee
J. Caleb Boggs Federal Building
844 King Street, Suite 2207
Lockbox 35
Wilmington, DE 19801
Tel: 302-573-6008
Fax: 302-573-6497
Juliet.M.Sarkessian@usdoj.gov

10. Copies of Confirmation Order.

Copies of the Plan and the Confirmation Order may be obtained for free at <http://www.upshotservices.com/wavesystems> or upon request from counsel to the Distribution Trustee, whose contact information is in 9(a) above.

Dated: August 29, 2016

By: /s/ Alan M. Root
Alan M. Root (# 5427)
ARCHER & GREINER
A Professional Corporation
300 Delaware Avenue, Suite 1100
Wilmington, DE 19801
Telephone: 302-777-4350
Facsimile: 302-777-4352
Email: aroot@archerlaw.com

Counsel to the Distribution Trustee

114784553v3

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

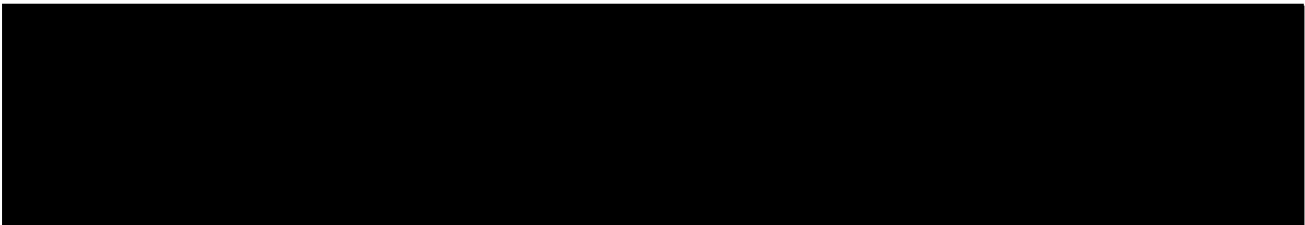
In re:	§	Chapter 11
	§	
WAVE SYSTEMS CORP.,	§	Case No. 16-10284 (KJC)
	§	
Debtor.	§	
	§	Re: Dkt. Nos. 247, 273, 285, 287, 288, 289

**ORDER CONFIRMING AMENDED
PLAN OF REORGANIZATION OF THE DEBTOR DATED AUGUST 23, 2016**

The Chapter 11 Trustee for the above-captioned debtor (the “**Debtor**”) having filed (i) the *Amended Plan of Reorganization of the Debtor dated August 23, 2016* [Docket No. 285], (ii) the *Plan Supplement Relating to the Plan of Reorganization of the Debtor* [Docket No. 273], and (iii) the *Amendment to Plan Supplement Relating to the Plan of Reorganization of the Debtor* [Docket No. 287] (collectively with all exhibits and any other modifications, amendments, or supplements thereto, the “**Plan**”);¹ the Court having entered, on July 19, 2016, the *Order (I) Approving the Disclosure Statement for the Plan of Reorganization of Wave Systems Corp., (II) Determining Dates, Procedures, and Forms Applicable to the Solicitation Process, (III) Establishing Voting Tabulation Procedures, (IV) Establishing an Objection Deadline and Scheduling a Hearing to Consider Confirmation of the Plan of Reorganization of Wave Systems Corp., and (V) Establishing Procedures Regarding Executory Contracts and Unexpired Leases* [Docket No. 250] (the “**Disclosure Statement Order**”), establishing, among other things, certain solicitation and voting tabulation procedures associated with the Plan; true and correct copies of the Plan being attached hereto as **Exhibit A**; the Court having conducted an evidentiary hearing to consider confirmation of the Plan on August 25, 2016, (the “**Confirmation Hearing**”);

¹ Capitalized terms used but not defined herein have the meanings given to them in the Plan.

the Court having considered: (a) the witness testimony at the Confirmation Hearing, as well as the declarations included among the exhibits admitted into evidence at the Confirmation Hearing, including (i) the *Declaration of David W. Carickhoff, Chapter 11 Trustee, in Support of Request for an Order Confirming Chapter 11 Plan of Reorganization of Debtor* [Docket No. 289] (the “**Trustee Declaration**”) and (ii) the *Certification of UpShot Services LLC Regarding Tabulation of Votes in Connection with the Chapter 11 Plan of Reorganization* [Docket No. 290] (the “**Voting Certification**”) and, together with the Trustee Declaration, the “**Declarations**”);



and (e) the additional filings made by the Chapter 11 Trustee in support of the Plan, including (i) the *Memorandum of Law in Support of the Chapter 11 Trustee's Request for an Order Confirming the Plan of Reorganization of the Debtor* [Docket No. 288] (the “**Confirmation Memorandum**”), and (ii) the series of Plan-related affidavits of service filed by UpShot Services LLC (“**UpShot**”), the Chapter 11 Trustee’s claims, noticing, balloting, and solicitation agent in this Bankruptcy Case, including Docket Nos. 254, 255, 262, 269, 274, 275 & 276 (collectively, the “**UpShot Service Affidavits**”); and the Court being familiar with the Plan, the Disclosure Statement and the relevant facts and circumstances concerning this Bankruptcy Case; the Court having taken judicial notice of the entire docket of this Bankruptcy Case and all pleadings and other documents filed, all orders entered, and evidence and arguments made, proffered, or adduced at the hearings held before the Court during this Bankruptcy Case; the Court having found that due and proper notice has been given with respect to the Confirmation Hearing and the deadlines and procedures for voting on

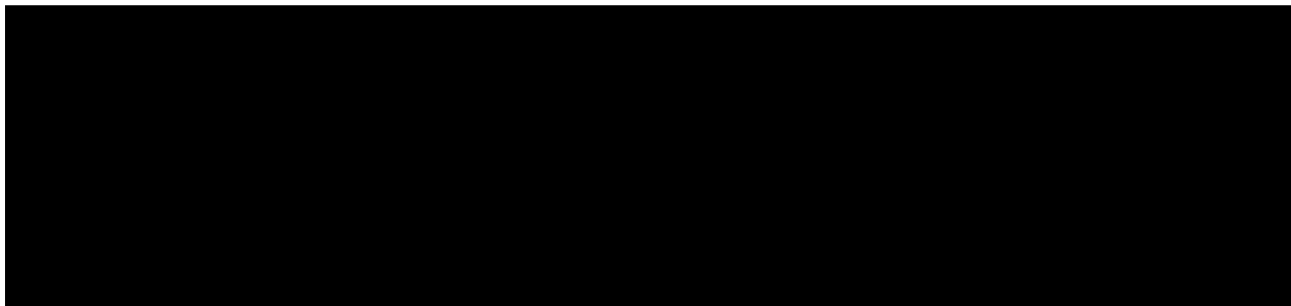
the Plan and asserting objections to the Plan consistent with the Disclosure Statement Order; the appearance of all interested parties having been duly noted in the record of the Hearing; and upon the record of the Confirmation Hearing, and after due deliberation thereon, and sufficient cause appearing therefor:

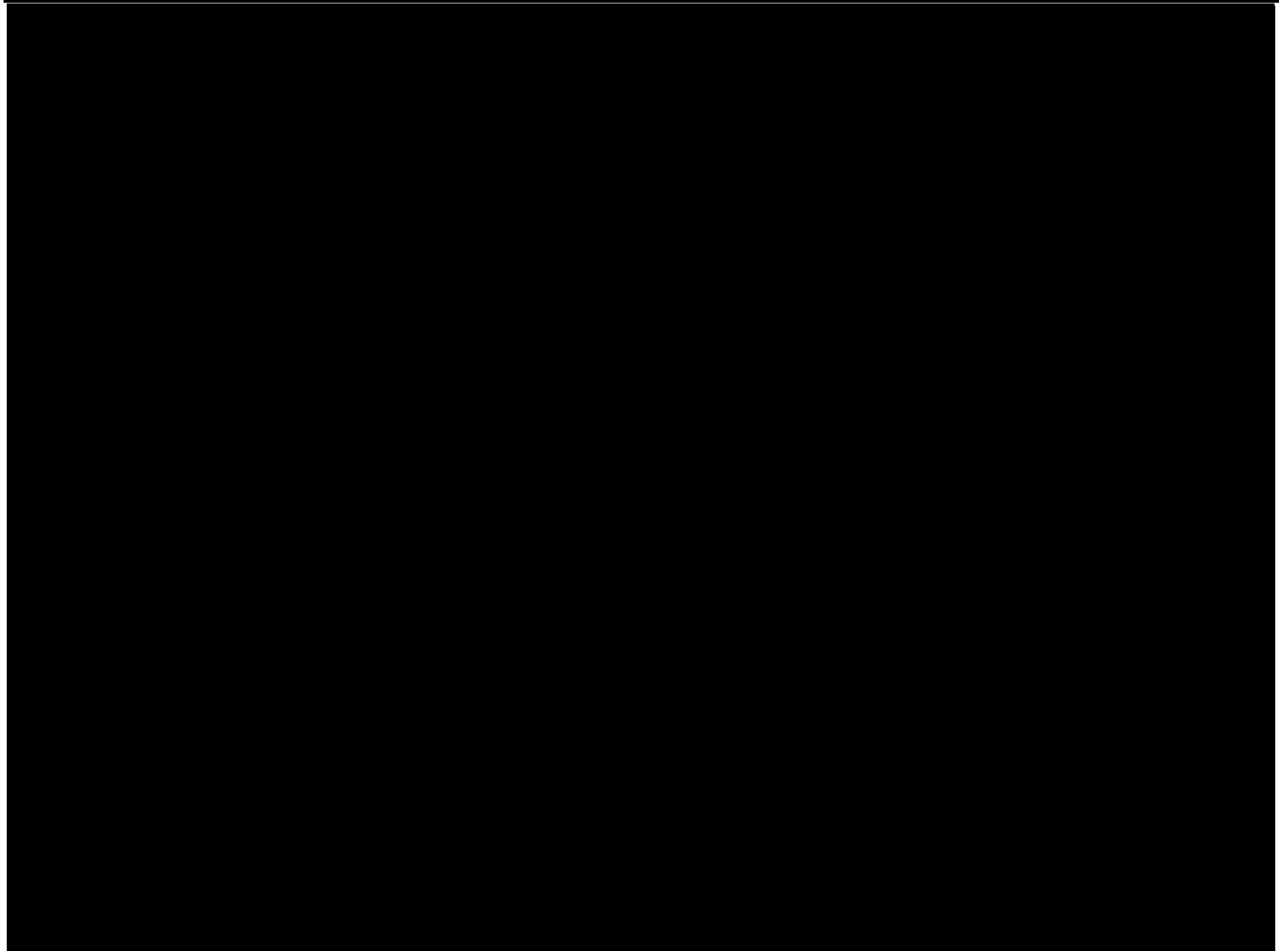
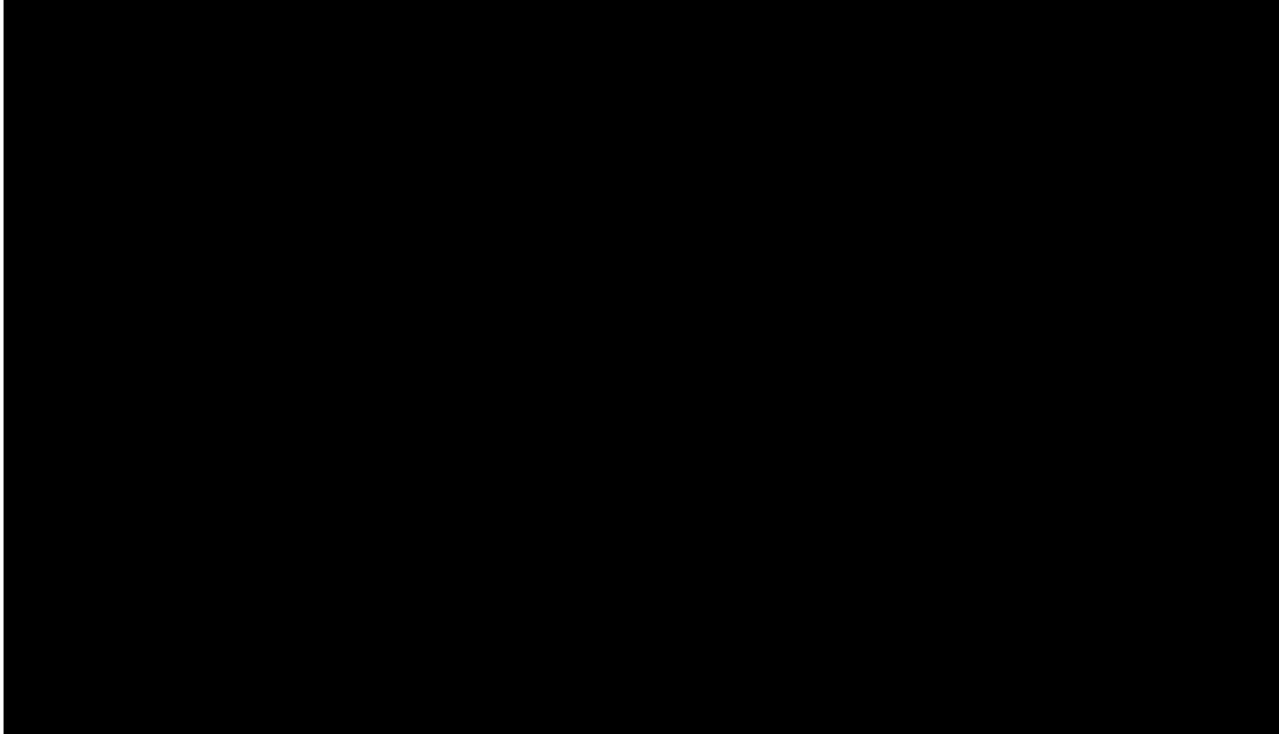
FINDINGS OF FACT AND CONCLUSIONS OF LAW

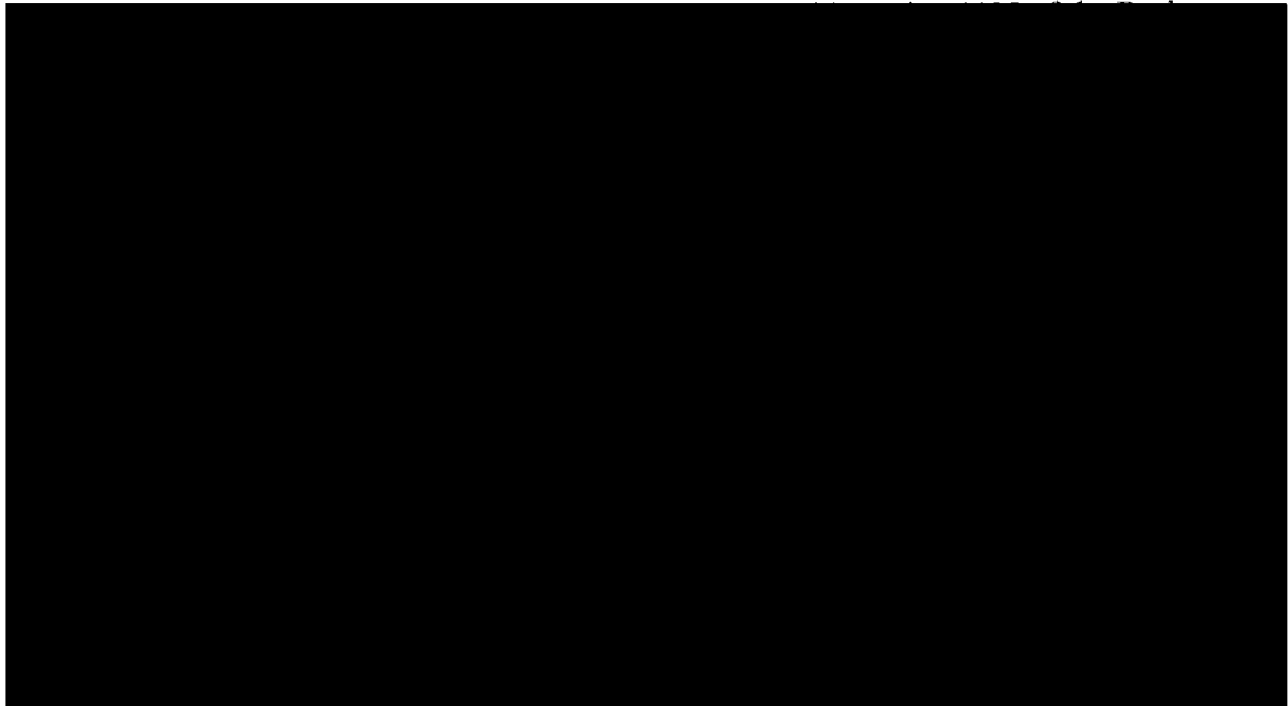
A. Findings of Fact and Conclusions of Law. The findings set forth herein and on the record of the Confirmation Hearing constitute the Court's findings of fact pursuant to Rule 52 of the Federal Rules of Civil Procedure, as made applicable herein by Bankruptcy Rules 7052 and 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. Judicial Notice. The Court takes judicial notice of the docket of the Bankruptcy Case maintained by the Clerk of the Court, including, without limitation, all pleadings and other documents filed, all orders entered, and all evidence admitted and arguments made at the hearings held before the Court during the pendency of the Bankruptcy Case.

C. Exclusive Jurisdiction; Core Proceeding; Venue. This Court has jurisdiction over the Bankruptcy Case and to confirm the Plan pursuant to 28 U.S.C. § 1334. Confirmation of the Plan is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper before this Court and in this District pursuant to 28 U.S.C. §§ 1408 and 1409.







N. Plan Supplement. On August 9, 2016, the Chapter 11 Trustee filed a supplement to the Plan [Docket No. 273] (the "**Original Plan Supplement**"), which included the (i) form of Amended and Restated Bylaws, (ii) form of Amended and Restated Certificate of Incorporation (together, with the foregoing item (i), the "**Charter Documents**"), (iii) Distribution Trust Agreement, and (iv) disclosures pursuant to section 1129(a)(5) of the Bankruptcy Code. On August 23, 2016, the Chapter 11 Trustee filed an amended Plan Supplement which contains non-material modifications to certain of the documents included in the Plan Supplement (collectively, with the Original Plan Supplement, the "**Plan Supplement**"). All information and documents included in the Plan Supplement and the amendment thereto are integral to, part of, and incorporated by reference into the Plan. The Plan Supplement complies with the terms of the Plan, and the filing and notice of such documents provided due, adequate, and sufficient notice in accordance with the Disclosure Statement Order, the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules, and no other or further notice is necessary or shall be

required. Consistent with the terms of the Plan, the Chapter 11 Trustee reserves his right to alter, amend, update, or modify the Plan Supplement before the Effective Date, subject to the requirements of 11 U.S.C. § 1127(b).

O. Modifications to the Plan. Subsequent to July 22, 2016, the deadline to distribute the Solicitation Packages in compliance with the Disclosure Statement Order, the Chapter 11 Trustee made certain modifications to the Plan and filed such modifications on August 23, 2016. All modifications to the Plan since the entry of the Disclosure Statement Order are consistent with the provisions of the Bankruptcy Code, including sections 1122, 1123, 1125, and 1127 of the Bankruptcy Code, including any modifications disclosed on the record at the Confirmation Hearing. Except as provided for by law, contract, or previous order of the Bankruptcy Court, none of the modifications to the Plan made since the commencement of solicitation materially and adversely affects the treatment of any holder of a Claim or Equity Interest under the Plan. Accordingly, pursuant to section 1127(a) of the Bankruptcy Code, none of the modifications require additional disclosure under section 1125 of the Bankruptcy Code or re-solicitation of votes under section 1126 of the Bankruptcy Code.

P. The filing of the Plan as modified and the disclosure of the Plan modifications on the record at or before the Confirmation Hearing constitute due, adequate, and sufficient notice of any and all of such modifications.

Q. In accordance with section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019, all holders of a Claim who voted to accept the Plan or who are conclusively presumed to have accepted the Plan are deemed to have accepted the Plan as modified. No holder of a Claim shall be permitted to change its vote as a consequence of the Plan modifications, unless otherwise agreed to by the holder of the Claim and the Chapter 11 Trustee.

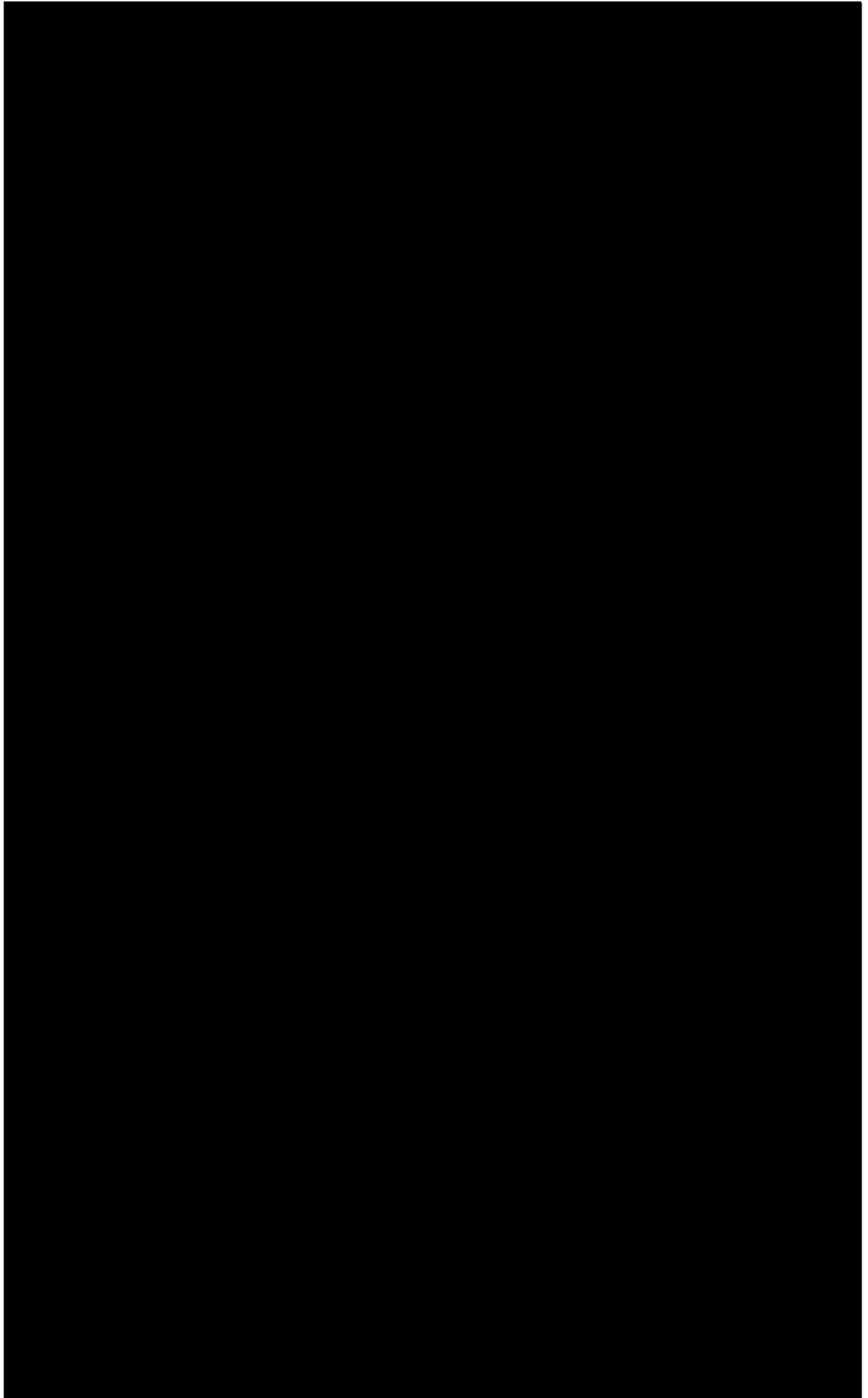
All modifications to the Plan made after the solicitation of the Plan are hereby approved, in accordance with section 1127 of the Bankruptcy Code and Bankruptcy Rule 3019. The Plan as modified shall constitute the Plan submitted for confirmation.

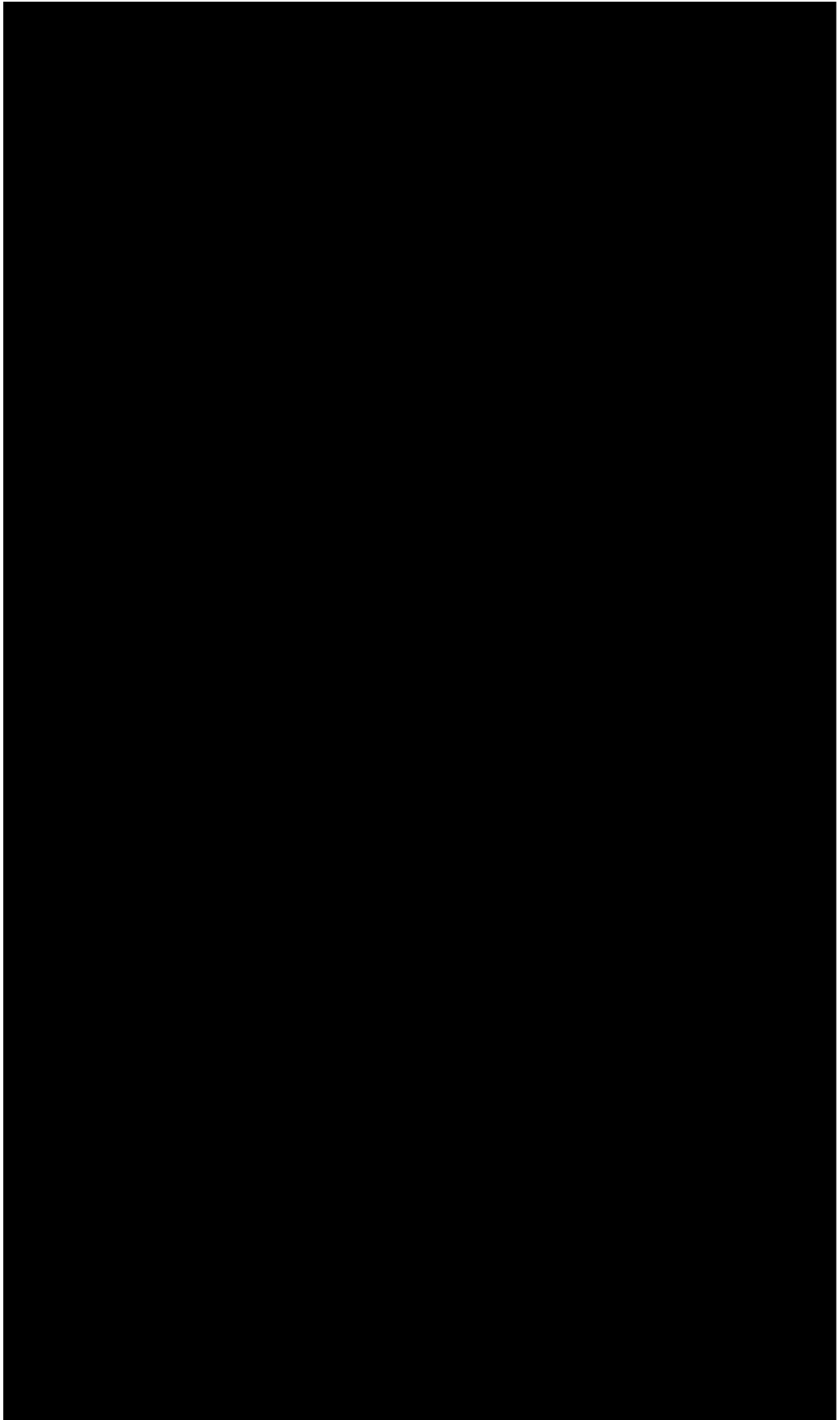
R. Bankruptcy Rule 3016. The Plan is dated and identifies its proponent in accordance with Bankruptcy Rule 3016(a). The filing of the Disclosure Statement on the docket of the Bankruptcy Case satisfied Bankruptcy Rule 3016(b).

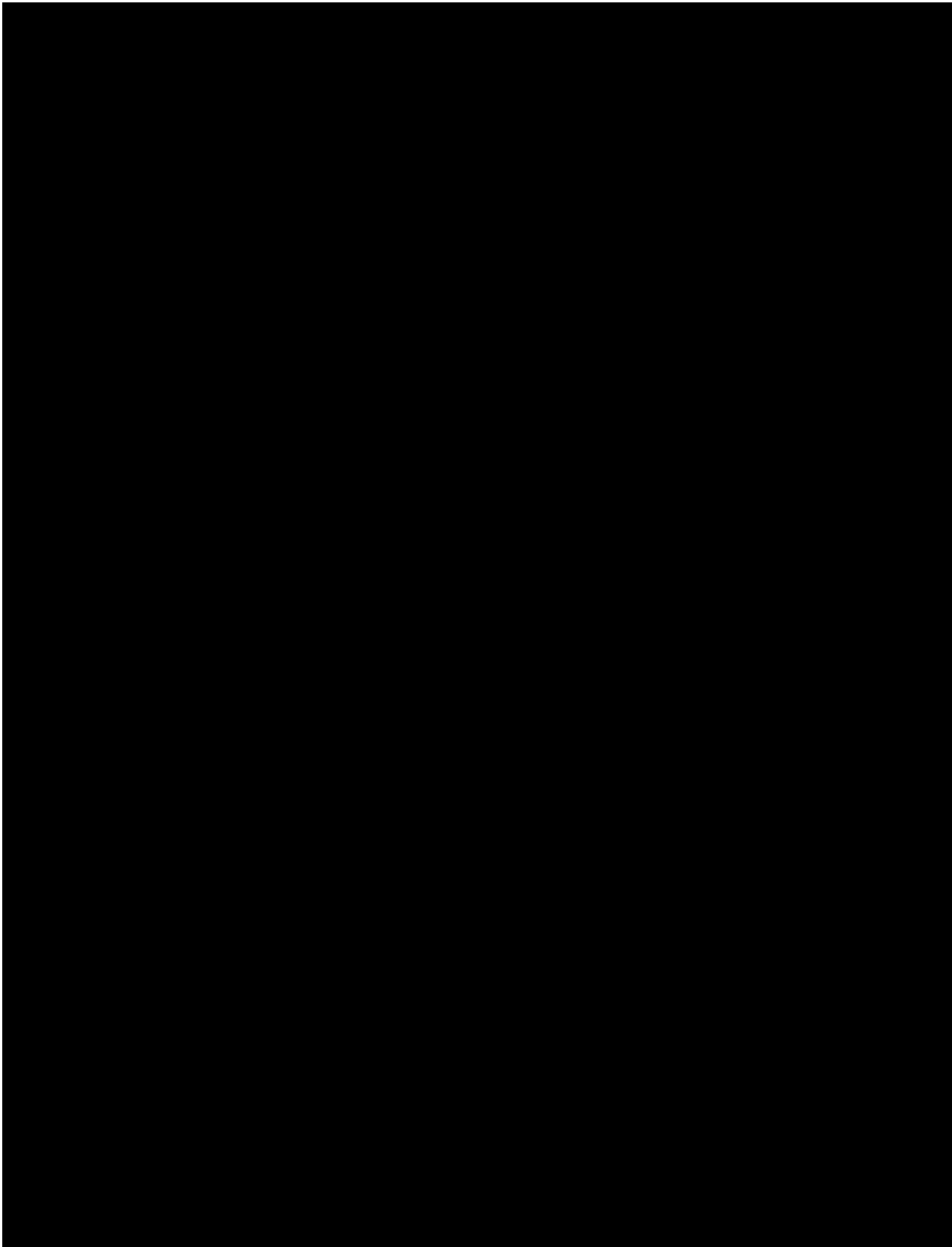
Compliance with Section 1129 of the Bankruptcy Code

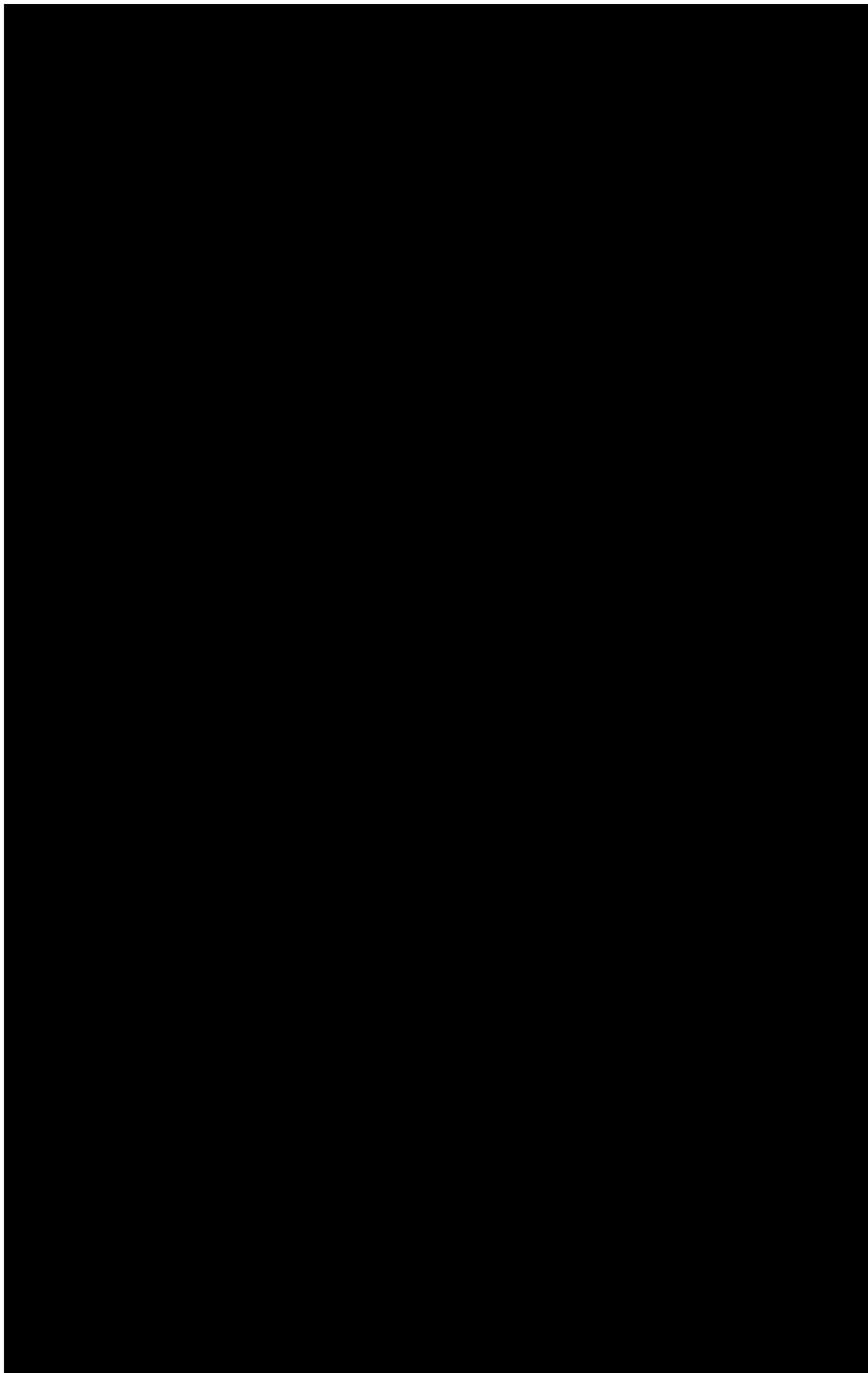
S. Burden of Proof. The Chapter 11 Trustee has met his burden of proving the elements of sections 1129(a) and (b) of the Bankruptcy Code by a preponderance of the evidence, which is the applicable standard.

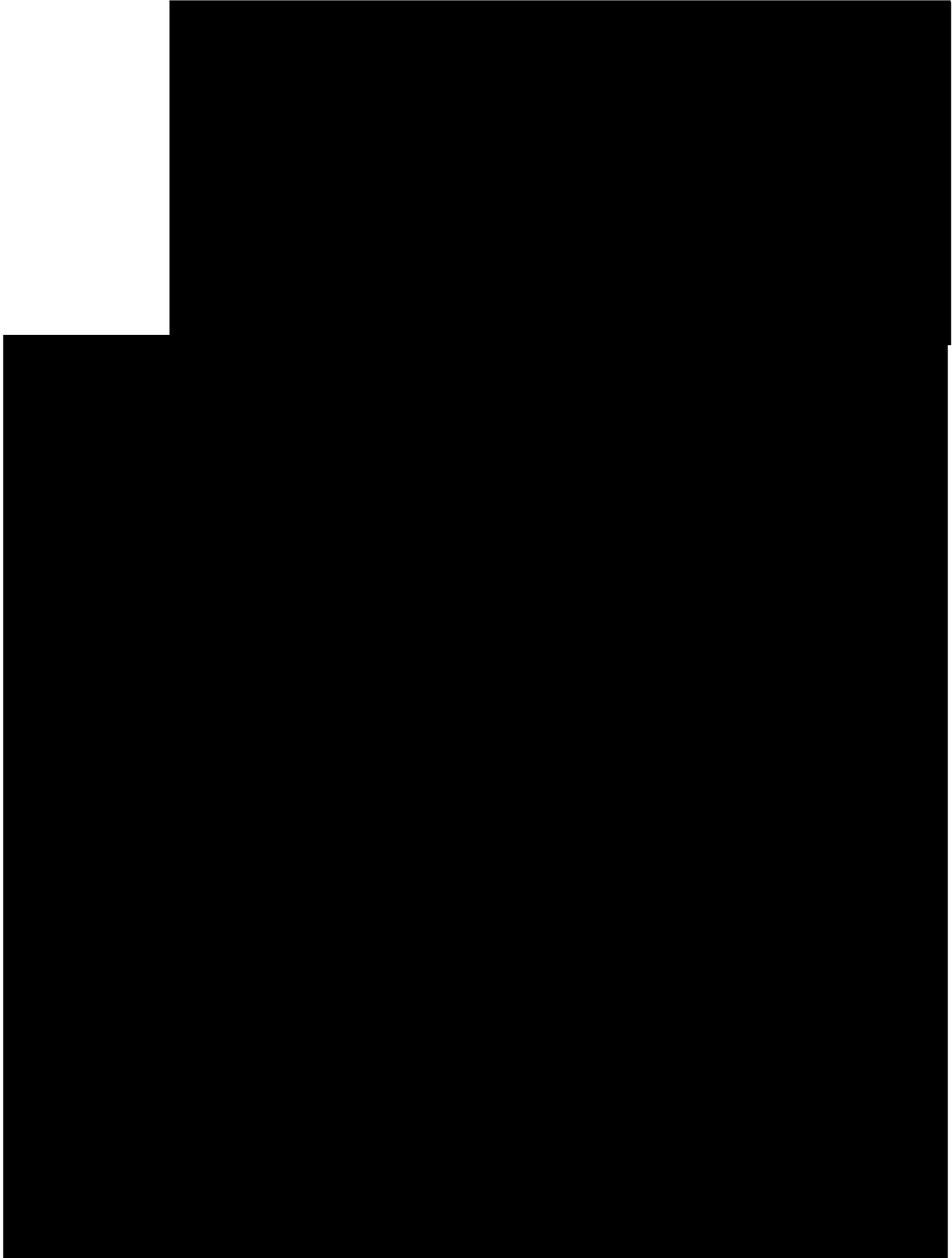
T. The Plan Complies With Section 1129(a) of the Bankruptcy Code. The evidentiary record at the Confirmation Hearing, the Declarations, the contents of the Plan and the Disclosure Statement, the UpShot Service Affidavits, the Confirmation Memorandum, and the Court's judicial notice of the complete record of this Bankruptcy Case support the findings of fact and conclusions of law set forth herein.

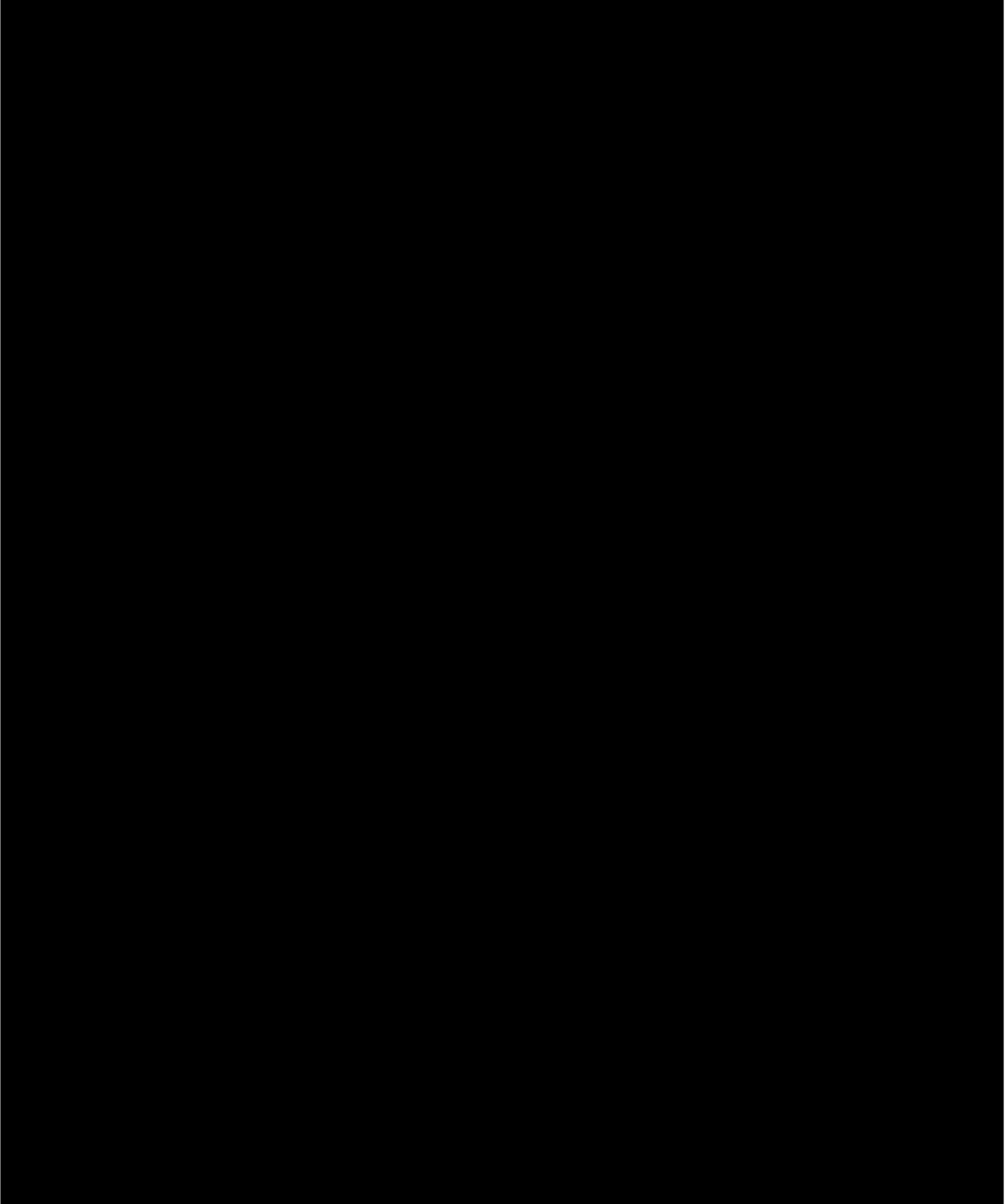


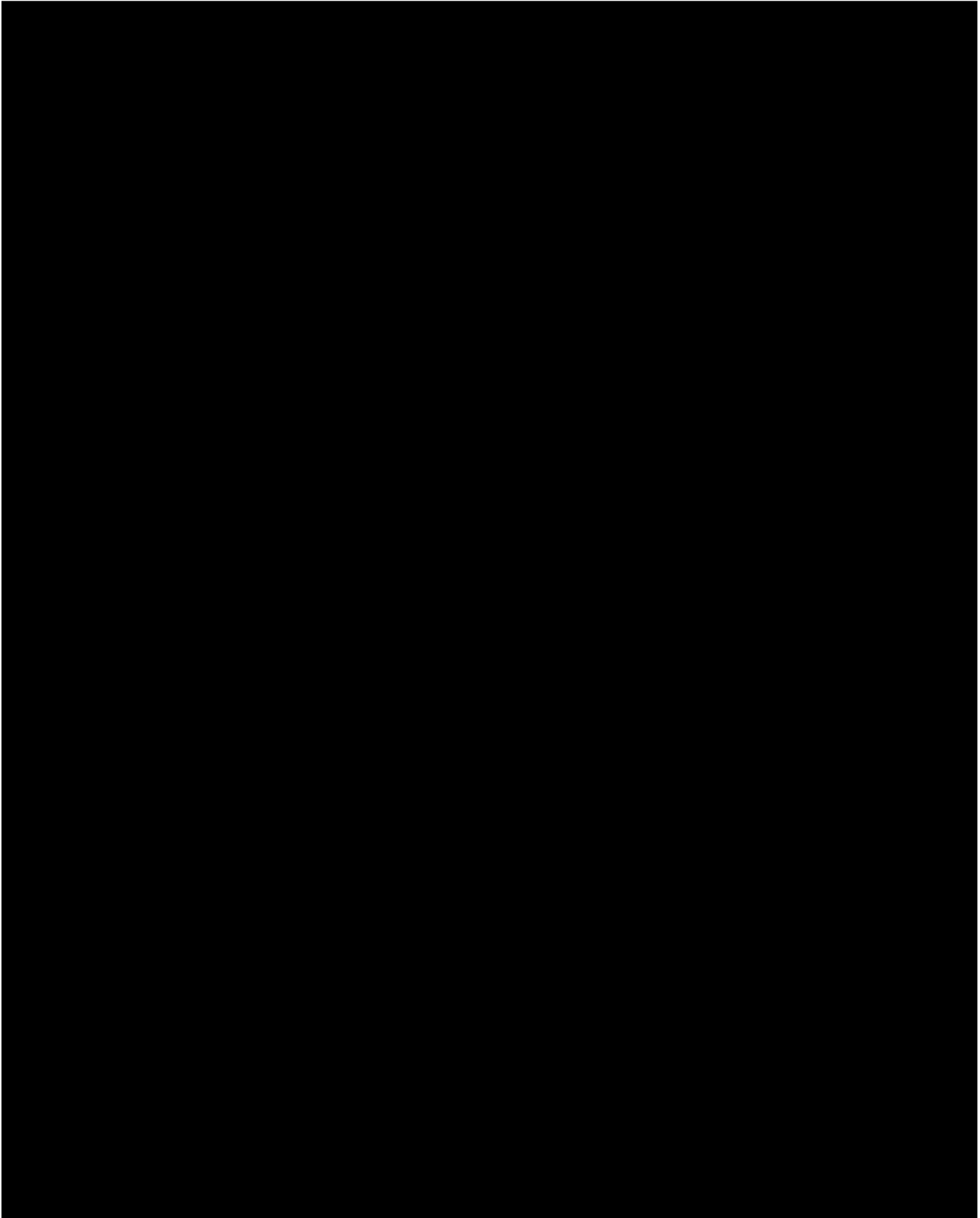


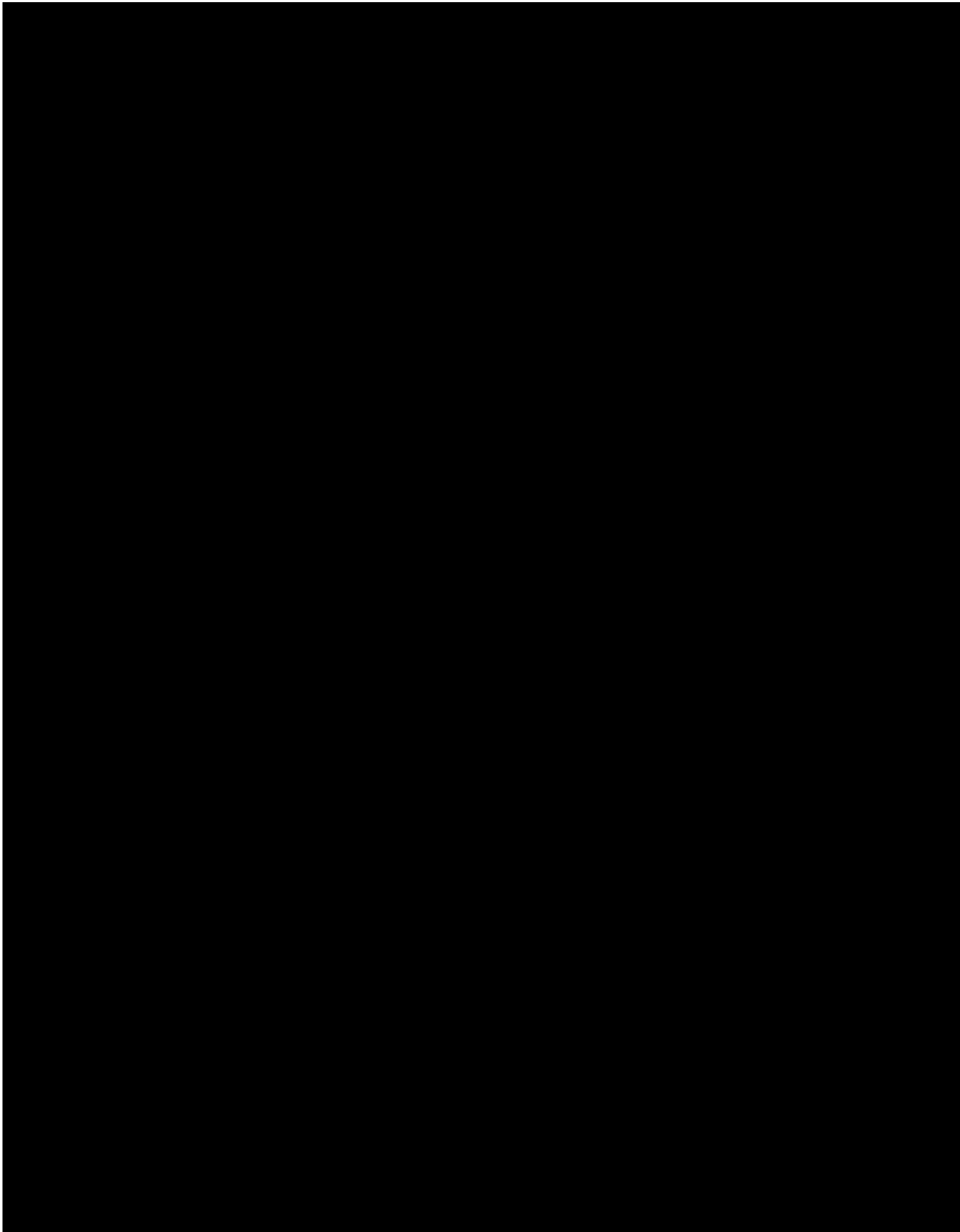


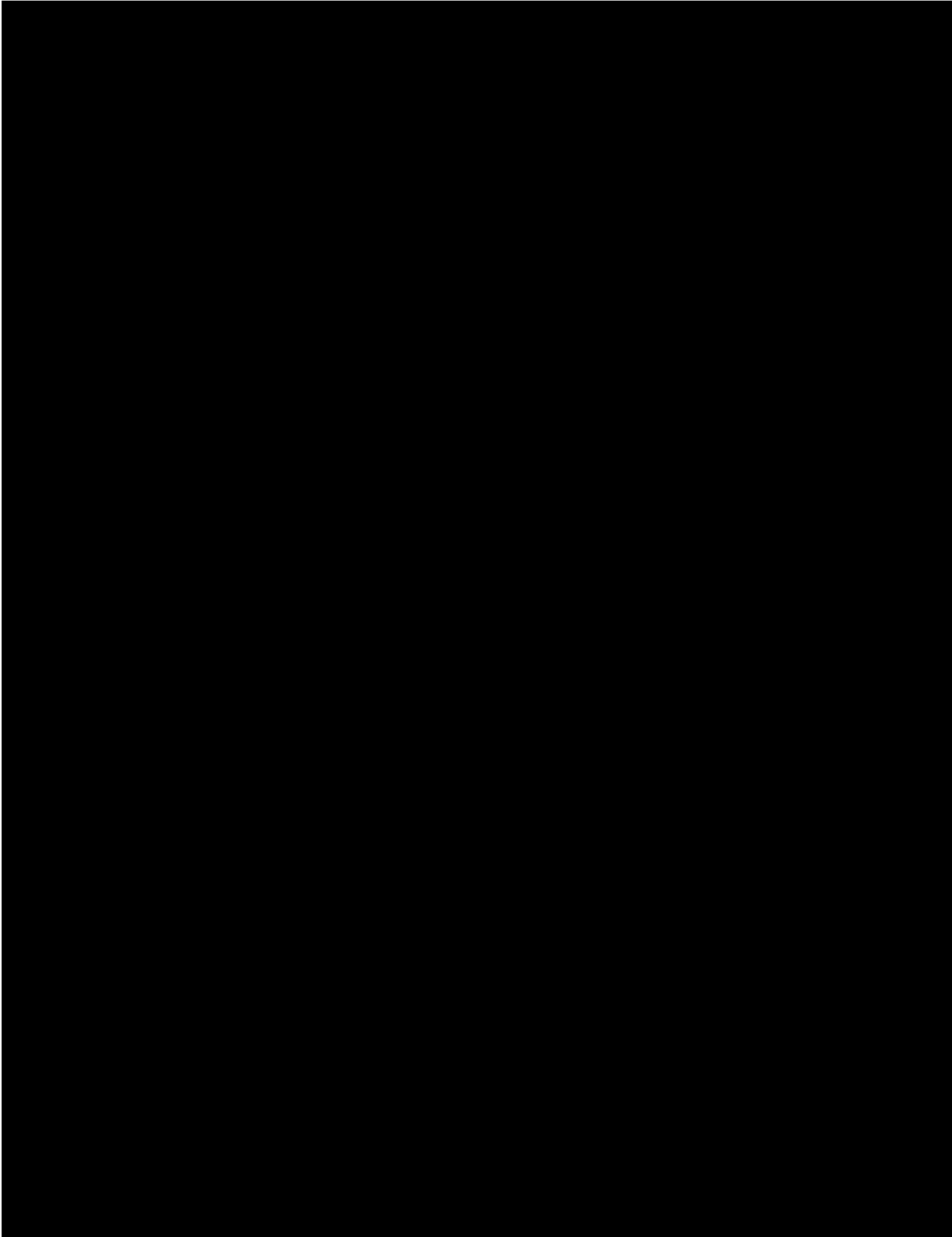


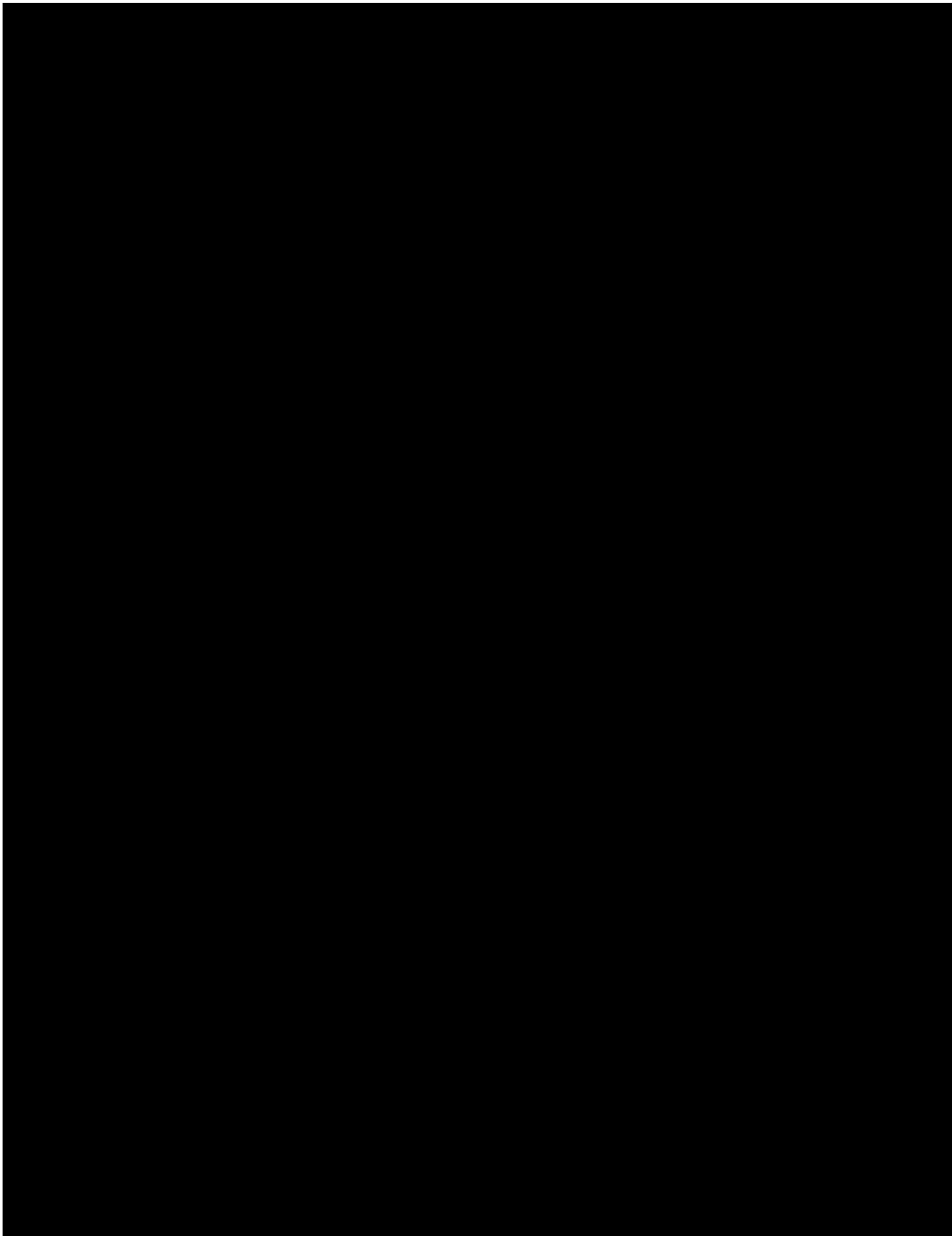


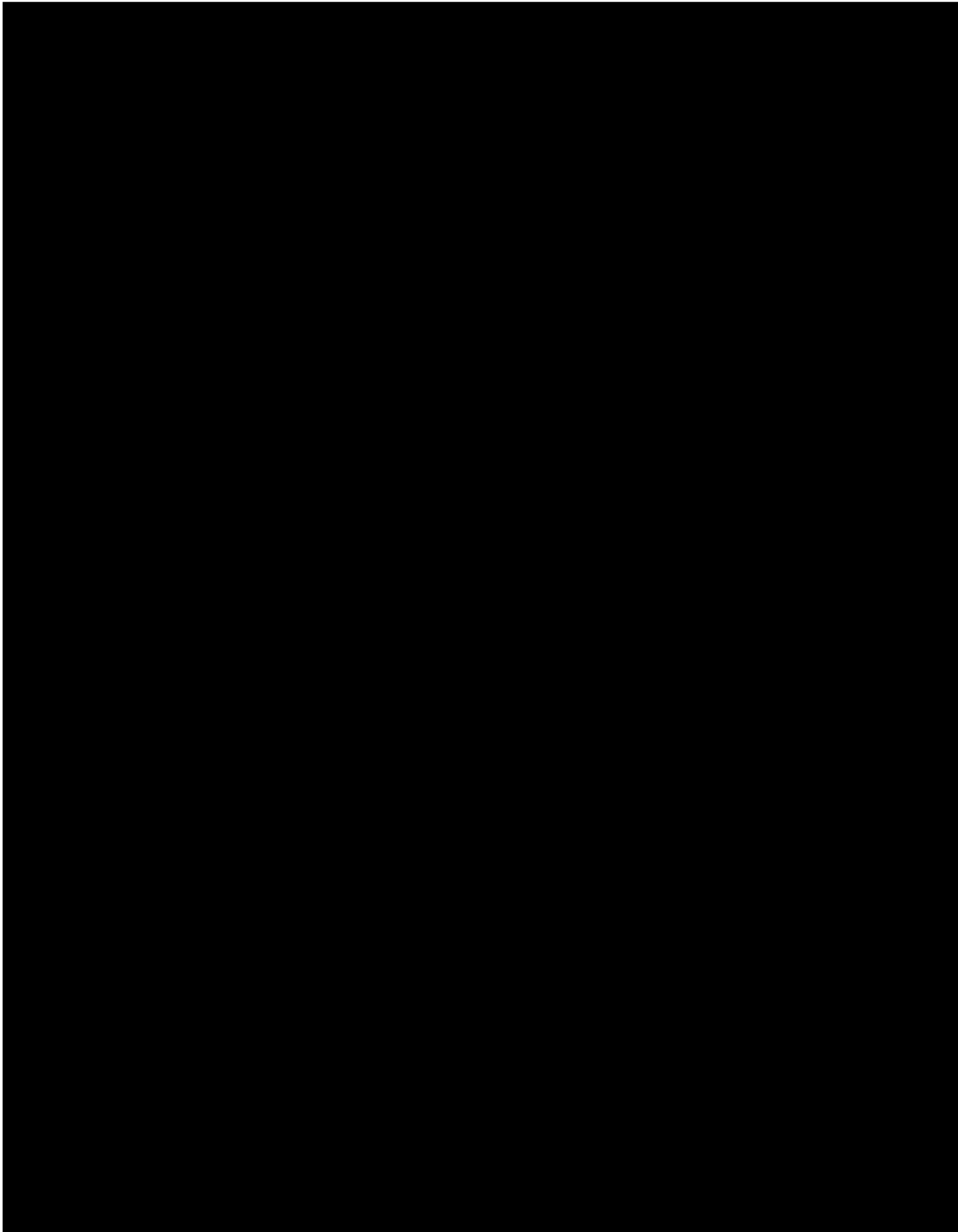


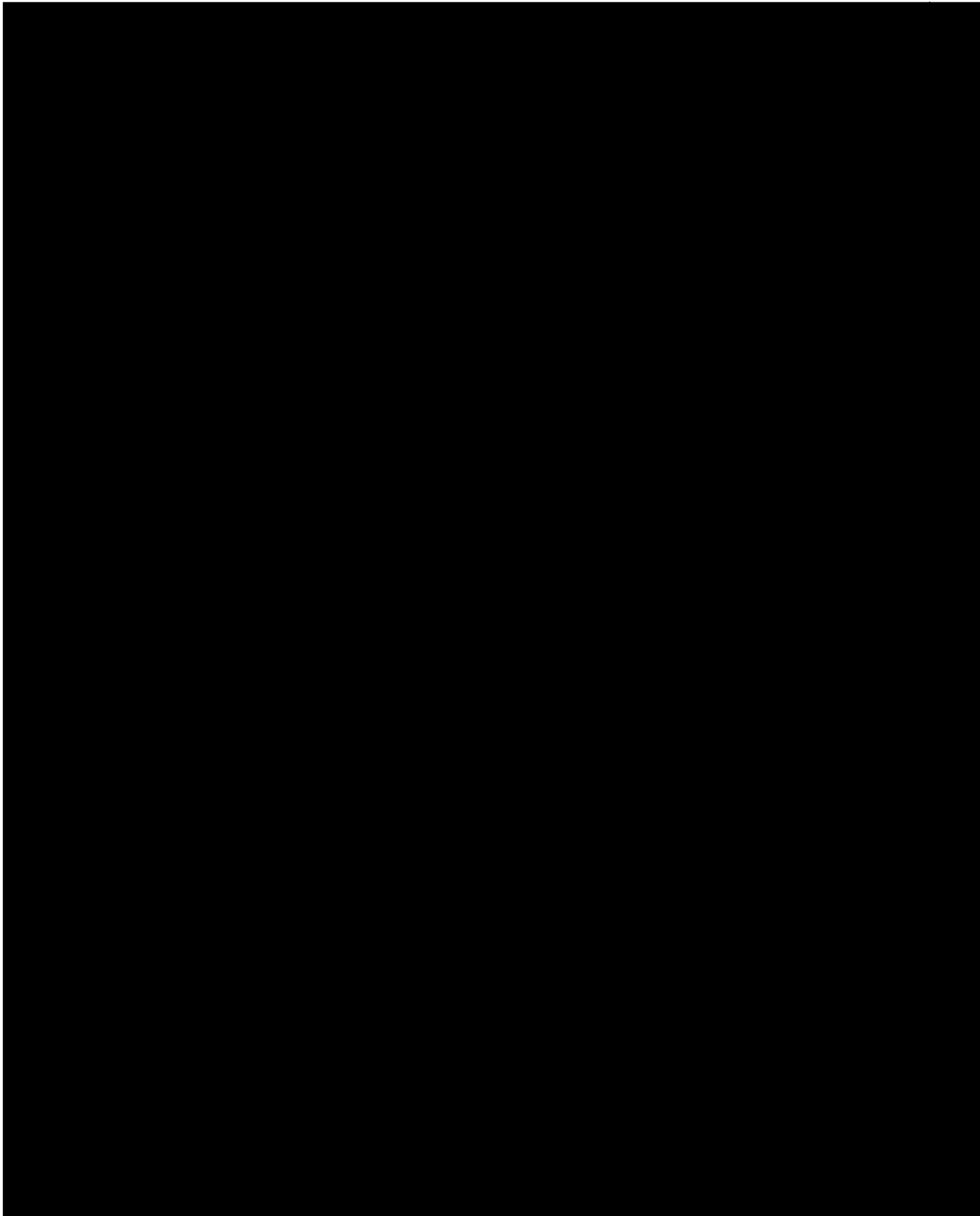


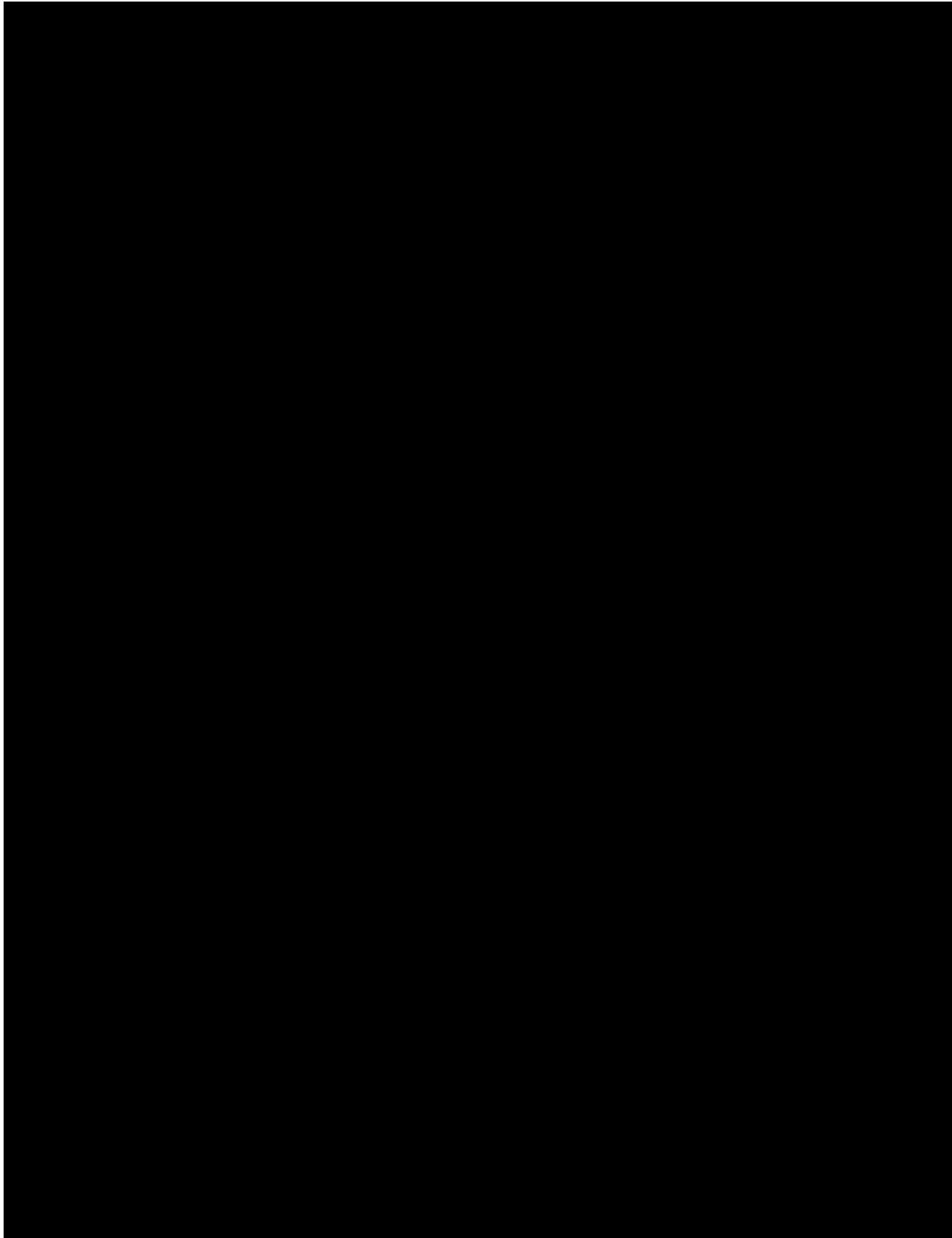


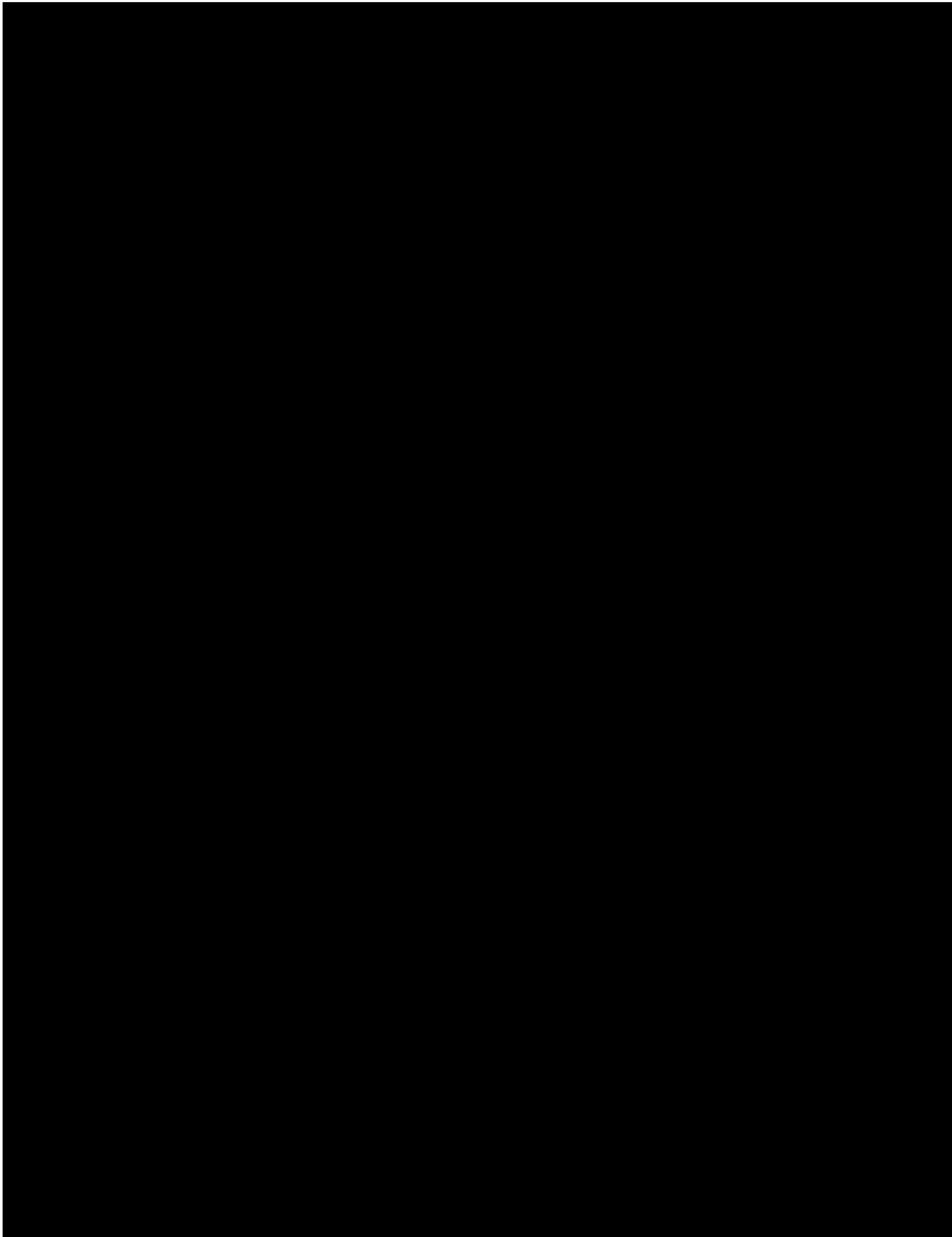


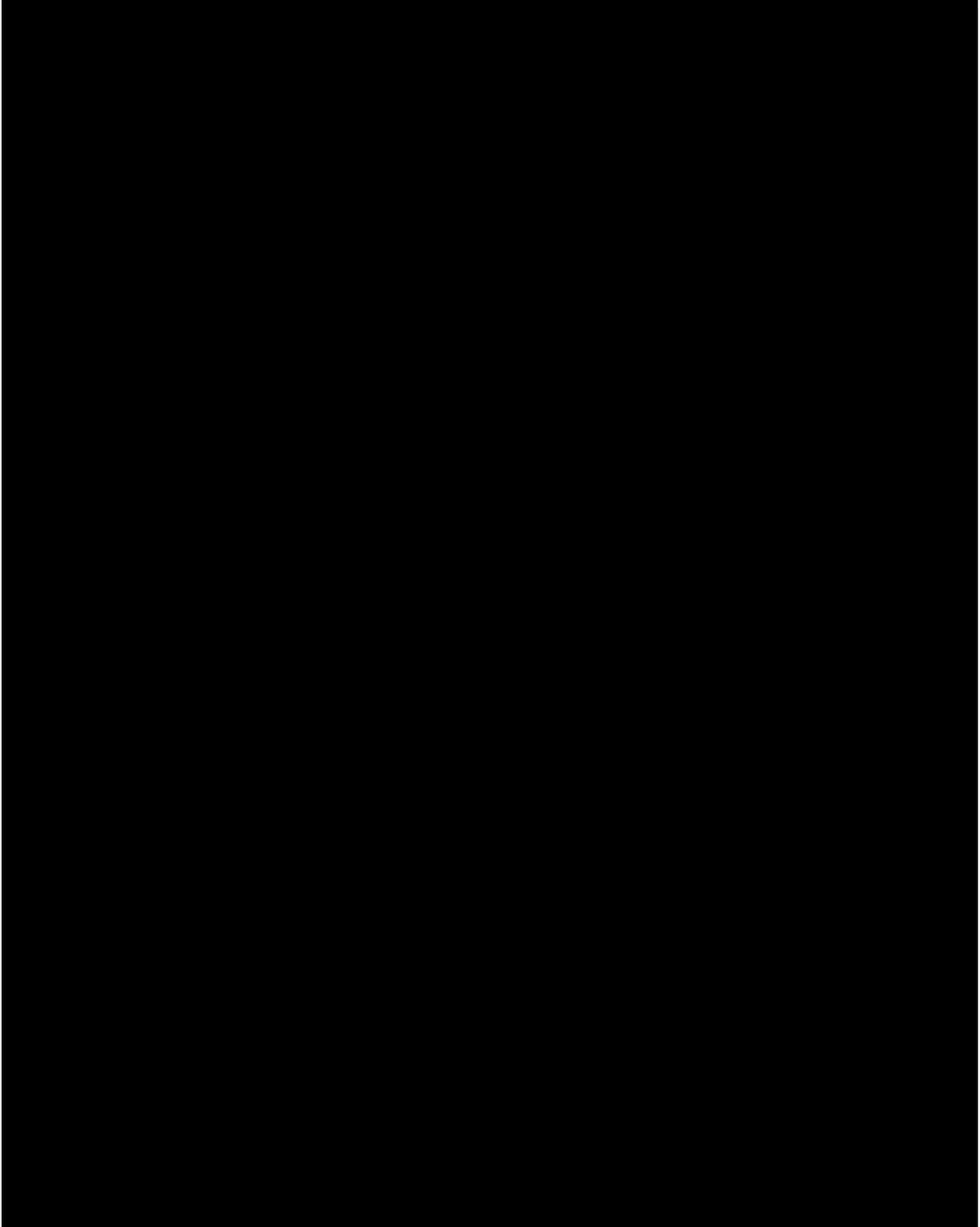


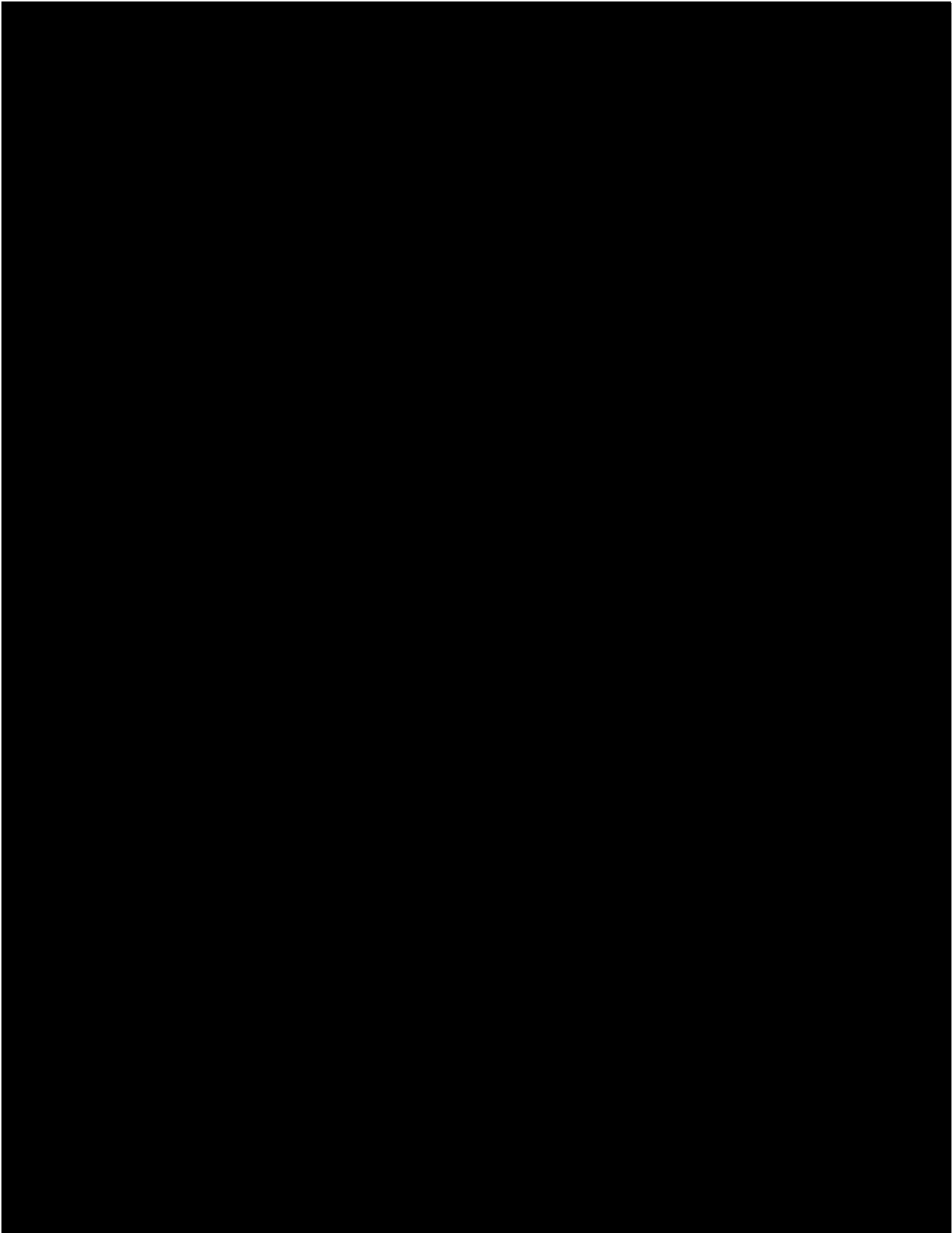


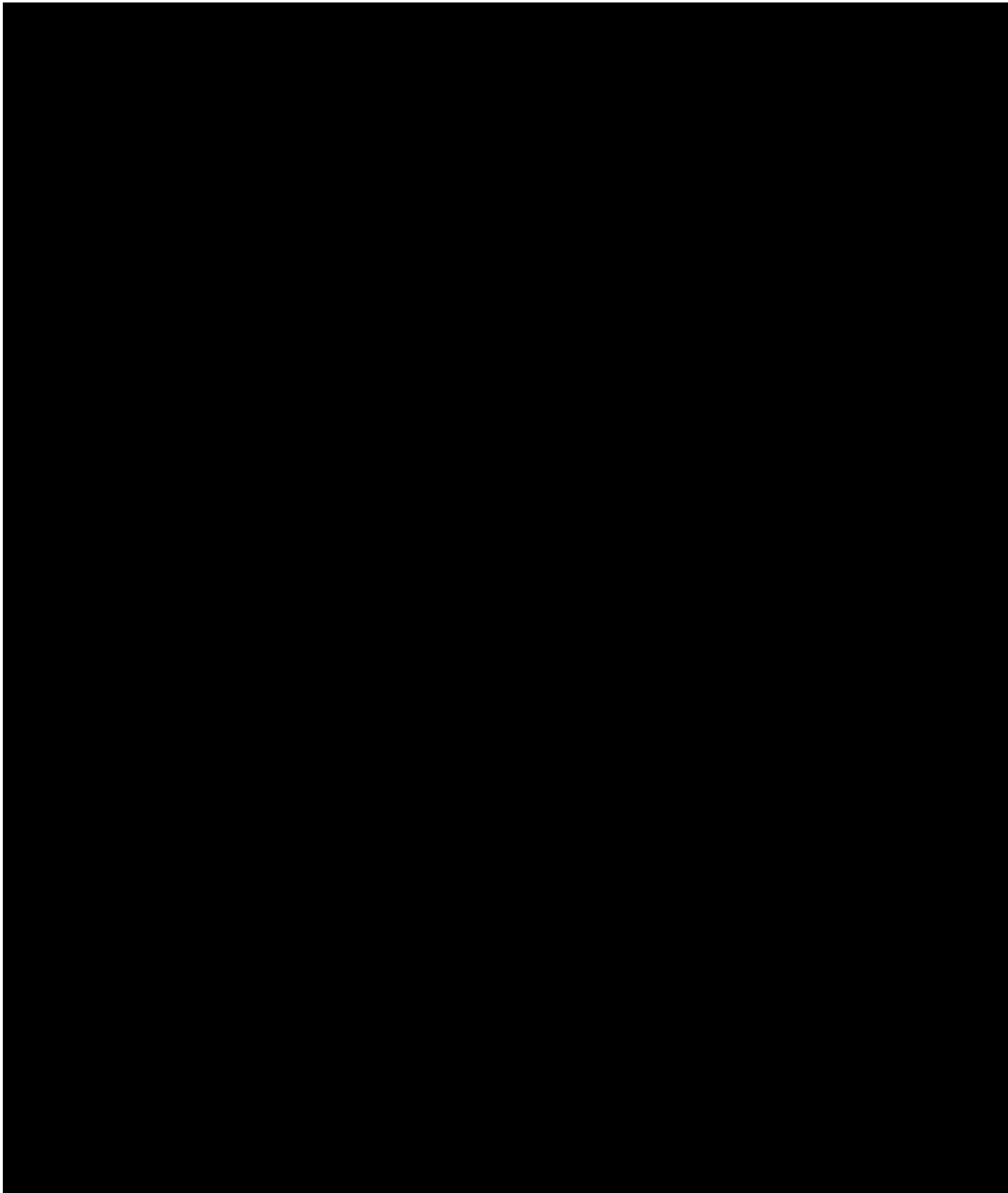




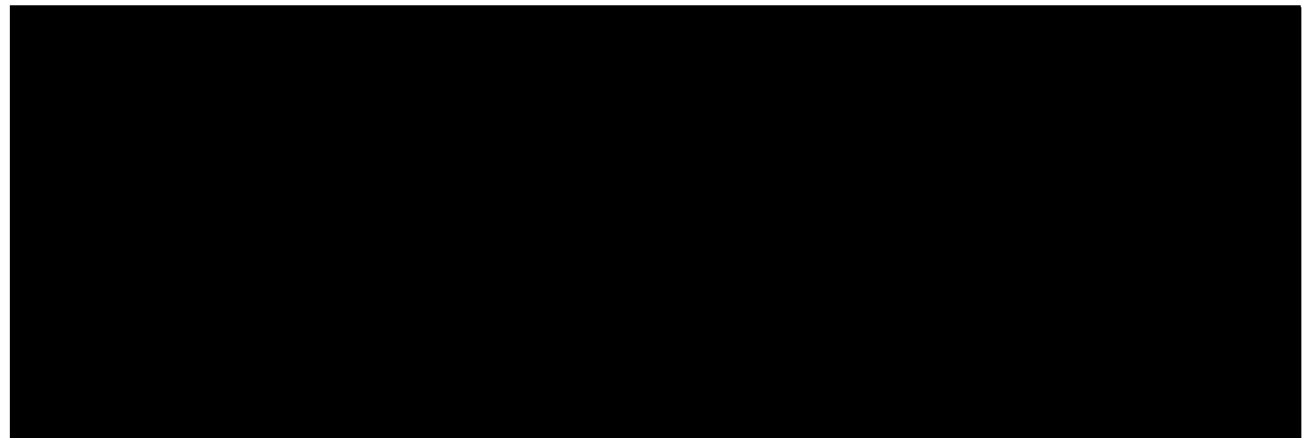
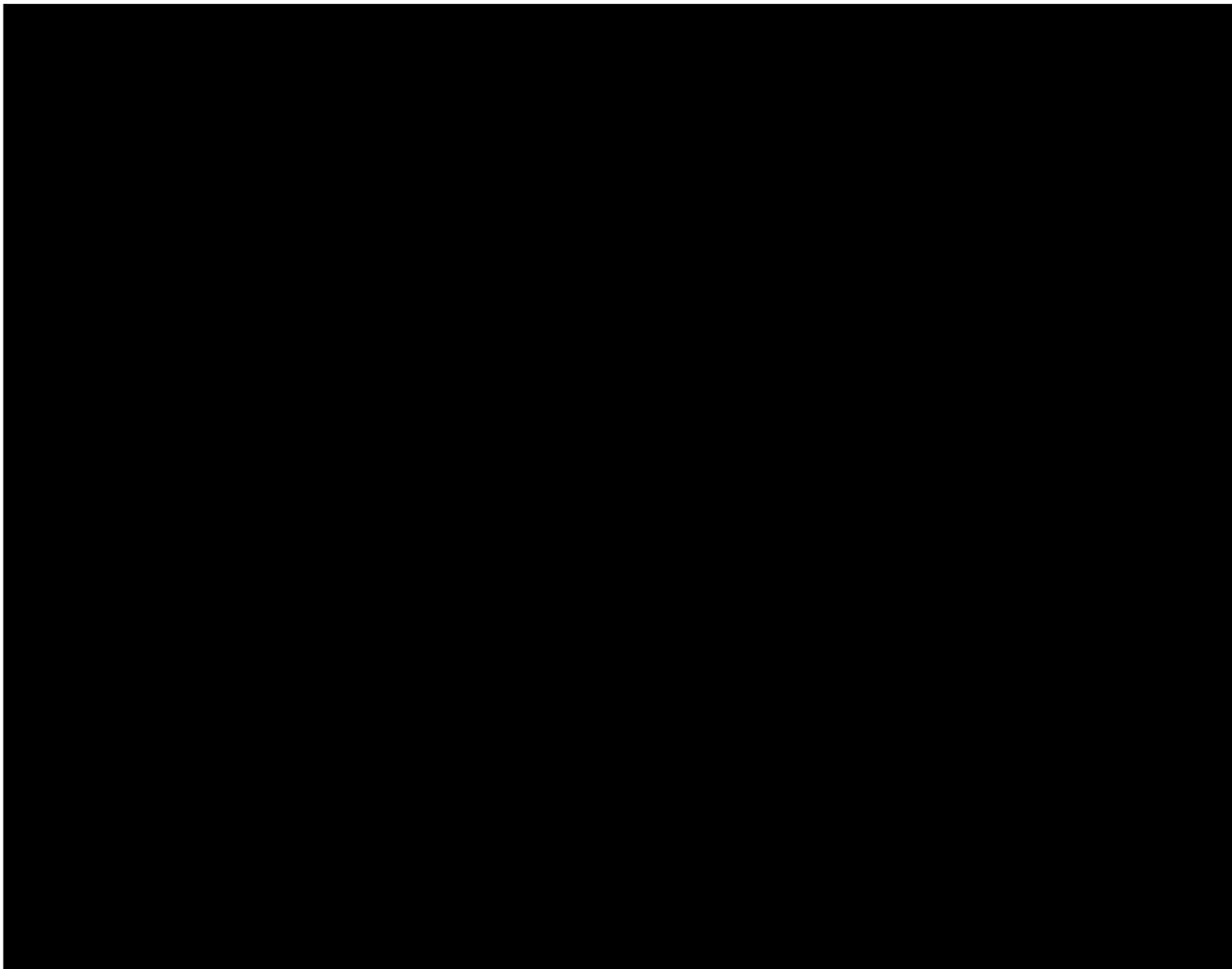


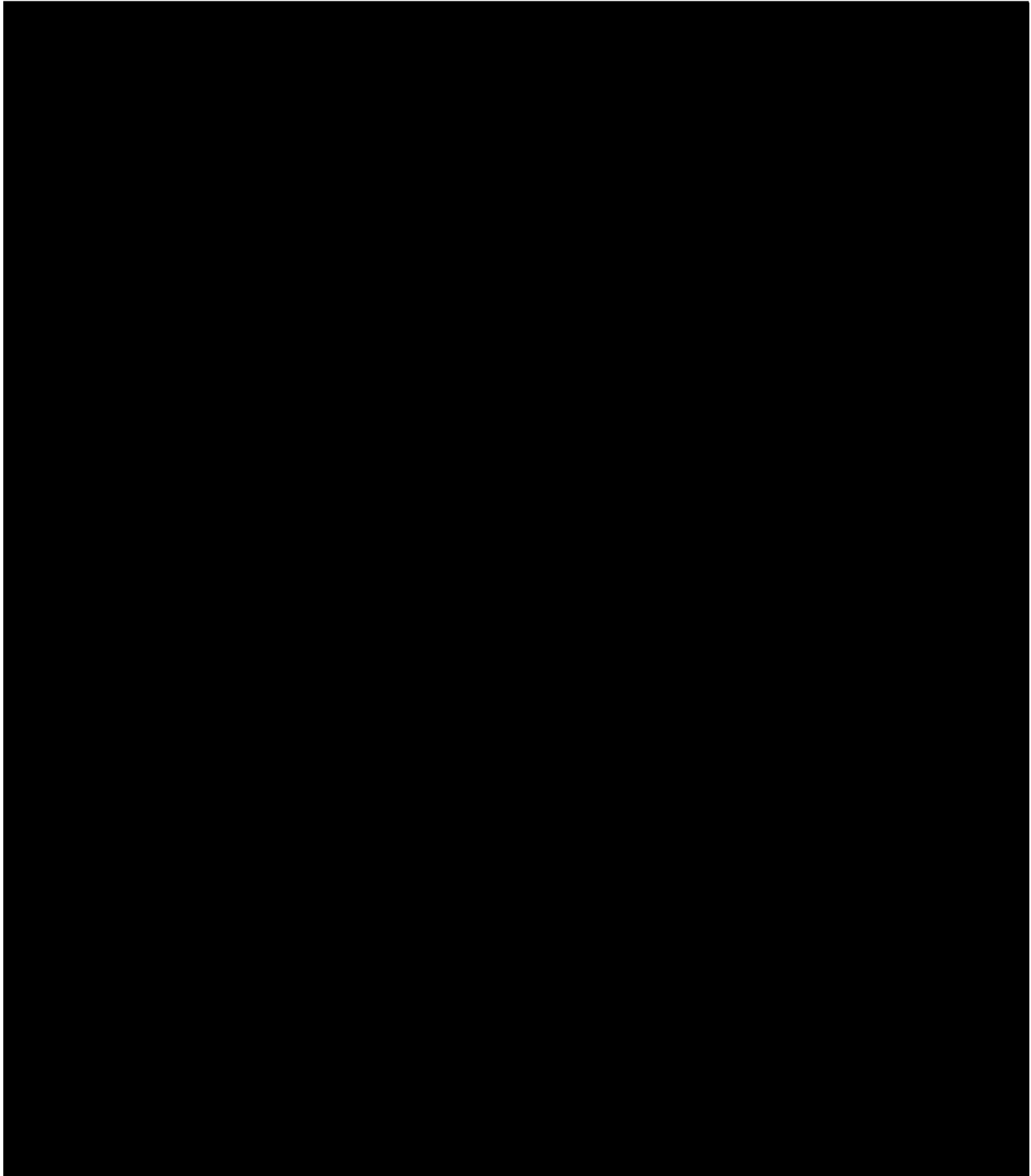


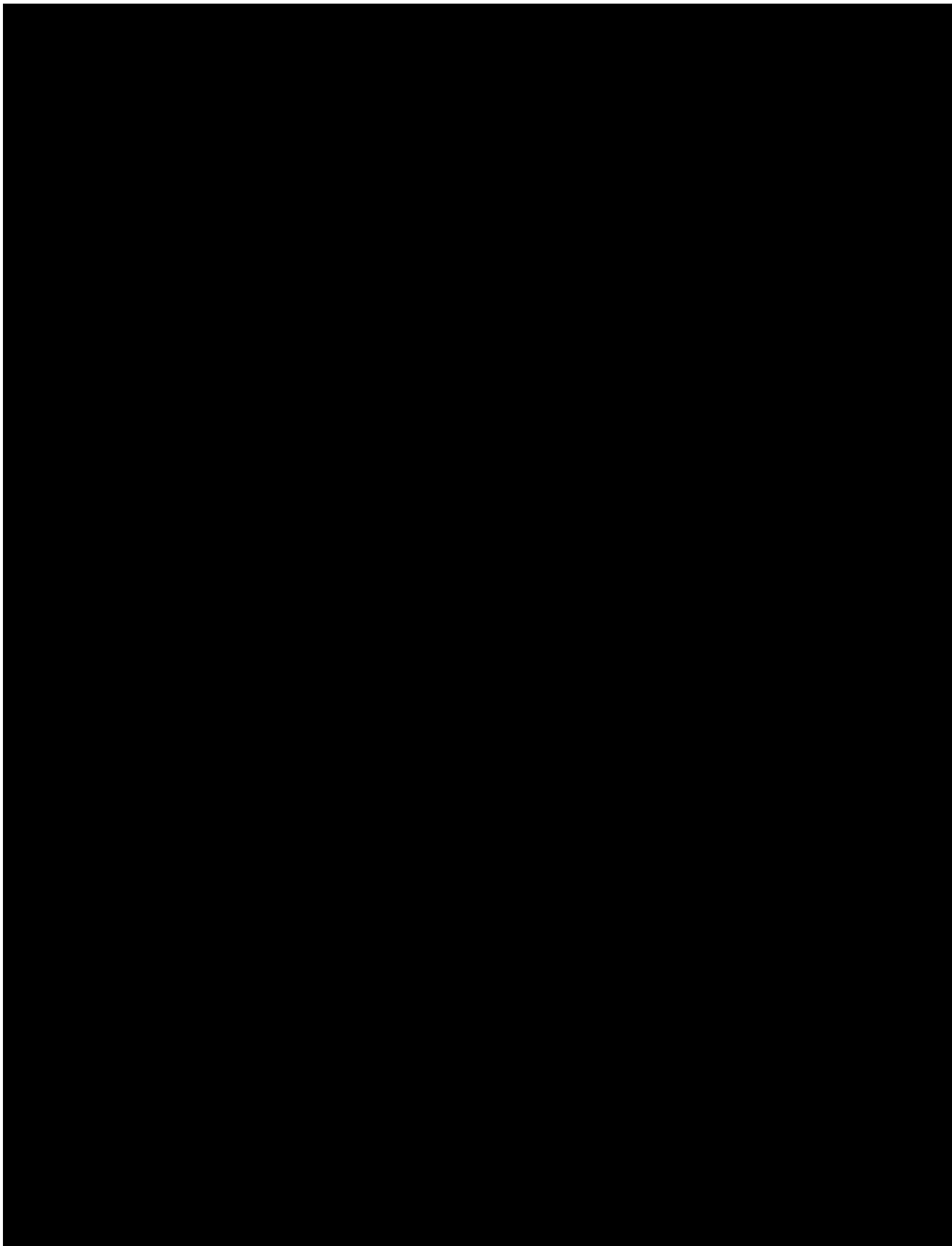


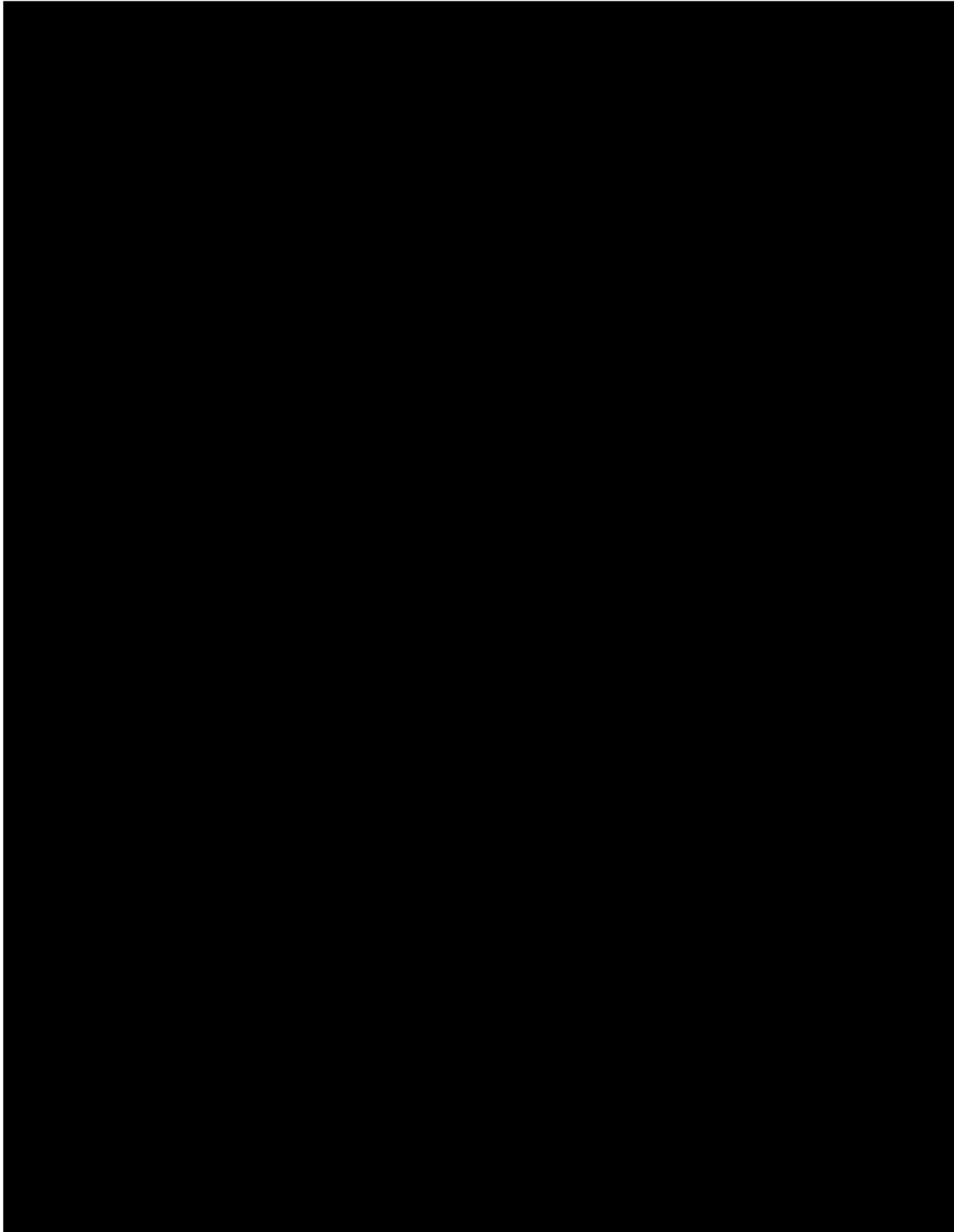


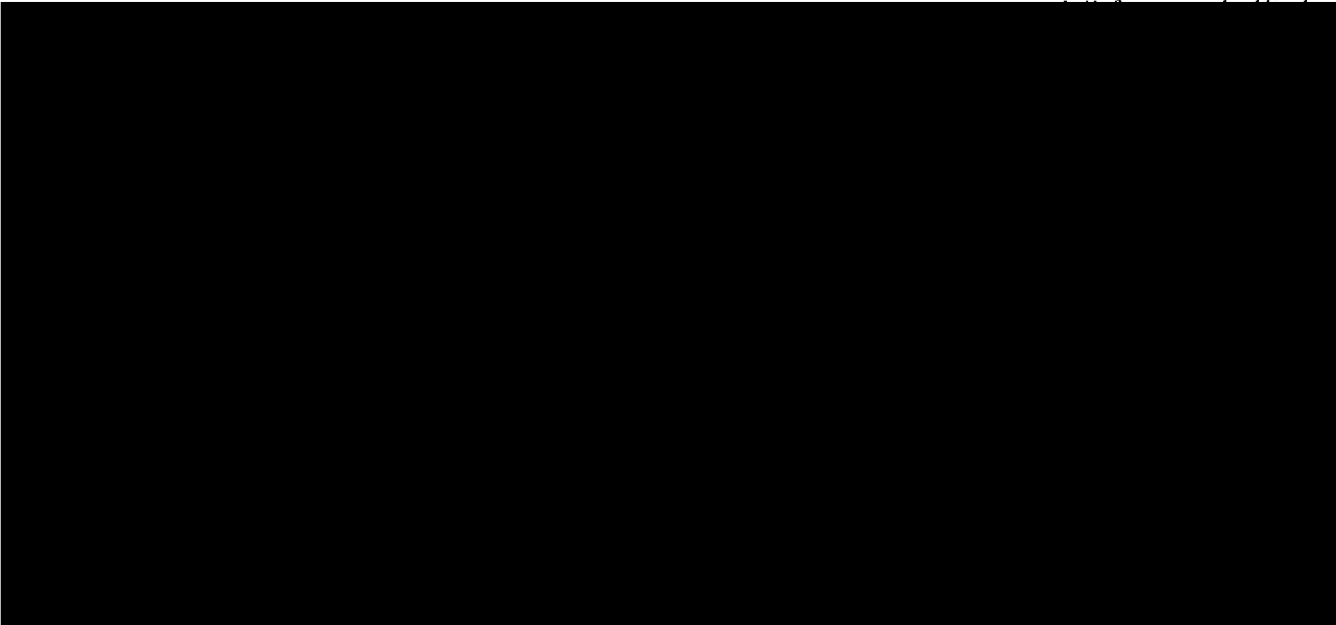
17. Transfers by Debtor. All transfers of property of the Debtor's estate shall be free and clear of all Liens, charges, Claims, encumbrances, and other interests, except as expressly provided in the Plan or this Confirmation Order.





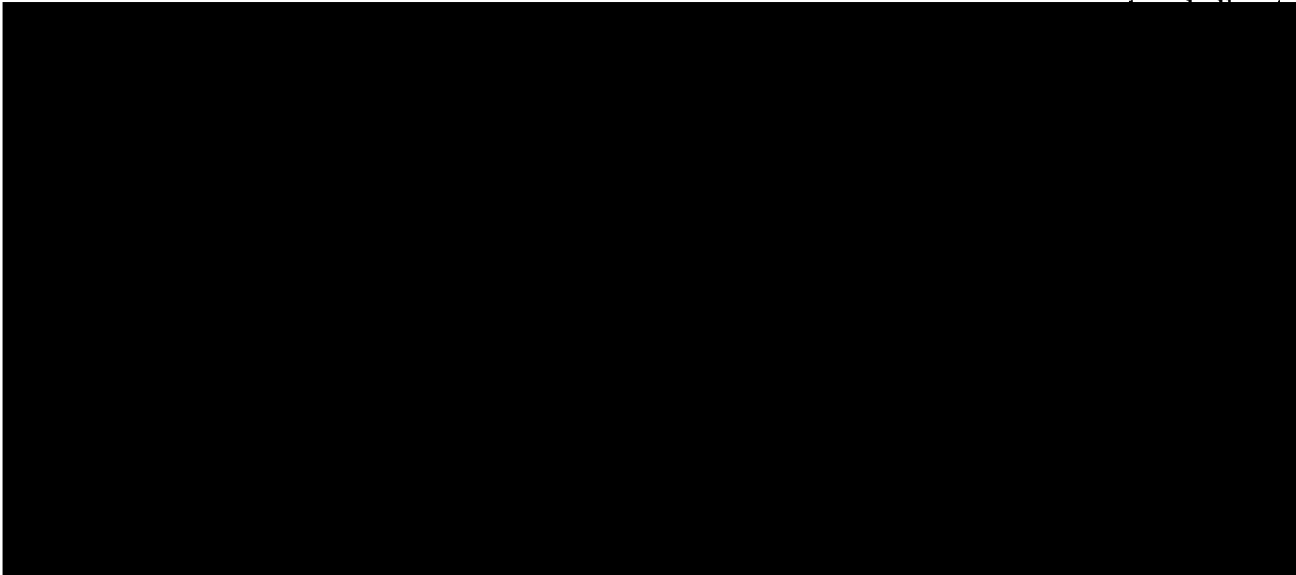


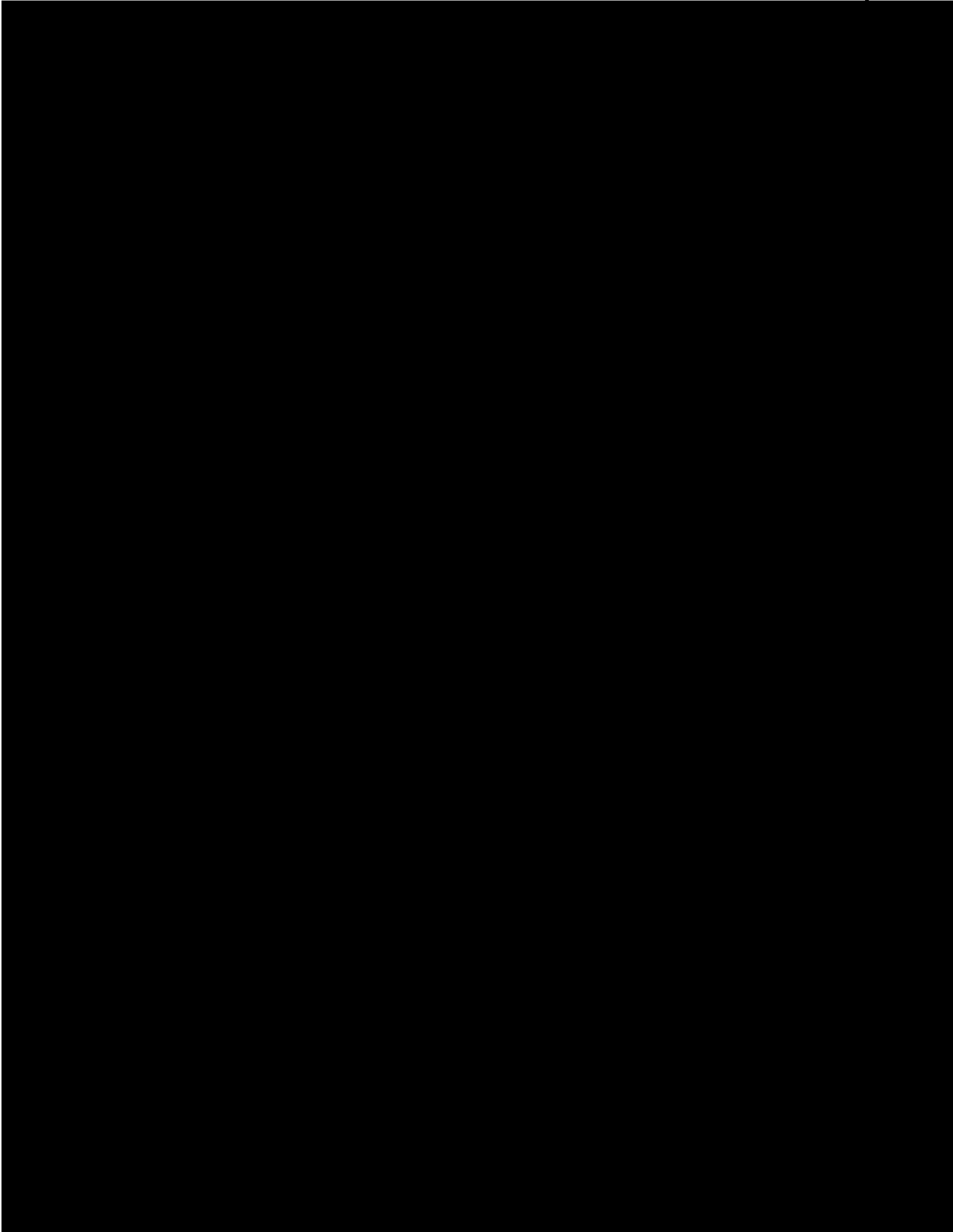


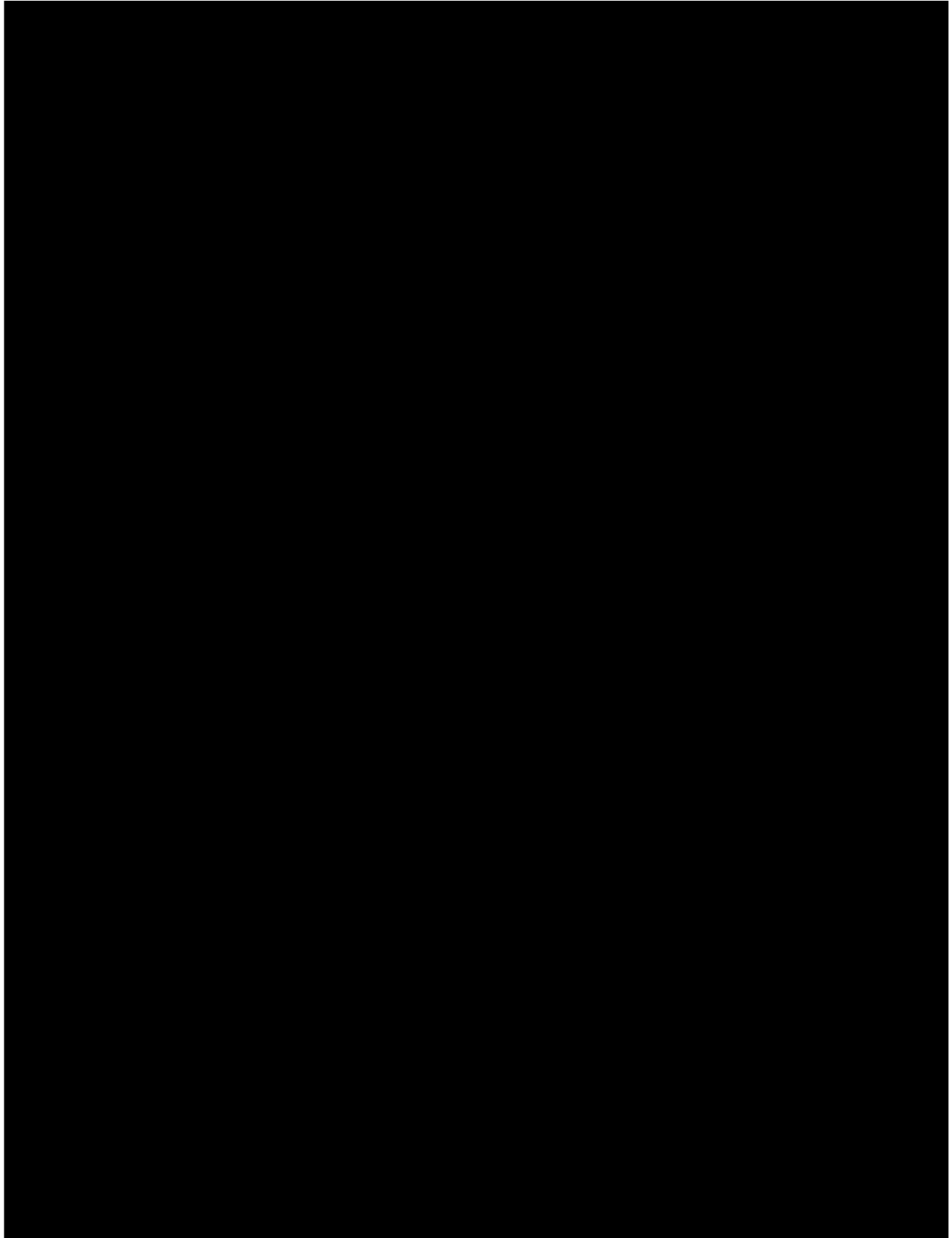


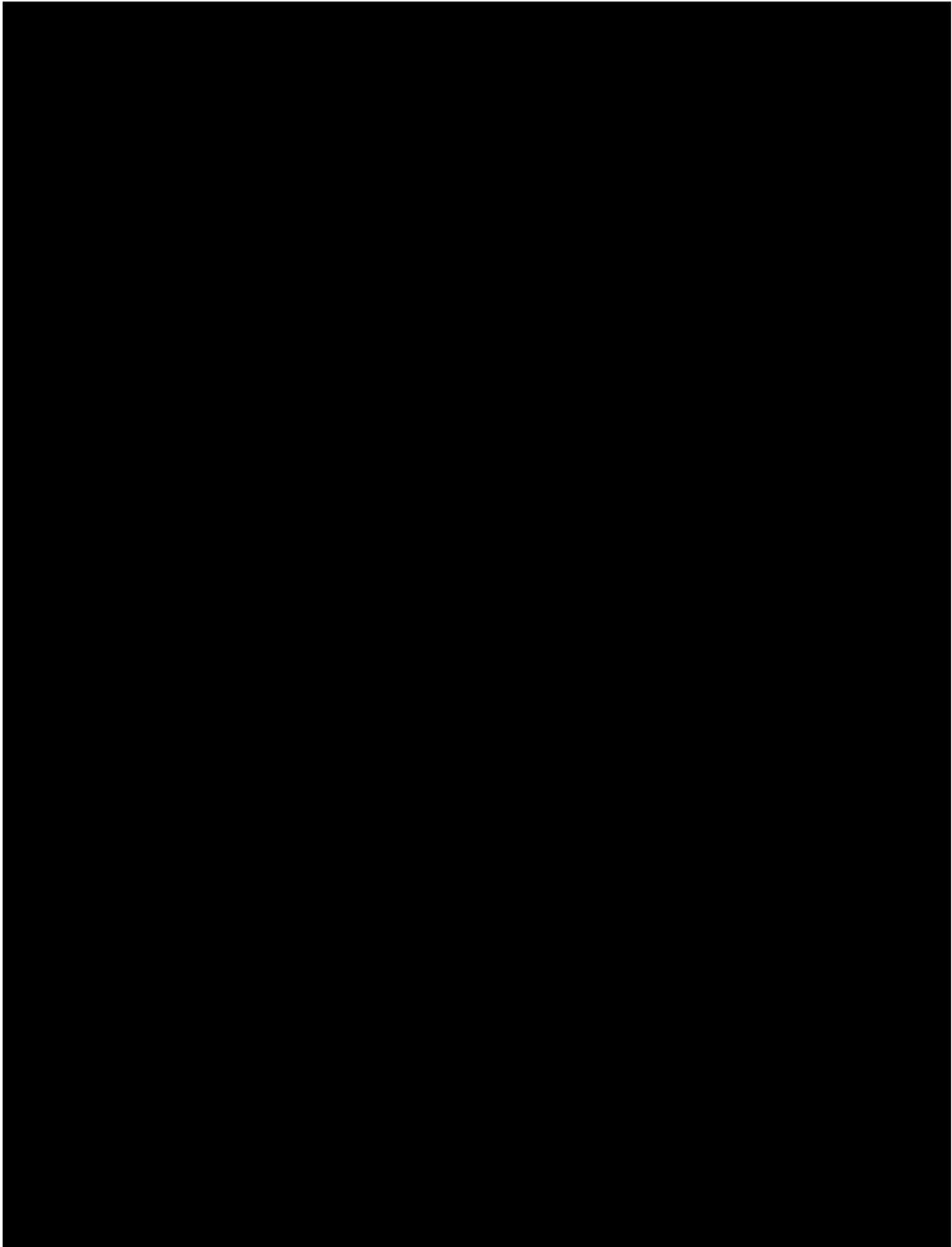
and protections afforded to

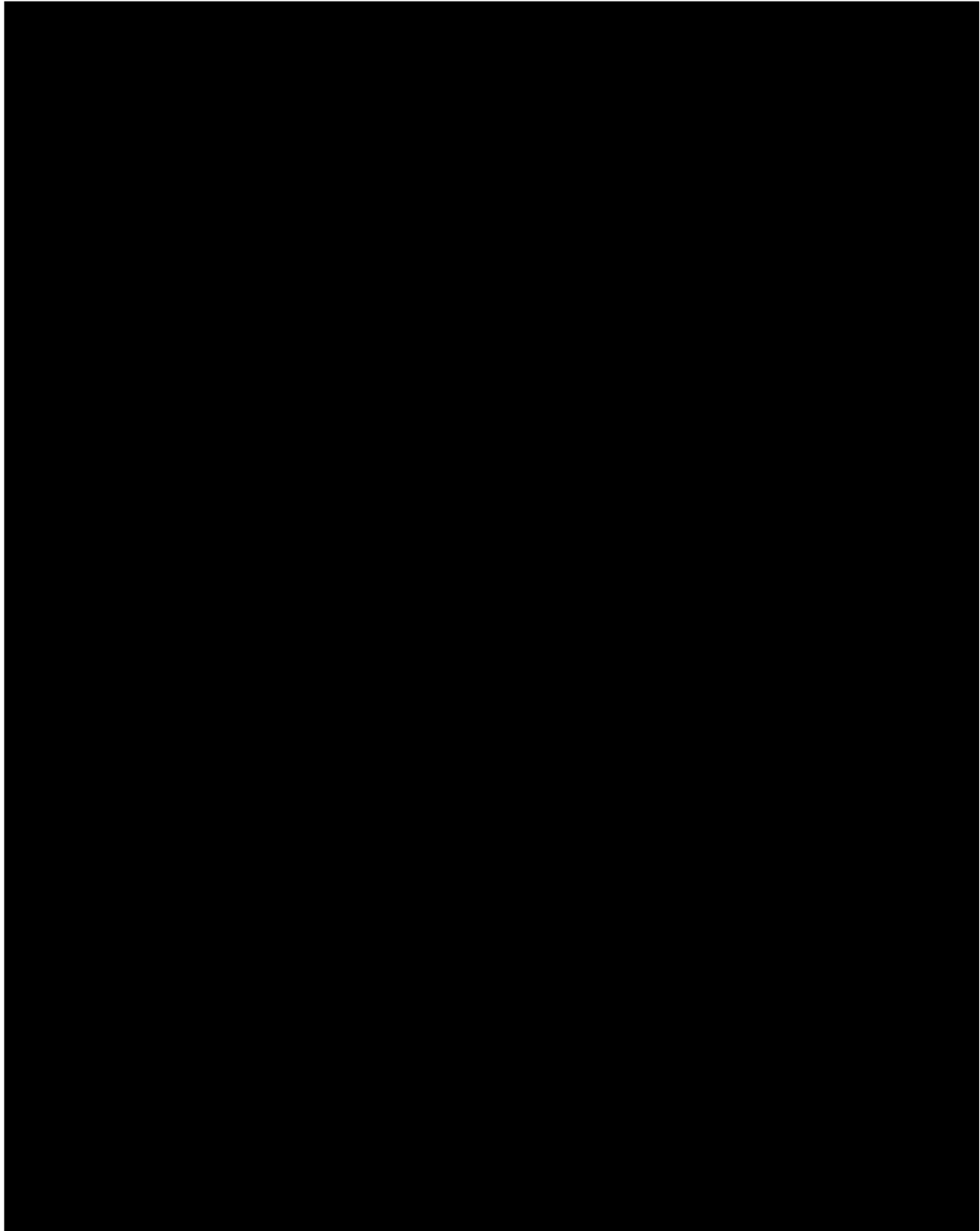
28. No Successor Liability. Pursuant to section 1141 of the Bankruptcy Code and Article XI of the Plan, the property of the Debtor's estate shall vest in the Reorganized Debtor, free and clear of all claims and interests of creditors and equity holders of the Debtor. Moreover, pursuant to section 1141(d) of the Bankruptcy Code, the effect of confirmation of the Plan shall be to discharge the Debtor from any debt that arose before the date confirmation, and any debt of a kind specified in section 502(g), 502(h), or 502(i) of the Bankruptcy Code.

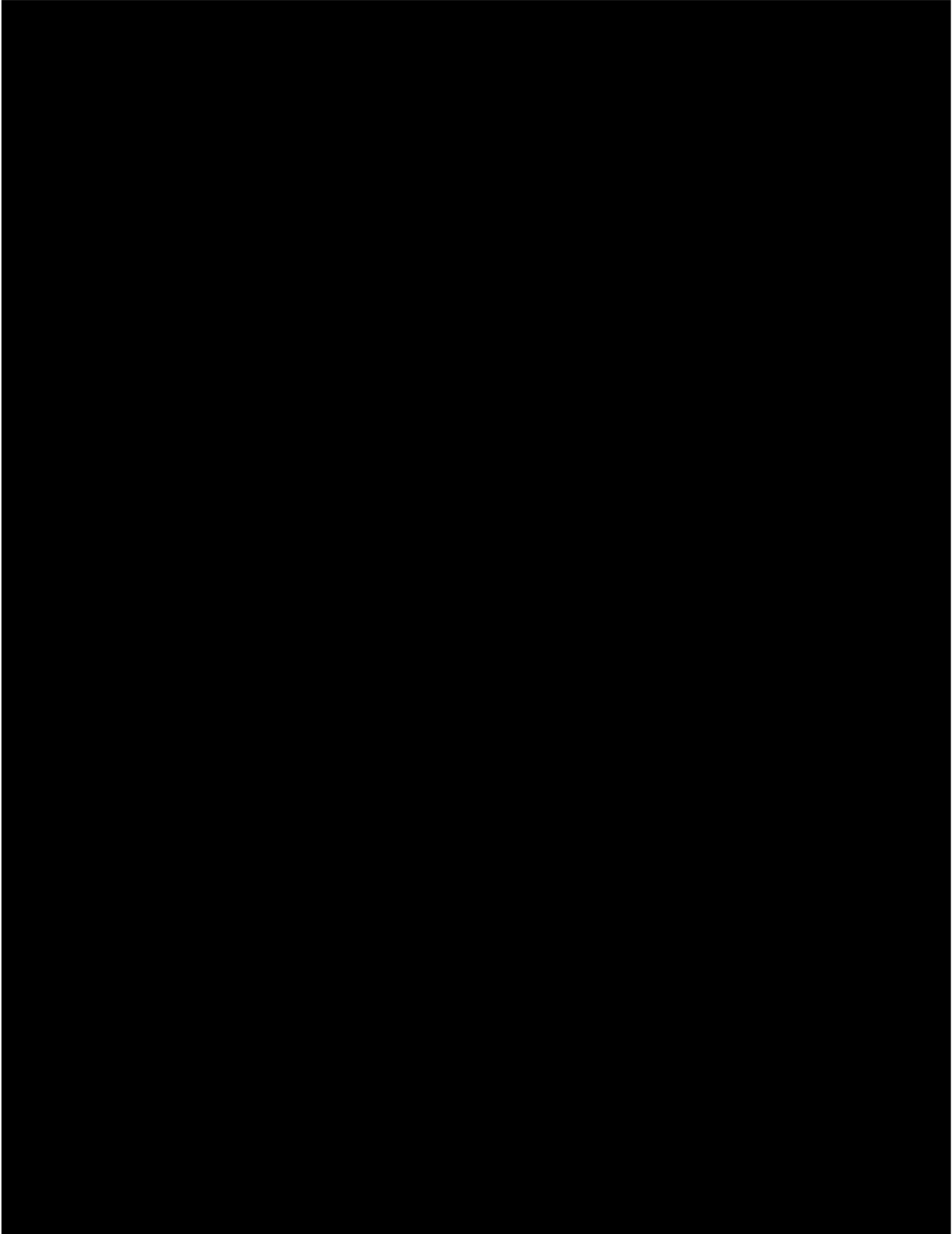


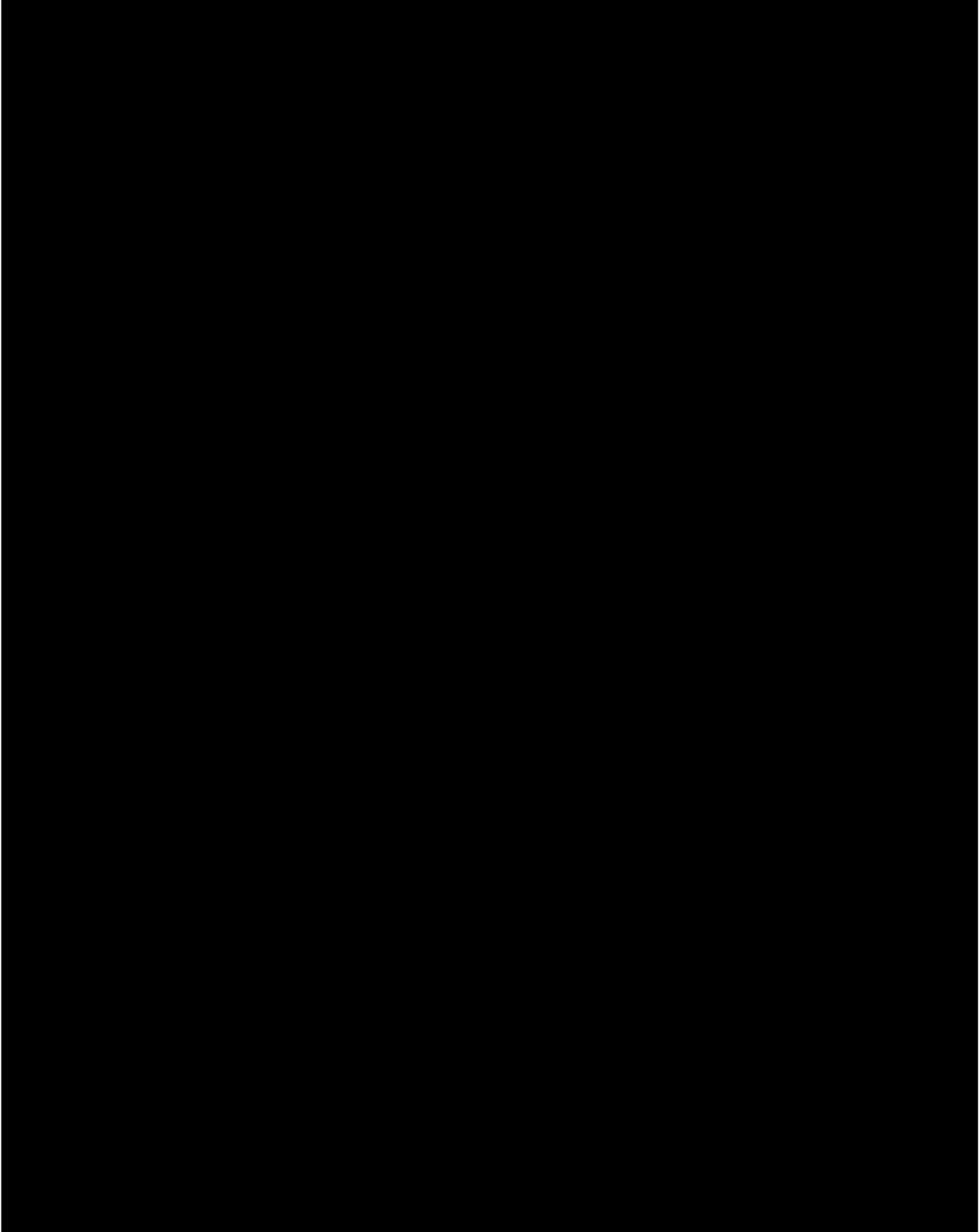












46. Plan and Confirmation Order Govern. Without intending to modify any prior order of this Court (or any agreement, instrument, or document addressed by any prior order), in the event of an inconsistency between the Plan, on the one hand, the Disclosure Statement, Plan Supplement, or and any other agreement, instrument, or document intended to implement the provisions of the Plan, on the other hand, the provisions of the Plan shall govern (unless otherwise expressly provided for in such agreement, instrument, or document); *provided, further,* that, for the avoidance of doubt, in the event of any inconsistency between the Plan, the Disclosure Statement, Plan Supplement, or any other agreement, instrument, or document intended to implement the provisions of the Plan, on the one hand, and the terms of this Confirmation Order on the other hand, the terms of this Confirmation Order shall govern.

47. Jurisdiction. The assets and affairs of the Debtor shall remain subject to the jurisdiction of this Court until the Effective Date. Notwithstanding the entry of this Confirmation Order, from and after the Effective Date, the Court shall retain such jurisdiction over the Bankruptcy Case to the fullest extent that is legally permissible.

Dated: August 23, 2016

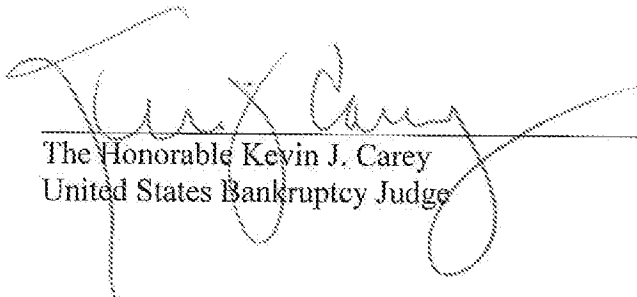

The Honorable Kevin J. Carey
United States Bankruptcy Judge

EXHIBIT A

Plan of Reorganization

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

WAVE SYSTEMS CORP.,

Debtor.

§
§
§
§
§
§

Case No. 16-10284

Chapter 11

**AMENDED PLAN OF REORGANIZATION OF THE DEBTOR
DATED AUGUST 23, 2016**

Proponent of the Plan

Alan M. Root (No. 5427)
ARCHER & GREINER, P.C.
300 Delaware Avenue, Suite 1100
Wilmington, DE 19801
Email aroot@archerlaw.com

-and-

Stephen M. Packman
ARCHER & GREINER, P.C
1650 Market Street , 32nd Floor
Philadelphia, PA 19103-7393
Email: spackman@archerlaw.com

COUNSEL TO CHAPTER 11 TRUSTEE

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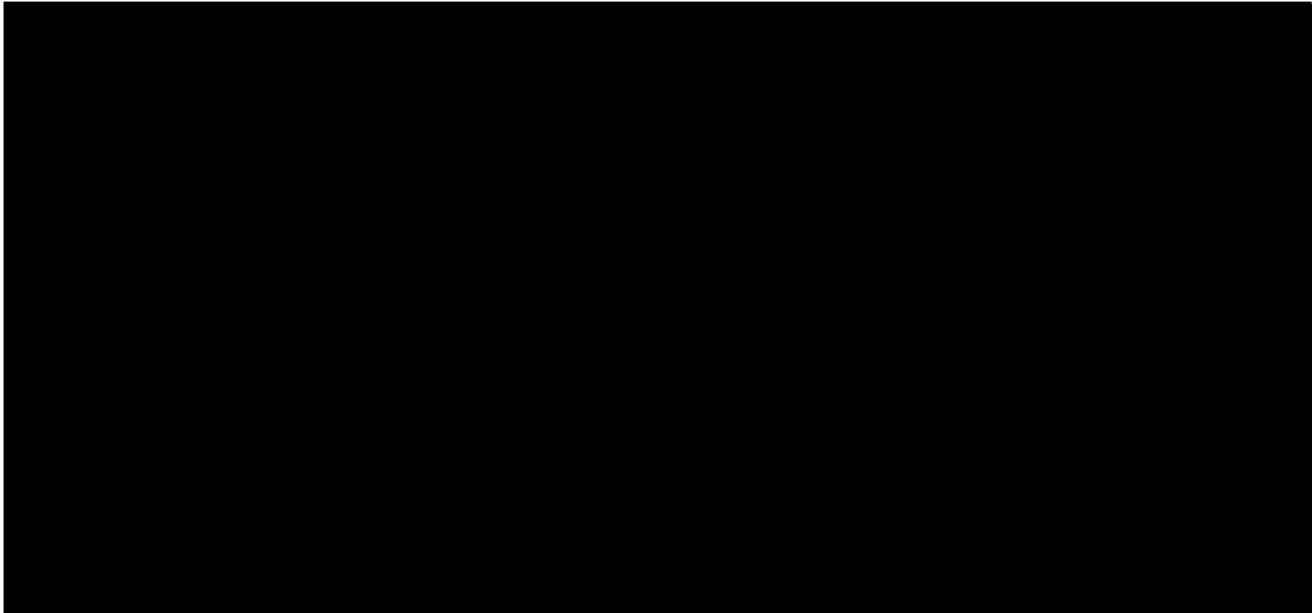
Glossary of Defined Terms.....Exhibit A

David W. Carickhoff, the Chapter 11 Trustee of the Debtor, Wave Systems Corp., in the above-referenced Bankruptcy Case proposes the Amended Plan of Reorganization of the Debtor dated August 23, 2016. Reference is made to the Disclosure Statement Pursuant to 11 U.S.C. § 1125 in Support of the Plan of Reorganization of the Debtor dated July 18, 2016 for a discussion of the Debtor's history, business, property and results of operations, and for a summary of the Plan and certain related matters.

All are encouraged to read the Plan and the Disclosure Statement in their entirety before voting to accept or reject the Plan. No materials, other than the Disclosure Statement and any exhibits and schedules attached thereto or referenced therein, have been approved by the Proponents for use in soliciting acceptances or rejections of the Plan.

For avoidance of doubt, the Plan applies and preserves the maximum global jurisdiction possible under applicable U.S. law, including, without limitation, over the assets of the Debtor wherever located. The Plan is also consistent with and implements the decisions of the Bankruptcy Court that are described in the Disclosure Statement.

ARTICLE I SUMMARY OF THE PLAN



and causes of action for the plan

ARTICLE II DEFINITIONS, RULES OF INTERPRETATION, AND CONSTRUCTION OF TERMS

2.1 All capitalized terms not defined elsewhere in the Plan shall have the meanings assigned to them in the Glossary of Defined Terms attached as Exhibit A to the Plan. Any capitalized term used in the Plan that is not defined herein has the meaning ascribed to that term in the Bankruptcy Code and/or Bankruptcy Rules.

2.2 For purposes of the Plan, any reference in the Plan to an existing document or exhibit filed or to be filed means that document or exhibit as it may have been or may be amended, supplemented, or otherwise modified.

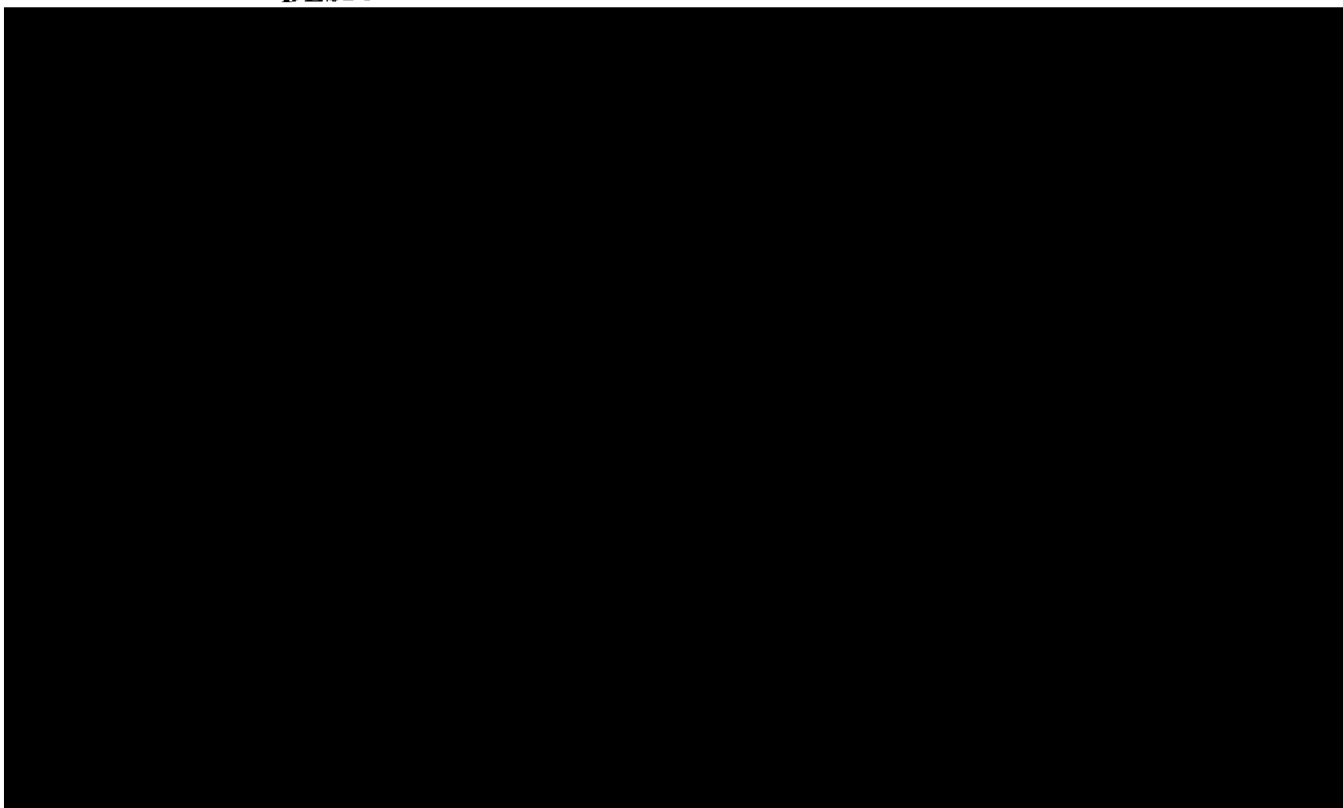
2.3 The words "herein," "hereof" and "hereunder" and other words of similar import refer to the Plan as a whole and not to any particular section, subsection or clause contained in the Plan, unless the context requires otherwise. Whenever from the context it appears appropriate, each term stated in either the singular or the plural includes the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender include the masculine, feminine and the neuter. The section headings contained in the Plan are for reference purposes only and shall not affect in any way the meaning or interpretation of the Plan.

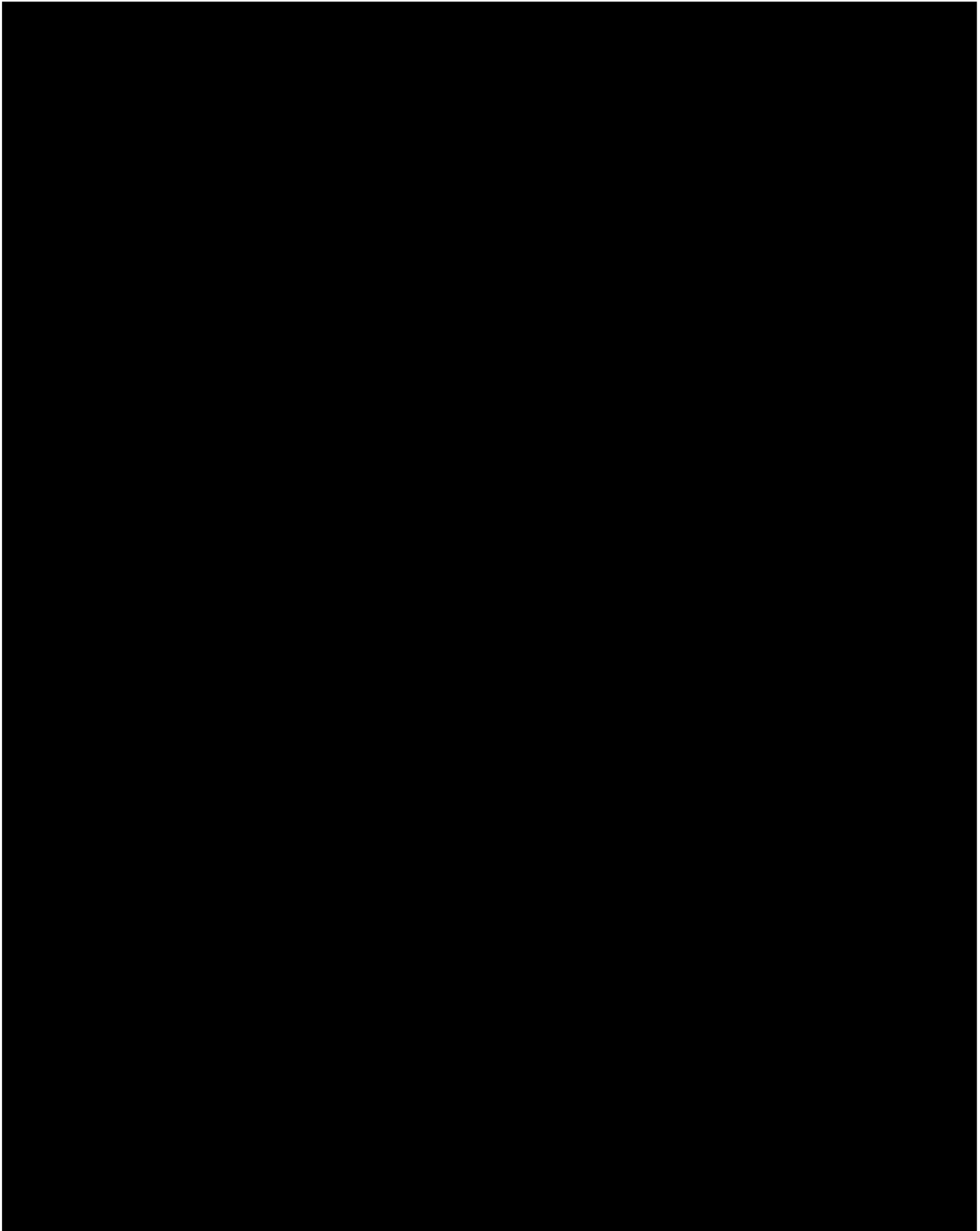
2.4 Captions and headings to articles, sections and exhibits are inserted for convenience of reference only and are not intended to be part of or to affect the interpretation of the Plan.

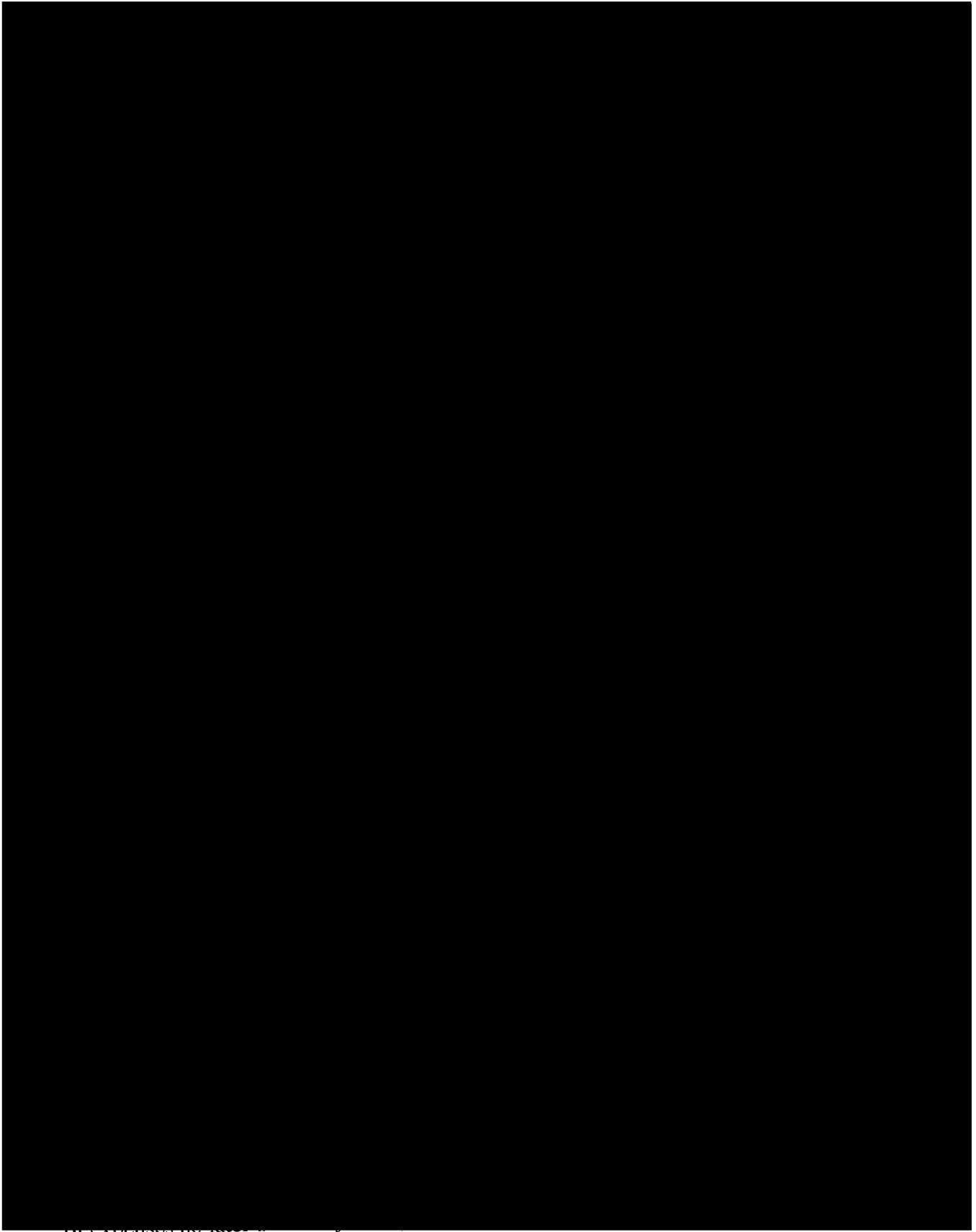
2.5 The rules of construction set forth in section 102 of the Bankruptcy Code shall apply.

2.6 In computing any period of time prescribed or allowed by the Plan, the provisions of Bankruptcy Rule 9006(a) shall apply.

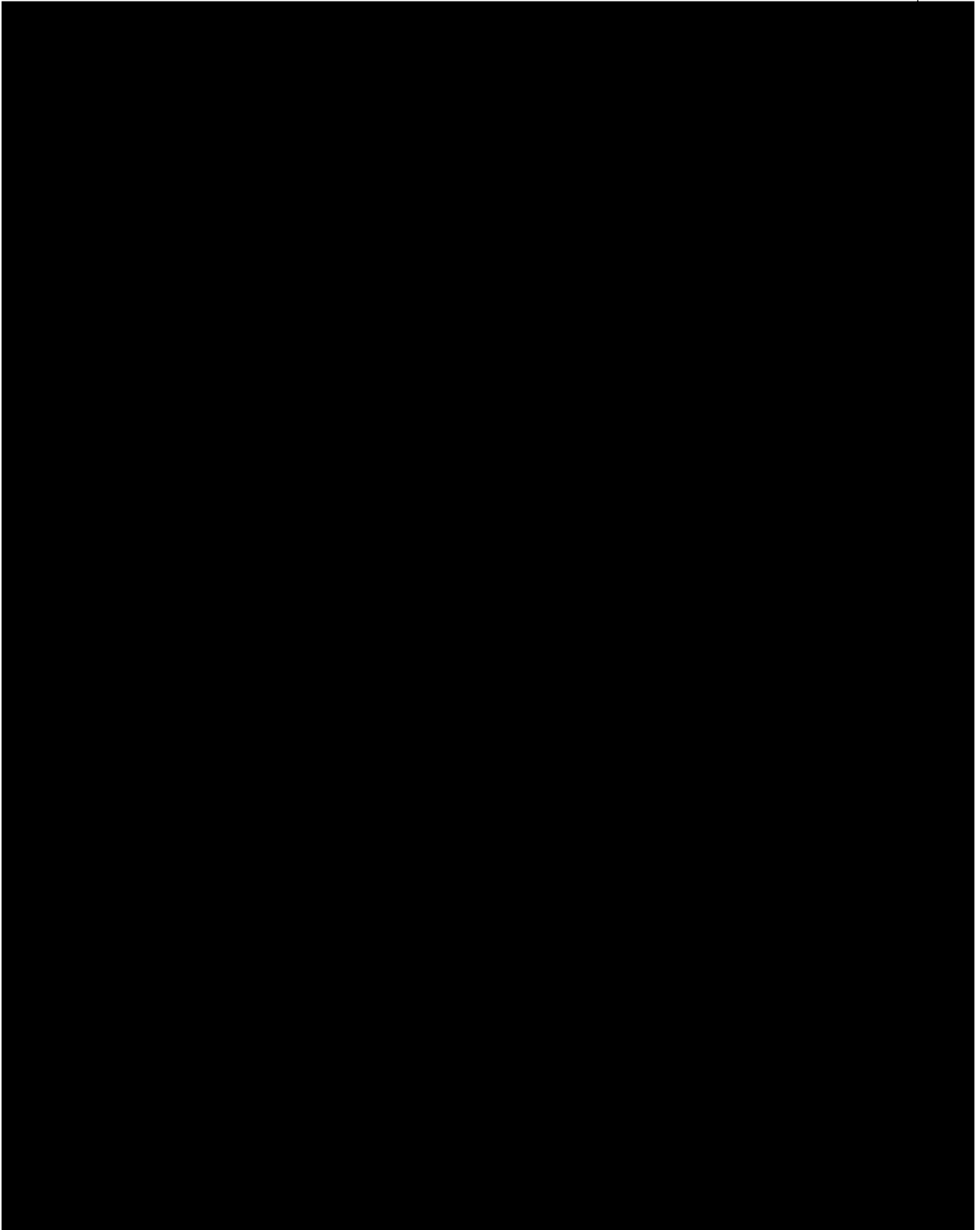
ARTICLE III
DESIGNATION OF CLAIMS AND EQUITY INTERESTS

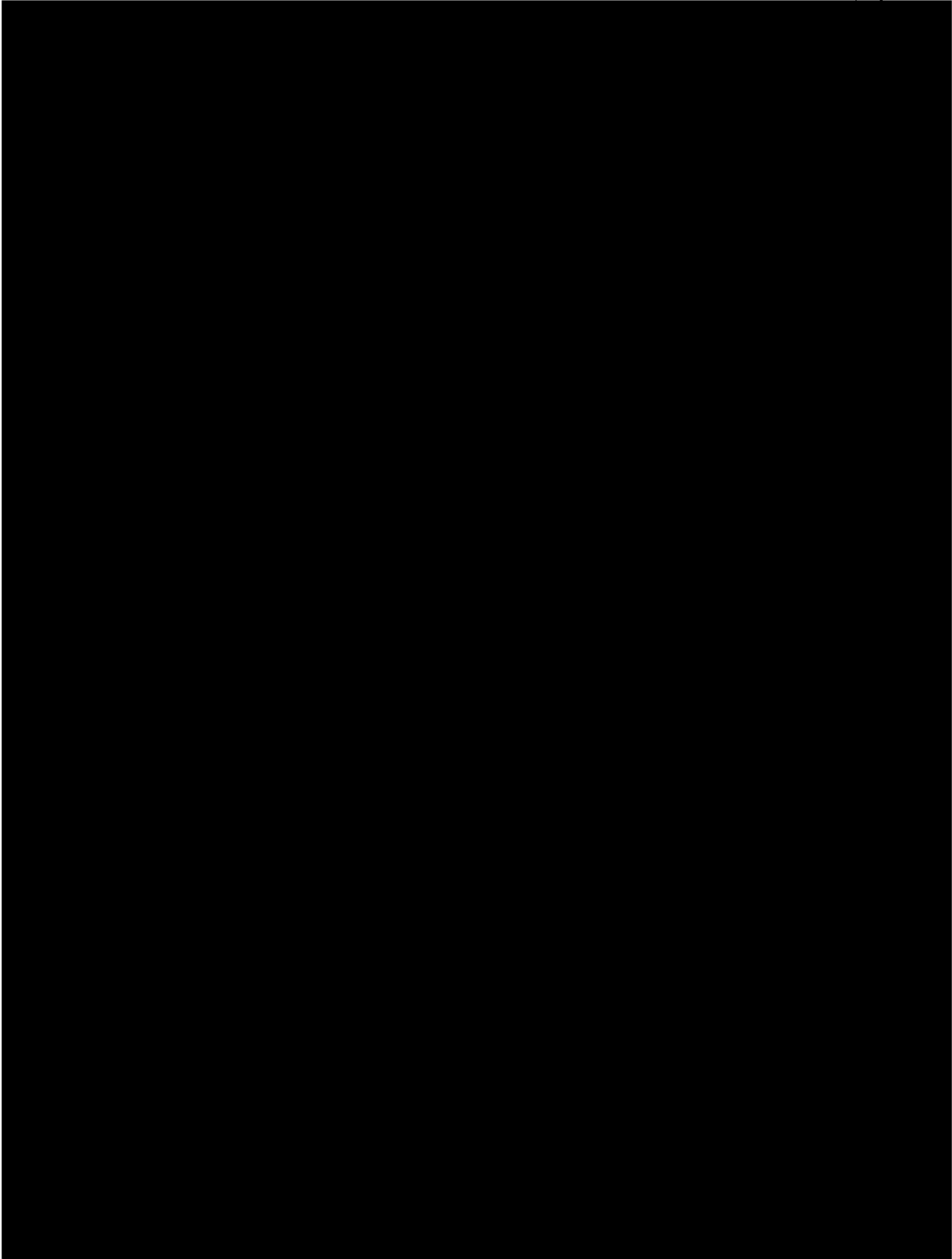


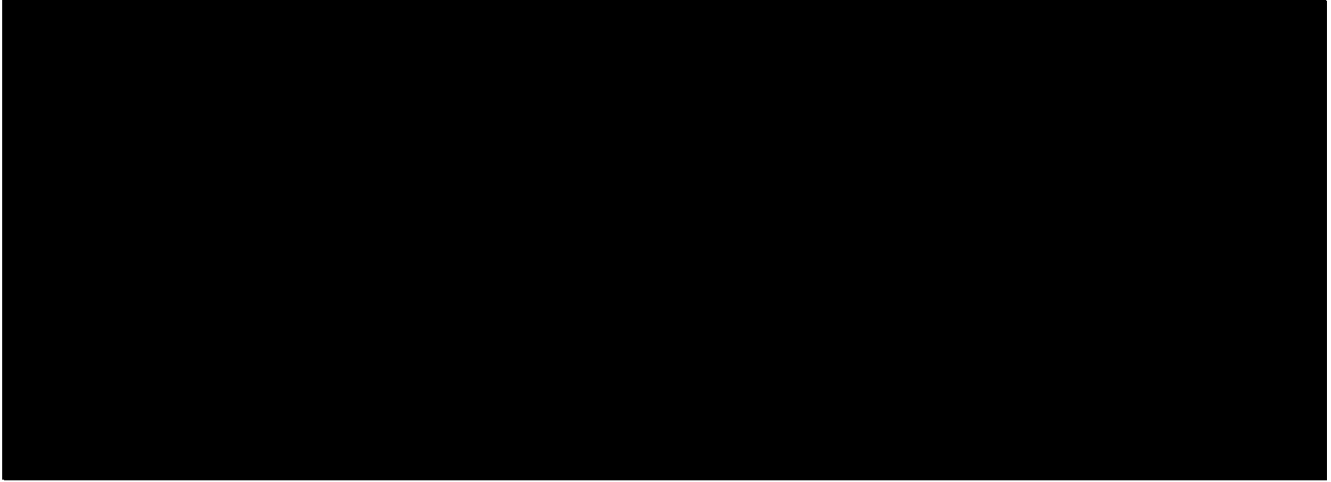




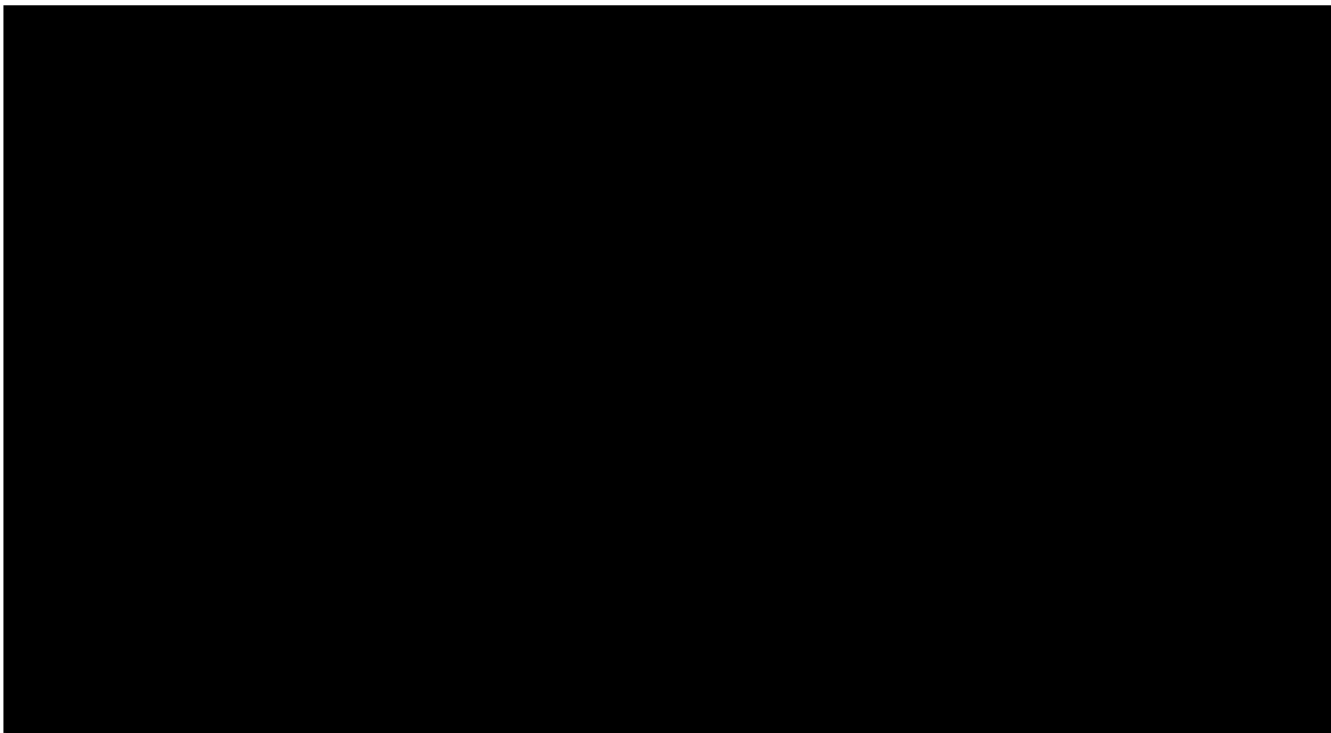
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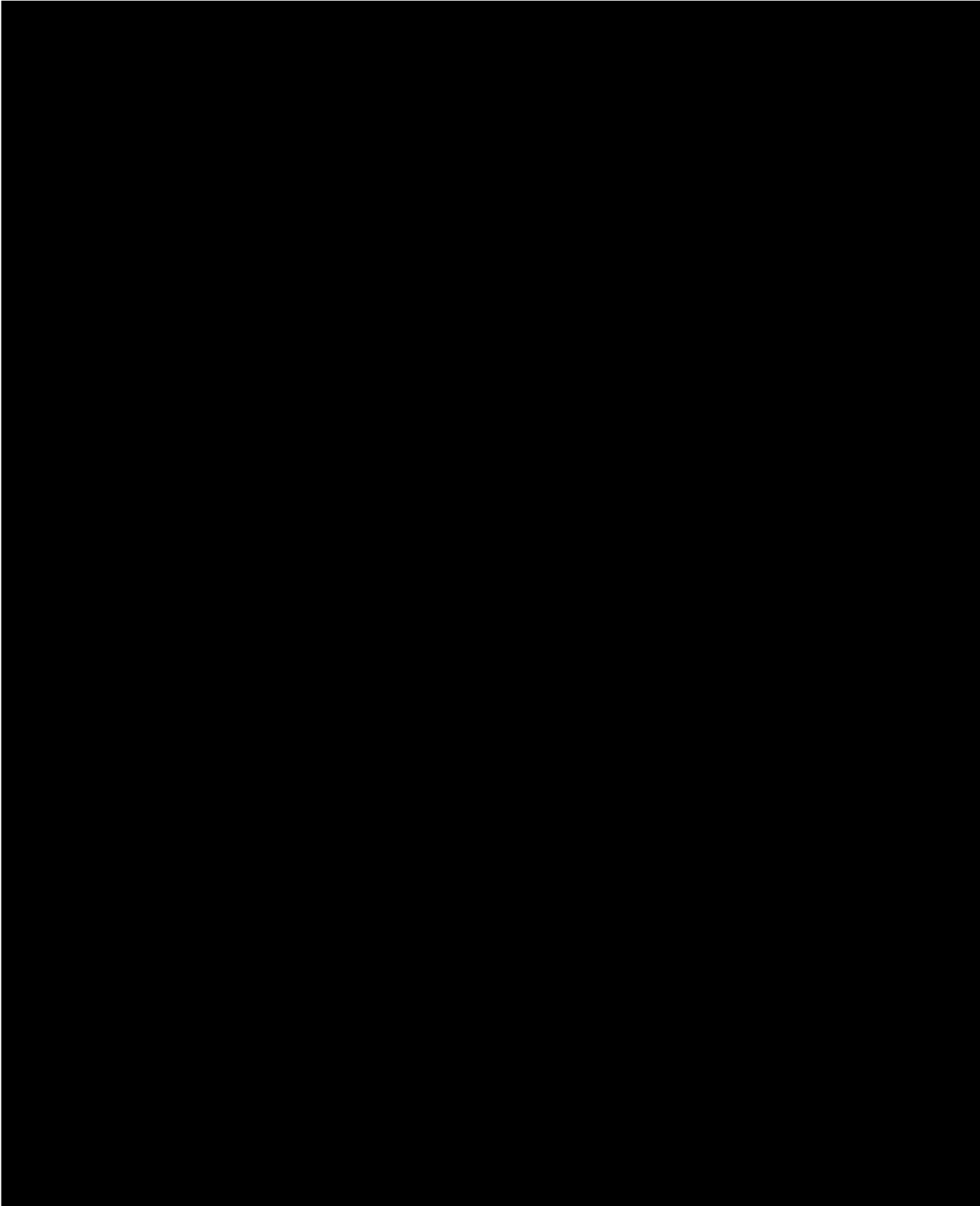


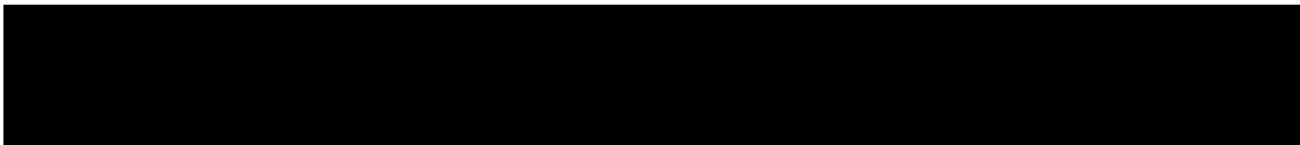




**ARTICLE V
CLASSIFICATION AND TREATMENT
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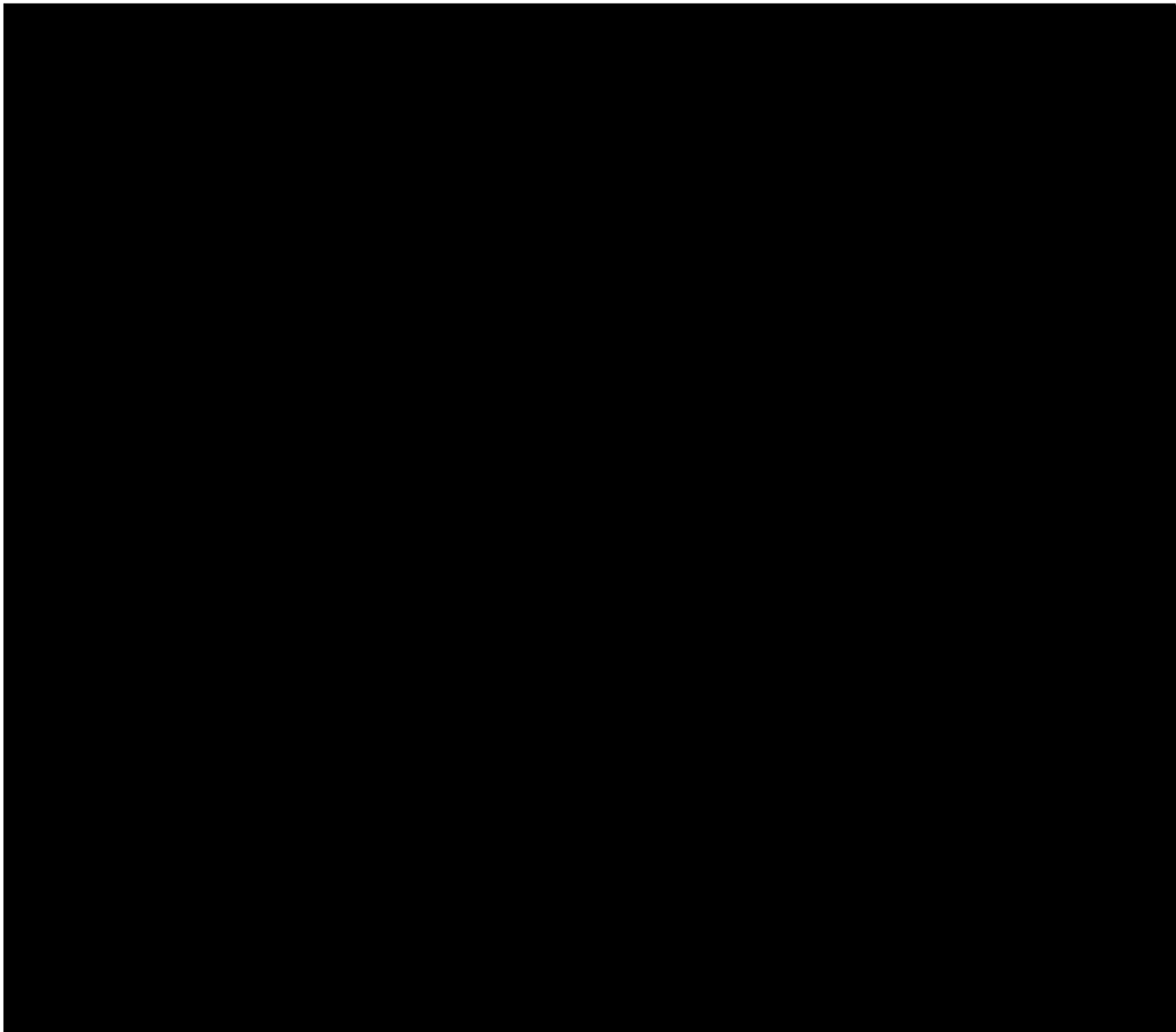


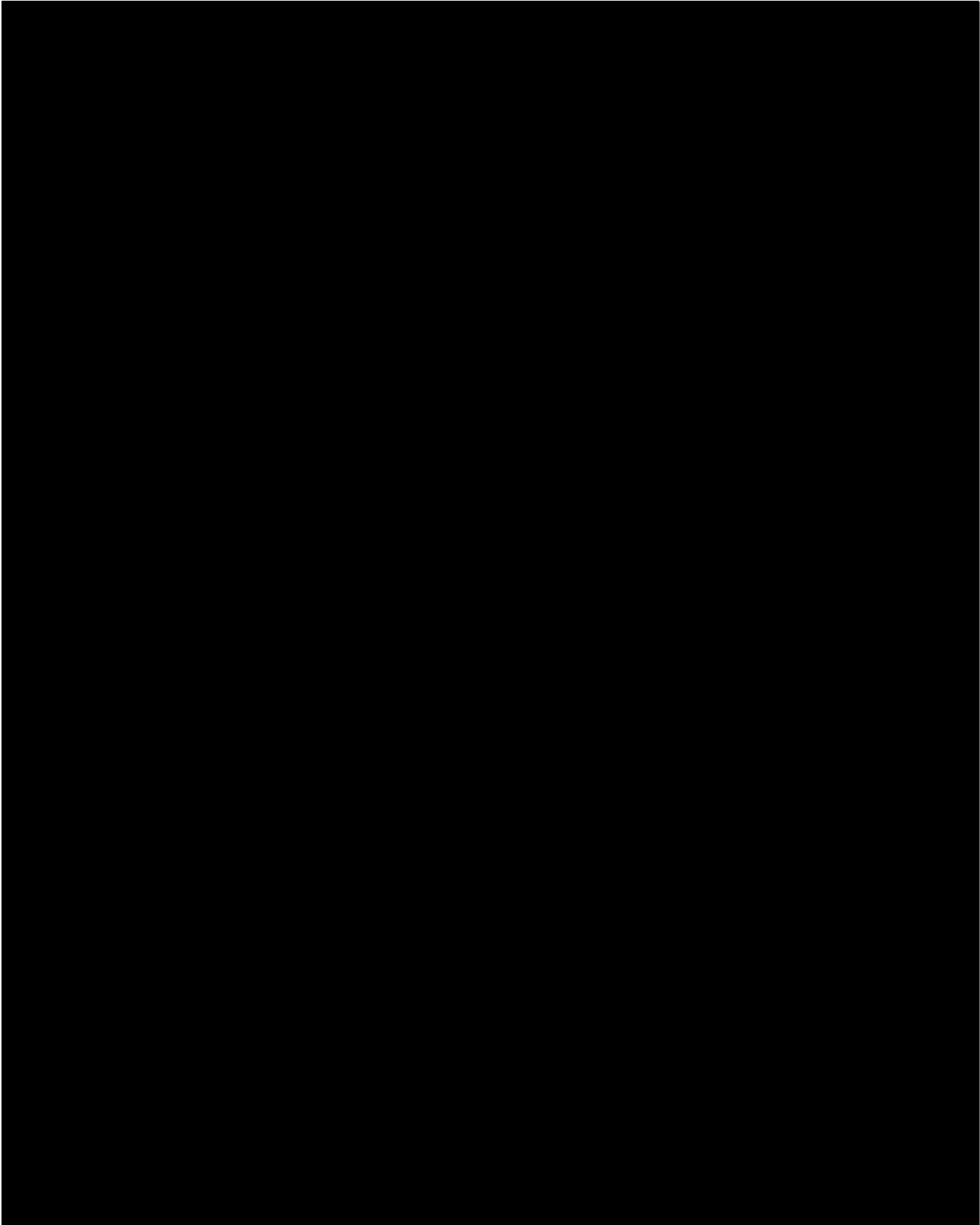


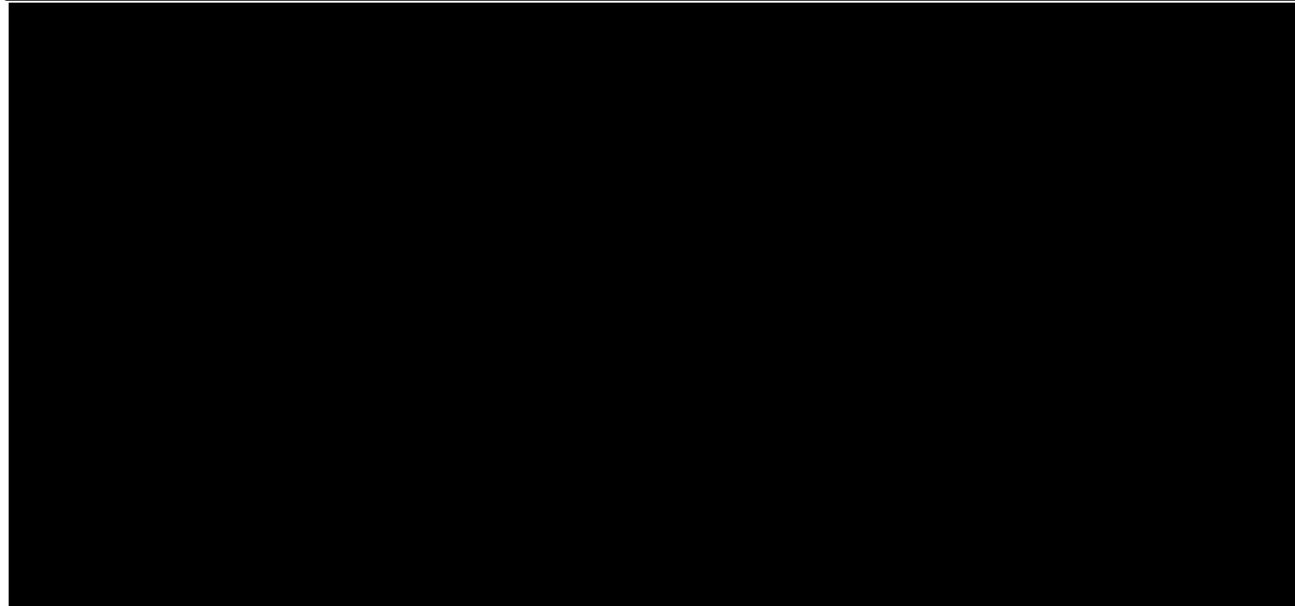
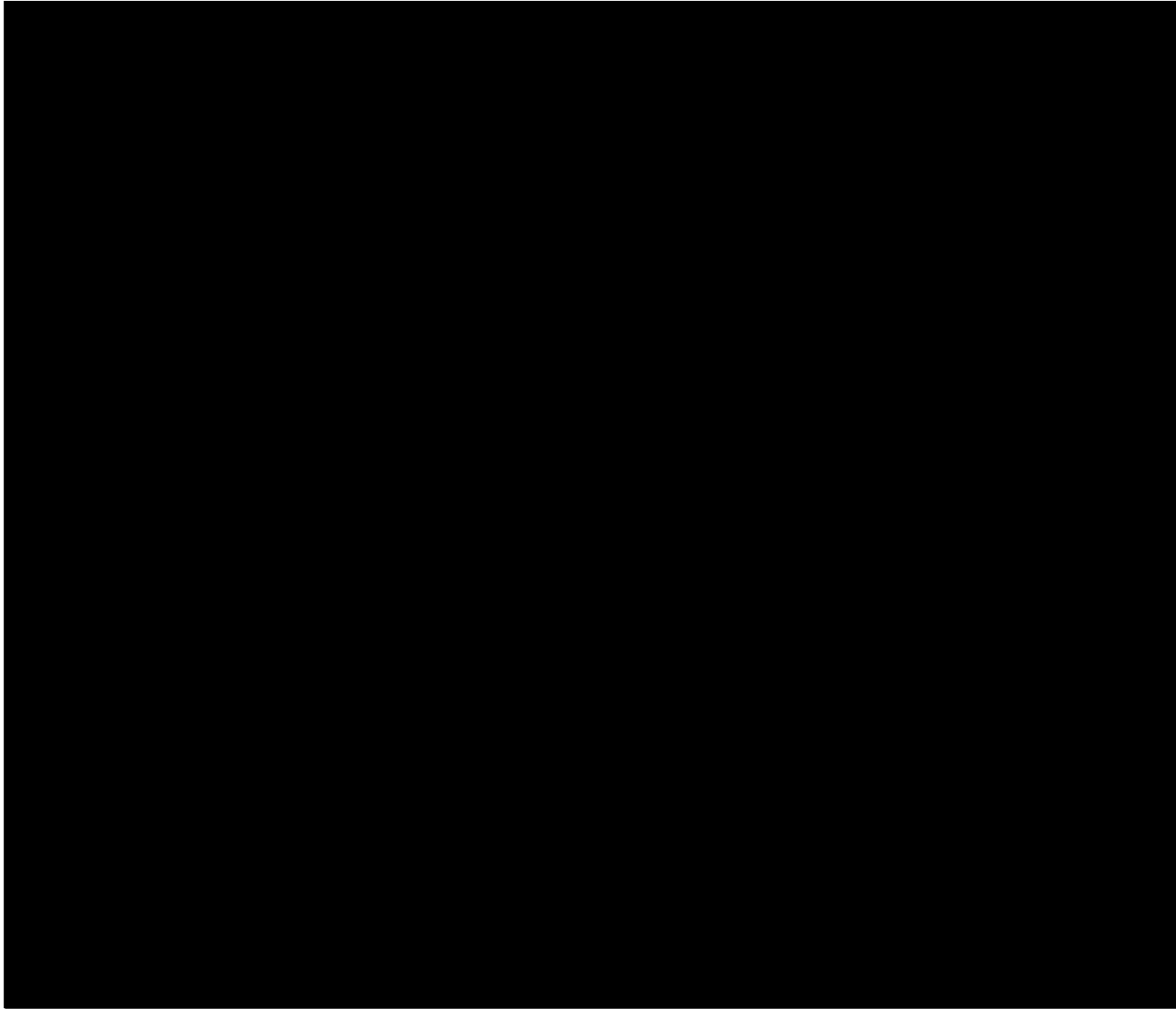
**ARTICLE VI
MEANS FOR IMPLEMENTATION OF THE PLAN**

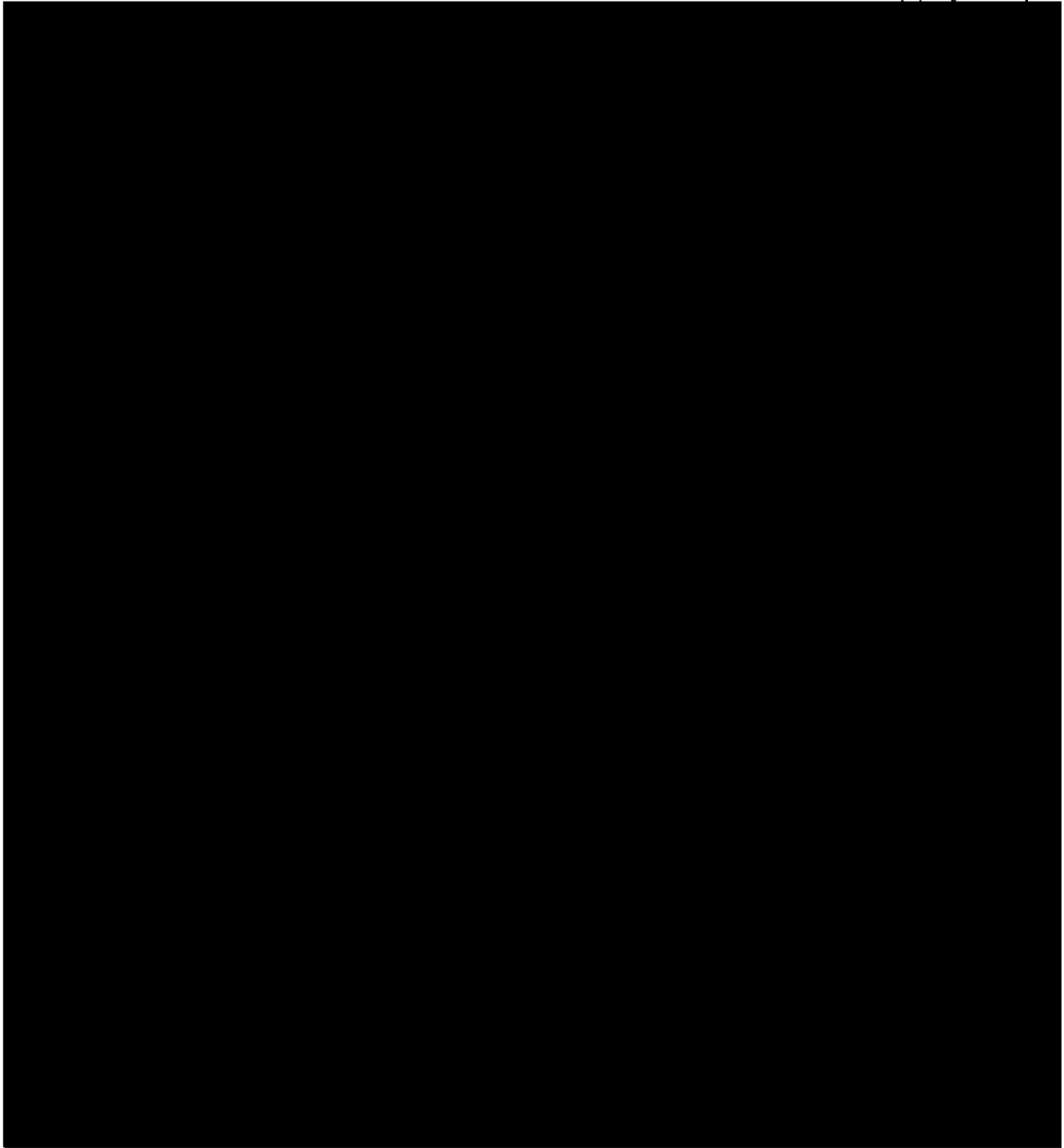
6.1 Continued Corporate Existence

Except as otherwise provided in the Plan, the Reorganized Debtor will continue to exist after the Effective Date as a corporate entity, with all of the powers of a corporation under applicable law in the jurisdiction in which the Debtor is incorporated and pursuant to its Charter Documents in effect before the Effective Date, as such documents are amended by or pursuant to the Plan.

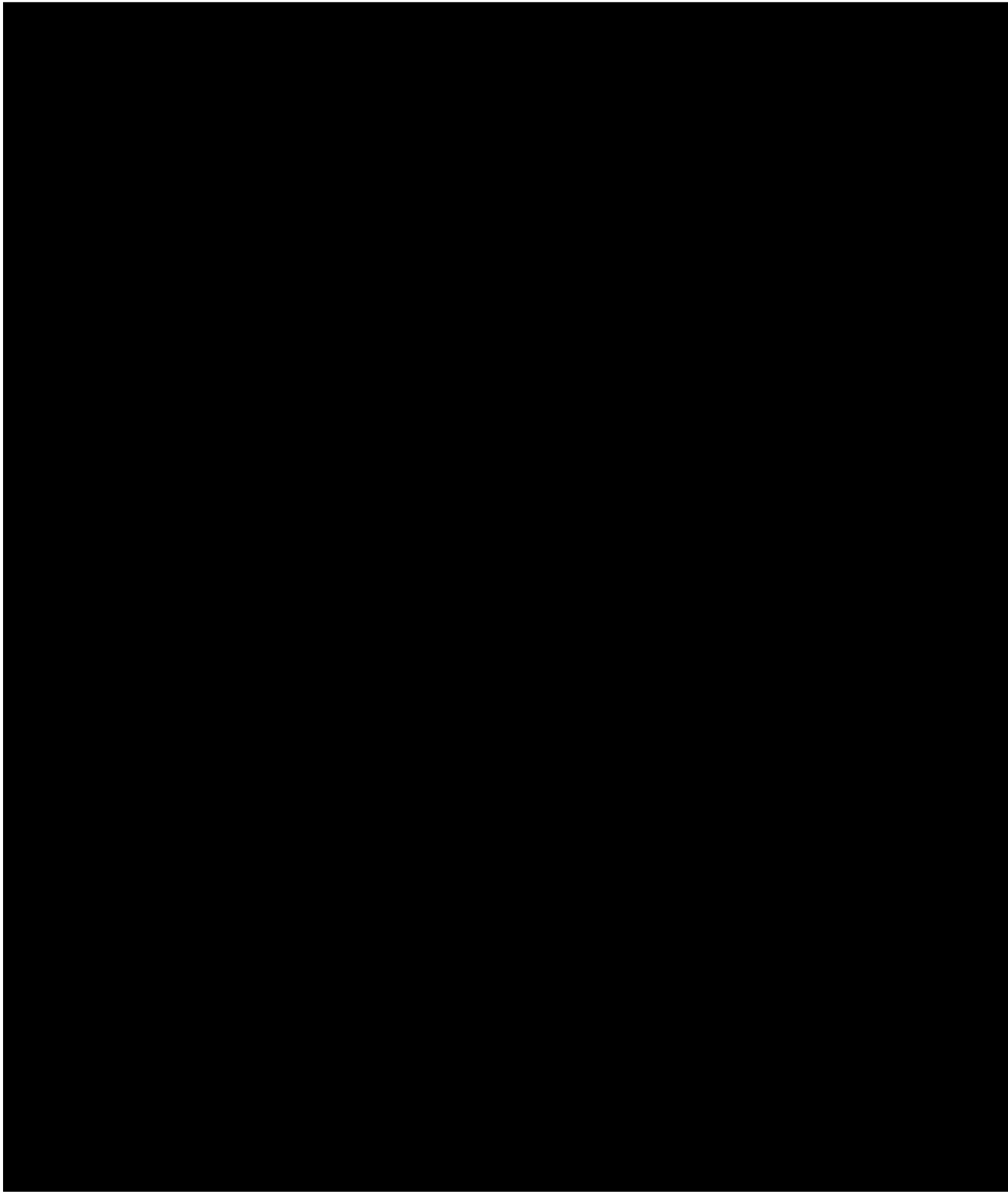


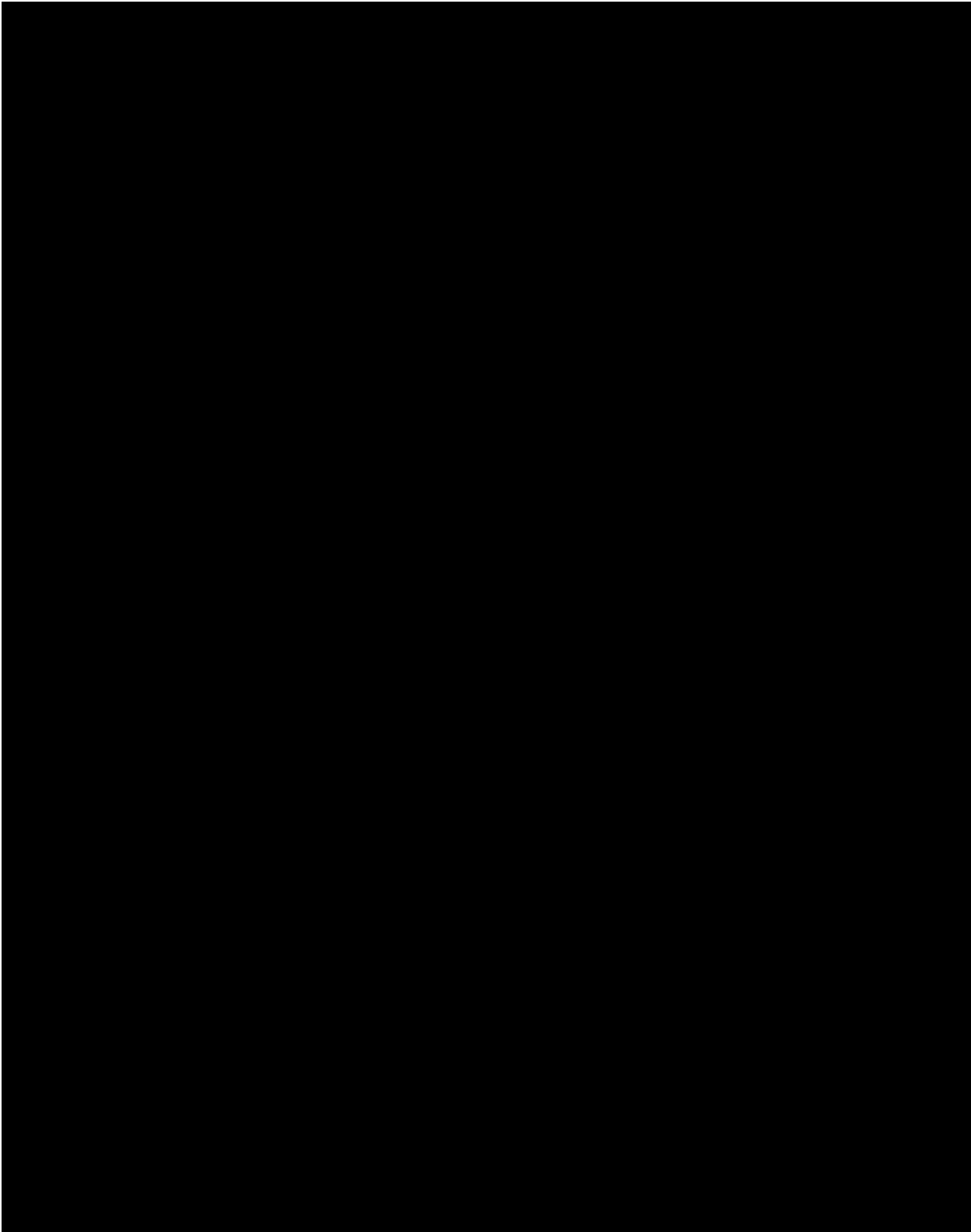


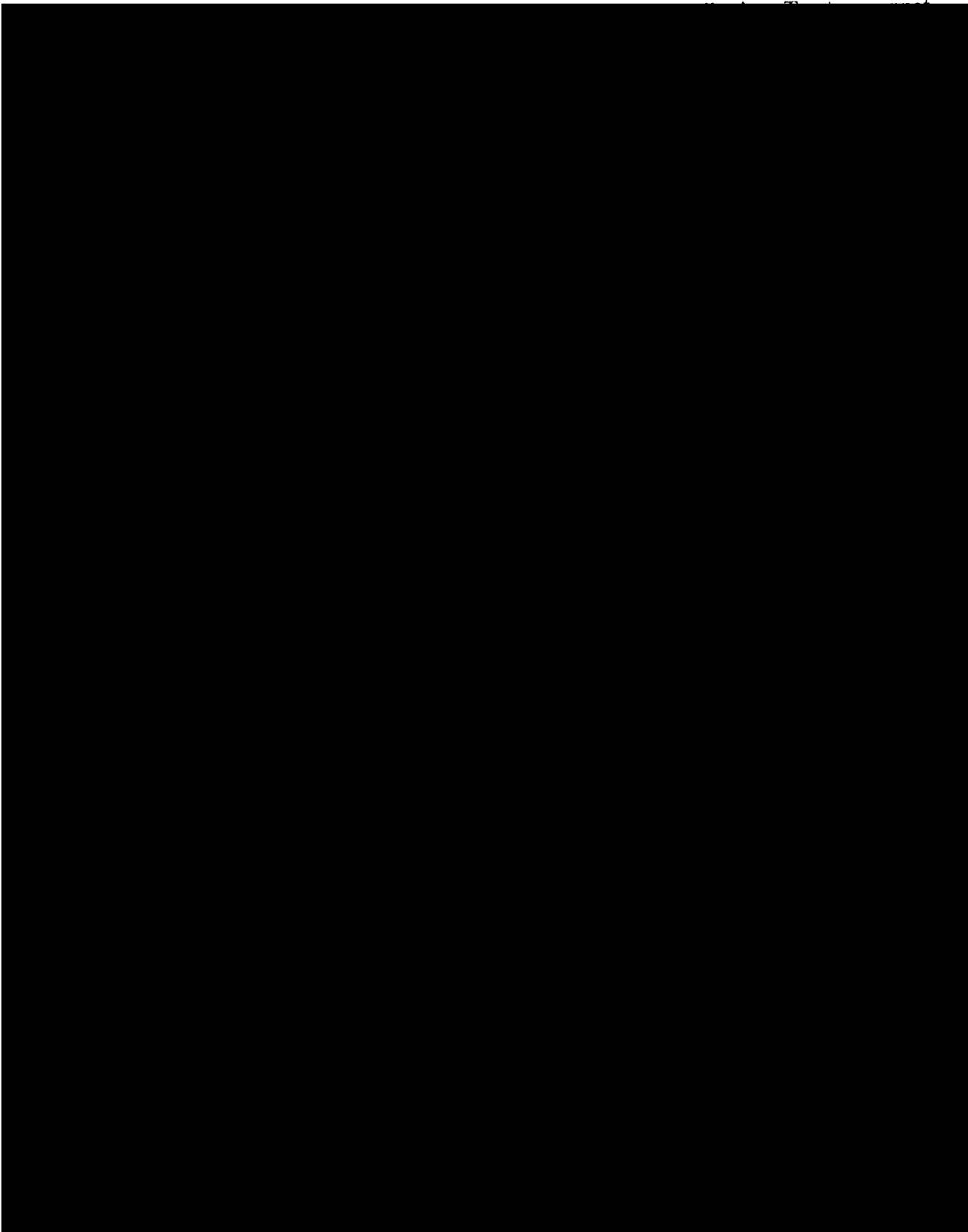


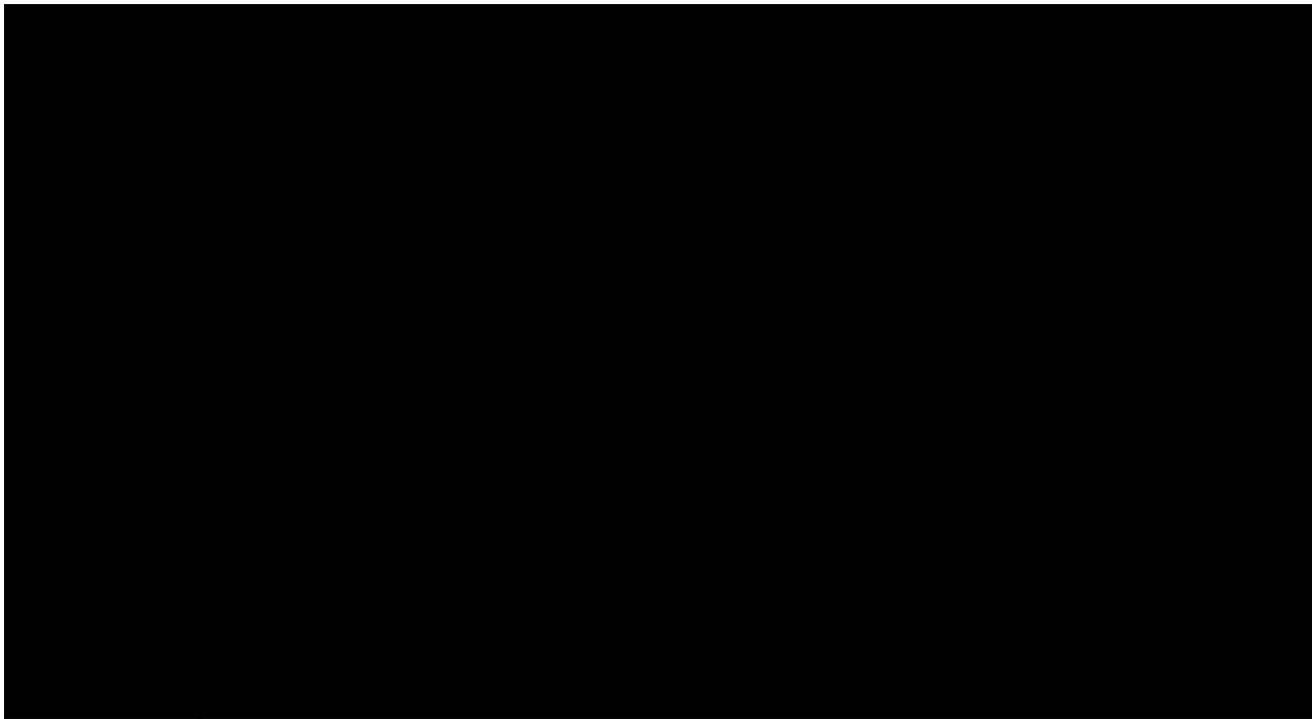


**ARTICLE VII
PROVISIONS GOVERNING RESOLUTION OF CLAIMS
AND DISTRIBUTIONS OF PROPERTY UNDER THE PLAN**

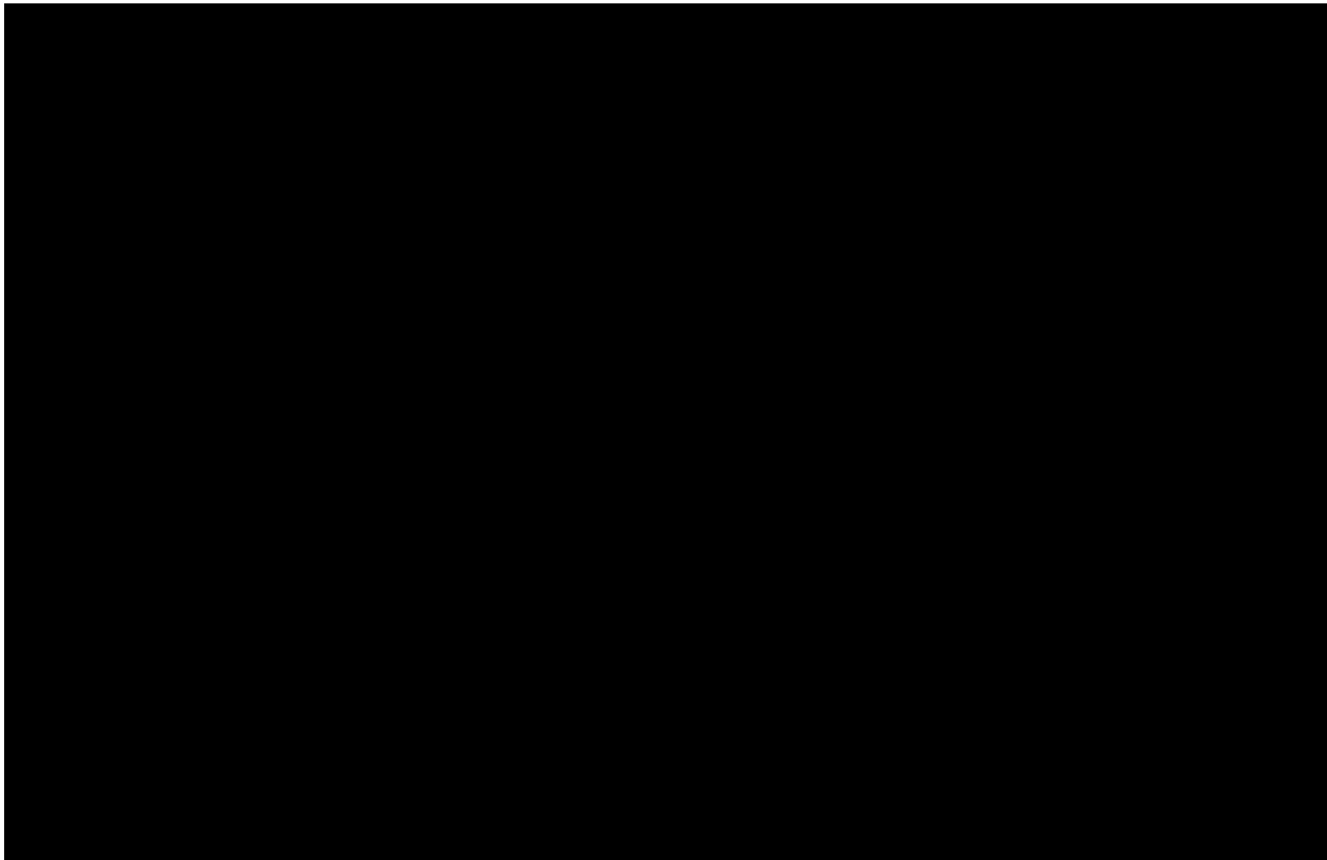


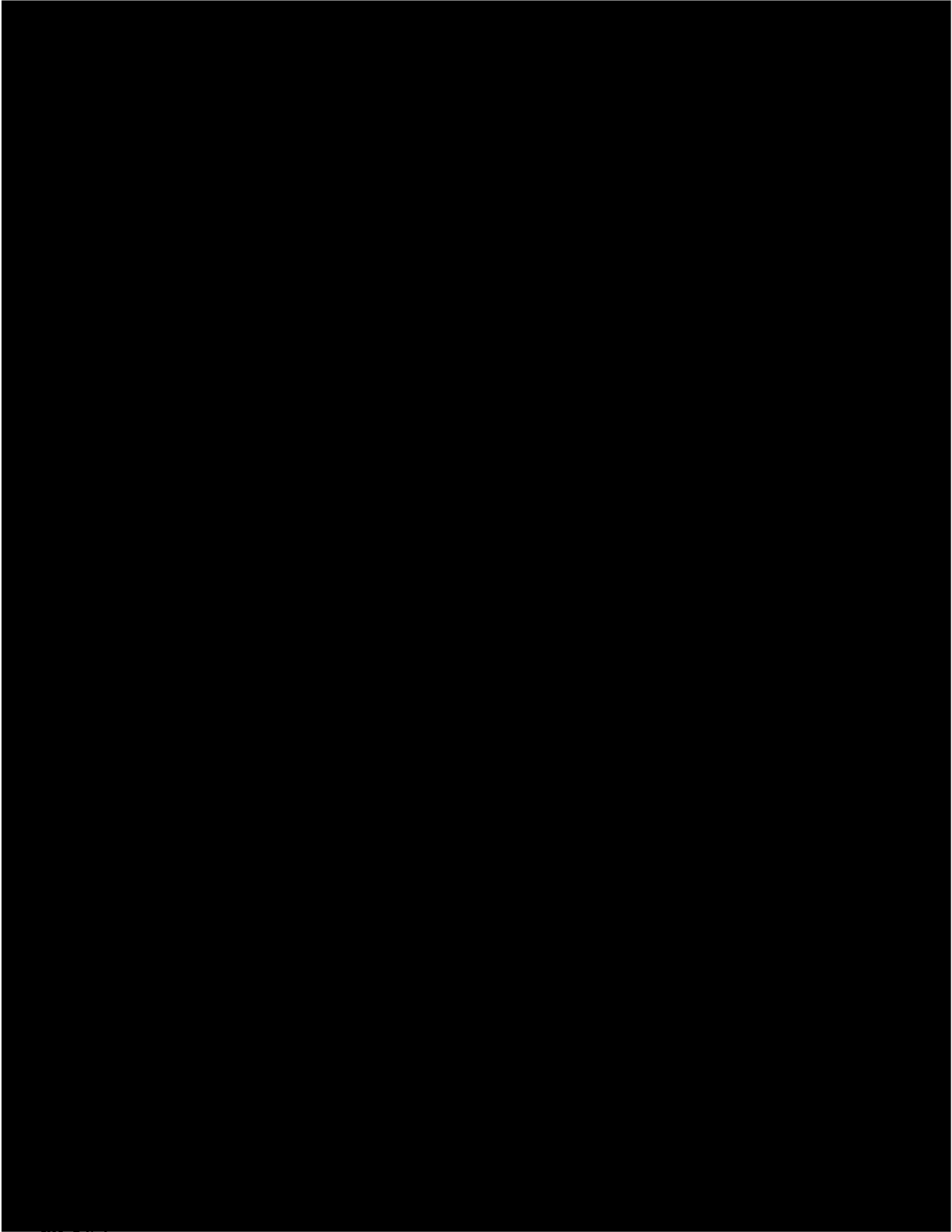


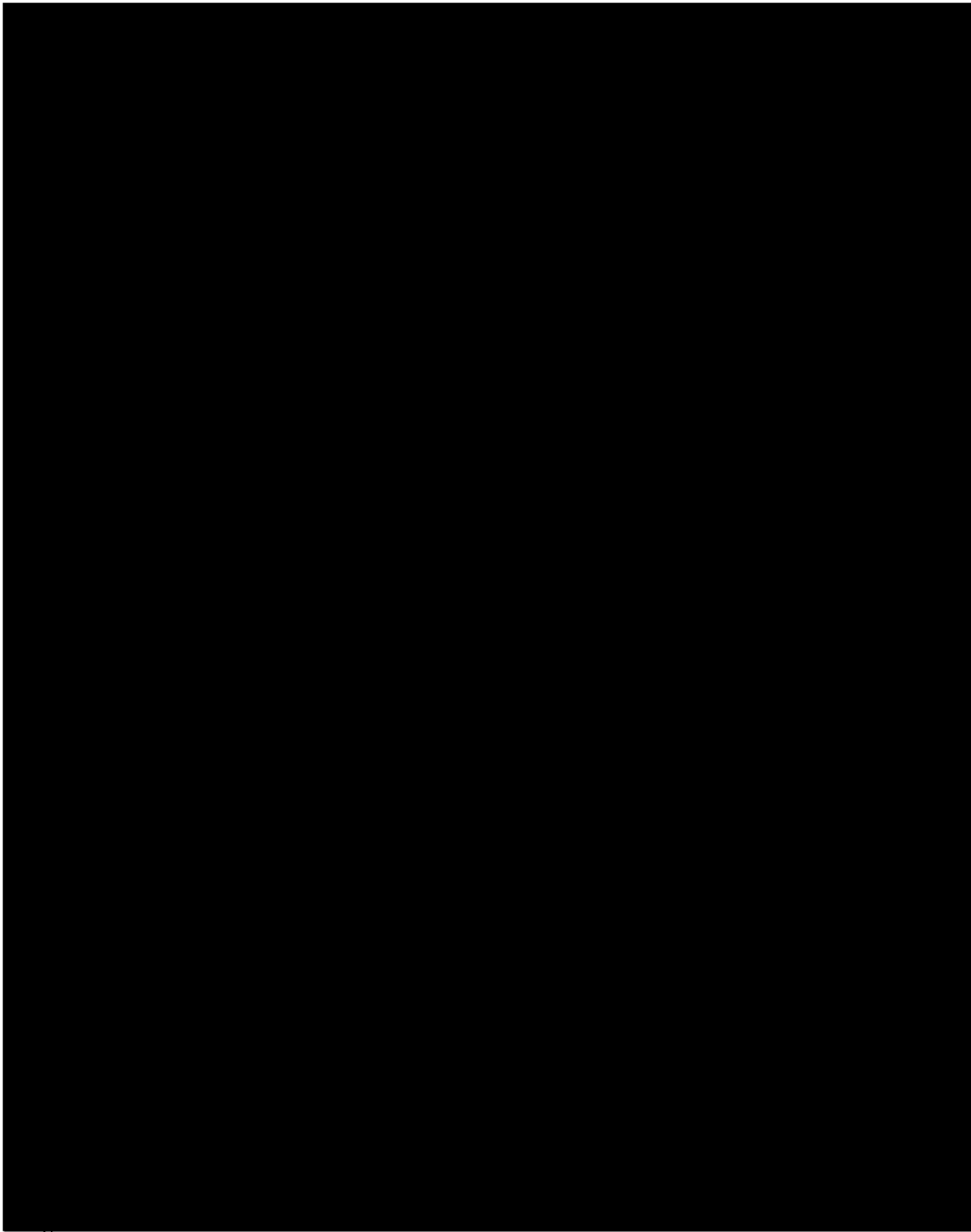


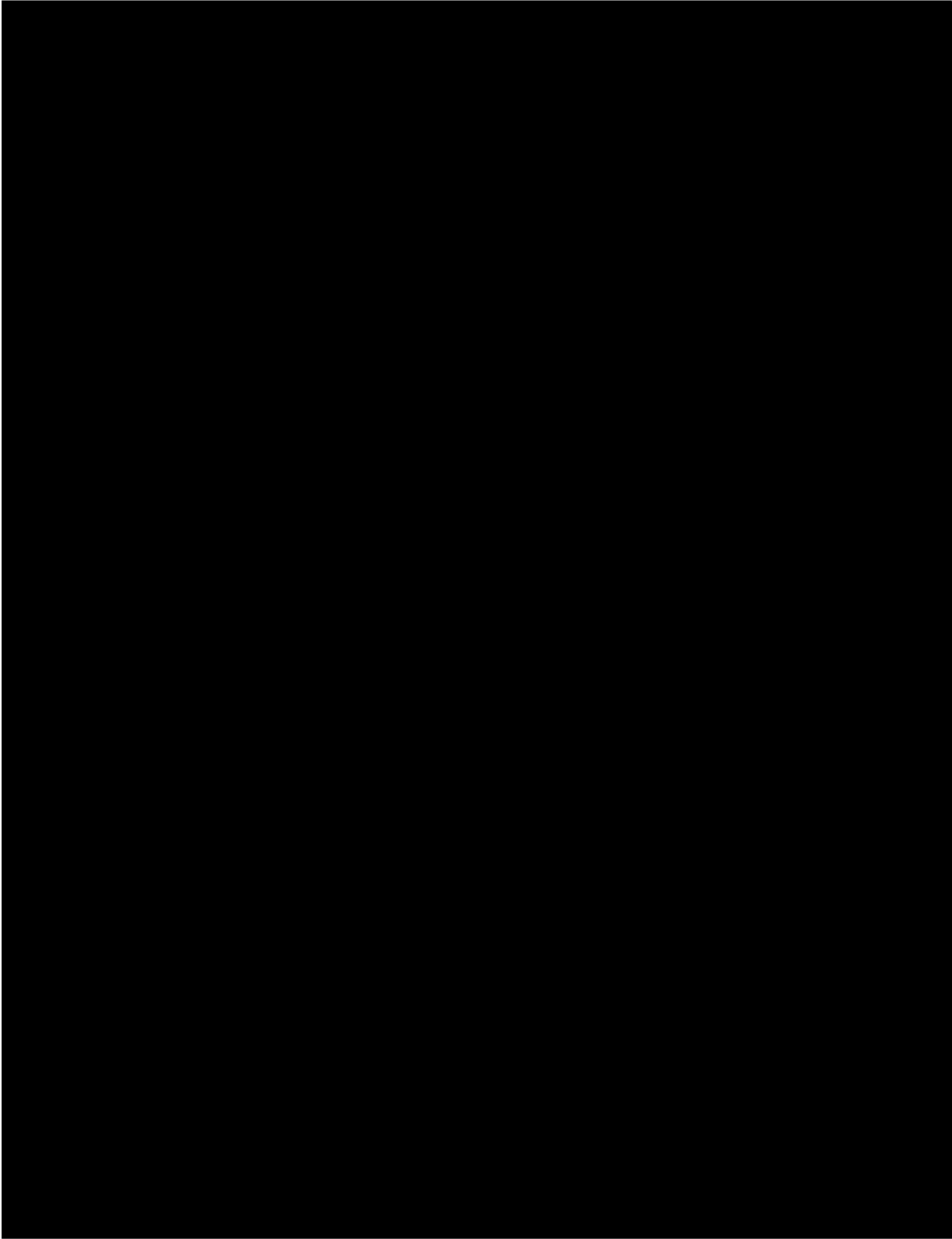


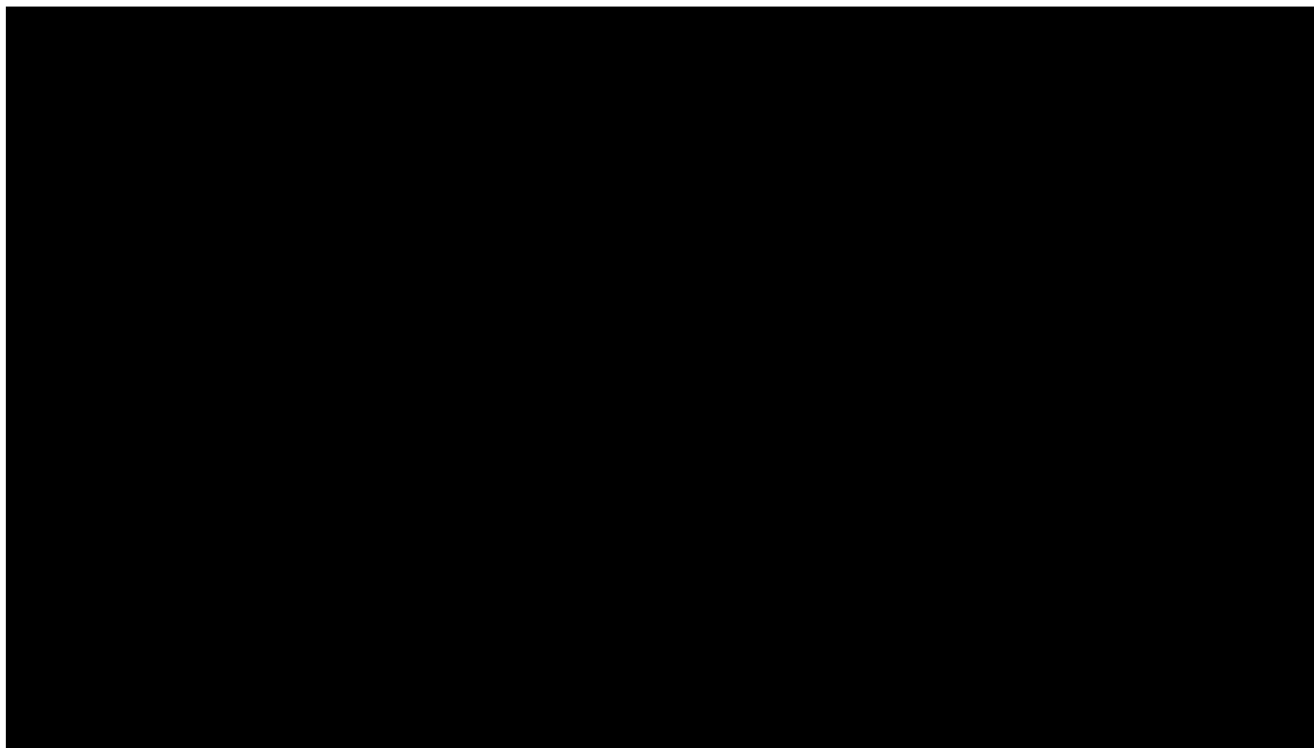
**ARTICLE VIII
EXECUTORY CONTRACTS**



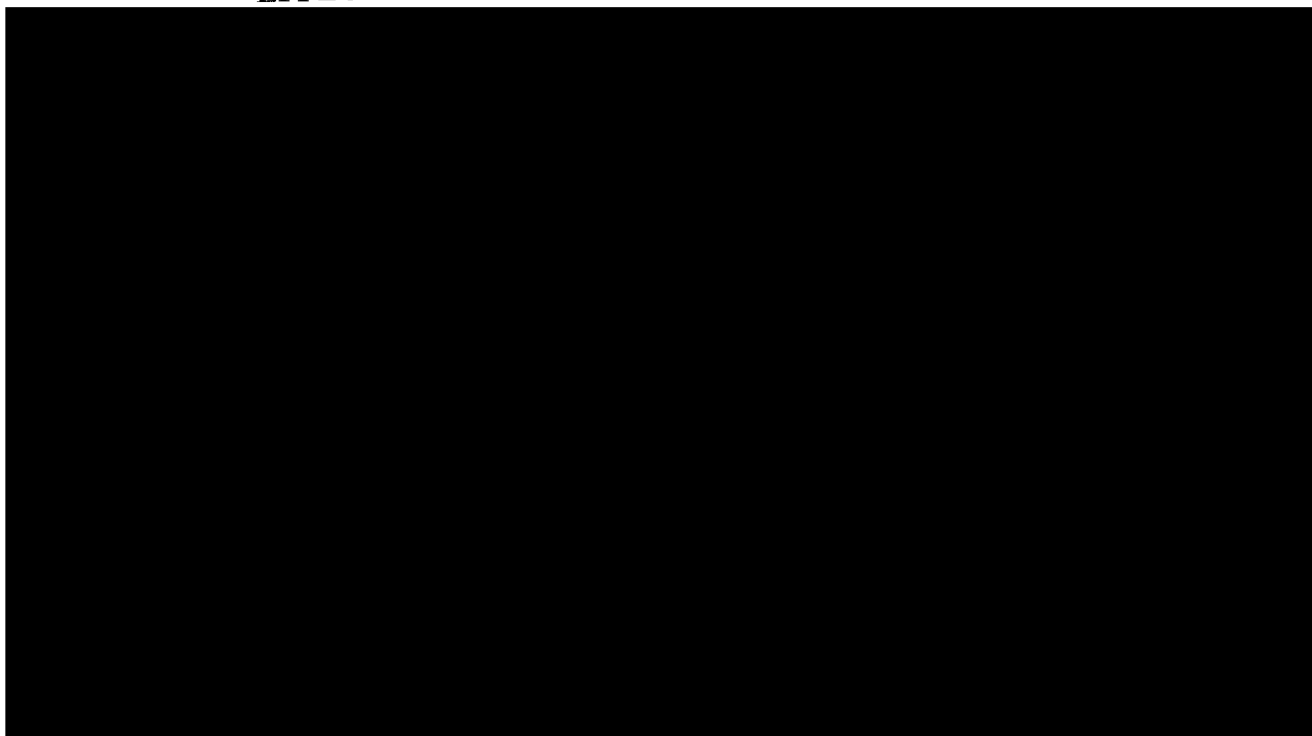








**ARTICLE IX
EFFECT OF REJECTION BY ONE OR MORE CLASSES**



**ARTICLE X
EFFECT OF CONFIRMATION**

10.1 Legally Binding Effect

The provisions of the Plan shall bind all Creditors and Interest Holders, whether or not they accept the Plan and wherever located. On and after the Effective Date, all holders of Claims and Equity Interests shall be precluded and enjoined from asserting any Claim or Equity Interest against the Debtor or its assets or properties (and for the avoidance of doubt, against the Reorganized Debtor or its assets or properties) based on any transaction or other activity of any kind that occurred prior to the Confirmation Date except as permitted under the Plan.

10.2 Vesting of Property of Debtor in Reorganized Debtor

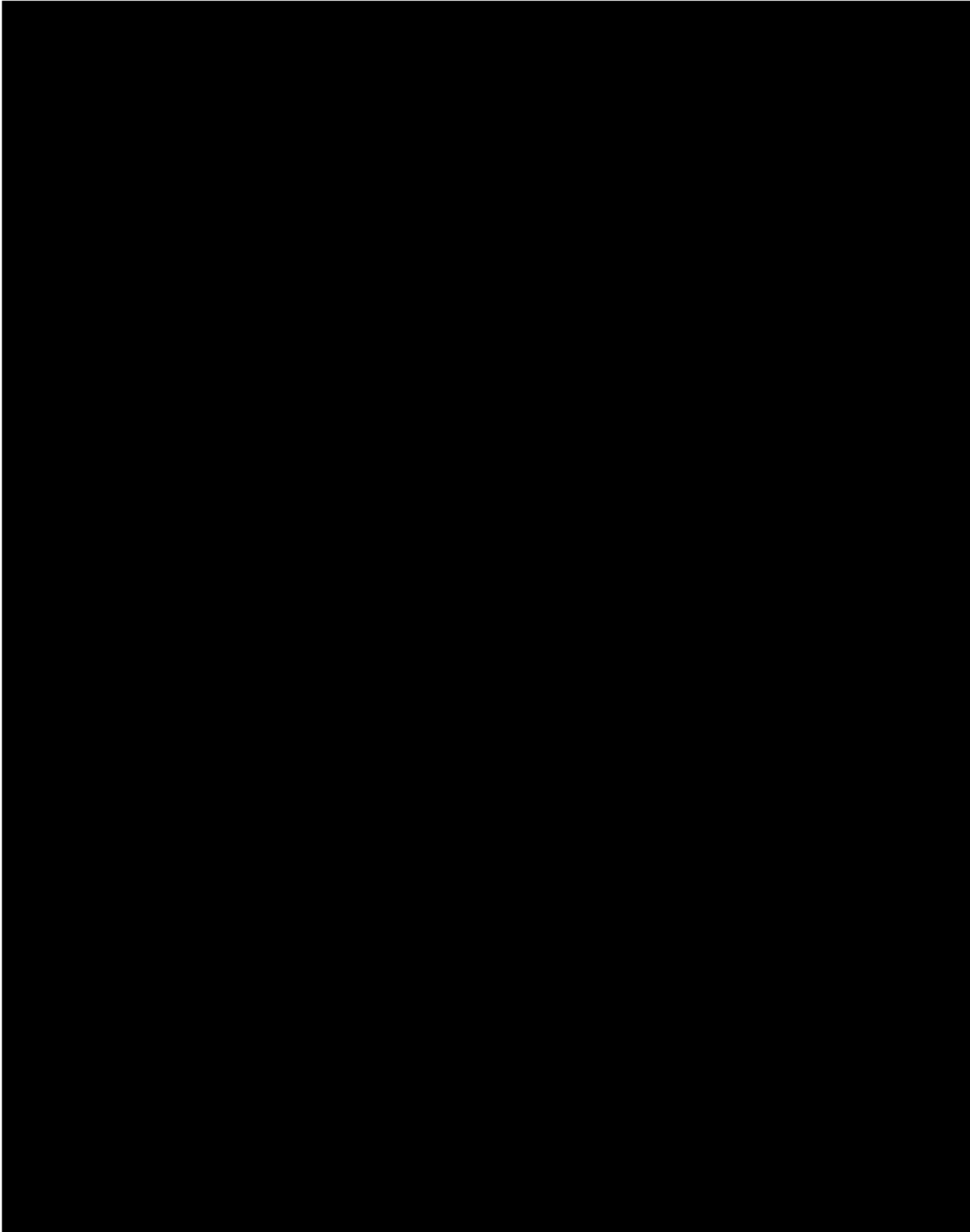
On the Effective Date, except as otherwise expressly provided in the Plan or Confirmation Order, all Estate Property, other than the Distribution Trust Assets, shall vest in the Reorganized Debtor free and clear of all Liens, Claims, Equity Interests, and encumbrances of any kind, except as otherwise provided in the Plan. Notwithstanding the foregoing, any sensitive information of the federal government, including Defense Advanced Research Projects Agency, the National Security Agency, or the Department of Defense which resides on the Debtor's servers shall not be included in the Estate Property which vests in the Reorganized Debtor.

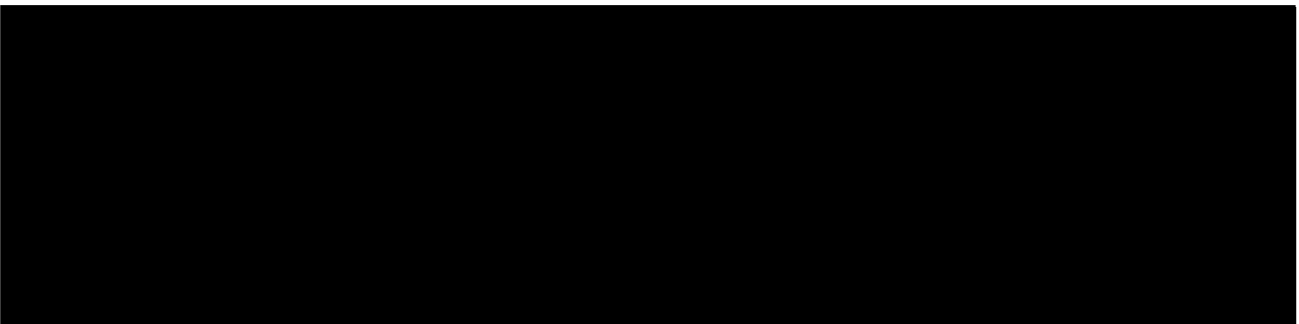
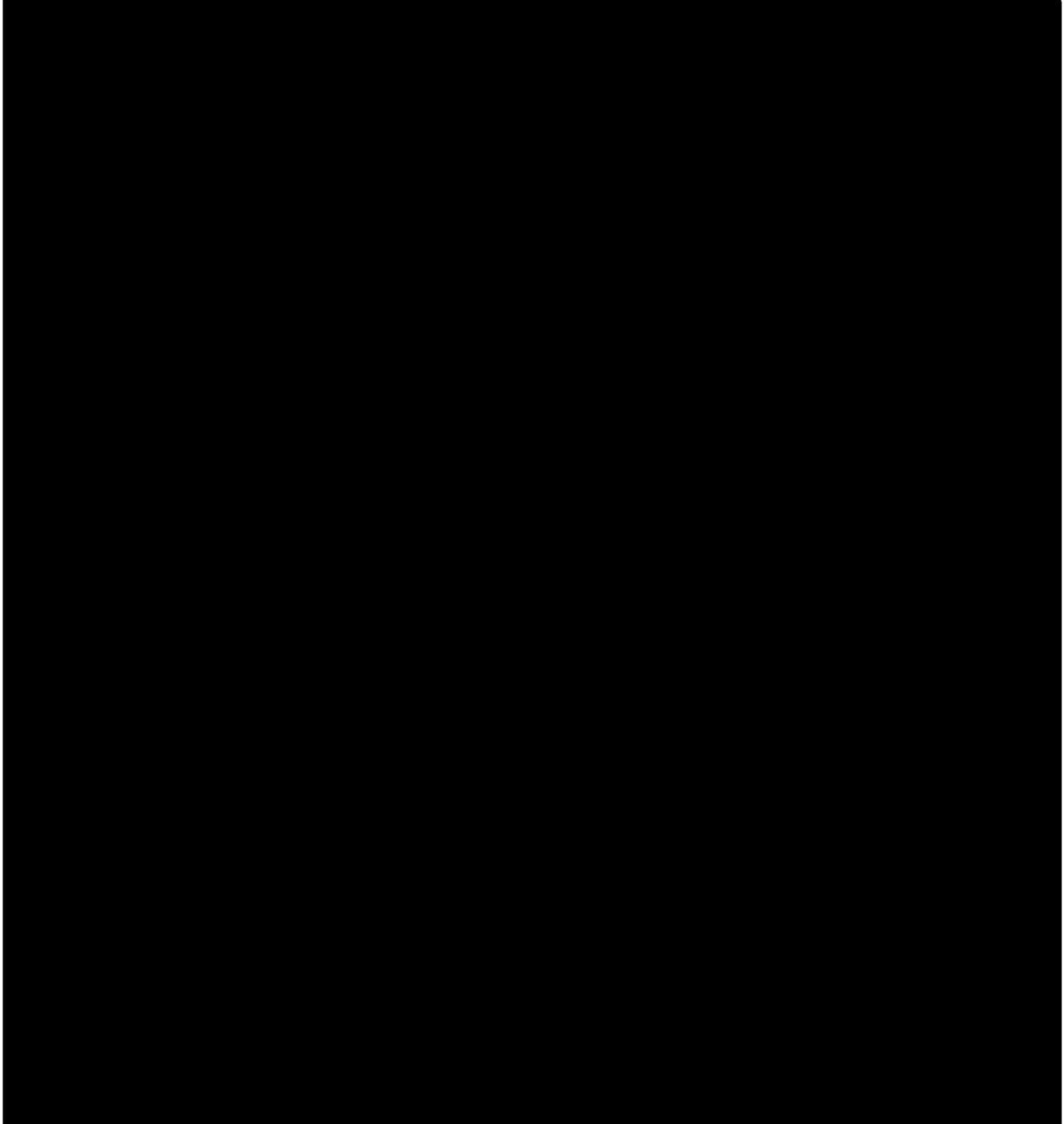
On the Effective Date, except as otherwise provided in the Plan, the Reorganized Debtor may operate its business and may use, acquire, or dispose of property, without supervision of approval by the Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules.

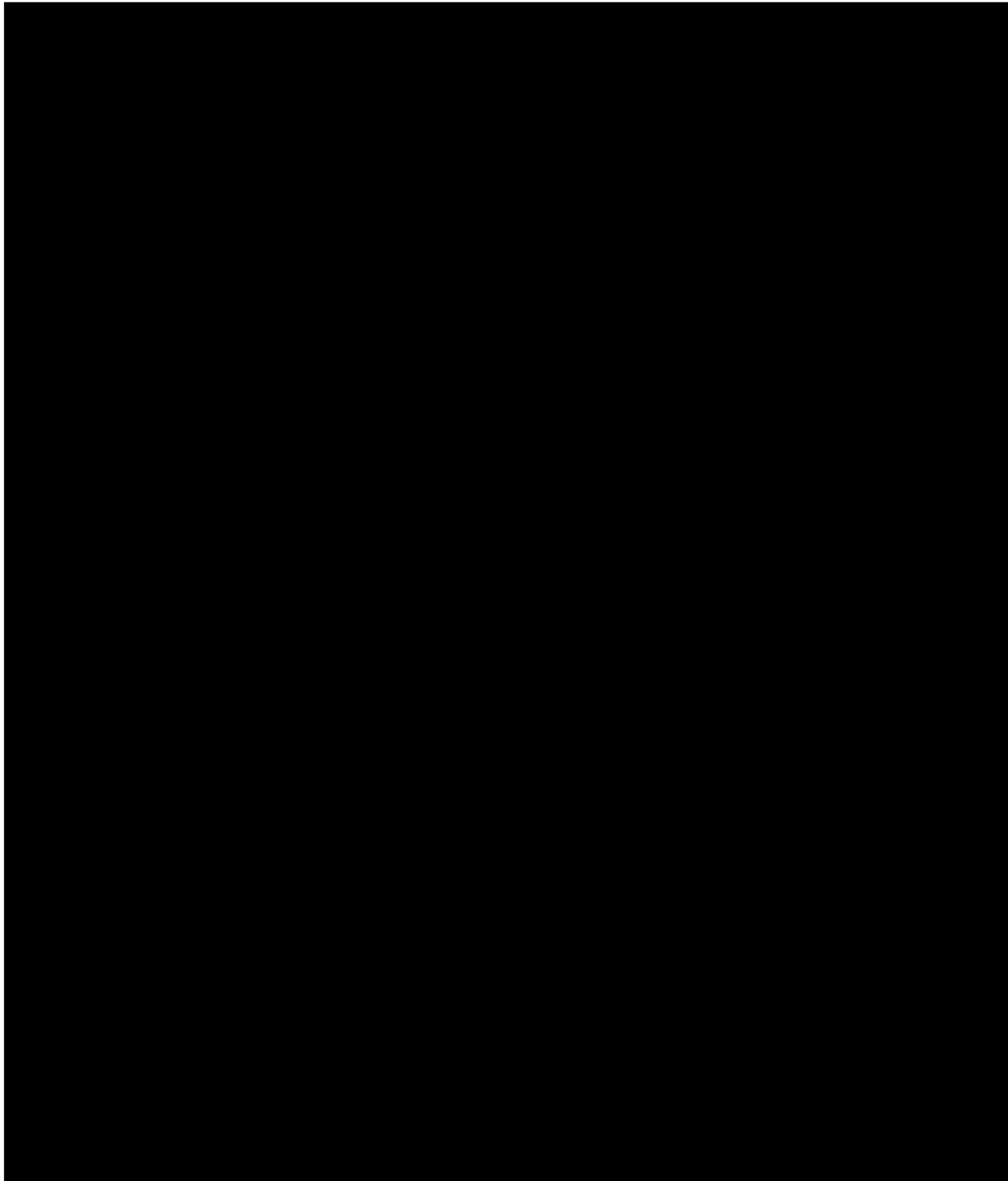
**ARTICLE XI
INJUNCTIONS, RELEASES, AND DISCHARGE**

11.1 Discharge of the Debtor

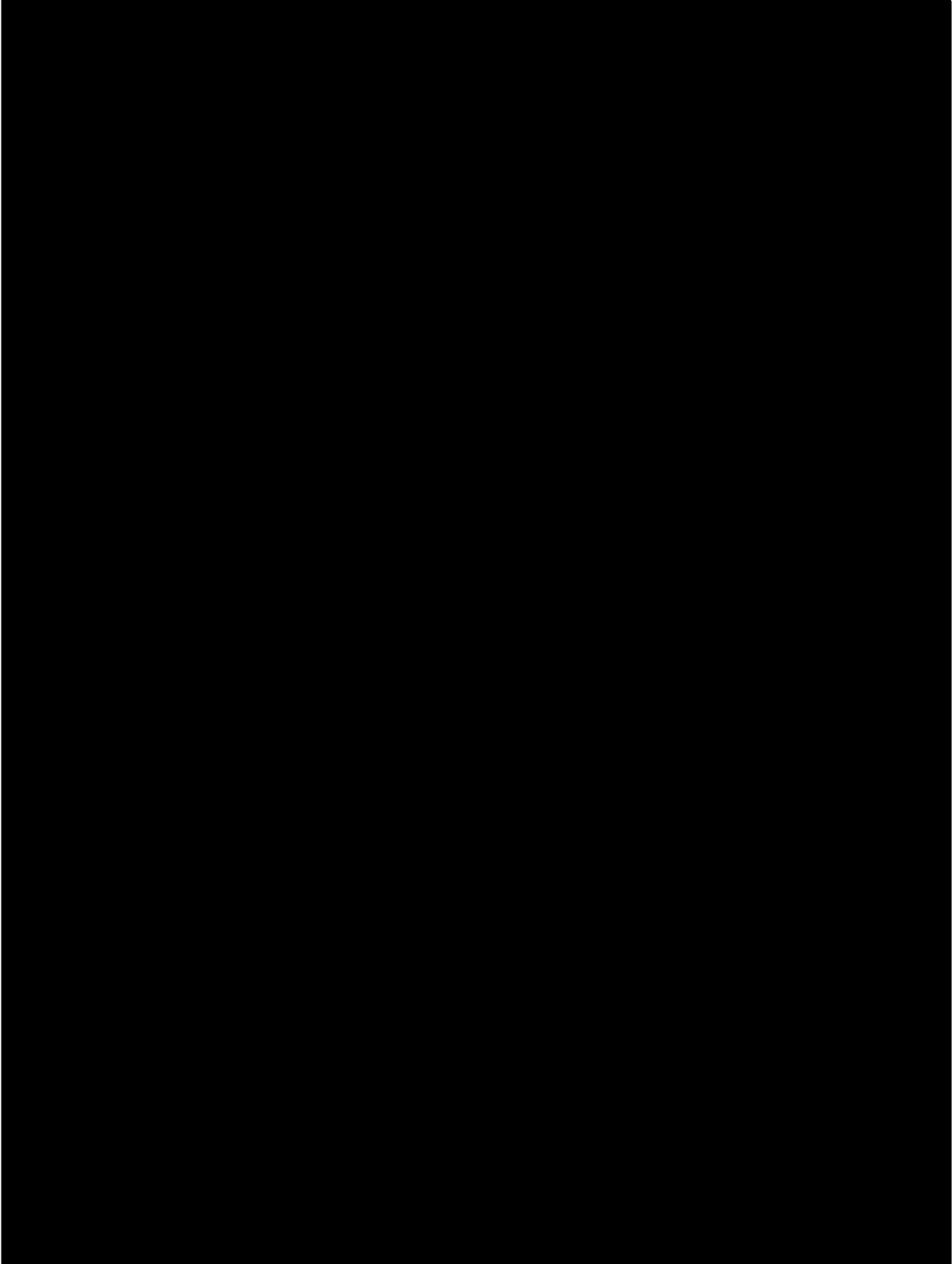
To the fullest extent provided under section 1141(d)(1)(A) and other applicable provisions of the Bankruptcy Code, except as otherwise expressly provided by the Plan or the Confirmation Order, upon the Effective Date, the Debtor and its estate will be deemed discharged and released under and to the fullest extent provided under section 1141(d)(1)(A) and other applicable provisions of the Bankruptcy Code from any and all Claims, causes of action and Equity Interests of any kind or nature whatsoever, whether known or unknown, including any interest accrued on such Claims from and after the Petition Date, liabilities of, Liens on, obligations of, rights against, and Equity Interests in the Debtor or any of its assets or properties, and regardless of whether any property will have been distributed or retained pursuant to the Plan on account of such Claims or Equity Interests, including, but not limited to, demands and liabilities that arose before the Confirmation Date, and all debts of the kind specified in section 502(g), 502(h), or 502(i) of the Bankruptcy Code. The Confirmation Order shall be a judicial determination of the discharge of all Claims and causes of action against and Equity Interests in the Debtor, subject to the occurrence of the Effective Date.

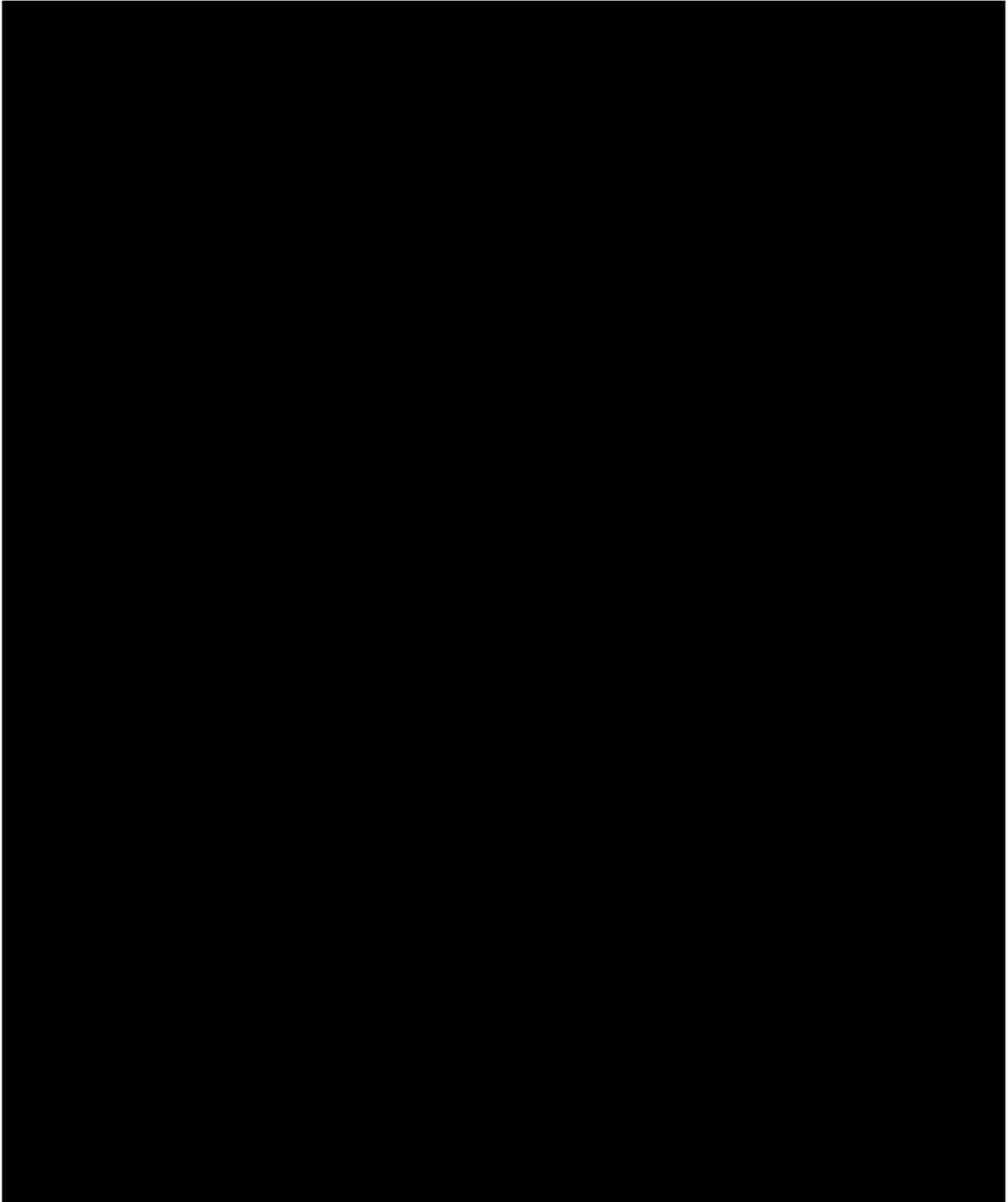




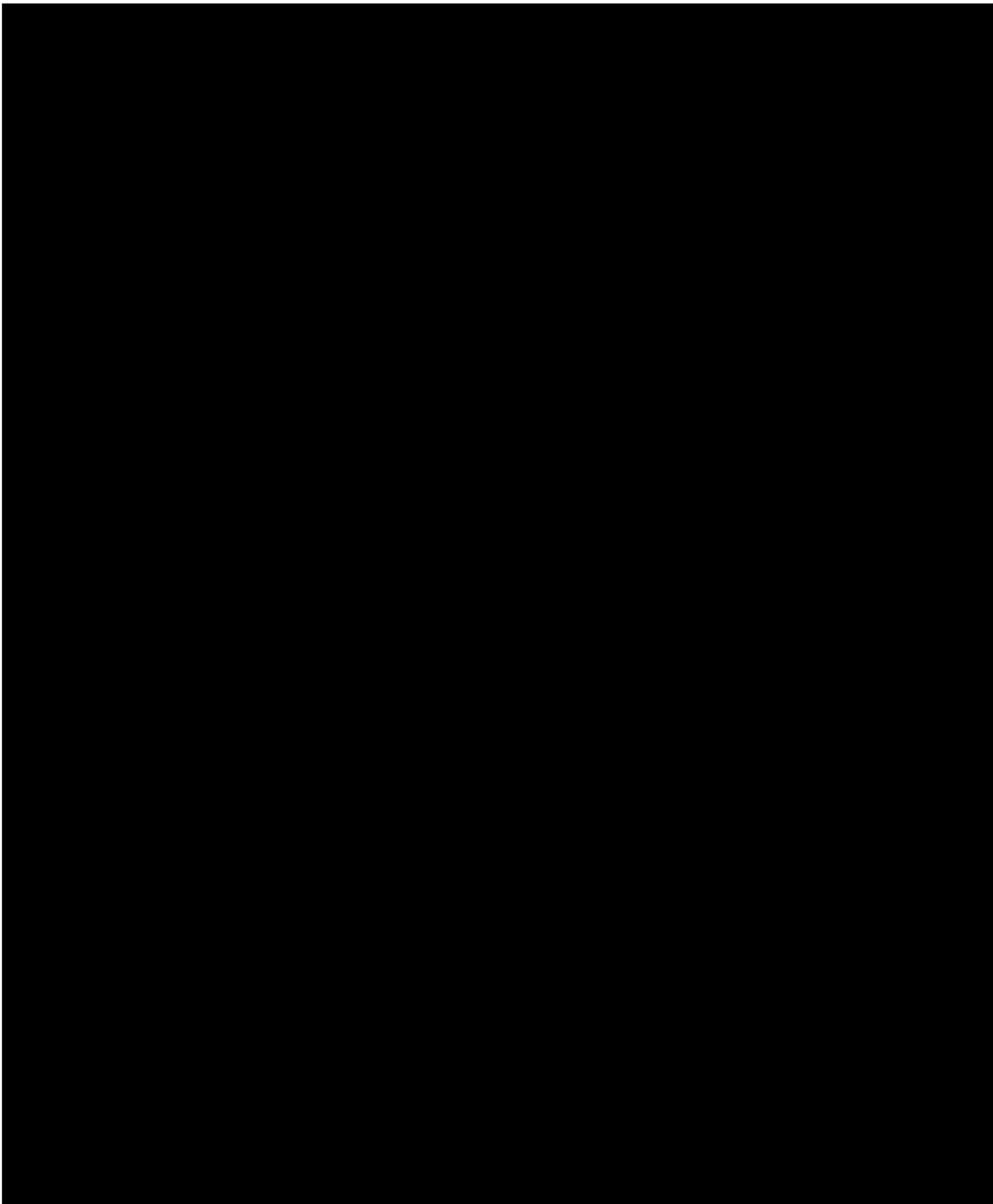


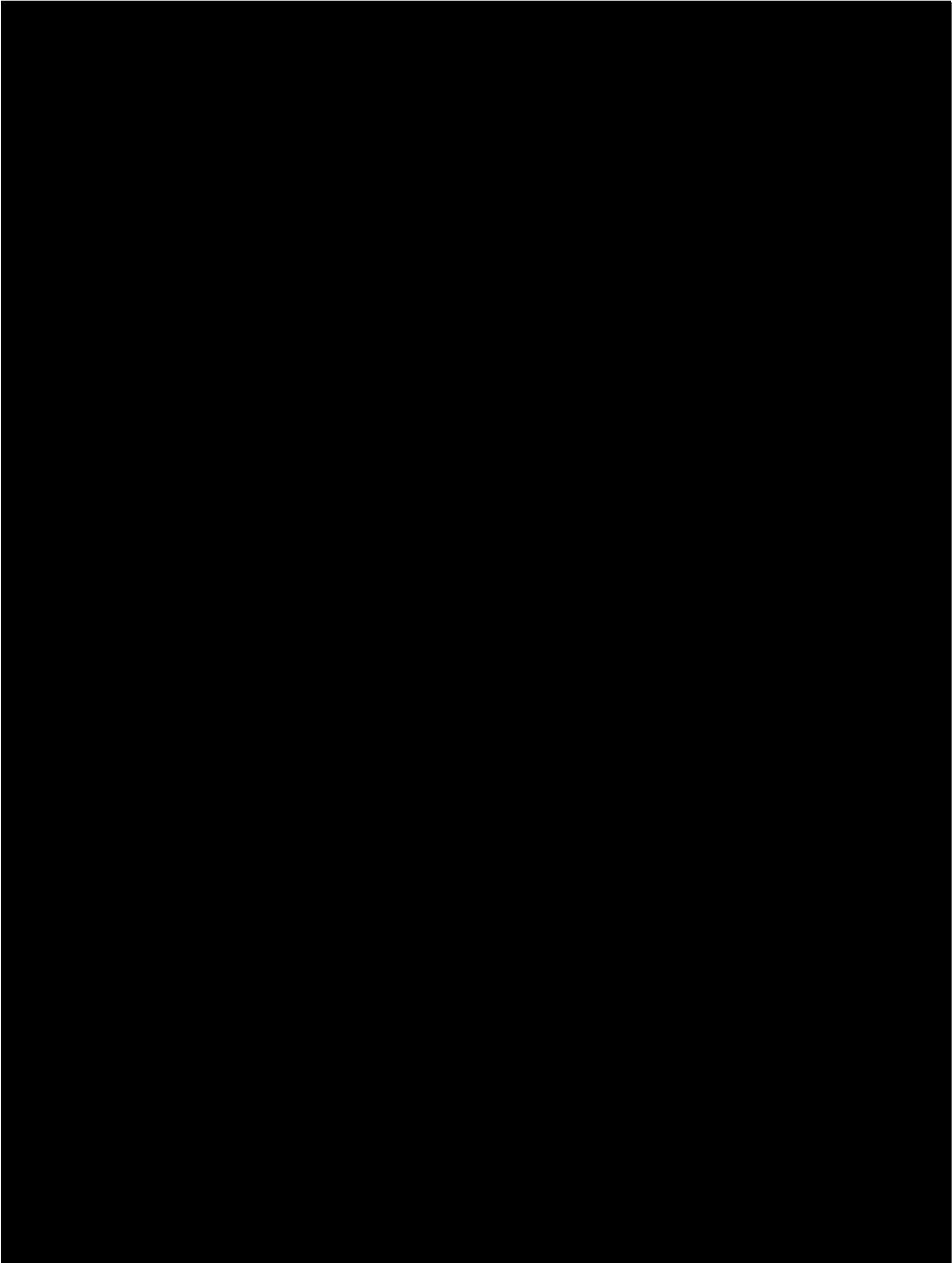
² Within ten (10) days after the Effective Date, the Debtor or its claims agent shall file a declaration specifying the name of any claimholder whose solicitation package was returned undelivered, and as to which the Debtor did not receive a ballot

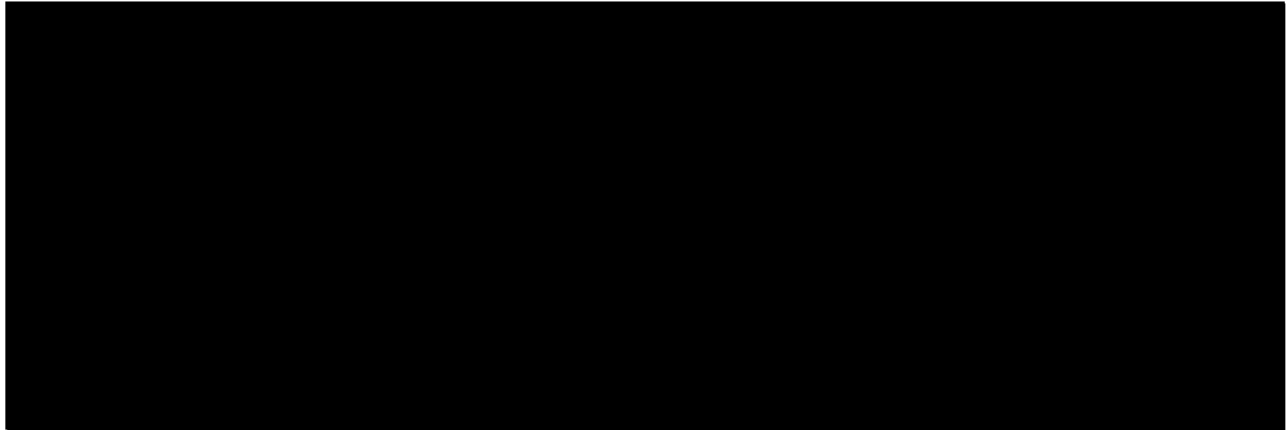




**ARTICLE XIII
MISCELLANEOUS PROVISIONS**





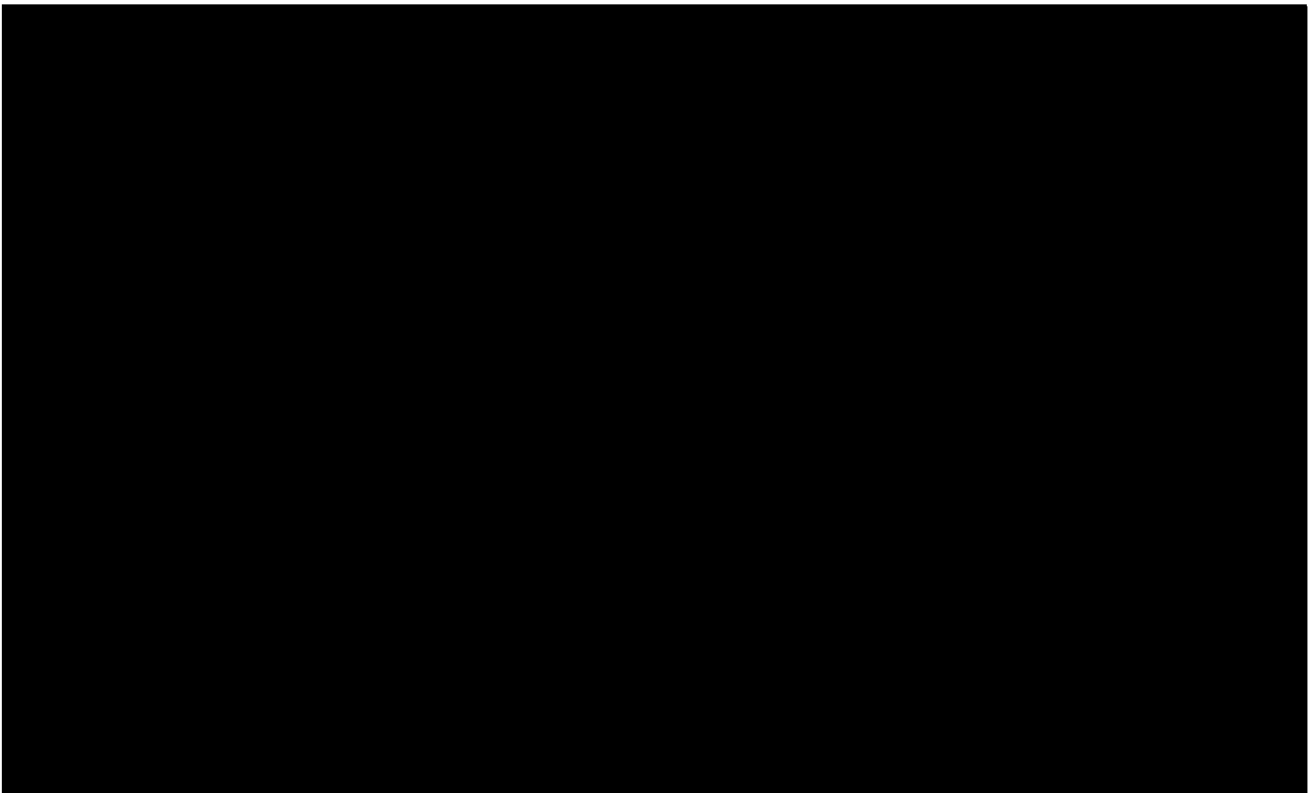


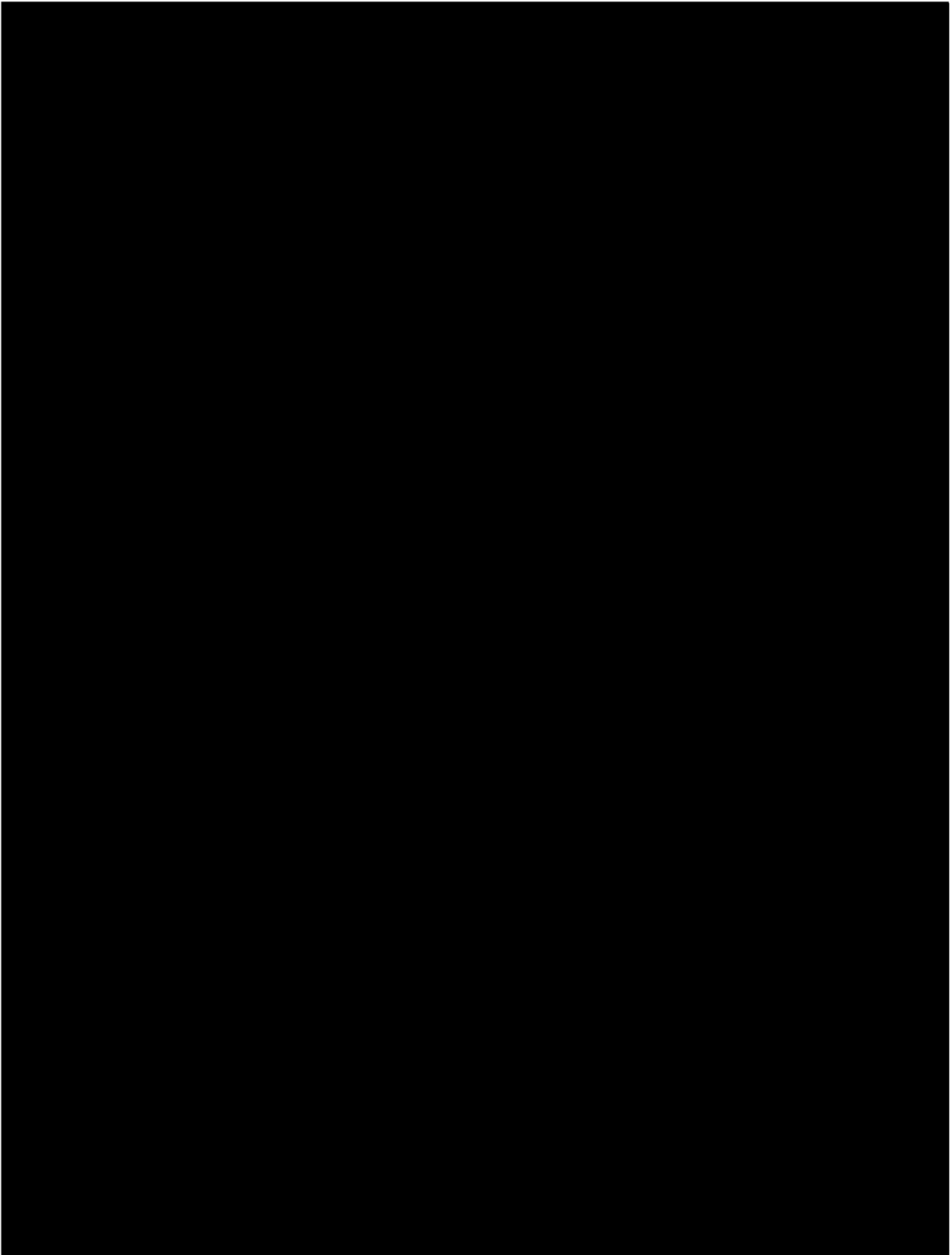
13.9 Governing Law

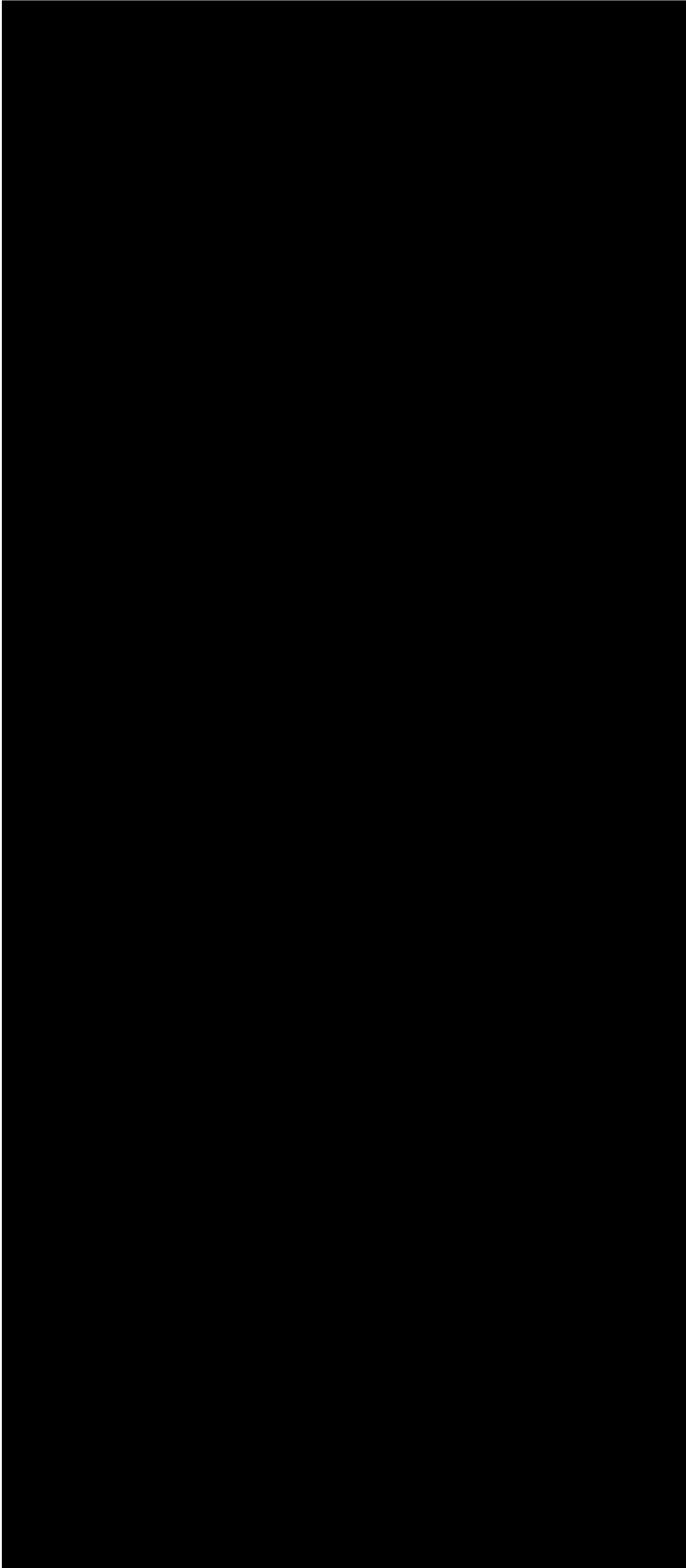
Except to the extent the Bankruptcy Code or the Bankruptcy Rules are applicable, the rights and obligations arising under the Plan shall be governed by, and construed and enforced in accordance with the laws of the State of Delaware, without giving effect to the principles of conflicts of law thereof.

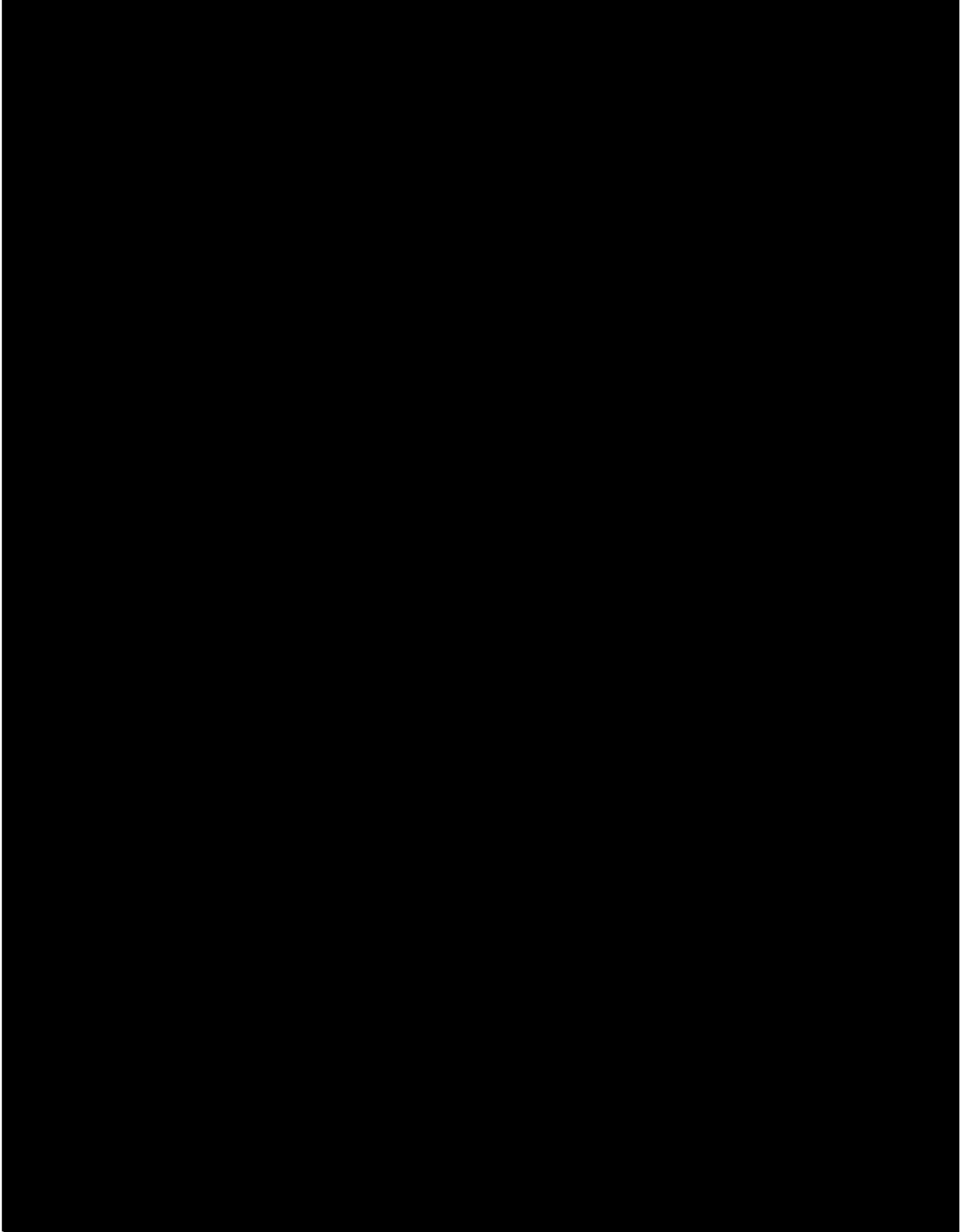
13.10 Successors and Assigns

The rights, benefits and obligations of any entity named or referred to in the Plan or any Plan Document shall be binding on, and shall inure to the benefit of, any heir, executor, administrator, successor or assign of such entity.









**ARTICLE XIV
SUBSTANTIAL CONSUMMATION**

14.1 Substantial Consummation

The Plan shall be deemed substantially consummated on the Effective Date.

14.2 Final Decree

On full consummation and performance of the Plan and Plan Documents, the Distribution Trustee may request the Bankruptcy Court to enter a final decree closing the Bankruptcy Case and such other orders that may be necessary and appropriate.

Dated: August 23, 2016

WAVE SYSTEMS CORP.

/s/ David W. Carickhoff

David W. Carickhoff
Chapter 11 Trustee
300 Delaware Avenue, Suite 1100
Wilmington, DE 19803

Chapter 11 Trustee and Proponent

EXHIBIT A
Glossary of Defined Terms

“401(k) Plan” means the Wave Systems Corp. 401(k) Savings and Investment Plan.

“Administrative Claim” means any cost or expense of administration of the Bankruptcy Case incurred on or before the Effective Date entitled to priority under section 507(a)(1) and allowed under section 503(b) of the Bankruptcy Code, including without limitation, any actual and necessary expenses of preserving the Debtor’s estate, including wages, salaries or commissions for services rendered after the commencement of the Bankruptcy Case, certain taxes, fines and penalties, any actual and necessary postpetition expenses of operating the business of the Debtor, certain postpetition indebtedness or obligations incurred by or assessed against the Debtor in connection with the conduct of its business, or for the acquisition or lease of property, or for providing of services to the Debtor, including all allowances of compensation or reimbursement of expenses to the extent allowed by the Bankruptcy Court under the Bankruptcy Code, and any fees or charges assessed against the Debtor’s Estate under Chapter 123, Title 28, United States Code. Professional Compensation Claims shall only be Allowed for duly retained Professionals in the Bankruptcy Case in accordance with applicable law. For the avoidance of doubt, the Allowed Post-Petition Lender Financing Claim shall be deemed to be an Administrative Claim for all purposes hereunder.

“Administrative Claim Bar Date” means thirty (30) days after the Effective Date.

“Administrative Claimant” means any Person entitled to payment of an Administrative Claim.

“Administrative Claim Reserve” means a reserve of Cash from the Cash Consideration equal to the aggregate of Cash that would have been distributed on the Effective Date on account of Disputed, undetermined and/or unpaid: (i) Administrative Claims, not otherwise payable from the Segregated Account (including Chapter 7 or 11 Trustee Fee requests for compensation and any request for compensation filed by GrowthPoint Technology Partners, LLC), (ii) Secured Claims, (iii) Priority Tax Claims and (ii) Priority Unsecured Non-Tax Claims.

“Administrative Tax Claim” means an Administrative Claim of a Governmental Unit.

“Allowance Date” means the date that a Claim or Equity Interest becomes an Allowed Claim or Allowed Equity Interest.

“Allowed” means, (1) with respect to any Claim, a Claim allowable under 11 U.S.C. § 502 (a) for which a proof of claim was filed, and as to which no objection or other challenge to the allowance thereof has been timely Filed, or if an objection or challenge has been timely Filed, such Claim is allowed by a Final Order; or (b) for which a proof of claim is not filed and that has been listed in the Schedules of Assets and Liabilities and is not listed as disputed, contingent, or unliquidated; or (c) that is deemed allowed by the terms of the Plan; or (2) with

respect to any Equity Interest, such Equity Interest is reflected as outstanding in the stock transfer ledger or similar register or record of the Debtor on the Petition Date. For purposes of determining the amount of an Allowed Claim (other than a Claim specifically Allowed under the Plan), there shall be deducted therefrom an amount equal to the amount of any Claim that the Debtor may hold against the Creditor under 11 U.S.C. § 553, provided, however, that the Distribution Trustee shall provide written notification to the affected claimant of any such deduction, and such deduction may be challenged by such claimant. Notwithstanding anything to the contrary in the Plan, the Debtor may, in its discretion, treat a Claim as an Allowed Claim to the extent it is allowed by an Order that is not a Final Order.

“Approved Budget” means the Budget agreed to by the Debtor and the Post-Petition Lender and attached as Exhibit A to the Post-Petition Note (as may be amended or otherwise modified from time to time pursuant to the terms of the Post-Petition Financing Order).

“Available Cash” means all of the Cash held by the Reorganized Debtor including Cash deposited or held in the Distribution Reserve on account of disputed or undetermined Administrative Claims, Priority Tax Claims, Priority Unsecured Non-Tax Claims, General Unsecured Claims, and Intercompany Claims to the extent that those Claims are disallowed in whole or in part after the Effective Date, less the Distribution Reserve.

“Avoidance Actions” means any and all rights, claims, and causes of action arising under any provision of Chapter 5 of the Bankruptcy Code.

“Ballot” means the form of ballot which the Debtor will transmit to Creditors who are, or may be, entitled to vote on the Plan.

“Bankruptcy Case” means *In re Wave Systems Corporation.*, Case No. 16-10284 in the United States Bankruptcy Court for the District of Delaware, and as applicable, the Chapter 11 Case and/or the Chapter 7 Case.

“Bankruptcy Code” means the Bankruptcy Reform Act of 1978, as amended, Title 11, United States Code, as applicable to this Bankruptcy Case.

“Bankruptcy Court” means the United States Bankruptcy Court for the District of Delaware, together with the District Court as to matters as to which the reference is withdrawn under 11 U.S.C. § 157(d).

“Bankruptcy Rules” means the Federal Rules of Bankruptcy Procedure.

“Beneficial Interest” means an interest that entitles the holder thereof to a Distribution in accordance with the Distribution Trust Agreement.

“Beneficiary” means the holder of a Beneficial Interest, whether individually or as agent on behalf of other entities.

“Business Day” means any day other than a Saturday, Sunday, or a “legal holiday” (as defined in Bankruptcy Rule 9006(a)).

“Cash” means Cash, wire transfer, certified check, cash equivalents and other readily marketable securities or instruments, including, without limitation, readily marketable direct obligations of the United States of America, certificates of deposit issues by banks, and commercial paper of any Person, including interest accrued or earned thereon.

“Cash Consideration” means \$6,875,000, payable by the Plan Sponsor on the Effective Date, which amount is inclusive of the Enhanced Deposit.

“Chapter 7 Case” means the Bankruptcy Case of the Debtor under Chapter 7 of the Bankruptcy Code.

“Chapter 7 Trustee” means David W. Carickhoff, in his capacity as the chapter 7 trustee of the Debtor in the Chapter 7 Case.

“Chapter 11 Case” means the Bankruptcy Case of the Debtor under Chapter 11 of the Bankruptcy Code.

“Chapter 11 Trustee” means David W. Carickhoff, in his capacity as the chapter 11 trustee of the Debtor in the Chapter 11 Case.

“Charter Documents” means the articles of certificate of incorporation and the bylaws of the Debtor or Reorganized Debtor, as applicable, and any amendments to the foregoing.

“Claim” has the meaning assigned to such term by section 101(5) of the Bankruptcy Code.

“Claim Objection Deadline” means the first Business Day that is 180 days after the Effective Date, as may be extended by order of the Bankruptcy Court, upon motion on notice served on all affected claimholders.

“Class” means one of the classes of Claims or Equity Interests defined in Article III of the Plan.

“Clerk” means the Clerk of the Bankruptcy Court.

“Closing” means the closing of the transactions contemplated under Article VI of the Plan.

“Confirmation Date” means the date upon which the Clerk of the Bankruptcy Court enters the Confirmation Order on the docket of the Bankruptcy Court.

“Confirmation Hearing” means the hearing held by the Bankruptcy Court pursuant to section 1128 of the Bankruptcy Code to consider confirmation of this Plan, as such hearing may be adjourned or continued from time to time.

“Confirmation Order” means the Order of the Bankruptcy Court approving and confirming the Plan in accordance with the provisions of Chapter 11 of the Bankruptcy Code.

“Creditor” means any person that holds a Claim against the Debtor that arose on or before the Effective Date, or a Claim against the Debtor of any kind specified in sections 502(f), 502(g), 502(h) or 502(i) of the Bankruptcy Code.

“Cure Amount” means the amount of Cash required to cure defaults necessary to assume an Executory Contract under 11 U.S.C. § 365(b) as determined by the Bankruptcy Court or pursuant to any agreement among the Reorganized Debtor and the other party(ies) to the Executory Contract and as listed in the Schedule of Assumed Contracts and Unexpired Leases

“Cure Amount Objection Bar Date” means August 16, 2016 at 4:00 p.m. (ET).

“Debtor” means Wave Systems Corp. a Delaware corporation and a debtor in the Bankruptcy Case.

“Disallowed Claim” means a Claim, or any portion thereof, that (a) has been disallowed by either a Final Order or pursuant to a settlement, or (b)(i) is listed in the Schedules of Assets and Liabilities at zero or as contingent, disputed or unliquidated, including by amendment hereby of such Schedules of Assets and Liabilities, and (ii) as to which no proof of claim has been filed..

“Disclosure Statement” means the Disclosure Statement for the Plan of Reorganization of Wave Systems Corp. dated July 18, 2016, filed by the Chapter 11 Trustee with the Bankruptcy Court, as may be amended or supplemented.

“Disclosure Statement Approval Date” means the date the Order Approving Disclosure Statement is entered on the docket of the Bankruptcy Case.

“Disputed Claim” means a Claim as to which a proof of claim or interest has been Filed or deemed Filed under applicable law, as to which an objection has been or may be timely Filed and which objection, if timely Filed, has not been withdrawn on or before any date fixed for Filing such objections by the Plan or Order of the Bankruptcy Court and has not been overruled or denied by a Final Order. Prior to the time that an objection has been or may be timely Filed, for the purposes of the Plan, a Claim shall be considered a Disputed Claim to the extent that such Claim has been designated as a Disputed Claim by the timely service of a Notice of Disputed Claim Status.

“Disputed Cure Amount” means, with respect to an Executory Contract for which a Proof of Cure Claim is filed, the amount that the counterparty to such Executory Contract asserts is

necessary to assume such Executory Contract under 11 U.S.C. § 365(b), if such amount is more than what was set forth on the Cure Notice for such Claim.

“Distribution” means, except as otherwise provided in the Plan, the property required by the Plan to be distributed to the holders of Allowed Claims.

“Distribution Date” means any date that a Distribution is made under the Plan or the Distribution Trust Agreement.

“Distribution Record Date” means the Confirmation Date.

“Distribution Reserve” means a reserve established to hold, in one or more segregated accounts to be established by the Debtor, Cash equal to the aggregate of (a) Cash that would have been distributed on the Distribution Date on account of Disputed or undetermined (i) Administrative Claims had they been Allowed Claims, provided that with respect to Administrative Claims for which applications for compensation of professionals or other periods retained or to be compensated pursuant to sections 327, 328, 330, 331 and 503(b) of the Bankruptcy Code are or will be pending but are then undetermined, the amount of Cash deposited shall be the amount sought by such persons or the maximum amount such persons indicate that they intend to apply for, and provided that with respect to Administrative Claims for which applications for compensation of the Chapter 7 Trustee or the Chapter 11 Trustee are or will be pending but are then undetermined, the amount of Cash deposited shall be the amount sought by such persons or the maximum amount such persons indicate that they intend to apply for, (ii) Priority Unsecured Non-Tax Claims, (iii) Secured Claims, (iv) General Unsecured Claims, (v) Intercompany Claims and (v) Equity Interests, plus (b) accrued interest on all Cash in the Distribution Reserve, plus (c) Cash in the amount of all taxes previously incurred by the Debtor (and not paid or otherwise provided for under the Plan) and all taxes and professional fees estimated to be incurred by the Reorganized Debtor, including professional fees of the Reorganized Debtor; plus (d) Cash in the amount of all estimated costs and expenses of effectuating the actions and duties of the Distribution Trustee, including under Articles VI and XIII of the Plan.

“Distribution Trust” means the trust established under the Plan and the Distribution Trust Agreement.

“Distribution Trust Account” means the segregated interest bearing account established by the Distribution Trust into which shall be deposited (a) the Distribution Trust Fund, (b) the proceeds of the Distribution Trust Actions, and (c) the proceeds of the liquidation of all other Distribution Trust Assets.

“Distribution Trust Actions” means the Avoidance Actions and Estate Actions held by the Debtor and/or the Estate on the Effective Date, except for any claim, rights or cause of action (1) against the Protected Action Parties, (2) arising from or related to the Reorganized Debtor’s Intellectual Property, or (3) arising from or related to any property that shall vest with the Reorganized Debtor, including, for the avoidance of doubt, any accounts receivables and other cash.

“Distribution Trust Agreement” means the trust agreement that establishes the Distribution Trust and governs the powers, duties, and responsibilities of the Distribution Trustee. The Distribution Trust Agreement shall be part of the Plan Supplement.

“Distribution Trust Assets” means, collectively, (a) the Distribution Trust Actions, (b) the Distribution Trust Fund, and (c) the SED Patents, subject to the License.

“Distribution Trust Available Cash” means the cash on deposit in the Distribution Trust Account at any time, less the Distribution Trust Operating Reserve, the Administrative Claim Reserve, and any other reserves established by the Distribution Trustee

“Distribution Trust Fund” means the \$59,843.58 remaining cash proceeds from the sale of the wave.com domain name to Chime, Inc. after payment of chapter 7 professional fees and the Cash Consideration less (i) any amounts paid by the Debtor on the Effective Date and (ii) any Cash reserved from the Cash Consideration on account of the Administrative Claims Reserve.

“Distribution Trust Operating Expenses” means the reasonable costs and expenses, including professional fees, of the Distribution Trustee in administering the Distribution Trust.

“Distribution Trust Operating Reserve” means such reserve of Cash determined from time to time by the Distribution Trustee pursuant to the Distribution Trust Agreement to be reasonably necessary to pay Distribution Trust Operating Expenses, including (a) the unpaid liabilities, debts, or obligations of the Distribution Trust; (b) the fees and expenses of the Distribution Trustee; (c) all fees and expenses of professionals retained by the Distribution Trust; and (d) any and all other costs associated with the liquidation or preservation of the Distribution Trust Assets.

“Distribution Trustee” means the Person appointed to administer the Distribution Trust with such rights, duties, and obligations as set forth in the Distribution Trust Agreement.

“District Court” means the United States District Court for the District of Delaware.

“Effective Date” means the first Business Day following the Confirmation Date on which (a) the Confirmation Order is not stayed, (b) all conditions to the effectiveness of the Plan have been satisfied or waived as provided in the Plan, and (c) the Reorganized Debtor has Filed a notice of the Effective Date.

“Enhanced Deposit” means Cash paid by the Plan Sponsor in the amount of \$3,800,000, on April 4, 7, and 12, 2016, to the Chapter 7 Trustee and subsequently held by the Chapter 11 Trustee.

“Equity Interest” means any interest in the Debtor represented by ownership of common or preferred stock, including, to the extent provided by applicable law, any purchase right, warrant, stock option or other equity or debt security (convertible or otherwise) evidencing or creating any right or obligation to acquire or issue any of the foregoing.

“Equity Trading Order” means the Final Order Establishing Notification and Hearing Procedures for Trading in Equity Securities (Doc. No. 127).

“Estate” means the estate created upon the filing of the Bankruptcy Case pursuant to section 541 of the Bankruptcy Code, together with all rights, claims and interests appertaining thereto.

“Estate Actions” means causes of actions held by the Estate.

“Estate Property” means all right, title, and interest in and to any and all property of every kind or nature owned by the Debtor or its Estate on the Effective Date as defined by 11 U.S.C. § 541.

“Estimated Professionals Amount” means the fees and expenses payable to Estate professionals under the Approved Budget, but not drawn under Post-Petition Note, and estimated by the Chapter 11 Trustee, in good faith, to be likely to be approved by Court order and payable to such Estate Professionals.

“Estimated Liabilities Amount” means Ordinary Course Liabilities under the Approved Budget, but not drawn under Post-Petition Note, and estimated by the Chapter 11 Trustee, in good faith, to be likely payable to such Ordinary Course Creditors.

“Executory Contracts” means executory contracts and unexpired leases as such terms are used in 11 U.S.C. § 365, including all operating leases, capital leases, and contracts to which the Debtor is a party or beneficiary on the Confirmation Date.

“File or Filed” means a request for relief encompassed within a pleading or other document is Filed when and on such date as such pleading or other document is entered on the docket of the Bankruptcy Court in this Bankruptcy Case. A proof of claim is Filed when and on such date as such proof of claim is entered on the claims register in this Bankruptcy Case.

“Final Borrowing Notice” means the final borrowing notice provided for under the Post-Petition Financing Order and Post-Petition Note, which shall include the Estimated Professionals Amount, the Estimated Liabilities Amount and any amounts under 28 U.S.C. § 1930 estimated to be incurred through the Effective Date, but not to exceed amounts provided for under the Approved Budget.

“Final Order” means an order or judgment which has not been reversed, stayed, modified, or amended and as to which the time for appeal has expired and no stay has been obtained.

“Financing Consideration” means the consideration payable by the Plan Sponsor to pay off the Allowed Post-Petition Lender Financing Claim, which may be reduced on a dollar-for-dollar basis to reflect the amount of Allowed Post-Petition Lender Financing Claim exchanged for New Equity pursuant to the Subscription Option. For the avoidance of doubt, the Plan

Sponsor and the Post-Petition Lender, to the extent they are both the same entity, may agree to satisfy the Allowed Post-Petition Lender Financing Claim without having to fund actual Cash from the Plan Sponsor to the Post-Petition Lender.

“General Bar Date” means the deadline for filing proofs of claim established by the Bankruptcy Court as August 4, 2016 at 4:00 p.m. prevailing Eastern time.

“General Unsecured Claim” means an unsecured Claim other than an Administrative Claim, a Priority Unsecured Non-Tax Claim, a Priority Tax Claim, or an Intercompany Claim.

“Governmental Unit” means United States; State; Commonwealth; District; Territory; municipality; department, agency, or instrumentality of the United States (but not a U.S. trustee while serving as a trustee in a case under title 11 of the United States Code), a State, a Commonwealth, a District, a Territory, or a municipality; or other domestic government.

“Insider” has the meaning set forth in section 101(31) of the Bankruptcy Code.

“Intercompany Claim” means a Claim held by, asserted by, or assertable by any former or present affiliate of the Debtor, other than an Administrative Claim, a Priority Unsecured Non-Tax Claim, or a Priority Tax Claim.

“Interest Holder” means any record or beneficial holder or owner of an Equity Interest.

“Intellectual Property” means intellectual property, including, without limitation, the following: (i) all patents and patent applications, domestic or foreign, all licenses relating to any of the foregoing and all income and royalties with respect to any licenses, all rights to sue for past, present or future infringement thereof, all rights arising therefrom and pertaining thereto and all reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof; (ii) all copyrights and applications for copyright, domestic or foreign, together with the underlying works of authorship (including titles), whether or not the underlying works of authorship have been published and whether said copyrights are statutory or arise under the common law, and all other rights and works of authorship, all computer programs, computer databases, computer program flow diagrams, source codes, object codes and all tangible property embodying or incorporating any copyrights, all licenses relating to any of the foregoing and all income and royalties with respect to any licenses, and all other rights, claims and demands in any way relating to any such copyrights or works, including royalties and rights to sue for past, present or future infringement, and all rights of renewal and extension of copyright; (iii) all state (including common law), federal and foreign trademarks, service marks and trade names, and applications for registration of such trademarks, service marks and trade names, all licenses relating to any of the foregoing and all income and royalties with respect to any licenses, whether registered or unregistered and wherever registered, all rights to sue for past, present or future infringement or unconsented use thereof, all rights arising therefrom and pertaining thereto and all reissues, extensions and renewals thereof; (iv) all trade secrets, trade dress, trade styles, logos, other source of business identifiers, mask-works, mask-work registrations, mask-work applications, software, confidential and proprietary information, customer lists, license rights, advertising materials, operating manuals, methods, processes, know-how, algorithms, formulae,

databases, quality control procedures, product, service and technical specifications, operating, production and quality control manuals, sales literature, drawings, specifications, blue prints, descriptions, inventions, name plates, catalogs, internet websites, and internet domain names and associated URL addresses; (v) the entire goodwill of or associated with the businesses now or hereafter conducted by the Debtor connected with and symbolized by any of the aforementioned properties and assets; and (vi) all accounts, payment intangibles, commercial tort claims and other rights to payment, all other proprietary rights or other intellectual or other similar property, and all other general intangibles associated with or arising out of any of the aforementioned properties and assets and not otherwise described above, and all proceeds of any IP.

“License” means a license on the terms and conditions provided for on Exhibit 1 to this Glossary.

“Lien” means a charge against or interest in property to secure payment of a debt or performance of an obligation which has not been avoided or invalidated under any provision of the Bankruptcy Code or other applicable law.

“New Equity” means the all of the equity interest in the Reorganized Debtor, issued on the Effective Date, to the Plan Sponsor, and to the Post-Petition Lender under and subject to the Subscription Option, in the total amount of 1,000 shares, free and clear of all Liens, Claims and encumbrances of any kind, except as provided in the Plan.

“Objection to Cure Amount” means the document filed in the Bankruptcy Court by a counterparty to an Executory Contract required in the event that such counterparty disputes the Cure Amount identified in the Schedule of Assumed Contracts and Unexpired Leases.

“Ordinary Course Creditor(s)” means a Creditor with an Ordinary Course Liability.

“Ordinary Course Liability” means an Administrative Claim (other than a Professional Compensation Claim or an Administrative Tax Claim) based on liabilities incurred in the ordinary course of the Debtor’s business operations solely to the extent provided for in the Approved Budget, or a Post-Petition Tax Claim

“Person” means an individual, a corporation, a partnership, an association, a joint stock company, a joint venture, an estate, a trust, an unincorporated association or organization, a governmental unit or any agency or subdivision thereof or any other entity, and the Protected Parties.

“Petition Date” means February 1, 2016, the date on which the Debtor filed its voluntary Chapter 7 petition commencing the Bankruptcy Case.

“Plan” means this Plan of Reorganization of the Debtor, as it may be amended or modified.

“Plan Consideration” means the Cash Consideration and the Financing Consideration.

“Plan Documents” means, collectively, those material documents executed or to be executed in order to consummate the transactions contemplated under the Plan, which will be filed with the Bankruptcy Court on or before August 9, 2016, including the Distribution Trust Agreement and any other documents that make up the Plan Supplement.

“Plan Sponsor” means ESW Capital, LLC or an affiliate, in such capacity.

“Plan Supplement” means, collectively, any such documents as are referenced as such in this Plan to be Filed hereafter to supplement or clarify aspects of the Plan.

“Plan Supplement Deadline” means August 9, 2016.

“Post-Petition Financing” means the post-petition financing provided by the Post-Petition Lender pursuant to the Post-Petition Financing Order

“Post-Petition Financing Order” means the interim financing order (Doc. No. 150), and the final financing order (Doc. No. []).

“Post-Petition Lender” means ESW Capital, LLC, in its capacity as post-petition lender under the Post-Petition Note.

“Post-Petition Lender Financing Claim” means the Administrative Claim of the Post-Petition Lender under the Post-Petition Note. The Post-Petition Lender Financing Claim is Allowed in full.

“Post-Petition Note” means the Senior Secured Super-Priority Post-Petition Financing Note, dated as of May 26, 2016, by and between the Debtor and the Post-Petition Lender and approved under the Post-Petition Financing Order, as amended, supplemented or otherwise modified.

“Post-Confirmation Service List” means the list of those parties who have notified the Distribution Trustee or the Reorganized Debtor in writing, at or following the Effective Date, of their desire to receive notice of all pleadings filed by the Distribution Trustee or the Reorganized Debtor and have provided an address to which such notices shall be sent. The Notice of Effective Date shall include notice that all parties seeking service of pleadings post-Effective Date need to make such request in writing to the Distribution Trustee, even if they previously filed a request for service under Bankruptcy Rule 2002

“Post-Petition Tax Claim(s)” means a Claim by a Governmental Unit for taxes (and for interest and/or penalties related to such taxes) for any tax year or period, which accrued or was assessed within the period from and including the Petition Date through and including the Effective Date.

“Priority Unsecured Non-Tax Claim” means any Claim (other than an Administrative Claim, Priority Tax Claim or an Intercompany Claim) to the extent entitled to priority in payment under section 507(a) of the Bankruptcy Code.

“Priority Tax Claim” means any Claim held by a Governmental Unit entitled to priority in payment under section 507(a)(8) of the Bankruptcy Code.

“Pro Rata Share” means as to a particular holder of a particular Claim, the ratio that the amount of such Claim held by such Claimholder bears to the aggregate amount of all Claims in the particular Class or category. Such ratio shall be calculated as if all Claims in the particular Class or category asserted against Debtor are Allowed Claims as of the Effective Date, unless specifically provided otherwise in the Plan.

“Professional” means a professional retained in the Bankruptcy Case pursuant to Final Order under sections 327, 328, 363, or 1103 of the Bankruptcy Code; provided that for the purposes of any bar dates, duties or other requirements imposed by the Plan (as distinguished from benefits or rights provided by or pursuant to the Plan), any professional not so employed in the Bankruptcy Case, but asserting any right or claim like a Professional on account of any service for or engagement by any foreign representative or foreign proceeding, shall have to comply with such same bar dates, duties and requirements as a Professional as one condition precedent to seeking any standing in the Bankruptcy Case, any Allowance of any Claim or any other right under the Plan like a Professional, with the Reorganized Debtor and other parties in interest reserving all other challenges and defenses thereto.

“Professional Compensation Claim” means a Claim for compensation or reimbursement of expenses of a Professional retained in the Bankruptcy Case or any Chapter 11 trustee, and requested in accordance with the provisions of 11 U.S.C. §§ 326, 327, 328, 330, 331, 503(b) and 1103; provided that for the purposes of any Claim asserted by any professional not so employed in the Bankruptcy Case, but asserting any Claim like a Professional on account of any service for or engagement by any foreign representative or foreign proceeding, the holder of such Claim shall have to comply with the same bar dates, duties and requirements as the holder of a Professional Compensation Claim as one condition precedent to seeking any standing or treatment as such, with the Reorganized Debtor and other parties in interest reserving all other challenges and defenses thereto.

“Protected Action Parties” (each one, a “Protected Action Party”) means any and all customers, vendors and employees of the Debtor expressly designated in writing by the Plan Sponsor or Reorganized Debtor in its sole discretion. The Reorganized Debtor shall provide a list of such parties to the Distribution Trustee no later than one-hundred and twenty (120) days after the Effective Date.

“Proponent” means the Chapter 11 Trustee on behalf of the Debtor’s Estate.

“Protected Parties” (each one, a “Protected Party”) means (a) the Debtor; (b) the Chapter 11 Trustee; (c) the Chapter 7 Trustee; (d) the Reorganized Debtor; (e) the Plan Sponsor and its affiliates; (f) the Post-Petition Lender; and (g) directors, officers, agents, attorneys, accountants,

consultants, equity holders, financial advisors, investment bankers, professionals, experts, and employees of any of the foregoing, in their respective capacities as such. Any affiliate or other party related to any Protected Party shall also be a Protected Party to the extent that such affiliate or related party is alleged or charged to be directly or indirectly liable on any derivative, vicarious liability, alter ego or other theory for imposing liability on an affiliate or related party for the conduct or liability of the Protected Party. For the avoidance of doubt, the target of any Distribution Trust Avoidance Action shall not be, and is not, a Protected Party. Additionally, any individual acting in their capacity as an employee, director, or officer of the Debtor prior to the Petition Date shall not be, and is not, in such capacity, a Protected Party.

“Qualified Ordinary Course Creditor” means of the Ordinary Course Creditors, the Post-Petition Lender.

“Rejection Claim Bar Date” means either (as applicable) (i) in respect to Executory Contracts rejected pursuant to a revocation notice served pursuant to Section 8.3(b) of the Plan, the date that is thirty (30) days after the filing of such revocation notice, or (ii) as to all other Executory Contracts, thirty (30) days after service of notice of the Effective Date.

“Released Parties” (each one, a “Released Party”) means (a) the Chapter 11 Trustee; (b) the Chapter 7 Trustee; (c) the Reorganized Debtor; (d) the Plan Sponsor and its affiliates; (e) the Post-Petition Lender; and (f) directors, officers, agents, attorneys, accountants, consultants, equity holders, financial advisors, investment bankers, professionals, experts, and employees of any of the foregoing, in their respective capacities as such. Any affiliate or other party related to any Released Party shall also be a Released Party to the extent that such affiliate or related party is alleged or charged to be directly or indirectly liable on any derivative, vicarious liability, alter ego or other theory for imposing liability on an affiliate or related party for the conduct or liability of the Released Party. For the avoidance of doubt, the target of any Distribution Trust Avoidance Action shall not be, and is not, a Released Party solely as to such Distribution Trust Avoidance Action.

“Reorganized Debtor” means the Debtor as it exists after the Effective Date.

“Rights of Action” means any and all claims, debts, demands, rights, defenses, actions, causes of action, suits, contracts, agreements, obligations, accounts, defenses, offsets, powers, privileges, licenses and franchises of any kind or character whatsoever, known or unknown, suspected or unsuspected, whether arising before, on, or after the Petition Date, in contract or in tort, at law or in equity, or under any other theory of law, of the Debtor or its Estate.

“Schedule of Assumed Contracts and Unexpired Leases” means the schedule identifying the Executory Contracts and Unexpired Leases to be assumed by the Reorganized Debtor under the Plan. The Schedule of Assumed Contracts and Unexpired Leases is attached as Exhibit B to the Plan.

“Schedules of Assets and Liabilities” means the Debtor’s Schedules of Assets and Liabilities, as may be amended or supplemented, and filed with the Bankruptcy Court in

accordance with section 521(a)(1) of the Bankruptcy Code, including as amended by the Plan or any Plan Supplement.

“Secured Claim” means a claim secured by the Debtor’s assets, except for the Allowed Post-Petition Lender Financing Claim.

“SED Patents” means the United States patents bearing the patent numbers 7036020 and 7426747.

“Segregated Account” means segregated account(s) established by the Chapter 11 Trustee, and after the Effective Date held by the Distribution Trust to hold the Estimated Professionals Amount and Estimated Liabilities Amount.

“Subordinated Claim” means any Claim subject to subordination under section 510(b) of the Bankruptcy Code, including, but not limited to, any Claim resulting from or related to the Shareholder Lawsuit.

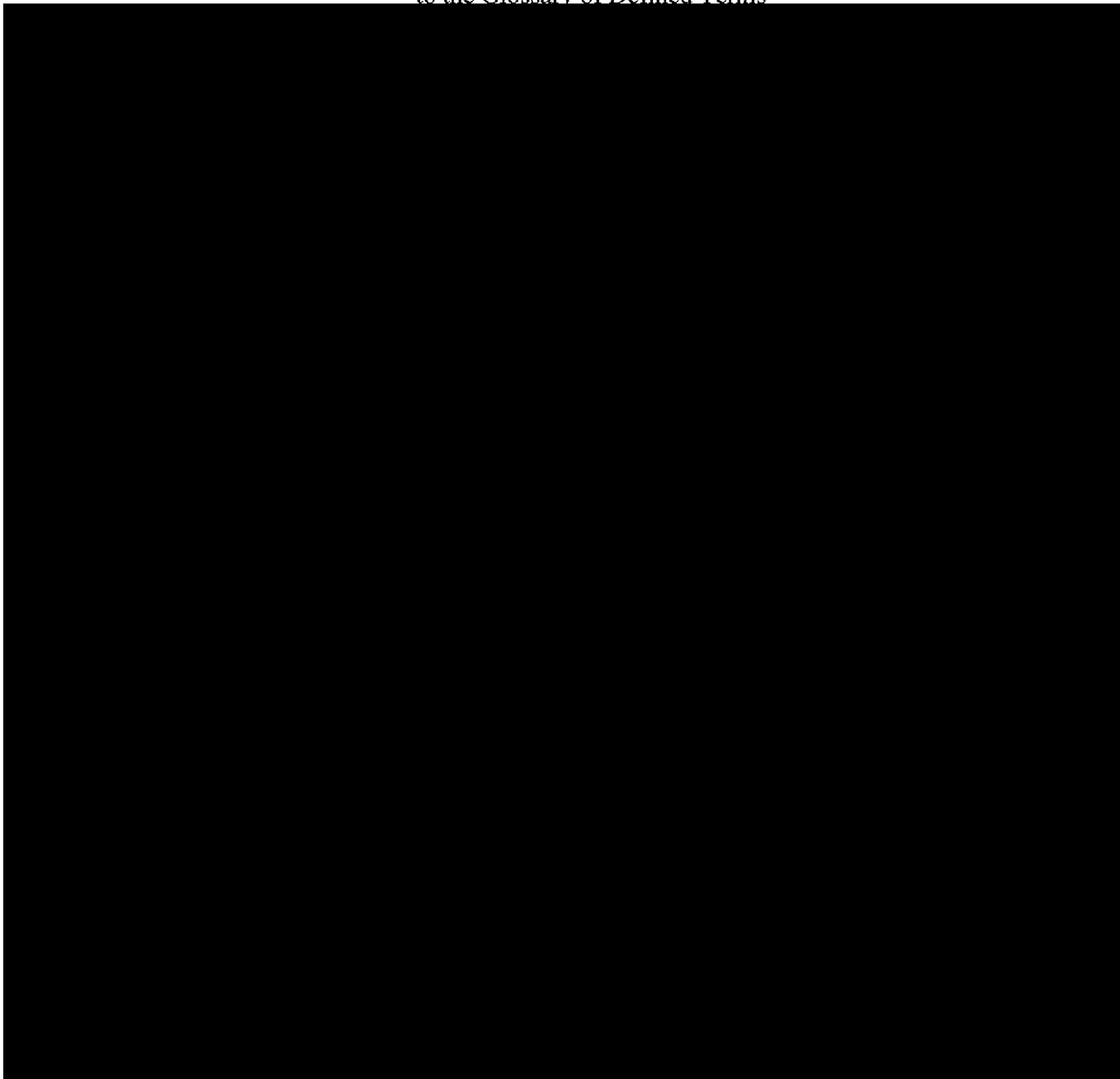
“Subscription Option” means the ability of the Qualified Ordinary Course Creditor to, at its option, exchange a total of up to \$1,200,000 of its Allowed Post-Petition Lender Financing Claim for up to a total of 600 shares of New Equity at a rate of \$2,000 of its Allowed Post-Petition Lender Financing Claim for one (1) share of New Equity. The Plan Sponsor reserves the right to modify the Subscription Option, provided that (i) no such modification shall adversely impact the Plan treatment of other creditors and (ii) such modification is approved by the Post-Petition Lender.

“Treasury Regulations” means the regulations promulgated under the Internal Revenue Code by the Department of the Treasury of the United States.

“U.S. Trustee” means the Office of the United States Trustee for Region 3.

“Voting Record Date” means July 19, 2016

EXHIBIT 1
to the Glossary of Defined Terms



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