UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 29, 2015

MARATHON PATENT GROUP, INC.

(Exact Name of Registrant as Specified in Charter)

Nevada	000-54652	01-0949984
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

11100 Santa Monica Blvd., Ste. 380 Los Angeles, CA	90025
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (703) 232-1701

(Former name or former address, if changed since last report)

Copies to:
Harvey J. Kesner, Esq.
61 Broadway, 32nd Floor
New York, New York 10006
Telephone: (212) 930-9700

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01 Entry into a Material Definitive Agreement

On January 29, 2015, Marathon Patent Group, Inc. (the "Issuer") and certain of its subsidiaries (each a "Subsidiary" and collectively with the Issuer, the "Company") entered into a series of Agreements including a Securities Purchase Agreement (the "Purchase Agreement") and a Subscription Agreement with DBD Credit Funding, LLC ("DBD"), an affiliate of Fortress Credit Corp., under which the Issuer sold to the purchasers: (i) $15,000,000 original principal amount of Senior Secured Notes (the "Notes"), (ii) a right to receive a portion of certain proceeds from monetization net revenues received by the Company (after receipt by the Company of $15,000,000 of monetization net revenues and repayment of the Notes), (the "Revenue Stream"), (iii) a five-year warrant (the "Warrant") to purchase 100,000 shares of the Issuer's common stock exercisable at $7.44 per share, subject to adjustment (the "Warrant Shares"); and (iv) 134,409 shares of the Issuer's Common Stock (the "Shares"). Under the Purchase Agreement, the Company has the right to require the purchasers to purchase an additional $5,000,000 of Notes (which will increase proportionately the Revenue Stream), subject to the achievement of certain milestones, and further contemplates that Fortress Credit Corp. may, but is not obligated to, fund up to an additional $30,000,000, on equivalent economic terms. The Company may use the proceeds to finance the monetization of its existing assets, provide further expansion capital for new acquisitions, to repay existing debt (including without limitation, the Company's 11% convertible notes issued October 9, 2013 (the "October Notes") and for general working capital and corporate purposes.

Pursuant to the Purchase Agreement entered into on January 29, 2015, the Company issued a Note in the original principal amount of $15,000,000 (the "Initial Note"). The Initial Note matures on July 29, 2018 (the "Maturity Date"). If any additional Notes are issued pursuant to the Purchase Agreement, the maturity date of such additional Notes shall be 42 months after issuance. The unpaid principal amount of the Initial Note (including any PIK Interest, as defined below) shall bear cash interest at a rate equal to LIBOR plus 9.75% per annum; *provided* that upon and during the continuance of an Event of Default (as defined in the Purchase Agreement), the interest rate shall increase by an additional 2% per annum. Interest on the Initial Note shall be paid on the last business day of each calendar month (the "Interest Payment Date"), commencing January 31, 2015. Interest shall be paid in cash except that 2.75% per annum of the interest due on each Interest Payment Date shall be paid-in-kind, by increasing the principal amount of the Notes by the amount of such interest, effective as of the applicable Interest Payment Date ("PIK Interest"). PIK Interest shall be treated as added principal of the Initial Note for all purposes, including interest accrual and the calculation of any prepayment premium.

The Purchase Agreement contains certain customary events of default, and also contains certain covenants including a requirement that the Company maintain minimum liquidity of $1,000,000 in unrestricted cash and cash equivalents and that the Company shall have Monetization Revenues (as defined in the Purchase Agreement) for each of the four fiscal quarters commencing December 31, 2014 of at least $15,000,000.

The terms of the Warrant provide that until January 29, 2020, the Warrant may be exercised for cash or on a cashless basis. Exercisability of the Warrant is limited if, upon exercise, the holder would beneficially own more than 4.99% of the Issuer's Common Stock.

As part of the transaction, DBD entered into a lock-up agreement (the "Lock-Up Agreement") pursuant to which the parties and certain related holders agreed until the earlier of 12 months or acceleration of an Event of Default (as defined in the Purchase Agreement), that they will not, directly or indirectly, (i) offer, sell, offer to sell, contract to sell, hedge, hypothecate, pledge, sell any option or contract to purchase any option or contract to sell, grant any option, right or warrant to purchase or sell (or announce any offer, sale, offer of sale, contract of sale, hedge, hypothecation, pledge, sale of any option or contract to purchase, purchase of any option or contract of sale, grant of any option, right or warrant to purchase or other sale or disposition), or otherwise transfer or dispose of (or enter into any transaction or device that is designed to, or could be expected to, result in the disposition by any person at any time in the future), the Lock-Up Shares (as defined in the Lock-Up Agreement), beneficially owned, within the meaning of Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), by such Holder and his/her Related Group (as such terms are defined in the Lock-Up Agreement) on the date of the Lock-Up Agreement or thereafter acquired or (ii) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Lock-Up Shares, whether or not any such swap or transaction described in clause (i) or (ii) above is to be settled by delivery of any Lock-Up Shares. The Holders may purchase additional shares of the Company's Common Stock during the Lock-Up Period (as defined in the Lock-Up Agreement) to the extent that such purchase only increases the net holding of the Holders in the Company.

In connection with the transactions, TechDev Holdings, LLC, Audrey Spangenberg, Erich Spangenberg, and Granicus IP, LLC (the "Spangenberg Holders") entered into a lock-up agreement (the "Spangenberg Lockup") with respect to 1,626,924 shares of Common Stock, 48,078 shares of Common Stock underlying warrants, and 782,000 shares of Common Stock underlying preferred stock, pursuant to which the Spangenberg Holders agreed that until payment in full of the Note Obligations, which shall include but not be limited to all principal and interest on outstanding Notes pursuant to the Purchase Agreement, the Spangenberg Holders and certain related parties agreed that they will not, directly or indirectly, (i) offer, sell, offer to sell, contract to sell, hedge, hypothecate, pledge, sell any option or contract to purchase any option or contract to sell, grant any option, right or warrant to purchase or sell (or announce any offer, sale, offer of sale, contract of sale, hedge, hypothecation, pledge, sale of any option or contract to purchase, purchase of any option or contract of sale, grant of any option, right or warrant to purchase or other sale or disposition), or otherwise transfer or dispose of (or enter into any transaction or device that is designed to, or could be expected to, result in the disposition by any person at any time in the future), more than 5% of the Spangenberg Lockup shares (as defined in the Spangenberg Lock-Up Agreement), beneficially owned, within the meaning of Rule 13d-3 under the Exchange Act, by such Holder and his/her Related Group (as such terms are defined in the Spangenberg Lock-Up Agreement) on the date of the Spangenberg Lock-Up Agreement or thereafter acquired or (ii) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of more than 5% of the Spangenberg Lock-Up Shares, whether or not any such swap or transaction described in clause (i) or (ii) above is to be settled by delivery of any Lock-Up Shares. The Spangenberg Holders may purchase additional shares of the Company's Common Stock during the Lock-Up Period (as defined in the Spangenberg Lock-Up Agreement) to the extent that such purchase only increases the net holding of the Holders in the Company.

Pursuant to the Purchase Agreement, as security for the payment and performance in full of the Secured Obligations (as defined in the Security Agreement entered in favor of the Note purchasers (the "Security Agreement") the Company and certain subsidiaries executed and delivered in favor of the purchasers a Security Agreement and a Patent Security Agreement, including a pledge of the Company's interests in certain of its subsidiaries. As further set forth in a Security Agreement, repayment of the Note Obligations (as defined in the Notes) is secured by a first priority lien and security interest in all of the assets of the Company, subject to permitted liens on permitted indebtedness that existed as of January 29, 2015. The security interest does not include a lien on the assets held by Orthophoenix, LLC. Certain subsidiaries of the Company (excluding Orthophoenix) also executed guarantees in favor of the purchasers (each, a "Guaranty"), guaranteeing the Note Obligations. As required by the October Notes, the October Note holders consented to the transactions described herein.

Within thirty days, the Company is required to open a cash collateral account into which all Company revenue shall be deposited and which shall be subject to a control agreement outlining the disbursement in accordance with the terms of the Purchase Agreement of all proceeds.

Pursuant to the Purchase Agreement, the Company entered into a Patent License Agreement (the "Patent License Agreement") with DBD pursuant to which the Company agreed to grant to the Licensee certain rights, including right to license certain patents and patent applications, which licensing rights to be available solely upon an acceleration of the Note Obligations, as provided in the Purchase Agreement.

The foregoing is a summary description of the terms and conditions of the Purchase Agreement, Notes, Warrant, Subscription Agreement, Security Agreement, Patent Security Agreement, Lockup Agreement, Spangenberg Lockup Agreement, Patent Security Agreement, the Guarantees, License Agreement and other agreements entered in connection with the Purchase Agreement (collectively, "Transaction Documents"), does not purport to be complete and is qualified in their entirety by reference to the form of transaction documents filed as exhibits hereto.

Item 3.02 Unregistered Sales of Equity Securities

The information set forth under Item 1.01 of this Current Report on Form 8-K is hereby incorporated by reference.

The shares of the Common Stock of the Company issued pursuant to the Subscription Agreement and the Warrants were issued to "accredited investors," as such term is defined in the Securities Act of 1933, as amended (the "Securities Act") and were offered and sold in reliance on the exemption from registration afforded by Section 4(a)(2) and Regulation D (Rule 506) under the Securities Act and corresponding provisions of state securities laws. This Current Report on Form 8-K shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall such securities be offered or sold in the United States absent registration or an applicable exemption from the registration requirements and certificates evidencing such securities contain a legend stating the same.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

The exhibits listed in the following Exhibit Index are filed as part of this Current Report on Form 8-K.

Exhibit Number	Description
10.1	Revenue Sharing and Securities Purchase Agreement by and among Marathon Patent Group, Inc. and its subsidiaries and DBD Credit Funding LLC dated January 29, 2015.
10.2	Note due July 29, 2018
10.3	Warrant to Purchase Common Stock dated January 29, 2015.
10.4	Subscription Agreement between Marathon Patent Group, Inc. and DBD Credit Funding LLC dated January 29, 2015
10.5	Security Agreement by and among Marathon Patent Group, Inc. and certain of its subsidiaries and DBD Credit Funding LLC dated January 29, 2015
10.6	Patent Security Agreement by Marathon Patent Group, Inc. and certain of its subsidiaries in favor of DBD Credit Funding LLC dated January 29, 2015
10.7	Lockup Agreement by and between DBD Credit Funding LLC and Marathon Patent Group, Inc. dated January 29, 2015
10.8	Lockup Agreement by and between TechDev Holdings, LLC, Audrey Spangenberg, Erich Spangenberg, Granicus IP, LLC and Marathon Patent Group, Inc. dated January 29, 2015.
10.9	Patent License Agreement by and among Marathon Patent Group, Inc. and certain of its subsidiaries and DBD Credit Funding LLC dated January 29, 2015
10.10	Guaranty Agreement by certain subsidiaries of Marathon Patent Group, Inc. in favor of DBD Credit Funding LLC dated January 29, 2015.
99.1	Press Release by Marathon Patent Group Inc. dated February 3, 2015

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: February 3, 2015

MARATHON PATENT GROUP, INC.

By: /s/ Doug Croxall
Name: Doug Croxall
Title: Chief Executive Officer

Exhibit 10.1

EXECUTION VERSION

REVENUE SHARING AND SECURITIES PURCHASE AGREEMENT

(MARATHON PATENT GROUP, INC.)

DATED AS OF JANUARY 29, 2015

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REVENUE SHARING AND SECURITIES PURCHASE AGREEMENT

This REVENUE SHARING AND SECURITIES PURCHASE AGREEMENT (this "Agreement") is dated as of January 29, 2015 by and among Marathon Patent Group, Inc. ("Issuer") and certain of its subsidiaries (such Subsidiaries, together with any future guarantor subsidiaries, the "Guarantors" and the Issuer and its Subsidiaries collectively the "Company"), DBD Credit Funding LLC as collateral agent (the "Collateral Agent"), and each Person listed as a "Purchaser" on Schedule 2.1 (together with their successors and assigns, the "Purchasers").

RECITALS

WHEREAS, the Purchasers wish to acquire, and the Issuer has agreed to issue and sell to the Purchasers, (i) up to $20,000,000 in aggregate original principal amount of the Issuer's senior secured Notes (with up to a further $30,000,000 if the Issuer and the Purchasers agree) (the "Notes") in the form of Exhibit A hereto, (ii) an interest in the Company's revenues from certain activities on the terms specified herein, and (iii) warrants for the purchase of 100,000 shares (subject to adjustment in accordance with the terms of such warrants) of the Issuer's common stock (the "Warrants" and together with the Notes, the "Securities") in the form of Exhibit I hereto, in each case, subject to the terms of this Agreement;

WHEREAS, in connection with the initial Closing hereunder, the Issuer will issue to the Purchasers for an aggregate purchase price of $1,000,000 shares of its common stock (the "Common Stock") in accordance with the terms of a subscription agreement of even date herewith and in the form of Exhibit C (the "Subscription Agreement"); and

NOW THEREFORE, in consideration of the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

ARTICLE I
DEFINITIONS

1.1. Certain Defined Terms. Capitalized terms used in this Agreement and not otherwise defined shall have the meanings set forth in Appendix I.

1.2. Other Interpretative Provisions. Unless otherwise specified, all references to "$", "cash", "dollars" or similar references shall mean U.S. dollars, paid in cash or other immediately available funds. The definitions set forth in this Agreement are equally applicable to both the singular and plural forms of the terms defined. The words *"**hereof**"*, *"**herein**"*, and *"**hereunder**"* and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. All references to time of day herein are references to New York, New York time (daylight or standard, as applicable) unless otherwise specifically provided. Where the character or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is required to be made for the purposes of this Agreement, it shall be done in accordance with GAAP except where such principles are inconsistent with the specific provisions of this Agreement. References in this Agreement to an Appendix, Exhibit, Schedule, Article, Section, clause or subclause refer (A) to the appropriate Appendix, Exhibit or Schedule to, or Article, Section, clause or subclause in this Agreement or (B) to the extent such references are not present in this Agreement, to the Document in which such reference appears. The term "including" is by way of example and not limitation. The word "or" is not exclusive. In the computation of periods of time from a specified date to a later specified date, the word "from" means "from and including"; the words "to" and "until" each mean "to but excluding"; and the word "through" means "to and including." The term "documents" includes any and all instruments, documents, agreements, certificates, notices, reports, financial statements and other writings, however evidenced, whether in physical or electronic form. All references to any Person shall be constructed to include such Person's successors and assigns (subject to any restriction on assignment set forth herein). Unless otherwise expressly provided herein, references to any law shall include all statutory and regulatory provisions consolidating, amending, replacing, supplementing or interpreting such law.

ARTICLE II
CLOSING AND TERMS OF THE REVENUE STREAM AND THE NOTES

2.1. The Revenue Stream.

2.1.1. Purchase of the Revenue Stream. On the Closing Date, subject to the satisfaction of the conditions set forth in Section 3.1, the Company hereby grants, and the Purchasers hereby acquire the Revenue Stream. The purchase price and the "Revenue Stream Basis" of the Revenue Stream acquired on the Closing Date will each equal $750,000.

2.1.2. Subsequent Fundings. From time to time following the Closing Date, and subject to the conditions set forth in Section 2.2.3 and Section 3.2, subsequent issuances of Notes shall be accompanied by additional rights to the Company's Monetization Revenues that shall increase the economics of the Revenue Stream as specified pursuant to the terms hereof. Amounts representing the purchase price of any such subsequently issued Notes and rights shall be allocated pursuant to the rules of Treas. Reg. section 1.1273-2(h), provided that such allocation shall be reasonably acceptable to the Issuer and the Purchasers. Irrespective of such allocation, such subsequent acquisitions of rights to the Company's Monetization Revenues shall increase the Revenue Stream Basis by an amount equal to 5% of the total amount funded with respect to the Notes and Revenue Stream on such subsequent issue date (calculated prior to taking into account any Structuring Fee payable in connection with such funding).

2.1.3. Payments to Purchasers. Following the Company's retention of the Threshold Amount and payment in full of the Notes, the Company shall pay to the Purchasers their proportionate share, in accordance with Schedule 2.1, of the Revenue Stream; *provided* that, subject to Section 6.11, each Company shall instruct any payors to deposit Monetization Revenues, directly into the Cash Collateral Account. Payments by the Company to the Purchasers shall be made monthly not later than 10 days following the last day of each month with respect to any Monetization Revenues received through the end of such month. For the avoidance of doubt, prior to the payment in full of the Notes, all Monetization Net Revenues (subject to the Company's retention of the Threshold Amount, shall be applied by the Issuer or the Collateral Agent, as the case may be, to the payment of principal, interest and any applicable premiums or fees on the Notes or payments owed pursuant to Sections 9.1(ii)-(iv) or 9.2, and shall not be applied to the satisfaction of the Purchasers' rights with respect to the Revenue Stream.

2.2. The Securities.

2.2.1. Authorization of Securities. The Issuer has authorized the issuance and sale of Notes in an aggregate principal amount of up to $50,000,000 and the Warrants on the terms and conditions set forth herein.

2.2.2. Closing Date Issuances. Subject to the terms and conditions of this Agreement (including the satisfaction of the conditions set forth in Section 3.1), and on the basis of the representations and warranties set forth herein, the Issuer agrees to issue and sell to the Purchasers, and the Purchasers agree to purchase in the respective amounts set forth on Schedule 2.1 and for the purchase prices set forth thereon, (x) Notes in an aggregate original principal amount of $15,000,000, (y) the Warrants, and (z) the Revenue Stream, in each case for the respective purchase prices and pursuant to the payment instructions set forth thereon.

2.2.3. Subsequent Issuances. Subject to the terms and conditions of this Agreement (including the satisfaction of the conditions set forth in Section 3.2), and on the basis of the representations and warranties set forth herein, following the Closing Date and on or before July 29, 2016, the Issuer may issue and sell to the Purchasers, and the Purchasers agree to purchase in the respective amounts set forth on Schedule 2.1 and for purchase prices determined as provided in Section 2.1.2 above, Notes in an aggregate original principal amount of up to an additional $5,000,000; provided, that additional Notes shall be issued in a increments of $1,000,000 and shall be accompanied by the Company's issuance of increased rights in the Revenue Stream on the terms specified herein.

2.2.4. Prospective Additional Issuances. It is contemplated that the Company may subsequently request that the Purchasers acquire, and that the Purchasers may subsequently agree to acquire, in their sole discretion, and on terms and conditions to be agreed, up to $30,000,000 in additional Notes and additional rights in the Revenue Stream in connection therewith, each on economic terms that are substantially similar to the Notes and Revenue Stream provided herein. If the Company shall make such request, and if the Purchasers agree, in their sole discretion, to provide such additional funding to the Company, this Agreement shall be amended in a manner satisfactory to the Company and the Purchasers to reflect the economic and other terms and conditions of such additional funding, which terms and conditions shall be satisfactory to the Company and the Purchasers.

2.3. Purchase Price Allocation. The Issuer and the Purchasers agree that, for purposes of Sections 305 and 1271 through 1275 of the Code or any other jurisdiction, the aggregate original purchase price of the Notes and Revenue Stream issued at Closing and of the Warrants shall be allocated as set forth on Schedule 2.1 hereto, and that such allocation shall be appropriately used by the Issuer and each Purchaser for income tax reporting purposes.

2.4. Interest on the Notes. The unpaid principal amount of the Notes (including any PIK Interest) shall bear cash interest at a rate equal to LIBOR plus 9.75% per annum; *provided* that upon and during the continuance of an Event of Default, the interest rate shall increase by an additional 2% per annum. Interest on the Notes shall be paid on the last Business Day of each calendar month (the "Interest Payment Date"), starting with the calendar month ending January 31, 2015. Such interest shall be paid in cash except that 2.75% per annum of the interest due on each Interest Payment Date shall be paid-in-kind, by increasing the principal amount of the Notes by the amount of such interest, effective as of the applicable Interest Payment Date ("PIK Interest"). PIK Interest shall be treated as principal of the Note disbursed as of the date so capitalized for all purposes of interest accrual or the calculation of any prepayment premium.

2.5. Fees. Upon each issuance of Notes, the Issuer shall pay to the Purchasers a structuring fee equal to 2.0% of the original principal amount of such Notes (the "Structuring Fee"), which fee shall be netted out of the funding on the date of such issuance.

2.6. Payment of the Notes.

2.6.1. Payment at Maturity. The principal of the Notes and all unpaid interest thereon or other amounts owing hereunder shall be paid in full in cash on July 29, 2018 (the "Maturity Date"), *provided* that with respect to the Notes issued after Closing, the Maturity Date shall be the 42 month anniversary of such issuance.

2.6.2. Optional Prepayments. The Notes may be prepaid from time to time, in whole or in part, at the option of the Issuer without penalty or premium.

2.6.3. Amortization. Commencing on the last Business Day of January 29, 2016 (or, with respect to Notes issued after Closing, commencing on the last Business Day of the month in which the one year anniversary of such issuance falls), the Company shall make monthly amortization payments on the Notes each in a principal amount equal to the amount which, calculated based on the principal amount outstanding as of such payment date (and re-calculated monthly to the extent necessary), would result in the Company's making equal monthly payments of principal on the Notes from such date through the Maturity Date.

2.6.4. Mandatory Prepayments. Following the Company's receipt and retention of $15,000,000 of Monetization Net Revenues after the Closing (such $15,000,000 of retained Monetization Net Revenues the ("Threshold Amount"), which retained amount, in the discretion of the Company, shall be used for general working capital purposes (which may include acquisitions) and may also be applied, at the discretion of the Company, to pay certain of the Company's existing indebtedness, upon receipt of any further Monetization Revenues, the Company or the Collateral Agent, as the case may be, shall apply 30% of the related Monetization Net Revenues to the payment of accrued and unpaid interest on, and then to repay outstanding principal of, and any fees with respect to, the Notes until all Note Obligations have been paid in full. Payments by the Company on the Notes shall be made monthly on the last Business Day of each month with respect to Monetization Revenues received through the last Business Day of the prior month. Such Threshold Amount shall be adjusted downward dollar for dollar for any outstanding debt owed to Medtronics, Inc. (the "Medtronic Debt") if the Company does not repay the Medtronic Debt or deliver the consent required by Section 6.12.4 by February 28, 2015; provided, however, in the event that the Company subsequently delivers such consent then the Threshold Amount shall increase again to $15,000,000 or if the Company repays a portion of the Medtronic Debt, the Threshold Amount shall increase on a dollar for dollar basis for every dollar repaid on the Medtronic Debt.

2.6.5. Application of Payments. Payments on the Notes shall be applied in the following order: first to any then outstanding expenses or other amounts owing pursuant to Article 9; second, to accrued and unpaid interest (excluding PIK Interest); and third to principal (including PIK Interest), with payments to principal allocated to the Notes so as to first repay Notes with the least amount of unamortized original issue discount. Prepayments of the Notes (whether mandatory or optional) shall reduce amortization payments, pro rata.

2.7. The Warrants. On the Closing Date, subject to the satisfaction of the conditions set forth in Section 3.1, and in consideration of the Issuer's receipt of the Warrant purchase price set forth on Schedule 2.1, the Issuer hereby issues and sells, and the Purchasers hereby purchase, the Warrants.

2.8. Monetization Revenues. All Monetization Revenues received by the Issuer and any Subsidiary or deposited in the Cash Collateral Account shall be applied so that, subject to the Company's retention of the Threshold Amount, 30% of Monetization Net Revenues are applied to the Note Obligations until paid in full; provided, that 100% of Monetization Net Revenues received since the last Business Day of the preceding month shall be applied to pay any past due Note Obligations, including in the event of acceleration of the Notes. Following payment in full of the Note Obligations, the Applicable Percentage of the Monetization Net Revenues received following the payment in full of the Note Obligations shall be paid to the Purchasers for application to the Revenue Stream, in accordance with Section 2.1.2 and Schedule 2.1, until fully satisfied; provided that, subject to Section 7.2.3, in the event of an acceleration of the Revenue Stream, 70% of the Monetization Net Revenues received since the last Business Day of the preceding month shall be applied to pay the remaining balance of the Revenue Stream. The Company, after payment in full of the Note Obligations, may prepay any or all of the remaining balance of the Revenue Stream (as defined with respect to the applicable time of such payment in the definition of Revenue Stream).

2.9. Taxes. Any and all payments by the Issuer or any Guarantor with respect to any Note Obligations shall be made free and clear of and without deduction for any and all present or future taxes, levies, imposts, deductions, charges or withholdings in any such case imposed by the United States or any political subdivision thereof, excluding taxes imposed or based on the recipient Purchaser's overall net income, and franchise or capital taxes imposed on it in lieu of net income taxes (all such non-excluded taxes, levies, imposts, deductions, charges, withholdings and liabilities in respect of payments hereunder being hereinafter referred to as "Taxes"). Each Purchaser shall deliver to the Issuer any forms or documentation under applicable tax law that establish any available exemption from or reduction of any withholding taxes imposed on any payments on the Note Obligations under this Agreement. If the Issuer or any Guarantor shall be required by law to deduct any Taxes from or in respect of any Note Obligations payable hereunder to any Purchaser (and such taxes are not attributable to the failure of a Purchaser to comply with its delivery obligations described in the preceding sentence), (i) the sum payable shall be increased as may be reasonably necessary so that after making all required deductions for taxes (including deductions for taxes applicable to additional sums payable under this Section 2.9) such Purchaser receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Issuer or such other payor shall make such deductions and (iii) the Issuer or such other payor shall remit the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law. Within 30 days after the date of any payment of such Taxes, the Issuer or other payor shall furnish to the Purchasers the original or certified copy of a receipt evidencing payment thereof. Notwithstanding the foregoing, for purposes of this Section 2.9.1, "Taxes" shall not include any withholding taxes imposed on amounts payable under this Agreement as of the date that the applicable Purchaser becomes a party hereto, and accordingly in no event shall the Issuer or any Guarantor be required to pay any additional amounts in respects of withholding taxes imputed on amounts payable to such Purchasers as of the Closing Date, unless such amounts are payable under the succeeding sentences of this Section 2.9. Notwithstanding and in addition to the foregoing, if and to the extent that any taxes, levies, imposts, deductions, charges or withholdings are imposed either by any foreign jurisdiction, instrumentality or administrative body or by the United States or any political subdivision thereof, on the basis that either the applicable payor (e.g., the Issuer, any Guarantor or other entity that receives Monetization Revenues) or that the source of any payment is located or derived from outside of the United States, all payments to the Purchasers hereunder, including with respect to the Revenue Stream, shall be made free and clear of, and without deduction or withholding for any such tax, levy, impost, deduction, charge or withholding. Each Purchaser shall deliver to the Issuer on the Issuer's specific request any forms or documentation under applicable tax law that establish any available exemption from or reduction of any withholding taxes imposed on any payments on the Obligations under the preceding sentence; and if the Issuer or any Guarantor shall be required by law to deduct any amounts from or in respect of any Obligations payable under the preceding sentence to any Purchaser (and such taxes are not attributable to the failure of a Purchaser to comply with its delivery obligations described in the preceding sentence, following the Issuer's request for any such form or documentation), (i) the sum payable shall be increased as may be reasonably necessary so that after making all required deductions for such amounts (including deductions for taxes applicable to additional sums payable under this Section 2.9) such Purchaser receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Issuer or such other payor shall make such deductions and (iii) the Issuer or such other payor shall remit the full amount deducted to the relevant taxation authority or other authority in accordance with applicable law; and within 30 days after the date of any payment of such amounts, the Issuer or other payor shall furnish to the Purchasers the original or certified copy of a receipt evidencing payment thereof.

2.10. Manner and Time of Payment. All payments to the Purchasers shall be made by wire transfer or other same day funds, without set off, not later than 5:00 p.m. PDT on the day such payment is due, in accordance with the payment instructions set forth on Schedule 2.8.

2.11. Patent License. Effective as of the Closing Date, the Company shall grant to the Collateral Agent, for the benefit of the Secured Parties, a non-exclusive, royalty free, license (including the right to grant sublicenses) with respect to the Patents, which shall be evidenced by, and reflected in, the Patent License Agreement. The Collateral Agent and the Secured Parties agree that the Collateral Agent shall only be entitled to use such license following acceleration of the Note Obligations.

ARTICLE III
CONDITIONS PRECEDENT

3.1. Conditions to Closing. The obligation of each Purchaser to purchase its respective pro rata share of the Revenue Stream, the Notes, and the Warrants on the Closing Date is subject to the satisfaction of the conditions set forth in this Section 3.1:

3.1.1. Deliveries. The Company (and each of its Subsidiaries, as applicable) shall have delivered to each Purchaser and the Collateral Agent fully executed (where applicable) copies of the following:

3.1.1.1. this Agreement;

3.1.1.2. the Notes;

3.1.1.3. the Security Agreement;

3.1.1.4. the Patent License Agreement;

3.1.1.5. the Patent Security Agreement;

3.1.1.6. the Warrants;

3.1.1.7. Guarantees executed by all Subsidiaries of the Issuer (excluding Immaterial Subsidiaries and MedTech Development Deutschland Gmbh);

3.1.1.8. (i) a copy of the certificate or articles of incorporation, certificate of formation, limited liability company agreement or other constitutive document, including all amendments thereto, of the Issuer and each Guarantor, certified as of a recent date by the Secretary of State of the state of its organization and a certificate as to the good standing of the Company as of a recent date, from such Secretary of State (or, in each case, a comparable governmental official, if available); (ii) a certificate of the Secretary or Assistant Secretary of the applicable entity, dated the Closing Date and certifying (A) that attached thereto is a true and complete copy of the by-laws and any limited liability company agreement of the entity as in effect on the Closing Date and at all times since a date prior to the date of the resolutions described in clause (B) below, (B) that attached thereto is a true and complete copy of resolutions duly adopted by the board of directors or managers of the entity authorizing the execution, delivery and performance of the Documents, and that such resolutions and consents have not been modified, rescinded or amended and are in full force and effect, (C) that the certificate or articles of incorporation of the Issuer or the applicable Guarantor have not been amended since the date of the last amendment thereto shown on the certificate of good standing furnished pursuant to clause (i) above, and (D) as to the incumbency and specimen signature of each officer executing this Agreement or any other Document on behalf of the entity; and (iii) to the extent available, a certificate of another officer as to the incumbency and specimen signature of the Secretary or Assistant Secretary executing the certificate pursuant to clause (ii) above;

3.1.1.9. an opinion of counsel for the Issuer and each Guarantor addressed to the Collateral Agent and each other party hereto in customary form and otherwise in form and substance reasonably satisfactory to the Collateral Agent;

3.1.1.10. an officer's certificate from an Authorized Officer of the Issuer and each Guarantor certifying that the condition set forth in Section 3.1.2 has been satisfied;

3.1.1.11. Consents from the counterparties to the Contractual Obligations reflected on Schedule 4.4 shall have been obtained in form and substance satisfactory to the Purchasers; and

3.1.1.12. all documentation and other information about the Company requested by the Purchasers or the Collateral Agent under applicable "know your customer" and anti-money laundering rules and regulations, including the USA PATRIOT Act.

3.1.2. Representations and Warranties; No Default. The representations and warranties contained in this Agreement and the other Documents shall be true and correct in all material respects, and there shall exist no Default or Event of Default, including after giving effect to the transactions contemplated herein.

3.1.3. Fees and Expenses. A Structuring Fee in the amount of $300,000, and the expenses of the Purchasers and the Collateral Agent invoiced as of the Closing Date and payable hereunder, shall have been paid in full, in cash.

3.1.4. Due Diligence. The Purchasers shall have completed their due diligence, and shall be satisfied with the results thereof, in their sole judgment.

3.1.5. Subscription Agreement. The Subscription Agreement shall have been executed and delivered and the transactions therein contemplated shall have been consummated.

3.1.6. Senior Lien. The Purchasers shall be satisfied that, after giving effect to the Collateral Documents, and to the making of any filings contemplated thereby, the Collateral Agent will have a first priority perfected lien in the Patents and all other material assets of the Issuer and each Guarantor to the extent that such perfection of a lien in the Patents can be effected through filings in the United States, subject to only to the existing Liens set forth on Schedule 6.8.

3.2. Conditions to Subsequent Issuances of Notes and Increases in Revenue Stream Basis. The obligation of each Purchaser to acquire its respective share of the Notes and additional rights in Monetization Revenues following the Closing Date is subject to the satisfaction of the following conditions, such to be confirmed by delivery of an officer's certificate or other evidence acceptable to the Purchasers:

3.2.1. Notice. The Issuer shall provide not less than 10 Business Days prior written notice of such request.

3.2.2. Representations and Warranties; No Default. As of the date of the issuance of such Notes, the representations and warranties of the Company contained in this Agreement or any other Document shall be true and correct in all material respects on and as of such date and there shall exist no Default or Event of Default;

3.2.3. Principal Amount. The issuance of such Securities shall not cause the aggregate original principal amount of Notes, excluding any PIK Interest, (whether issued on the Closing Date or thereafter) to exceed $20,000,000 (or, following agreement between the parties, if and to the extent that such is reached, as to the contemplated additional $30,000,000 in Notes, $50,000,000);

3.2.4. Fees and Expenses. A Structuring Fee in the amount of 2.0% of the principal amount of Notes issued on that date, and the unpaid expenses of the Purchasers and the Collateral Agent invoiced as of the Closing Date and payable hereunder, shall have been paid in full, in cash.

3.2.5. Monetization Milestone. The Issuer shall have demonstrated to the satisfaction of the Purchasers that it has received, on a consolidated basis, not less than $20,000,000 of Monetization Revenues for the most recently ended 12 calendar month period prior to such proposed funding date.

3.2.6. Post Closing Actions. The Issuer shall have demonstrated to the satisfaction of the Purchasers that the actions specified in Section 6.12.1 have been completed.

3.2.7. Officers Certificate. An officer's certificate from an Authorized Officer of the Issuer certifying that the conditions set forth in Sections 3.2.2, 3.2.5 and 3.2.7 have been satisfied.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

In order to induce the Purchasers to purchase the Revenue Stream, the Notes and the Warrants, the Company hereby represents and warrants to the Purchasers as of the Closing Date that:

4.1. Organization and Business. The Company is (a) a duly organized and validly existing corporation or limited liability company, (b) in good standing under the laws of the jurisdiction of its incorporation or organization, and (c) has the power and authority, corporate or otherwise, necessary (i) to enter into and perform this Agreement and the Documents to which it is a party, and (ii) to carry on the business now conducted or proposed to be conducted by it. Schedule 4.1 sets forth each entity in which any Company holds an interest, directly or indirectly, and sets forth the ownership of all equity securities of each Company and each such other entity (including joint venture, membership or partnership interests, and including convertible securities, options or warrants). The entities identified on Schedule 4.1 as "Immaterial Subsidiaries" conduct no material operations, and own no material assets.

4.2. Qualification. Each Company is duly and legally qualified to do business as a foreign corporation or limited liability company and is in good standing in each state or jurisdiction in which such qualification is required and is duly authorized, qualified and licensed under all laws, regulations, ordinances or orders of public authorities, or otherwise, to carry on its business in the places and in the manner in which it is conducted, other than where any such failure to be so licensed or qualified has no material impact on the Company's operations or contemplated operations.

4.3. Operations in Conformity with Law, etc. The operations of the Company as now conducted or proposed to be conducted are not in violation in any material respect of, nor is the Company in default in any material respect under, any Legal Requirement, other than where such non compliance is not likely to have a material impact on the Company's operations or to result in any material liability.

4.4. Authorization and Non-Contravention. Each Company has taken all corporate, limited liability or other action required to execute, deliver and perform this Agreement and each other Document. All necessary consents, approvals and authorizations of any governmental or administrative agency or any other Person of any of the transactions contemplated hereby shall have been obtained and shall be in full force and effect. This Agreement and each other Document does not (i) contravene the terms of any of the Company's Organization Documents, (ii) conflict with or result in any breach or contravention of, or the creation of any Lien under, or require any payment to be made under (x) any Contractual Obligation of the Company or its applicable Subsidiaries, except that certain consents and waivers are required under those Contractual Obligations set forth on Schedule 4.4 or (y) any material order, injunction, writ or decree of any Governmental Authority or any arbitral award to which the Company is subject or (iii) violate any Legal Requirement.

4.5. Intellectual Property. As of the Closing Date, subject solely to the licensing agreements set forth on Schedule 4.5 (the "Existing Licenses") (true and complete copies of which have been delivered to the Purchasers), the Company shown on Schedule I(a) is the entire, valid, sole and exclusive beneficial and record owner of all right, title and interest to all of the Patents with good and marketable title free and clear of any and all Liens, charges and encumbrances, including, without limitation, that other than the Existing Licenses, there are no pledges, assignments, licenses, springing licenses, options, non-assertion agreements, earn-outs, monetization agreements, profit and revenue sharing arrangements, derivative interests, fee and recovery splitting agreements, registered user agreements, shop rights and covenants by the Company not to sue third persons, and the Company has the power to bring and sustain action and recover for past, present and future infringement without having to join any other third party and that no provision of any Existing License will materially restrict the ability of such Company to pursue Monetization Activities. The applicable Company shown on Schedule I(a) is listed as record owner of all of the Patents and the recordings in the United States Patent and Trademark Office do not reflect any defects in chain-of-title or unreleased liens, except as reflected on said Schedule. All of the Patents are subsisting and have not been adjudged invalid or unenforceable, in whole or in part, and none of the Patents are at this time the subject to any challenge to their validity or enforceability, other than claims and defenses asserted in connection with the Company's Monetization Activities and of which the Purchasers have been advised in writing, none of which are, in the Company's judgment, likely to be resolved in a manner that would result in a Material Adverse Effect. To the knowledge of the Company, the Patents are valid and enforceable. The Company has no notice of any lawsuits, actions or opposition, cancellation, revocation, re-examination or reissue proceedings commenced or threatened with reference to any of the Patents, except as referenced above.

4.6. Material Agreements. Schedule 4.6 sets forth each agreement relating to the purchase or other acquisition of any Patent, including seller notes issued in connection with such acquisition, and any other material agreement relating to any Patent (other than the Existing Licenses) (collectively, the "Patent Agreements"). Each such agreement is in full force and effect for the benefit of the Company and to the knowledge of the Company there are no material defaults under any such agreement.

4.7. Margin Regulations. The Company is not engaged, nor will it engage, principally or as one of its important activities, in the business of purchasing or carrying Margin Stock, or extending credit for the purpose of purchasing or carrying Margin Stock, and the proceeds of the Notes, the Revenue Stream and the Warrants will not be used for any purpose that violates Regulation U of the Board of Governors of the United States Federal Reserve System.

4.8. Investment Company Act. The Company is not, and is not required to be, registered as an "investment company" under the Investment Company Act of 1940.

4.9. USA PATRIOT Act, FCPA and OFAC.

4.9.1. To the extent applicable, the Company is in compliance, in all material respects, with (i) the Trading with the Enemy Act, as amended, and each of the foreign assets control regulations of the United States Treasury Department (31 CFR Subtitle B, Chapter V, as amended) and any other enabling legislation or executive order relating thereto and (ii) the USA Patriot Act.

4.9.2. No part of the proceeds of the Notes or the purchase price for the Revenue Stream will be used, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of the United States Foreign Corrupt Practices Act of 1977, as amended.

4.9.3. None of the Company nor, to the knowledge of the Company, any director, officer, agent, employee or controlled Affiliate of the Company, is currently the subject of any U.S. sanctions program administered by the Office of Foreign Assets Control of the United States Department of the Treasury ("OFAC"); and the Company will not directly or indirectly use the proceeds of the Notes or otherwise make available such proceeds to any Person, for the purpose of financing the activities of any Person currently the subject of any U.S. sanctions program administered by OFAC, except to the extent licensed or otherwise approved by OFAC.

4.10. No Default. No Default or Event of Default exists or would result from the incurring of any Obligations by the Company or the grant or perfection of Liens on the Collateral. The Company is not in default under or with respect to any Contractual Obligation in any respect which, individually or together with all such defaults, would reasonably be expected to have a Material Adverse Effect.

4.11. Binding Effect. This Agreement and each other Document constitute the legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally or by equitable principles relating to enforceability.

4.12. Disclosure. No report, financial statement, certificate or other written information furnished by or on behalf of the Company (other than projected financial information, *pro forma* financial information and information of a general economic or industry nature) to any Purchaser or the Collateral Agent in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or any other Document (as modified or supplemented by other information so furnished) when taken as a whole contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein (when taken as a whole), in the light of the circumstances under which they were made, not materially misleading. With respect to projected financial information and *pro forma* financial information, the Company represents that such information was prepared in good faith based upon assumptions believed to be reasonable at the time of preparation; it being understood that such projections may vary from actual results and that such variances may be material.

ARTICLE V
REPRESENTATIONS AND WARRANTIES OF THE PURCHASERS AND COLLATERAL AGENT

Each Purchaser, for itself and for no other Purchaser, and the Collateral Agent hereby represents and warrants to the Issuer as of the Closing Date:

5.1. Authority. The Purchaser and the Collateral Agent, as the case may be, has the power and authority, corporate or otherwise, necessary to enter into and perform this Agreement and the Documents to which it is a party.

5.2. Binding Effect. This Agreement and each other Document constitute the legal, valid and binding obligations of the Purchaser and the Collateral Agent, enforceable against the Purchaser or the Collateral Agent as the case may be in accordance with their respective terms, except as enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditors' rights generally or by equitable principles relating to enforceability.

5.3. Investment Intent. The Purchaser understands that the Notes, the Warrant and the shares underlying the Warrants are each a "restricted security" and have not been registered under the Securities Act or any applicable state securities law and is acquiring such securities as principal for its own account and not with a view to or for distributing or reselling such securities or any part thereof in violation of the Securities Act or any applicable state securities laws. The Purchaser does not presently have any agreement, plan or understanding, directly or indirectly, with any Person to distribute or effect any distribution of the Note or Warrant (or any securities which are derivatives thereof) to or through any person or entity.

5.4. Experience of the Purchaser. The Purchaser has such knowledge, sophistication and experience in business and financial matters so as to be capable of evaluating the merits and risks of the prospective investment in the Note and Warrant, and has so evaluated the merits and risks of such investment. The Purchaser is able to bear the economic risk of an investment in the Note and Warrant and, at the present time, is able to afford a complete loss of such investment. The Purchaser understands that its investment in the Note and Warrant involves a significant degree of risk.

5.5. Access to Information. The Purchaser acknowledges that it has been afforded (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, representatives of the Company concerning the terms and conditions of the offering of the Note and the merits and risks of investing in the Note; (ii) access to information about the Company and its subsidiaries and their respective financial condition, results of operations, business, properties, management and prospects sufficient to enable it to evaluate its investment; and (iii) the opportunity to obtain such additional information that the Company possesses or can acquire without unreasonable effort or expense that is necessary to make an informed investment decision with respect to the investment. The Purchaser has sought such accounting, legal and tax advice as it has considered necessary to make an informed decision with respect to its acquisition of the Note.

5.6 Reliance on Exemptions. The Purchaser understands that the Notes are being offered and sold to it in reliance on specific exemptions from the registration requirements of U.S. federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and the Purchaser's compliance with, the representations, warranties, agreements, acknowledgements and understandings of the Purchaser set forth herein in order to determine the availability of such exemptions and the eligibility of the Purchaser to acquire its Note.

ARTICLE VI
COVENANTS

Until all of the Issuer's obligations with respect to the Notes and the Revenue Stream have been paid in full in cash, the Issuer and each Guarantor shall comply, and shall cause its respective Subsidiaries to comply, with the covenants set forth in this Article VI; provided that following payment in full of the Note Obligations, only the obligations under Sections 6.2, 6.5.2, and 6.6.1 shall continue in effect.

6.1. Taxes and Other Charges. The Company shall duly pay and discharge, or cause to be paid and discharged, before the same becomes in arrears, all taxes, assessments and other governmental charges imposed upon such Person and its properties, sales or activities, or upon the income or profits therefrom; provided, however, that any such tax, assessment, charge or claim need not be paid if the validity or amount thereof shall at the time be contested in good faith by appropriate proceedings and if such Person shall, in accordance with GAAP, have set aside on its books adequate reserves with respect thereto; provided, further, that the Company shall pay or bond, or cause to be paid or bonded, all such taxes, assessments, charges or other governmental claims immediately upon the commencement of proceedings to foreclose any Lien which may have attached as security therefor (except to the extent such proceedings have been dismissed or stayed).

6.2. Conduct of Monetization Activities. The Company shall undertake its best efforts to diligently pursue the monetization of the Patents (provided that following payment in full of the Note Obligations, the Company shall be required to use "commercially reasonable" rather than "best" efforts), and shall seek to satisfy the Monetization Milestones and shall provide regular updates to the Purchasers and their advisors, and shall consult with Purchasers and their advisors on request, as to such activities.

6.3. Maintenance of Existence. The Company shall do all things necessary to preserve, renew and keep in full force and effect and in good standing its legal existence and authority necessary to continue its business.

6.4. Compliance with Legal Requirements. The Company shall comply in all material respects with all valid Legal Requirements applicable to it, except where compliance therewith shall at the time be contested in good faith by appropriate proceedings.

6.5. Notices; Reports.

6.5.1. Certain Notices. The Company shall, promptly following having notice or knowledge thereof, furnish to each of the Purchasers such information as they may reasonably request concerning the Company's Monetization Activities and Monetization Revenues, including without limitation the following:

6.5.1.1. any dispute, litigation, investigation, suspension or any administrative or arbitration proceeding by or against the Company for an amount in excess of $500,000 or affecting the Company's ownership rights with respect to the Patents; and

6.5.1.2. promptly upon acquiring knowledge thereof, the existence of any Default or Event of Default, specifying the nature thereof and what action the Company has taken, is taking or proposes to take with respect thereto.

Each notice pursuant to this Section shall be accompanied by a statement by an Authorized Officer of the Company, on behalf of the Company, setting forth details of the occurrence referred to therein, and stating what action the Company or other Person proposes to take with respect thereto and at what time. Each notice under Section 6.5.1.2 shall describe with particularity any and all clauses or provisions of this Agreement or other Document that have been breached or violated.

6.5.2. Certain Reports. The Issuer shall cause to be furnished to each of the Purchasers the following:

6.5.2.1. no later than the 30th day of every month, with respect to the prior month, a report and certification of a responsible officer, in each case, in form and detail satisfactory to the Majority Purchasers (x) calculating and certifying to the Company's Monetization Revenues, including, for the last month of each fiscal quarter as certification as to the Company's compliance with Section 6.14 and (y) calculating the Liquidity of the Issuer and the Guarantors in accordance with Section 6.10 and certifying as to the Company's compliance therewith;

6.5.2.2. copies of any demand, cease and desist or other similar letter and copies of any material filing in any litigation or arbitration relating to the Patents by or against the Company that is not subject to an "attorneys' eyes only" or other protective order, as soon as reasonably practical after receipt thereof or, in the case of any material letter sent or material filing made by the Company, which is not subject to an "attorneys' eyes only" or other protective order, as early as practical prior to the date such letter is to be sent or such filing is to be made;

6.5.2.3. promptly (and in any event within 10 Business Days) after execution thereof, copies of all judgments, settlement agreements or licenses with respect to the Patents; and

6.5.2.4. promptly (and in any event within 10 Business Days), such additional business, financial, corporate affairs and other information as the Majority Purchasers may from time to time reasonably request.

Subject to the preservation of any privilege, the Company shall authorize and direct any legal counsel or consultant appointed by, and engaged by the Company, to discuss the status of the Company's Monetization Activities with the Purchasers and the Collateral Agent.

6.6. Information Rights.

6.6.1. Upon request of the Majority Purchasers, the Company shall permit any Purchaser and any Purchaser's duly authorized representatives and agents to visit during normal business hours and inspect any of its property, corporate books, and financial records related to the Patents, to examine and make copies of its books of accounts and other financial records related to the Patents and its Monetization Activities and Monetization Revenues, and to discuss its affairs, finances, and accounts with, and to be advised as to the same by, its managers, officers, employees and independent public accountants (and by this provision the Company hereby authorizes such accountants to discuss with the Purchasers the finances and affairs of the Company so long as (i) an officer or manager of the Company has been afforded a reasonable opportunity to be present for such discussion and (ii) such accountants shall be bound by standard confidentiality obligations), in each case related to the Patents and the Monetization Activities and Monetization Revenues. In addition, upon request of the Majority Purchasers from time to time, and subject to any claims of privilege, the Company shall provide the Purchasers with a status update of any material development in any litigations or any administrative or arbitration proceeding related to the Patents, unless such information would be subject to an attorney-client privilege. All reasonable costs and expenses incurred by the Purchasers and their duly authorized representatives and agents in connection with the exercise of the Purchasers' rights pursuant to this Section 6.6 shall be paid by the Company, up to one visit per month unless an Event of Default has occurred and is continuing.

6.6.2. The Purchasers acknowledge that in connection with their information and access rights under this Agreement, the Company may be required to provide information that may be deemed to be material non public information; provided that the Company agrees to clearly identify any such information as such, in writing, and, prior to delivery or any material non public information, to request and obtain Purchaser confirmation prior to such delivery that the Purchasers wish to receive non public information notwithstanding that it may constitute material non public information. The Purchasers and the Company agree to work together in good faith to establish procedures for the handling of information that may constitute material non public information, including procedures that enable the Purchasers to evaluate from time to time the extent to which they are prepared to receive material non public information by the Company and as to which of such information will be subject to periodic "cleansing disclosure" and/or the establishment of "trading windows" in order to achieve the Purchasers' objectives of remaining reasonably informed of the Company's Monetization Activities and available to consult with the Company regarding such activities, while not being unreasonably restricted in public trading of common stock of the Company. For the avoidance of doubt, subject to the Company not providing the Purchasers with any information that it is not prepared to disclose to the public without first providing a written notice to the Purchasers confirming that they are prepared to receive non public information, the Company shall have no obligation to any Purchaser to disclose information to the public, whether by press release or SEC filing, that it is not otherwise obligated to disclose at such time pursuant to the Securities Exchange Act of 1943 and the regulations of the SEC promulgated thereunder.

6.7. Indebtedness. The Company shall not create, incur, assume or otherwise become or remain liable with respect to any Indebtedness, except for:

6.7.1. Indebtedness in respect of the Obligations;

6.7.2. unsecured trade payables that are not evidenced by a promissory note and are incurred in the Ordinary Course of Business, including such payables owing to suppliers, consultants and advisors, employees and board members, liabilities under corporate credit cards and other similar accounts payable;

6.7.3. the existing Indebtedness set forth on Schedule 6.7;

6.7.4. additional unsecured Indebtedness that is subordinated to the rights of the Purchasers under this Agreement pursuant to an agreement in form and substance reasonably satisfactory to the Majority Purchasers; and

6.7.5. additional indebtedness that is assumed in connection with, or incurred to finance, the acquisition of additional Patents and other intellectual property, or to fund monetization activities related thereto provided that such indebtedness is solely recourse to a subsidiary or other entity that solely owns such assets (an "Excluded Subsidiary"), and is solely secured by the assets of such entities, including being secured by no Patents other than "Specified Patents", and further provided that until the Purchasers have acquired Notes from the Issuer in an aggregate original principal amount of not less than $50,000,000, (x) with respect to newly incurred indebtedness, the Purchasers have first been offered a reasonable opportunity to provide such indebtedness on economic and other terms consistent with the Notes (including a proportionate increase in the Revenue Stream); and (y) in the event that the Purchasers decline to fund such indebtedness on comparable terms to the Notes, the Purchasers have been offered a right of first refusal to provide such indebtedness on comparable economic and other terms, which offer shall be in writing and accompanied by fully executed copies of binding commitment papers or other binding loan documentation which is in effect with a proposed provider of such indebtedness, and shall remain open to the Purchasers (on the same basis as such proposed lender) for not less than 10 Business Days following delivery to the Purchasers of such written offer.

6.8. Liens. The Company shall not create, incur, assume or suffer to exist any Lien upon any Patent other than the following ("Permitted Liens"):

6.8.1. Liens securing the Obligations,

6.8.2. the Existing Licenses and other non-exclusive licenses that are entered into pursuant to the Company's Monetization Activities and otherwise in compliance with this Agreement;

6.8.3. the existing Liens reflected on Schedule 6.8; and

6.8.4. Liens securing Indebtedness under Section 6.7.5 solely on Specified Patents and proceeds thereof.

6.9. Management of Patents and Patent Licenses.

6.9.1. Dispositions. The Company shall not make any Disposition of any Patents other than (i) entering into settlement agreements or non-exclusive licensing arrangements with respect to Patents in pursuit of the Monetization Activities, (ii) sales of the Company's proprietary hardware and software products in the ordinary course of business *provided*, for the avoidance of doubt, that no such arrangements shall permit the use of any Patents other than as required for the sale of such products; and (iii) the entry into exclusive license agreements or sales of Patents with the written consent of the Majority Purchasers. For the avoidance of doubt, proceeds of any Disposition of Patents shall constitute Monetization Revenues. The Company shall include in any Disposition (other than outright sales or exclusive licenses of Patents) a prohibition against sublicenses, and a provision that terminates any such arrangement upon a change of control of the licensee. For the avoidance of doubt, nothing in the foregoing shall be construed to prohibit the Company from replacing or dividing existing Patent Agreements under substantially equivalent, or more favorable to the Company, financial and other terms than the Patent Agreements.

6.9.2. Preservation of Patents. (a) The Company shall, at its own expense, take all reasonable steps to pursue the registration and maintenance of each Patent and shall take all reasonably necessary steps to preserve and protect each Patent and (b) the Company shall not do or permit any act or knowingly omit to do any act whereby any of the Patents may lapse, be terminated, or become invalid or unenforceable or placed in the public domain. At its option, the Collateral Agent or the Majority Purchasers may, at the Company's expense, take all reasonable steps to pursue the registration and maintenance of each Patent and take all reasonably necessary steps to preserve and protect each Patent and the Company hereby grants the Collateral Agent a power-of-attorney to take all steps in the Company's name in furtherance of the foregoing; *provided* that the foregoing shall not be interpreted as excusing the Company from the performance of, or imposing any obligation on the Collateral Agent or the Majority Purchasers to cure or perform any obligation of the Company; *provided further* that the Collateral Agent shall give the Company prompt written notice following any action taken by the Collateral Agent under this Section 6.9.2, and shall endeavor to give advance written notice where feasible. Notwithstanding the foregoing, the Company shall not be required to preserve the registration of any Patent that it determines is not necessary for its pursuit of its business objectives so long as the Company offers to assign such Patent to the Collateral Agent as its designee, as directed by the Majority Purchasers, for no consideration prior to permitting any Patent to lapse, terminate or become invalid, unenforceable or placed in the public domain, with such first offer to be made within a reasonable time frame prior to the date on which such result would occur to permit time for the Purchasers to consider such offer and for the parties to effect any such transfer.

6.9.3. Entry into Agreements. Neither the Company nor any Affiliate of the Company shall enter into any contract or other agreement with respect to the Patents that contains confidentiality provisions prohibiting or otherwise restricting the Company or such Affiliate from disclosing the existence and content of such contract or other agreement to the Purchasers and their counsel.

6.10. Minimum Liquidity. The Issuer and Guarantors shall maintain not less than One Million Dollars ($1,000,000) in unrestricted cash and Cash Equivalents ("Liquidity") (not including amounts on deposit in the Cash Collateral Account except to the extent the Issuer or a Guarantor is entitled to such amounts), and the Issuer shall provide monthly certifications demonstrating Liquidity not later than 30 days after the end of each month.

6.11. Cash Collateral Account. Within 30 days following the Closing Date, the Company shall open a depository account (the "Cash Collateral Account") with Wells Fargo Bank, N.A. or another banking institution reasonably acceptable to the Purchasers and the Collateral Agent (the "Bank") which Cash Collateral Account shall be subject to a control agreement in form and substance acceptable to the Collateral Agent (the "Control Agreement"), between the Company, the Bank and the Collateral Agent. The Company shall cause all Monetization Revenues to be deposited into such Cash Collateral Account, shall provide instructions to each payor of Monetization Revenues to directly deposit any Monetization Revenues into the Cash Collateral Account, and the Company hereby authorizes the Majority Purchasers to inform any payor of Monetization Revenues of the Company's obligation to direct all Monetization Revenues to the Cash Collateral Account as required hereunder. On each deposit of Monetization Revenues to the Cash Collateral Account, the Company shall deliver an officer's certificate in the form of Exhibit D to the Collateral Agent detailing the source and nature of such Monetization Revenues and setting forth the Company's calculation of the required application of the resulting Monetization Revenues. On a monthly basis on and after the Closing Date, but no later than the 15th day of each month, the Issuer shall deliver to the Collateral Agent a written statement (each a "Collateral Account Statement") with reasonable detail showing the amounts applied by the Issuer in the Cash Collateral Account for the prior month to the payment of the Notes and payments to the Company in respect of the Monetization Revenues. Prior to an Event of Default and the delivery of a notice of exclusive control, the Cash Collateral Account shall be under the control of the Issuer. Thereafter, unless and until such notice of exclusive control is revoked (which revocation following cure or waiver of all Events of Default, shall be effected by the Collateral Agent), the Cash Collateral Account shall be under the sole control of the Collateral Agent and the Company may not have withdrawal rights with respect to, or otherwise control of, the Cash Collateral Account. The Company and the Collateral Agent shall have access to account statements from the Bank concerning the Cash Collateral Account.

6.12. Further Assurances. Upon the reasonable request of the Majority Purchasers or the Collateral Agent, the Company shall (i) correct any material defect or error that may be discovered in the execution, acknowledgment, filing or recordation of any Document or other document or instrument relating to any Collateral, and (ii) do, execute, acknowledge, deliver, record, re-record, file, re-file, register and re-register any and all such further acts, deeds, certificates, assurances and other instruments as the Collateral Agent or Majority Purchasers may reasonably request from time to time in order to carry out the purposes of the Documents. Promptly upon the Company acquiring any new Subsidiary (excluding Immaterial Subsidiaries and Excluded Subsidiaries), the Company shall cause such Subsidiary to execute the Collateral Documents and any other documentation requested by the Collateral Agent, and to take any action reasonably requested to grant to the Collateral Agent, and perfected, liens on its material assets, which liens shall be senior in priority to liens other than Permitted Liens and Liens described in Section 6.8.4. In addition, the Issuer shall use its best efforts to cause to be completed, on or before April 15, 2015, the actions specified on Schedule 6.12. Notwithstanding the preceding sentence, the Issuer may form a newly created German subsidiary to hold rights to pursue Monetization Activities related to Patents of TLI Communications LLC, such German subsidiary shall not be required to provide a Guaranty or to pledge its assets, and the Issuer (or its Subsidiary that directly owns such newly created entity) shall not be required to pledge more than 65% of the voting equity of such German subsidiary.

6.12.1. The Company shall (a) have made such additional filings in the United States Patent and Trademark Office and the in the relevant filing offices in Germany, the United Kingdom and China necessary to correct the defects in the chain-of-title to such Patents noted on Schedule 6.12, (b) with respect to Patents registered in the United States Patent and Trademark Office, have executed and delivered an updated Patent License Agreement and Patent Security Agreement to reflect such corrections and (c) with respect to Patents registered in Germany, the United Kingdom and China have executed and delivered such agreements and made such filings necessary in the applicable filing office, for each patent and application in Germany, the United Kingdom and China, to reflect the security interest of the Collateral Agent.

6.12.2. The Issuer and the Guarantors shall use its best efforts to pledge no more than 65% of the voting equity of MedTech Development Deutschland Gmbh by no later than February 28, 2015.

6.12.3. Any outstanding debt owed by the Company under the Promissory Notes between Issuer and Grancius IP, LLC, The Spangenberg Family Foundation for the Benefit of Children's Healthcare and Education and TechDev Holdings, LLC, dated May 2, 2014 shall be paid no later than April 30, 2015.

6.12.4. The Company shall either repay any outstanding debt owed under the Amended and Restated Promissory Note dated January 1, 2015 by and between Orthophoenix, LLC and Medtronic, Inc. or obtain a consent and acknowledgment, in form and substance satisfactory to the Purchasers, from Medtronic, Inc. by February 28, 2015. Orthophoenix, Inc. shall provide a guaranty and pledge on the earlier of repayment of the outstanding debt or the Company obtaining such consent from Medtronic, Inc.; provided, however, that the failure to satisfy this obligation shall not result in an Event of Default and the Purchasers exclusive remedy shall be the adjustment of the Threshold Amount pursuant to Section 2.6.4.

6.13. Confidentiality. Each party hereto will hold, and will cause its respective Affiliates and its and their respective directors, officers, employees, agents, members, investors, auditors, attorneys, financial advisors, other consultants and advisors and assignees to hold, in strict confidence, unless disclosure to a regulatory authority is necessary in connection with any necessary regulatory approval, examination or inspection or unless disclosure is required by judicial or administrative process or, in the written opinion of its counsel, by other requirement of law or the applicable requirements of any regulatory agency or relevant stock exchange, all non-public records, books, contracts, instruments, computer data and other data and information (collectively, "Information") concerning the other party hereto furnished to it by or on behalf of such other party or its representatives pursuant to this Agreement (except to the extent that such information can be shown to have been (1) previously known by such party on a non-confidential basis or becomes available to such party on a non-confidential basis, (2) publicly available through no fault of such party or (3) later lawfully acquired from other sources by such party), and neither party hereto shall release or disclose such Information to any other person, except on a confidential basis to its officers, directors, employees, agents, members, investors, Affiliates, auditors, attorneys, financial advisors, other consultants and advisors and except in connection with any proposed assignment or participation of the rights of a Purchaser under this Agreement made in accordance with Section 9.10.2, *provided* such prospective assignee or participant has agreed to be bound by the confidentiality provisions consistent with those set forth herein.

6.14. Minimum Monetization Revenues. The Issuer and its Subsidiaries shall have Monetization Revenues for each four fiscal quarter period commencing with the four fiscal quarter period ended December 31, 2014 of at least $15,000,000.

ARTICLE VII
EVENTS OF DEFAULT

7.1. Events of Default. Each of the following events is referred to as an "Event of Default":

7.1.1. Payment. The Issuer shall fail to make any payment due hereunder within 3 Business Days of when such payment is due and payable.

7.1.2. Other Covenants. The Issuer or any Guarantor shall (x) fail to perform or observe in any material respect any of the covenants or agreements contained in Article VI or (y) fail to perform or observe in any material respect any of the covenants or agreements elsewhere in this Agreement or in any other Document (other than those covenants or agreements specified in clause (x) above) such failure continues for thirty days after the earlier of (i) written notice to the Issuer by the Collateral Agent or any Purchaser of such failure or (ii) knowledge of the Issuer of such failure.

7.1.3. Representations and Warranties. Any representation or warranty of or with respect to the Issuer or any Guarantor, pursuant to or in connection with any Document, or in any financial statement, report, notice, mortgage, assignment or certificate delivered by any such entity so representing to the other parties hereto in connection herewith or therewith, shall be false in any material respect on the date as of which it was made.

7.1.4. Cross Default. Prior to the payment in full of the Note Obligations, any event of default, after giving effect to any applicable grace, cure, or waiver period specified in the underlying document, with respect to any Indebtedness in excess of $500,000 of the Issuer or any Subsidiary (excluding Immaterial Subsidiaries and Excluded Subsidiaries) that is on account of a default in any payment under such Indebtedness shall occur and be continuing.

7.1.5. Liquidation; etc. The Issuer, any Guarantor or any Subsidiary thereof (excluding Immaterial Subsidiaries and Excluded Subsidiaries) shall initiate any action to dissolve, liquidate or otherwise terminate its existence.

7.1.6. Change of Control. Prior to payment in full of the Note Obligations, either of the following shall have occurred: (i) except as expressly waived in writing by the Majority Purchasers, any Related Group that, as of the date hereof, holds directly or indirectly, beneficial ownership of 14.99% or more of the Issuer's common stock (calculated after conversion of any convertible stock and the exercise of any warrants or options, in each case, held by the members of such Related Group) (such common stock and securities exercisable or convertible into common stock, "equity securities") shall transfer or sell (other than within the Related Group), equity securities representing more than five percent (5%) of the equity securities held by the Related Group as of the date of this Agreement; or (ii) Doug Croxall shall cease to be the full time chief executive officer of the issuer; provided, that no Event of Default shall arise under clause (ii) of this Section 7.1.6 if, within 60 days of Doug Croxall resigning or otherwise ceasing to act as chief executive offer, a replacement is appointed that is acceptable to the Majority Purchasers in their reasonable discretion.

7.1.7. Judgments. Prior to the payment in full of the Note Obligations, a final judgment (a) which, with other outstanding final judgments against the Issuer, any Guarantor or any Subsidiary thereof (excluding Immaterial Subsidiaries and Excluded Subsidiaries), exceeds an aggregate of $500,000 shall be rendered against such entity or (b) which grants injunctive relief that results, or creates a material risk of resulting, in a Material Adverse Effect and in either case if (i) within 60 days after entry thereof (or such longer period permitted under the terms of such judgment), such judgment shall not have been discharged or execution thereof stayed pending appeal or (ii) within 60 days after the expiration of any such stay, such judgment shall not have been discharged.

7.1.8. Bankruptcy, etc. The Issuer, any Guarantor or any Subsidiary thereof (excluding Immaterial Subsidiaries and Excluded Subsidiaries) shall:

7.1.8.1. commence a voluntary case under the Bankruptcy Code or authorize, by appropriate proceedings of its board of directors or other governing body, the commencement of such a voluntary case;

7.1.8.2. (i) have filed against it a petition commencing an involuntary case under the Bankruptcy Code that shall not have been dismissed within 60 days after the date on which such petition is filed or (ii) file an answer or other pleading within such 60-day period admitting or failing to deny the material allegations of such a petition or seeking, consenting to or acquiescing in the relief therein provided or (iii) have entered against it an order for relief in any involuntary case commenced under the Bankruptcy Code;

7.1.8.3. seek relief as a debtor under any applicable law, other than the Bankruptcy Code, of any jurisdiction relating to the liquidation or reorganization of debtors or to the modification or alteration of the rights of creditors, or consent to or acquiesce in such relief;

7.1.8.4. have entered against it an order by a court of competent jurisdiction (i) finding it to be bankrupt or insolvent, (ii) ordering or approving its liquidation or reorganization as a debtor or any modification or alteration of the rights of its creditors or (iii) assuming custody of, or appointing a receiver or other custodian for, all or a substantial portion of its property; or

7.1.8.5. make an assignment for the benefit of, or enter into a composition with, its creditors, or appoint, or consent to the appointment of, or suffer to exist a receiver or other custodian for, all or a substantial portion of its property.

7.1.9. Collateral. Prior to payment in full of the Note Obligations, any material provision of any Collateral Document shall for any reason cease to be valid and binding on or enforceable against the Issuer or any Guarantor or such entity shall so state in writing or bring an action to limit its obligations or liabilities thereunder; or any Collateral Document shall for any reason (other than pursuant to the terms thereof) cease to create a valid security interest in the Collateral purported to be covered thereby or such security interest shall for any reason (other than the failure of the Collateral Agent or the Purchasers. to take any action within its control) cease to be a perfected and first priority security interest subject only to Permitted Liens and such failure shall continue for thirty days after the earlier of (i) written notice to the Company by the Collateral Agent or any Purchaser of such failure or (ii) knowledge of the Company of such failure.

7.2. Remedies Following an Event of Default. If any one or more Events of Default shall occur and be continuing, then in each and every such case:

7.2.1. Specific Performance; Exercise of Rights. The Majority Purchasers (or the Collateral Agent, acting at the direction of the Majority Purchasers) may proceed to protect and enforce such party's rights by suit in equity, action at law and/or other appropriate proceeding, either for specific performance of any covenant or condition contained in any Document, or in aid of the exercise of any power granted in any Document, including directing the Company to take any action requested by the Majority Purchasers (or the Collateral Agent, acting at the direction of the Majority Purchasers) in any Monetization Activity regarding the Patents;

7.2.2. Acceleration. The Majority Purchasers may, by notice in writing to the Issuer, declare the remaining unpaid amount of the then-outstanding Notes, together with accrued and unpaid interest and fees thereon, and, to the extent that an Event of Default occurs and is continuing that would remain applicable following payment in full of the Notes, the balance of the Revenue Stream, to be immediately due and payable; *provided* that if a Bankruptcy Event of Default pursuant to Section 7.1.8 shall have occurred, such amounts shall automatically become immediately due and payable; and provided, that in such event, the Issuer shall immediately and unconditionally be obligated to pay, as liquidated damages with respect to the Revenue Stream, the maximum amount of the Revenue Stream in full, in cash, i.e., the Company shall pay to the Purchasers with respect to the Revenue Stream, an amount equal to 15x (1,500%) of the Revenue Stream Basis, less any amounts previously applied to the Revenue Stream.

7.2.3. Additional Cure Periods. Notwithstanding Section 7.2.2, (w) in the event that an Event of Default occurs under Section 7.1.1 because the Company is prevented from making a timely payment required hereunder because of strikes, acts of God, shortages of labor or materials, war, terrorist acts, civil disturbances and other causes beyond the reasonable control of the performing party (a "Force Majeure Event"), so long as the Issuer provides Purchasers with prompt written notice of the occurrence of such event and of the fact that it is preventing the Company from making timely payments (or, if written notice is prevented by such Force Majeure Event, notice in the form possible), and further provided that the Company uses its best efforts to make the required payment, and does make the required payment, as soon as possible after the impediment to making the payment is resolved, Purchasers shall not accelerate the Revenue Stream on account of such Event of Default and, if it has accelerated prior to receiving such notice, shall revoke such acceleration; (x) prior to any acceleration of the Revenue Stream on account of the first breach by the Company of Section 7.1.1 not caused by a Force Majeure Event, the Collateral Agent or the Majority Purchasers shall first provide the Issuer with notice of such intent to accelerate and the Issuer shall have an additional 5 days to cure such Event of Default prior to any acceleration on account thereof; (y) prior to any acceleration of the Revenue Stream on account of a breach of Section 6.5.2 or Section 6.6.1, the Collateral Agent or the Majority Purchasers shall first provide the Issuer with not less than 15 days prior written notice of such intent to accelerate, except that where 30 days notice of the Event of Default has already been provided as contemplated under Section 7.1.2(i) this clause (ii) shall not apply; and (z) prior to any acceleration of the Revenue Stream on account of a breach of Section 6.2, the Collateral Agent or the Majority Purchasers shall first provide the Company with 60 days prior written notice of such intent to accelerate, which notice shall specify the action(s), or omission(s), that the Majority Purchasers maintain constitutes the breach of such Section 6.2.

7.2.4. Standstill. Upon notice in writing from the Majority Purchasers, the Company shall not enter into any new pledges, assignments, licenses, springing licenses, options, non-assertion agreements, earn-outs, monetization agreements, profit and revenue sharing arrangements, derivative interests, fee and recovery splitting agreements, registered user agreements, shop rights and covenants by the Company not to sue third persons with respect to any of the Patents; and

7.2.5. Cumulative Remedies. To the extent not prohibited by applicable law which cannot be waived, each party's rights hereunder and under the other Documents shall be cumulative;

provided that, effective upon the Majority Purchasers (or the Collateral Agent, acting at the direction of the Majority Purchasers) enforcing any such rights or remedies under this Agreement or any other Document, or under applicable law, the Purchasers and the Collateral Agent shall (1) grant, and do hereby grant, to the Company a perpetual non-exclusive, royalty-free, world-wide license (with the right to sublicense to third parties under the Existing Licenses and the sale of proprietary products and any other licenses entered into in compliance with this Agreement) to the Patents, which license shall be non-revocable by any third party transferee or any other person or entity that acquires rights in the Patents (by foreclosure or otherwise) at any time following such exercise of rights or remedies, and (2) require as a condition to the effectiveness of any such transfer or assignment (by foreclosure or otherwise) of the Patents or rights in the Patents, that the applicable transferee or assignee acknowledge and agree to the non-revocable grant to the Company of the perpetual license of the type described in the immediately preceding clause (1), which acknowledgement and agreement by such transferee or assignee shall be made in a writing, signed by a duly authorized officer of such transferee or assignee, made to and for the express benefit of the Company, and the original of which shall be delivered by the Purchasers or the Collateral Agent to the Company promptly following any such transfer or assignment.

7.3. Annulment of Defaults. Once an Event of Default has occurred, such Event of Default shall be deemed to exist and be continuing for all purposes of this Agreement until the earlier of (x) Majority Purchasers shall have waived such Event of Default in writing, (y) the Company shall have cured such Event of Default to the Majority Purchasers' reasonable satisfaction or the Company or such Event of Default otherwise ceases to exist, or (z) the Collateral Agent and the Purchasers or Majority Purchasers (as required by Section 9.4.1) have entered into an amendment to this Agreement which by its express terms cures such Event of Default, at which time such Event of Default shall no longer be deemed to exist or to have continued. No such action by the parties hereto shall prevent the occurrence of, or effect a waiver with respect to, any subsequent Event of Default or impair any rights of the parties hereto upon the occurrence thereof.

7.4. Waivers. To the extent that such waiver is not prohibited by the provisions of applicable law that cannot be waived, the Company waives:

7.4.1. all presentments, demands for performance, notices of nonperformance (except to the extent required by this Agreement), protests, notices of protest and notices of dishonor;

7.4.2. any requirement of diligence or promptness on the part of the Purchasers in the enforcement of its rights under this Agreement;

7.4.3. any and all notices of every kind and description which may be required to be given by any statute or rule of law; and

7.4.4. any defense (other than indefeasible payment in full) which it may now or hereafter have with respect to its liability under this Agreement or with respect to the Obligations.

ARTICLE VIII
COLLATERAL AGENT

8.1. Appointment of Collateral Agent. Each of the Purchasers hereby appoints DBD Credit Funding LLC as Collateral Agent to act for them as collateral agent, to hold any pledged collateral and any other collateral perfected by perfection or control for the benefit of the Purchasers. Without limiting the foregoing, the Collateral Agent shall take direction from the Majority Purchasers and shall distribute any proceeds of Collateral (net of its own expenses) to the Purchasers to apply to the payment of the Notes.

8.2. Collateral. The Collateral Agent shall act at the instruction of the Majority Purchasers with respect to providing any vote, consent or taking other action with respect to the Collateral.

8.3. Collateral Agent's Resignation. The Collateral Agent may resign at any time by giving at least 30 days' prior written notice of its intention to do so to each of the other parties hereto and upon the appointment by the Majority Purchasers of a successor Collateral Agent. If no successor Collateral Agent shall have been so appointed and shall have accepted such appointment within 45 days after the retiring Collateral Agent's giving of such notice of resignation, then the retiring Collateral Agent may appoint a successor Collateral Agent, with the consent of the Majority Purchasers. Upon the appointment of a new Collateral Agent hereunder, the term "Collateral Agent" shall for all purposes of this Agreement thereafter mean such successor. After any retiring Collateral Agent's resignation hereunder as Collateral Agent, or the removal hereunder of any successor Collateral Agent, the provisions of this Agreement shall continue to inure to the benefit of such retiring or removed Collateral Agent as to any actions taken or omitted to be taken by it while it was Collateral Agent under this Agreement.

8.4. Concerning the Collateral Agent.

8.4.1. Standard of Conduct, etc. The Collateral Agent and its officers, directors, employees and agents shall be under no liability to any of the Purchasers or to any future holder of any interest in the Obligations for any action or failure to act taken or suffered in the absence of gross negligence and willful misconduct, and any action or failure to act in accordance with an opinion of its counsel shall conclusively be deemed to be in the absence of gross negligence and willful misconduct.

8.4.2. No Implied Duties, etc. The Collateral Agent shall have and may exercise such powers as are specifically delegated to the Collateral Agent under this Agreement together with all other powers incidental thereto. The Collateral Agent shall have no implied duties to any Person or any obligation to take any action under this Agreement except for action specifically provided for in this Agreement to be taken by the Collateral Agent.

8.4.3. Validity, etc. The Collateral Agent shall not be responsible to any other party or any future holder of any interest in the Obligations (a) for the legality, validity, enforceability or effectiveness of any Document, (b) for any recitals, reports, representations, warranties or statements contained in or made in connection with any Document, (c) for the existence or value of any assets included in any security for the Obligations, (d) for the effectiveness of any Lien purported to be included in the security for the Obligations, or (e) for the perfection of the security interests for the Obligations.

8.4.4. Compliance. The Collateral Agent shall not be obligated to ascertain or inquire as to the performance or observance of any of the terms of this Agreement or any other Document.

8.4.5. Employment of Agents and Counsel. The Collateral Agent may execute any of its duties as Collateral Agent under this Agreement or the other Documents by or through employees, agents and attorneys-in-fact and shall not be responsible to any of the parties hereto for the default or misconduct of any such employees, agents or attorneys-in-fact selected by the Collateral Agent acting in the absence of gross negligence and willful misconduct. The Collateral Agent shall be entitled to advice of counsel concerning all matters pertaining to the agency hereby created and its duties hereunder.

8.4.6. Reliance on Documents and Counsel. The Collateral Agent shall be entitled to rely, and shall be fully protected in relying, upon any affidavit, certificate, cablegram, consent, instrument, letter, notice, order, document, statement, telecopy, telegram, telex or teletype message or writing reasonably believed in good faith by the Collateral Agent to be genuine and correct and to have been signed, sent or made by the Person in question, including any telephonic or oral statement made by such Person, and, with respect to legal matters, upon an opinion or the advice of counsel selected by the Collateral Agent.

8.4.7. Collateral Agent's Reimbursement. The Purchasers agree to indemnify the Collateral Agent for any losses arising from its appointment as the Collateral Agent or from the performance of its duties hereunder and to reimburse the Collateral Agent for any reasonable expenses; *provided*, *however*, that the Collateral Agent shall not be indemnified or reimbursed for liabilities or expenses to the extent resulting from its own gross negligence or willful misconduct.

8.4.8. Assumption of Collateral Agent's Rights. Notwithstanding anything herein to the contrary, if at any time no Person constitutes the Collateral Agent hereunder or the Collateral Agent fails to act upon written directions from the parties hereto, the Majority Purchasers shall be entitled to exercise any power, right or privilege granted to the Collateral Agent and in so acting the Majority Purchasers shall have the same rights, privileges, indemnities and protections provided to the Collateral Agent hereunder.

ARTICLE IX
GENERAL PROVISIONS

9.1. Expenses. The Company agrees to promptly pay in full (i) subject to the availability and limited to the proceeds of the Notes, all reasonable out-of-pocket costs and expenses (including, without limitation, reasonable fees and disbursements of a single external counsel and of any local counsel in any relevant jurisdiction) incurred, by the Collateral Agent or the Purchasers in connection with the preparation, negotiation, execution and delivery of the proposal letter and the Documents, including the Purchasers' due diligence and credit approval process in connection with the financing, not to exceed $185,000 in the aggregate for services in connection with the initial Closing, (ii) all reasonable out-of-pocket costs and expenses (including, without limitation, reasonable fees and disbursements of a counsel to the Company) incurred by the Purchasers pursuant to Section 6.9.2, Section 6.11 and Section 6.12 or otherwise expressly payable by the Company under this Agreement, (iii) following an Event of Default, all reasonable out-of-pocket costs and expenses (including, without limitation, reasonable fees and disbursements of a counsel to the Company) incurred by the Collateral Agent or the Purchasers in enforcing any obligations hereunder or under any other Document on account of such Default or in collecting any payments due hereunder, including broker's fees and other third party professional fees and expenses and (iv) all reasonable out-of-pocket costs and expenses (including, without limitation, reasonable fees and disbursements of a single external counsel and any local counsel in any relevant jurisdiction) incurred by the Collateral Agent or the Purchasers in connection with any refinancing or restructuring of the credit arrangements provided under this Agreement in the nature of a workout, or any insolvency or bankruptcy proceedings, or any amendment, forbearance or waiver hereunder. Any such costs and expenses invoiced prior to a Closing Date shall be paid on such Closing Date, first through application of any expense deposit. The unused balance, if any, of any expense deposit shall be released to the Company following completion of the Control Agreement pursuant to Section 6.11 and any post closing activities, including perfection in any Collateral. Any other costs and expenses shall be paid within thirty (30) days of the submission of an invoice to the Company therefor, provided that the Collateral Agent's application of the proceeds of the Monetization Revenues towards such expenses pursuant to Section 6.11 shall be deemed to be timely payment thereof if the Collateral Agent receives sufficient Monetization Revenues within such 30 day period. Any amounts not timely paid shall bear interest, payable in cash, at a rate of 10% per annum compounding quarterly. The provisions of this Section 9.1 shall survive the repayment in full of the Notes and the termination of this Agreement.

9.2. Indemnity. In addition to the payment of expenses pursuant to Section 9.1, whether or not the transactions contemplated hereby shall be consummated, the Company (as "Indemnitor") agrees to indemnify, pay and hold the Collateral Agent and the Purchasers, and the officers, directors, partners, managers, members, employees, agents, and Affiliates of the Collateral Agent and the Purchasers (collectively, the "Indemnitees") harmless from and against any and all other liabilities, costs, expenses, obligations, losses (other than lost profit), damages, penalties, actions, judgments, suits, claims and disbursements of any kind or nature whatsoever (including, without limitation, the reasonable fees and disbursements of one counsel for such Indemnitees) in connection with any investigative, administrative or judicial proceeding commenced or threatened (excluding claims among Indemnitees) by any person who is not a Purchaser or an Affiliate thereof or the Collateral Agent or an Affiliate thereof, whether or not such Indemnitee shall be designated a party thereto, which may be imposed on, incurred by, or asserted against that Indemnitee, in any manner relating to or arising out of this Agreement and the Notes (the "Indemnified Liabilities"); *provided* that the Indemnitor shall not have any obligation to an Indemnitee hereunder with respect to an Indemnified Liability to the extent that such Indemnified Liability arises from the gross negligence or willful misconduct of that Indemnitee or any of its officers, directors, partners, managers, members, employees, agents and/or Affiliates. Each Indemnitee shall give the Indemnitor prompt written notice of any claim that might give rise to Indemnified Liabilities setting forth a description of those elements of such claim of which such Indemnitee has knowledge; *provided* that any failure to give such notice shall not affect the obligations of the Indemnitor. The Indemnitor shall have the right at any time during which such claim is pending to select counsel to defend and control the defense thereof and settle any claims for which it is responsible for indemnification hereunder (*provided* that the Indemnitor will not settle any such claim without (i) the appropriate Indemnitee's prior written consent, which consent shall not be unreasonably withheld or (ii) obtaining an unconditional release of the appropriate Indemnitee from all claims arising out of or in any way relating to the circumstances involving such claim and without any admission as to culpability or fault of such Indemnitee) so long as in any such event, the Indemnitor shall have stated in a writing delivered to the Indemnitee that, as between the Indemnitor and the Indemnitee, the Indemnitor is responsible to the Indemnitee with respect to such claim to the extent and subject to the limitations set forth herein; *provided* that the Indemnitor shall not be entitled to control the defense of any claim in the event that in the reasonable opinion of counsel for the Indemnitee, there are one or more material defenses available to the Indemnitee which are not available to the Indemnitor; *provided further*, that with respect to any claim as to which the Indemnitee is controlling the defense, the Indemnitor will not be liable to any Indemnitee for any settlement of any claim pursuant to this Section 9.2 that is effected without its prior written consent, which consent shall not be unreasonably withheld. To the extent that the undertaking to indemnify, pay and hold harmless set forth in this Section 9.2 may be unenforceable because it is violative of any law or public policy, the Company shall contribute the maximum portion which it is permitted to pay and satisfy under applicable law, to the payment and satisfaction of all Indemnified Liabilities incurred by the Indemnitees or any of them. Notwithstanding anything to the contrary in this Agreement, no party shall be liable to the other party or any third party for any indirect, incidental, exemplary, special, punitive or consequential damages (including with respect to lost revenue, lost profits or savings or business interruption) of any kind or nature whatsoever suffered by the other party or any third party howsoever caused and regardless of the form or cause of action, even if such damages are foreseeable or such party has been advised of the possibility of such damages. The provisions of this Section 9.2 shall survive the repayment in full of the Notes and the termination of this Agreement.

9.3. Notices. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and delivered via facsimile, email (in each case, followed promptly by delivery from a nationally recognized overnight courier) or a nationally recognized overnight courier. Such notices, demands and other communications will be delivered or sent to the address indicated on Schedule 9.3 or such other address or to the attention of such other Person as the recipient party shall have specified by prior written notice to the sending party. Any such communication shall be deemed to have been received when actually delivered or refused.

9.4. Amendments, Consents, Waivers, etc.

9.4.1. Amendments. No amendment, modification, termination or waiver of any provision of this Agreement shall in any event be effective without the written consent of each of the Company, the Collateral Agent and the Majority Purchasers; *provided* that the consent of each affected Purchaser shall be required for any amendment that (i) waives or reduces any amounts owed to it under this Agreement or extends the date for payment of any amount hereunder, (ii) releases the Company or (iii) releases all or any material portion of the Collateral, except in connection with any Disposition of Patents to the extent permitted under Section 6.9.1. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. No notice to or demand on the Company in any case shall entitle the Company to any further notice or demand in similar or other circumstances. Any amendment, modification, termination, waiver or consent effected in accordance with this Section 9.4.1 shall be binding upon the holders of the Obligations at the time outstanding and each future holder thereof.

9.4.2. Course of Dealing; No Implied Waivers. No course of dealing between the Purchasers and the Company shall operate as a waiver of any Purchaser's rights under this Agreement or with respect to the Obligations. In particular, no delay or omission on the part of any Purchaser in exercising any right under this Agreement or with respect to the Obligations shall operate as a waiver of such right or any other right hereunder or thereunder. A waiver on any one occasion shall not be construed as a bar to or waiver of any right or remedy on any future occasion.

9.5. No Strict Construction. The parties have participated jointly in the negotiation and drafting of this Agreement with counsel sophisticated in financing transactions. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

9.6. Certain Acknowledgments. Each of the Company and the Purchasers acknowledges that:

9.6.1. it has been advised by counsel in the negotiation, execution and delivery of this Agreement; and

9.6.2. no joint venture is created hereby or otherwise exists by virtue of the transactions contemplated hereby or thereby among the Company and the Purchasers.

9.7. Venue; Service of Process; Certain Waivers. The Company and Purchaser:

9.7.1. irrevocably submit to the exclusive jurisdiction of any New York state court or federal court sitting in New York, New York, and any court having jurisdiction over appeals of matters heard in such courts, for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement or the subject matter hereof or thereof;

9.7.2. waive to the extent not prohibited by applicable law that cannot be waived, and agree not to assert, by way of motion, as a defense or otherwise, in any such proceeding brought in any of the above-named courts, any claim that they are not subject personally to the jurisdiction of such court, that their property is exempt or immune from attachment or execution, that such proceeding is brought in an inconvenient forum, that the venue of such proceeding is improper, or that this Agreement, or the subject matter hereof or thereof, may not be enforced in or by such court;

9.7.3. consent to service of process in any such proceeding in any manner at the time permitted under the applicable laws of the State of New York and agree that service of process by registered or certified mail, return receipt requested, at the address specified in or pursuant to Section 9.3 is reasonably calculated to give actual notice; and

9.7.4. waive to the extent not prohibited by applicable law that cannot be waived any right to claim or recover in any such proceeding any special, exemplary, punitive or consequential damages.

9.8. WAIVER OF JURY TRIAL. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, EACH COMPANY AND EACH PURCHASER WAIVES, AND COVENANTS THAT IT WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE CONDUCT OF THE PARTIES HERETO, WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER IN CONTRACT, TORT OR OTHERWISE. The Company acknowledges that it has been informed by the Purchasers that the foregoing sentence constitutes a material inducement upon which the Purchasers have relied and will rely in entering into this Agreement. Any of the Company or Purchasers may file an original counterpart or a copy of this Agreement with any court as written evidence of the consent of the Company and Purchasers to the waiver of their rights to trial by jury.

9.9. Interpretation; Governing Law; etc. All covenants, agreements, representations and warranties made in this Agreement or in certificates delivered pursuant hereto or thereto shall be deemed to have been relied on by each Purchaser, notwithstanding any investigation made by such Purchaser, and shall survive the execution and delivery to the Purchasers hereof and thereof. The invalidity or unenforceability of any provision hereof shall not affect the validity or enforceability of any other provision hereof, and any invalid or unenforceable provision shall be modified so as to be enforced to the maximum extent of its validity or enforceability. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof. This Agreement and the Documents constitute the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior and contemporaneous understandings and agreements, whether written or oral. This Agreement may be executed in any number of counterparts which together shall constitute one instrument. This Agreement, and any issue, claim or proceeding arising out of or relating to this Agreement or the Documents or the conduct of the parties hereto, whether now existing or hereafter arising and whether in contract, tort or otherwise, shall be governed by and construed in accordance with the laws of the State of New York.

9.10. Successors and Assigns.

9.10.1. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted by Sections 9.10.2 and 9.10.3.

9.10.2. The Company may not assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Majority Purchasers. Any Purchaser may sell, assign, participate or transfer all or any part of their rights under this Agreement to an Eligible Assignee (as defined below); *provided* that such Purchaser and the assignee of such Purchaser shall have delivered an executed Assignment and Acceptance Agreement substantially in the form attached hereto as Exhibit E to the Company and each other Purchaser. In the case of any sale, assignment, transfer or negotiation of all or part of the rights of a Purchaser under this Agreement that is authorized under this Section 9.10.2, the assignee, transferee or recipient shall have, to the extent of such sale, assignment, transfer or negotiation, the same rights, benefits and obligations as it would if it were a Purchaser hereunder. The Purchasers agree to provide to the Company prompt written notice of any sales, assignments or transfers permitted hereunder, including the name and address of the transferee(s). "Eligible Assignee" means any Affiliate of the Purchasers or the Collateral Agent, any commercial bank, insurance company, finance company, financial institution, fund that invests in loans or any other "accredited investor" (as defined in Regulation D of the Securities Act (subject to such consents, if any, as may be required above under this Section 9.10.2)).

9.10.3. The Issuer shall maintain at its principal office, or the principal office of its counsel, a register (the "Register") in which the Issuer shall keep a record of the Notes made by each Purchaser, payments to each Purchaser and any transfer of the rights of an Purchaser; *provided* that the Issuer shall have no obligation to update the register to reflect any sales, assignments or transfers made by the Purchasers in the event that the Purchasers fail to give the Issuer written notice as required under Section 9.10.2. The requirement that the ownership and transfer of the rights of the Purchasers under this Agreement shall be reflected in the Register is intended to ensure that the Notes qualify as an obligation issued in "registered form" as that term is used in Sections 163(f), 871(h), and 881(c) of the Code and shall be interpreted accordingly and, notwithstanding anything to the contrary in this Agreement.

9.11. Tax Treatment.

9.11.1. The Company and each Purchaser intend that, solely for federal, state and local income tax purposes and for no other purpose, the relationship between the Purchasers and the Company that is created by this Agreement with respect to the Revenue Stream shall be treated as creating a partnership (the "Tax Partnership"), with the Purchasers and the Company and each Guarantor being treated as partners of such partnership; it being understood for avoidance of doubt that the relationship between the Company and the Purchasers by this Agreement shall be a debtor-creditor relationship for all other purposes.

9.11.2. The Company and each Purchaser hereby agree that for purposes of determining the Company's and each Purchaser's distributive share of income, gain, loss and deduction of the Tax Partnership:

9.11.2.1. The Tax Partnership shall maintain capital accounts for each of the Issuer and the Purchasers consistent with the rules of Treasury Regulations Section 1.704-1(b); it being understood that under no circumstances shall any such rule override the economic relationship between the parties as to their respective shares of the Monetization Revenues set forth in this Agreement;

9.11.2.2. The Issuer and each Guarantor shall be deemed to contribute to the Tax Partnership the right to generate revenue through the exploitation of the Patents (the "Patent Rights"), which such right the parties agree had a fair market value of $750,000 as of the date of contribution;

9.11.2.3. The Purchasers shall be deemed to contribute to the Tax Partnership the portion of the purchase price for the Notes allocated to the acquisition of rights to the Revenue Stream;

9.11.2.4. The Tax Partnership shall allocate items of income, gain, loss and deduction to the Company and the Purchasers in a manner that causes the capital accounts of the parties to be equal to the amounts payable pursuant to this agreement if the Tax Partnership sold the Patent Rights and any other non-cash assets for an amount equal to the book value of the Patent Rights and any other non-cash assets (as determined pursuant to Treasury Regulations Section 1.704-1(b)) and distributed the proceeds and any other cash pursuant to this Agreement.

9.11.3. The Company and each Purchaser shall file all tax returns and shall otherwise take all tax and financial reporting positions in a manner consistent with any treatment described in this Section 9.11. The Issuer shall be the tax matters partner of the Tax Partnership.

9.11.4. The Issuer and each of the Purchasers will cooperate to provide each other with any information reasonably requested by any of them in connection with the preparation or filing of any return, declaration, report, election, information return or other statement or form filed or required to be filed with any governmental authority relating to Taxes (a "Tax Return") for any of them or for or relating to the partnership described in the first sentence of this Section 9.11. The Issuer shall be responsible for preparing and filing any Tax Return for or relating to such partnership, and the out-of-pocket costs incurred in connection with the preparation and filing of any Tax Return for or relating to the Tax Partnership shall be treated as an expense of the Tax Partnership. The Purchasers shall provide such cooperation as reasonably requested by the Issuer in connection with its preparation of such Tax Returns.

9.11.5. For the avoidance of doubt, no fiduciary relationship is intended to be created by this Agreement between the Company and any Purchaser.

9.12. Non-Recourse to Non-Parties. The Purchasers agree and acknowledge that there shall be no recourse to any Person not party to this Agreement or the other Documents, including, without limitation, the directors and officers and equity holders of the Company and their Affiliates who are not parties to a Document (collectively, the "Non-Parties") for any of the Obligations, including as follows: (i) no Non-Party, shall be personally liable, and Purchasers shall not commence or prosecute any action against any Non-Party, for payment or performance of any Obligation; (ii) Purchasers shall not seek, obtain, or enforce a deficiency judgment against any Non-Party; (iii) Purchasers' recourse for the Obligations shall be limited to its rights and remedies under this Agreement or any other Document; (iv) Purchasers shall not be entitled to obtain specific performance or any other order, remedy, or relief against any Non-Party relating to any claim arising from this Agreement or any other Document if compliance with such order, remedy, or relief would directly or indirectly require such Non-Party to expend any funds; and (v) Purchasers waive any right to exercise any right of set-off, arising from any of the Obligations, against any funds of any Non-Party in Purchasers' custody, control, or possession; provided that the foregoing shall not restrict or limit any liability or other means of recourse available to the Purchasers against the Non-Parties arising out of any intentional act by any Non-Party with the intention to cause, and which does cause, the Company to breach the covenants and agreements set forth herein or (z) any fraudulent act or willful misconduct by any Non-Party. Additionally, all representations and warranties, covenants and agreements made herein are contractual in nature and do not create any fiduciary relationships among any of the parties hereto.

(The remainder of this page intentionally has been left blank.)

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date and year first above written.

Purchasers:

DBD Credit Funding LLC

/s/ Constantine M. Dakolias
_____
By: Constantine M. Dakolias
Title: President

Collateral Agent:

DBD CREDIT FUNDING LLC

/s/ Constantine M. Dakolias
_____
By: Constantine M. Dakolias
Title: President

Issuer:

MARATHON PATENT GROUP, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

Guarantors:

SAMPO IP, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

RELAY IP, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

CYBERFONE SYSTEMS, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

VANTAGE POINT TECHNOLOGY, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

CRFD RESEARCH, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

E2E PROCESSING, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

LOOPBACK TECHNOLOGIES, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

LOOPBACK TECHNOLOGIES II, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

SIGNAL IP, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

HYBRID SEQUENCE IP, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

PME ACQUISITION LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SOEMS ACQUISITION CORP.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

IP LIQUIDITY VENTURES ACQUISITION LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

IP LIQUIDITY VENTURES, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SARIF BIOMEDICAL ACQUISITION LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SARIF BIOMEDICAL LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SELENE COMMUNICATION TECHNOLOGIES ACQUISITION LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SELENE COMMUNICATION TECHNOLOGIES, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

DA ACQUISITION LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

DYNAMIC ADVANCES, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

CLOUDING CORP.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

TLI ACQUISITION CORP.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

TLI COMMUNICATIONS LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

MEDTECH GROUP ACQUISITION CORP.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

TLIF, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

APPENDIX I

DEFINITIONS

"Affiliate" means with respect to any specified Person, any other Person directly or indirectly controlling, controlled by or under direct or indirect common control with such Person, and shall include (a) any officer or director or general partner of such specified Person, (b) any other Person of which such specified Person or any Affiliate (as defined in clause (a) above) of such specified Person shall, directly or indirectly, beneficially own either (i) at least 10% of the outstanding equity securities having the general power to vote or (ii) at least 10% of all equity interests, (c) any other Person directly or indirectly controlling such specified Person through a management agreement, voting agreement or other contract and (d) with respect to any individual, such individual's child, stepchild, grandchild or more remote descendant, parent, stepparent, grandparent, spouse, former spouse, qualified domestic partner, sibling, mother-in-law, father-in-law, son-in-law and daughter-in-law (including adoptive relationships) and any trust, partnership or other bona fide estate-planning vehicle the only beneficiaries of which are any of the foregoing individuals or any private foundation or fund that is controlled by any of the foregoing individuals or any donor-advised fund of which any such individual is the donor; *provided* that neither the Collateral Agent or any Purchaser (or any Affiliate thereof) shall be deemed an Affiliate of the Company on account of the amounts owed to it under the Agreement or the relationship created thereby.

"Applicable Percentage" means:

For the avoidance of doubt, and without duplication, following the Company's receipt and retention of the Threshold Amount and payment in full of all Note Obligations,

(a) until the Purchasers have received with respect to the Revenue Stream (i.e., for the avoidance of doubt, following payment in full of all Note Obligations) an amount equal to 5x (i.e., 500%) of the Revenue Stream Basis, 25%;

(b) until the Purchasers have received an aggregate amount with respect to the Revenue Stream equal to 10x (i.e., 1,000%) of the Revenue Stream Basis, 20% (except that, if, prior to acceleration of the Revenue Stream, Purchasers have received a 6x return on the Revenue Stream Basis with respect to the Revenue Stream before January 29, 2016 (or, with respect solely to increases to the Revenue Stream Basis for issuances after the Closing, the first anniversary of such issuances), the Revenue Stream shall have been fully satisfied by such receipt of a 6x return);

(c) unless the Purchasers have received payment in full of all Note Obligations, and either a 6x return on the Revenue Stream Basis if prior to January 29, 2016 or a 10x return if prior to the Maturity Date (or, with respect solely to increases to the Revenue Stream Basis for issuances after the Closing, the first anniversary of such issuances and the 42 month anniversary of such issuances, respectively and, in each case, prior to acceleration of the Revenue Stream (in either of which case, this clause (c) shall not apply) until the Purchasers have received an aggregate amount with respect to the Revenue Stream equal to 15x (i.e., 1,500%) of the Revenue Stream Basis, 15%.

Provided, subject to Section 7.2.3, upon any acceleration of the Revenue Stream, the Issuer shall (i) be obligated to apply 70% of all Monetization Net Revenues to the satisfaction of the balance of the Revenue Stream (i.e., the Issuer shall have no ongoing right following such acceleration to retain future Monetization Net Revenues up to the Threshold Amount); and (ii) the Purchasers' right to payment of the balance of the Revenue Stream shall constitute a general unsecured claim against the Issuer, shall not be limited in recourse to Monetization Net Revenues and the amount of such claim shall not be contingent on the amount of any future Monetization Net Revenues.

"Authorized Officer" means, with respect to any Person, the chief executive officer, chief restructuring officer, chief financial officer, president, treasurer, comptroller or executive vice president of such Person.

"Bankruptcy Code" means Title 11 of the United States Code.

"Bankruptcy Default" means an Event of Default referred to in Section 7.1.8.

"Business Day" means any day other than a Saturday, a Sunday or a day on which commercial banks in New York City are required or authorized to be closed.

"Capital Stock" means, with respect to any Person, any and all shares, interests, participations, rights in or other equivalents (however designated) of such Person's capital stock, partnership interests, membership interests or other equivalent interests and any rights (other than debt securities convertible into or exchangeable for capital stock), warrants or options exchangeable for or convertible into such capital stock or other equity interests.

"Capitalized Lease" means any lease which is required to be capitalized on the balance sheet of the lessee in accordance with GAAP, including Statement Nos. 13 and 98 of the Financial Accounting Standards Board.

"Capitalized Lease Obligations" means the amount of the liability reflecting the aggregate discounted amount of future payments under all Capitalized Leases in accordance with GAAP, including Statement Nos. 13 and 98 of the Financial Accounting Standards Board.

"Cash Equivalents" means cash on deposit at a bank; certificates of deposit; money market mutual funds or U.S. Treasury bills with a remaining maturity of 90 days or less.

"Closing" and "Closing Date" mean January 29, 2015.

"Code" means the Internal Revenue Code of 1986, as amended.

"Collateral" has the meaning set forth in the Security Agreement.

"Collateral Documents" means the Security Agreement, the Patent Security Agreement, the Control Agreement referred to in Section 6.11, any financing statement (or amendment thereto) naming the Company as debtor and the Collateral Agent as secured party, and all other instruments, documents, agreements and certificates delivered by the Company to the Purchasers or the Collateral Agent pursuant to these agreements.

"Contractual Obligations" means, as to any Person, any provision of any security (whether in the nature of Capital Stock or otherwise) issued by such Person or of any agreement, undertaking, contract, indenture, mortgage, deed of trust or other instrument, document or agreement (other than a Document) to which such Person is a party or by which it or any of its Property is bound or to which any of its Property is subject, including any Material Contract or Patent Agreement.

"Default" means any Event of Default and any event or condition which with the passage of time or giving of notice, or both, would become an Event of Default.

"Disposition" means the sale, transfer, license, profit and revenue sharing arrangements, derivative interests, lease or other disposition (including any sale or issuance of equity interests in the Company or any subsidiary of the Company) of any property by any Person, including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith, whether in a single transaction or a series of related transactions. "Dispose" shall have the correlative meaning.

"Documents" means this Agreement, the Notes, the Collateral Documents, the Warrants, the Subscription Agreement, and all other instruments, documents, agreements and certificates delivered by the Company to the Purchasers or the Collateral Agent pursuant to this Agreement.

"Excluded Subsidiaries" means Subsidiaries of the Issuer whose sole material assets are Specified Patents and proceeds thereof, and whose sole material operations are the pursuit of Monetization Revenues from such Specified Patents, it being understood that there are no Excluded Subsidiaries as of the Closing.

"Force Majeure Event" has the meaning provided in Section 7.2.3.

"GAAP" means generally accepted accounting principles as from time to time in effect, including the statements and interpretations of the United States Financial Accounting Standards Board.

"Governmental Authority" means any nation, sovereign or government, any state or other political subdivision thereof, any agency, authority or instrumentality thereof and any entity or authority exercising executive, legislative, taxing, judicial, regulatory or administrative functions of or pertaining to government, including any central bank, stock exchange, regulatory body, arbitrator, public sector entity, supra-national entity (including the European Union and the European Central Bank) and any self-regulatory organization (including the National Association of Insurance Commissioners).

"Guarantee" means, with respect to any specified Person:

(a) any guarantee by such Person of the payment or performance of, or any contingent obligation by such Person in respect of, any Indebtedness or other obligation of any primary obligor;

(b) any other arrangement whereby credit is extended to a primary obligor on the basis of any promise or undertaking of such Person, including any binding "comfort letter" or "keep well agreement" written by such Person, to a creditor or prospective creditor of such primary obligor, to (i) pay the Indebtedness of such primary obligor, (ii) purchase an obligation owed by such primary obligor, (iii) pay for the purchase or lease of assets or services regardless of the actual delivery thereof or (iv) maintain the capital, working capital, solvency or general financial condition of such primary obligor;

(c) any liability of such Person, as a general partner of a partnership in respect of Indebtedness or other obligations of such partnership;

(d) any liability of such Person as a joint venturer of a joint venture in respect of Indebtedness or other obligations of such joint venture;

(e) any liability of such Person with respect to the tax liability of others as a member of a group (other than a group consisting solely of such Person and its Subsidiaries) that is consolidated for tax purposes; and

(f) reimbursement obligations, whether contingent or matured, of such Person with respect to letters of credit, bankers acceptances, surety bonds and other financial guarantees;

in each case whether or not any of the foregoing are reflected on the balance sheet of such Person or in a footnote thereto; *provided*, *however*, that the term "Guarantee" shall not include endorsements for collection or deposit in the Ordinary Course of Business.

"Immaterial Subsidiary" is a Subsidiary of the Issuer with no material assets or operations, including not owning any interests in any other entities, and which does not, in any event, own any material Patents or rights thereto.

"Indebtedness" means all obligations, contingent or otherwise, which in accordance with GAAP are required to be classified as indebtedness upon a balance sheet of the Company, but in any event including (without duplication):

(a) indebtedness for borrowed money;

(b) indebtedness evidenced by notes, debentures or similar instruments;

(c) Capitalized Lease Obligations and Synthetic Lease Obligations;

(d) the deferred purchase price of assets, services or securities, including related noncompetition, consulting and stock repurchase obligations (other than ordinary trade accounts payable on customary terms in the Ordinary Course of Business), and any long-term contractual obligations for the payment of money, but not including contingent fees payable to counsel;

(e) mandatory redemption, repurchase or dividend rights on Capital Stock (or other equity), including provisions that require the exchange of such Capital Stock (or other equity) for Indebtedness from the issuer;

(f) reimbursement obligations, whether contingent or matured, with respect to letters of credit, bankers acceptances, surety bonds and other financial guarantees (without duplication of other Indebtedness supported or guaranteed thereby);

(g) unfunded pension liabilities;

(h) liabilities secured by any Lien (other than Liens securing the Obligations) existing on property owned or acquired by the Company, whether or not the liability secured thereby shall have been assumed; and

(i) all Guarantees in respect of Indebtedness of others and reimbursement obligations, whether contingent or matured, under letters of credit or other financial guarantees by third parties (or become contractually committed to do so).

"Legal Requirement" means, with respect to any specified Person, any present or future requirement imposed upon such Person and its Subsidiaries by any law, statute, rule, regulation, directive, order, decree or guideline (or any interpretation thereof by courts or of administrative bodies) of the United States of America or any state or political subdivision thereof, governmental or administrative agency, central bank or monetary authority of the United States of America, any jurisdiction where the such Person or any of its Subsidiaries owns property or conducts its business, or any political subdivision of any of the foregoing.

"LIBOR" means the greater of (x) 1.00% per annum or (y) the London interbank offered rate administered by the British Bankers Association (or any other Person that takes over the administration of such rate for Dollars) for a twelve (12) month period as displayed on pages LIBOR01 or LIBOR02 of the Reuters screen or, in the event such rate does not appear on a Reuters page or screen, on any successor or substitute page on such screen that displays such rate, or on the appropriate page of such other information service that publishes such rate as shall be selected by the Collateral Agent from time to time in its reasonable discretion (the "Eurodollar Screen Rate"), such to be annually established as of each January 2.

"Lien" means with respect to any specified Person:

(a) any lien, encumbrance, mortgage, pledge, charge or security interest of any kind upon any property or assets of such Person, whether now owned or hereafter acquired, or upon the income or profits therefrom (excluding in any event a financing statement filed by a lessor under an operating lease not intended to be a secured financing), but shall not include: (i) liens for any tax, assessment or other governmental charge not yet due or that are being contested in good faith by appropriate proceeding, (ii) materialmen's and mechanics' liens or other like Liens, arising in the Ordinary Course of Business for amounts not yet due or that are being contested in good faith; and (iii) liens, deposits or pledges to secure statutory obligations or performance of bids, tenders, contracts or leases, incurred in the Ordinary Course of Business;

(b) the acquisition of, or the agreement to acquire, any property or asset upon conditional sale or subject to any other title retention agreement, device or arrangement (including a Capitalized Lease and a Synthetic Lease);

(c) the sale, assignment, pledge or transfer for security of any accounts, general intangibles or chattel paper of such Person, with or without recourse;

(d) in the case of securities, any purchase option, call or similar purchase right of a third party;

(e) the existence for a period of more than 120 consecutive days of any Indebtedness against such Person which if unpaid would by law or upon a Bankruptcy Default be given priority over general creditors.

"Majority Purchasers" means the Purchasers that hold more than 50% of the aggregate outstanding Notes and Revenue Stream.

"Margin Stock" means "margin stock" within the meaning of Regulation T, U or X of the Board of Governors of the Federal Reserve System.

"Material Adverse Effect" means, with respect to the Company, since any specified date or from the circumstances existing immediately prior to the happening of any specified event, a material adverse effect on the business, assets, financial condition, income or prospects of the Company.

"Material Contract" means, with respect to any Person, any contract or agreement of the type described in Item 601(b)(10) of Regulation S-K of the Securities Act of 1933, regardless whether such Item is applicable to such Person.

"Monetization Activities" means any activities necessary or desirable to generate revenue from intellectual property anywhere in the world by means of license (non-exclusive or exclusive), assignment, enforcement, litigation, arbitration, negotiation, covenant not to sue or assert, or otherwise.

"Monetization Expenses" means, in each case with respect to any Monetization Revenues, any amounts owed by the Issuer and any Subsidiary to third parties with respect to such Monetization Revenues on account of (a) contingency fee payments, (b) expenses and retained interests covered by any contingency law firms that the Issuer and any Subsidiary is obligated to pay; (c) amounts owed by the Issuer and any Subsidiary to any prior owners or agents of any patents and patent applications of the Issuer and any Subsidiary included in the transaction giving rise to a Monetization Activity; (d) amounts owed to experts or consultants on a contingency basis, i.e., in lieu of cash fees; and any other out-of-pocket expenses or retained interests (excluding fees) paid or payable to third parties reasonably incurred by the Issuer and any Subsidiary; *provided,* however, that (x) all arrangements under (a), (b) and (c) that are in place at Closing are set forth on Schedule 1(b), (y) for the purposes of calculating the Revenue Stream, the aggregate sum of such expenses or retained interests may not exceed the lesser of (A) the actual expenses or retained interests incurred by the Issuer and any Subsidiary or (B) 40% of the gross related Monetization Revenues and provided, further, that (z) Monetization Expenses shall not include any amount (other than reimbursement of Monetization Expenses paid to third parties) owed by the Issuer or any of its Subsidiaries to the Issuer or any other Subsidiary. For the avoidance of doubt, no fees or other expenses or retained interests incurred by the Issuer and any Subsidiary in connection with the Threshold Amount shall constitute Monetization Expenses for purposes of the calculation of Monetization Net Revenues except and to the extent that the Purchasers are entitled to be paid such amount. For example, if the first realization by the Issuer and any Subsidiary from its Monetization Activities after the Closing generates $40,000,000 in Monetization Revenues and has associated contingency fee payments and retained interests of 25% of such amount (or $10,000,000), the Issuer or any Subsidiary will be entitled to retain $15,000,000 (after offsetting $5,000,000 in contingent fee payments) as the Threshold Amount, and there will be a further $15,000,000 in Monetization Net Revenues distributable in accordance with the Agreement ($20,000,000 minus $5,000,000).

"Monetization Milestones" has the meaning provided on Schedule 3.2.

"Monetization Net Revenues" means the (x) Monetization Revenues minus (y) Monetization Expenses.

"Monetization Revenues" means the sum of (x) amounts that the Issuer and any Subsidiary receives in cash or an amount equal to the fair market value of any in-kind payment the Issuer and any Subsidiary receives (i) from third parties in respect of the Patents; (ii) on account of any sale of products or services using the Patents; (iii) the development to order of any software or other products using the Patents, including royalty payments, license fees, settlement payments, judgments or other similar payments in respect of the Patents; and (iv) the purchase price or other amounts received in connection the sale of hardware or software with respect to the Patents, in each case as and when actually received by the Issuer or any Subsidiary (including any and all such amounts actually received by any attorneys, agents or other representatives of the Issuer or any Subsidiary). Monetization Revenues shall be calculated prior to giving effect to any expenses incurred by the Issuer and any Subsidiary in the collection of any Monetization Revenues, including, without limitation, prior to giving effect to any contingent or other fees owed to any attorneys, consultants or other professionals in the monetization of any of the Issuer's and any Subsidiary's rights with respect to any Patents and prior to given effect to retained interests of sellers.

"Note Obligations" means all amounts due with respect to the Notes or under the Agreement, including principal, interest, and amounts due under Sections 9.1 and 9.2, but excluding amounts due with respect to the Revenue Stream.

"Obligations" means any and all obligations of any Company under this Agreement or any other Document.

"Ordinary Course of Business" means, in respect of any transaction involving any Person, the ordinary course of such Person's business, as conducted by any such Person in accordance with past practice and undertaken by such Person in good faith and not for purposes of evading any covenant or restriction in any Document.

"Organization Documents" means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

"Patent License Agreement" means the Patent License Agreement attached hereto as Exhibit F.

"Patent Security Agreement" means the Patent Security Agreement substantially in the form of Exhibit G hereto.

"Patents" means all intellectual property of the Issuer and its Subsidiaries, including the letters Patent set forth on Schedule I(a), whether registered in the United States or any other jurisdiction, all registrations and recordings thereof, including all re-examination certificates and all utility models, including registrations, recordings and pending applications, and all reissues, continuations, divisions, continuations-in-part, renewals, improvements or extensions thereof, and the inventions disclosed or claimed therein.

"Person" means any entity, whether of natural or legal constitution, including any present or future individual, corporation, partnership, joint venture, limited liability company, unlimited liability company, trust, estate, unincorporated organization, government or any agency or political subdivision thereof.

"Property" means, as to any Person, all types of real, personal, tangible, intangible or mixed property owned by such Person whether or not included in the most recent balance sheet of such Person and its Subsidiaries under GAAP.

"Related Group" means, with respect to any holder of common stock or other equity securities of the Company, such holder, such holders' spouse and other immediate family members, and any entities controlled or beneficially owned, directly or indirectly, by such holder or such other related holders.

"Revenue Stream" means a right to receive a portion of Monetization Revenues totaling (x) if paid in full in cash prior to January 29, 2016, 6x (600%) of the Revenue Stream Basis, (y) if paid in full in cash prior to July 29, 2018, 10x (1,000%) of the Revenue Stream Basis, and (y) otherwise, 15x (1,500%) of the Revenue Stream Basis, provided, that upon an acceleration, the Revenue Stream shall represent an absolute entitlement to receive such amounts without regard to the existence of Monetization Revenues; and provided that with respect to portions of the Revenue Stream arising from increases to the Revenue Stream Basis that result from issuances after the Closing, the foregoing dates shall be the first anniversary and the 42 month anniversary of such issuances, respectively.

"Revenue Stream Basis" means the sum of (x) $750,000, such being the Revenue Stream Basis with respect to the Revenue Stream at Closing; plus (y) any additional Revenue Stream Basis with respect to interests in the Company's Monetization Revenues granted following the Closing, as detailed in Section 2.1.2.

"Secured Parties" means, collectively, the Collateral Agent and the Purchasers, solely with respect to the Note Obligations.

"Security Agreement" means a Security Agreement substantially in the form of Exhibit H hereto.

"Specified Patents" means Patents the acquisition of which has been financed by Indebtedness incurred under Section 6.7.5.

"Subscription Agreement" means a Subscription Agreement substantially in the form of Exhibit C hereto.

"Subsidiary" means any other Person of which a specified Person shall at the time, directly or indirectly through one or more of its Subsidiaries, (a) own at least 50% of the outstanding capital stock (or other shares of beneficial interest) entitled to vote generally, (b) hold at least 50% of the partnership, joint venture or similar interests or (c) be a general partner or joint venturer.

"Synthetic Lease" means a lease that is treated as an operating lease under GAAP and as a loan or other financing for federal income tax purposes.

"Synthetic Lease Obligations" means the aggregate amount of future rental payments under all Synthetic Leases, discounted as if such Synthetic Leases were Capitalized Leases.

"Threshold Amount" has the meaning provided in Section 2.6.4.

"USA PATRIOT Act" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56.

SCHEDULE 2.1

PURCHASERS/SECURITIES

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

SCHEDULE 2.10

WIRE TRANSFER INSTRUCTIONS

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

SCHEDULE 4.1

COMPANY ORGANIZATION

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

SCHEDULE 4.4

REQUIRED CONSENTS

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

SCHEDULE 4.5

EXISTING LICENSES

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

SCHEDULE 4.6

PATENT AGREEMENTS

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

SCHEDULE 6.7

EXISTING INDEBTEDNESS

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

SCHEDULE 6.8

EXISTING LIENS

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

SCHEDULE 6.12

POST CLOSING ACTIONS

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

SCHEDULE 9.3

NOTICES

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

SCHEDULE I(a)

PATENTS

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

SCHEDULE 1(b)

THIRD PARTY AGREEMENTS RELATED TO MONETIZATION EXPENSES AND RETAINED INTERESTS

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

Exhibit 10.2

Senior Note N-1
Original Principal Amount: $15,000,000
Holder: DBD Credit Funding LLC

THIS NOTE WAS ISSUED IN A PRIVATE PLACEMENT, WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND MAY NOT BE SOLD, ASSIGNED, PLEDGED OR OTHERWISE TRANSFERRED (I) IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT COVERING THE TRANSFER OR AN EXEMPTION FROM SUCH REGISTRATION AND (II) EXCEPT IN COMPLIANCE WITH SECTION 9.10 OF THAT CERTAIN REVENUE SHARING AND SECURITIES PURCHASE AGREEMENT DATED AS OF JANUARY 29, 2015, AMONG THE COMPANY, THE GUARANTORS, THE COLLATERAL AGENT AND THE PURCHASERS (EACH AS DEFINED THEREIN).

MARATHON PATENT GROUP, INC.

SENIOR NOTE
DUE JULY 29, 2018

N-1
Original Principal Amount: $15,000,000

Issue Date: January 29, 2015

FOR VALUE RECEIVED, the undersigned, Marathon Patent Group, Inc. (the "Company") HEREBY PROMISES TO PAY DBC Credit Funding LLC, or its permitted assigns (the "Holder"), the Adjusted Principal Amount (as defined below) of this Note on or before July 29, 2018, or such later date as the Holder may have consented to pursuant to Section 2.6.1 of the Agreement (the "Maturity Date"), or such earlier date as due and payable in accordance with the Revenue Sharing and Securities Purchase Agreement (as amended, restated, supplemented or otherwise modified from time to time, the "Agreement"), dated as of January 29, 2015, among the Company, DBD Credit Funding LLC, as Collateral Agent and the purchasers from time to time party thereto, plus interest on the Adjusted Principal Amount outstanding from time to time at the interest rate specified in the Agreement.

This Note (i) is one of a series of Senior Notes (herein called the "Notes") of the Company issued pursuant to the Agreement, (ii) is entitled to the benefits and subject to the terms set forth in the Agreement with respect to the Notes, and (iii) constitutes an Obligation under the Agreement. Capitalized terms used but not defined herein have the meanings provided in the Agreement. The issuance date of this Note is January 29, 2015.

The Adjusted Principal Amount of this Note is equal to the sum of (x) $15,000,000, plus (y) any PIK Interest, in accordance with the Agreement, minus (z) any prior principal amounts paid with respect to this Note.

Interest shall be payable on the interest payment dates specified in the Agreement, and shall further be due and payable on any partial or complete prepayment of this Note, on any portion of the Adjusted Principal Amount so prepaid, and on the Maturity Date (and after the Maturity Date, to the extent not paid, on demand) and upon any acceleration of the amounts due hereunder. All computations of interest hereunder shall be made on the actual number of days elapsed over a year of 360 days.

In case an Event of Default shall occur and be continuing, the entire principal of this Note may become or be declared due and payable in the manner and with the effect provided in the Agreement.

Interest on this Note shall accrue on the Adjusted Principal Amount of this Note in the manner and at the rate or rates per annum determined pursuant to the terms of the Agreement. Payments of principal and interest (other than payments of interest payable as PIK Interest to the extent permitted by the Agreement) on this Note are to be made in lawful money of the United States of America in immediately available funds at the times and in the manner described in the Agreement.

All payments made on account of principal hereof, and any adjustments to the Adjusted Principal Amount, shall be recorded by the Holder and, prior to any transfer hereof, endorsed on the grid attached hereto which is part of this Note, provided, however, that the failure of the Holder hereof to make such a notation or any error in such a notation shall not in any manner affect the obligations of the Company to make payments of principal, interest or any other amounts with respect to this Note and the Agreement.

The Company shall, upon surrender of a Note that is paid or prepaid in part, promptly execute and deliver to the Holder a new Note equal in principal amount to the unpaid portion of the Note surrendered.

The Company hereby acknowledges and makes this Note a registered obligation for U.S. federal tax purposes. The Company shall be the registrar for this Note.

This Note shall be governed by and construed in accordance with the laws (other than the conflict of laws rules) of the State of New York.

The Company hereby waives presentment, demand, notice, protest and all other demands and notices in connection with the delivery, acceptance, performance and enforcement of this Note, except as specifically otherwise provided in the Agreement.

[The remainder of this page intentionally has been left blank.]

IN WITNESS WHEREOF, the Company has caused this Note to be executed and delivered by its duly authorized officer, on the date first above mentioned.

MARATHON PATENT GROUP, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

Signature Page to Note

PRINCIPAL AMOUNT OF NOTE AND PAYMENTS OF PRINCIPAL

Date	Additional Principal (PIK Interest)	Amount of Principal Repaid	Remaining Outstanding Principal Amount of Note	Notation Made By

Exhibit 10.3

NEITHER THESE SECURITIES NOR THE SECURITIES FOR WHICH THESE SECURITIES ARE EXERCISABLE HAVE BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. THESE SECURITIES AND THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES ARE ALSO SUBJECT TO CERTAIN LOCK-UP AGREEMENT BY AND BETWEEN THE COMPANY AND THE HOLDER ON THE DATE HEREIN. THESE SECURITIES AND THE SECURITIES ISSUABLE UPON EXERCISE OF THESE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN SECURED BY SUCH SECURITIES.

MARATHON PATENT GROUP, INC.

WARRANT

Warrant No. __ Dated: January 29, 2015

Marathon Patent Group, Inc., a Nevada corporation (the "***Company***"), hereby certifies that, for value received, DBD Credit Funding LLC or its registered assigns (including permitted transferees, the "***Holder***"), as registered owner of this warrant (the "***Warrant***"), is entitled to purchase from the Company up to a total of **100,000** shares (as adjusted from time to time as provided in Section 9) of Common Stock (as defined below), at an exercise price a price per share equal to the lesser of (i) the closing bid price per share on the Trading Day immediately preceding the date hereof and (ii) the average of the closing bid price per share for the last thirty previous Trading Days preceding the date hereof (as adjusted from time to time as provided in Section 9, the "***Exercise Price***"), at any time and from time to time from and after the date hereof (the "***Initial Exercise Date***") to and including the fifth (5^{th}) anniversary of the date hereof (the "***Expiration Date***"), and subject to the following terms and conditions.

1. Definitions. The capitalized terms used herein and not otherwise defined shall have the meanings set forth below:

"***Affiliate***" of any specified Person means any other person or entity directly or indirectly controlling, controlled by or under direct or indirect common control with such specified Person. For purposes of this definition, "***control***" means the power to direct the management and policies of such Person or firm, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise.

"***Commission***" means the United States Securities and Exchange Commission.

"***Common Stock***" means the common stock of the Company, $0.0001 par value per share.

"***Eligible Market***" means any of the New York Stock Exchange, the NYSE Amex or Nasdaq (as defined below), and any successor markets thereto.

"***Exchange Act***" means the Securities Exchange Act of 1934, as amended

"***Market Price***" shall mean (i) if the principal trading market for such securities is an exchange, the average of the last reported sale prices per share for the last ten previous Trading Days in which a sale was reported, as officially reported on any consolidated tape, (ii) if clause (i) is not applicable, the average of the closing bid price per share for the last ten previous Trading Days as set forth by Nasdaq or (iii) if clauses (i) and (ii) are not applicable, the average of the closing bid price per share for the last ten previous Trading Days as set forth in the National Quotation Bureau sheet listing for such securities. Notwithstanding the foregoing, if there is no reported sales price or closing bid price, as the case may be, on any of the ten Trading Days preceding the event requiring a determination of Market Price hereunder, then the Market Price shall be determined in good faith after reasonable investigation by resolution of the Board of Directors of the Company.

"***Nasdaq***" means the Nasdaq Global Market or Nasdaq Capital Market, and any successor markets thereto.

"***Other Securities***" refers to any capital stock (other than Common Stock) and other securities of the Company or any other Person which the Holder of this Warrant at any time shall be entitled to receive, or shall have received, pursuant to the terms hereof upon the exercise of this Warrant, in lieu of or in addition to Common Stock.

"***Person***" means any court or other federal, state, local or other governmental authority or other individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

"***Trading Day***" means (a) any day on which the Common Stock is listed or quoted and traded on any Eligible Market or (b) if the Common Stock is not then quoted and traded on any Eligible Market, then a day on which trading occurs on the Nasdaq Capital Market (or any successor thereto).

"***Warrant Shares***" shall initially mean shares of Common Stock and in addition may include Other Securities and Substituted Property (as defined in Section 9(e)(x)) issued or issuable from time to time upon exercise of this Warrant.

2. Registration of Warrant. The Company shall register this Warrant, upon records to be maintained by the Company for that purpose (the "***Warrant Register***"), in the name of the record Holder hereof from time to time. The Company may deem and treat the registered Holder of this Warrant as the absolute owner hereof for the purpose of any exercise hereof or any distribution to the Holder, and for all other purposes.

3. Registration of Transfers. The Company shall register the transfer of any portion of this Warrant in the Warrant Register, upon surrender of this Warrant, with the Form of Assignment attached hereto as Appendix A duly completed and signed, to the Company at its address specified herein. Upon any such registration and transfer, a new warrant in substantially the form of a Warrant (any such new warrant, a "***New Warrant***"), evidencing the portion of this Warrant so transferred shall be issued to the transferee and a New Warrant evidencing the remaining portion of this Warrant not so transferred, if any, shall be issued to the transferring Holder. The acceptance of the New Warrant by the transferee thereof shall be deemed the acceptance by such transferee of all of the rights and obligations of a holder of a Warrant.

4. Exercise and Duration of Warrant.

(a) This Warrant shall be exercisable, either in its entirety or for a portion of the number of Warrant Shares, by the registered Holder at any time and from time to time from and after the initial Exercise Date (as defined below) to and including the Expiration Date. At 5:00 P.M. New York City time on the Expiration Date, the portion of this Warrant not exercised prior thereto shall be and become void and of no value, and the Holder hereof shall have no right to purchase any additional Warrant Shares hereunder.

(b) A Holder may exercise this Warrant by delivering to the Company, in accordance with Section 13, this Warrant, together with (i) an exercise notice, in the form attached hereto as Appendix B (the "***Exercise Notice***"), appropriately completed and duly signed, and (ii) (A) payment of the Exercise Price for the number of Warrant Shares as to which this Warrant is being exercised pursuant to a Cash Exercise (as set forth in Section 4(c) below) or (B) if available pursuant to Section 4(d) below, by notifying the Company that this Warrant is being exercised pursuant to a Cashless Exercise (as set forth in Section 4(d) below), and the date such items are received by the Company is an "***Exercise Date***." Execution and delivery of an Exercise Notice in respect of less than all of the Warrant Shares issuable upon exercise of this Warrant shall result in the cancellation of the original Warrant and issuance of a New Warrant evidencing the right to purchase the remaining number of Warrant Shares.

(c) *Cash Exercise*. In the event the Holder has elected to pay the Exercise Price in cash, it shall pay the Exercise Price by certified bank check payable to the order of the Company or by wire transfer of immediately available funds in accordance with the Company's instructions (a "***Cash Exercise***").

(d) *Cashless Exercise*. Notwithstanding anything contained herein to the contrary, if, at any time a registration statement covering the resale of the Warrant Shares that are the subject of the Exercise Notice by the Holder pursuant to the Securities Act (the "***Unavailable Warrant Shares***") is not available for the resale of such Unavailable Warrant Shares, and the Company is otherwise obligated to have a resale registration statement available for such resale, the Holder may, in its sole discretion, exercise this Warrant in whole or in part and, in lieu of making the cash payment otherwise contemplated to be made to the Company upon such exercise in payment of the Exercise Price, elect instead to receive upon such exercise the "Net Number" of shares of Common Stock determined according to the following formula (a "***Cashless Exercise***"):

$$\text{Net Number} = \frac{A \times (B - C)}{B}$$

For purposes of the foregoing formula,

A = the total number of shares with respect to which this Warrant is then being exercised.

B = the weighted average price per share of the Common Stock (as reported by Bloomberg) on the Trading Day immediately preceding the date of the Exercise Notice.

C = the Exercise Price then in effect for the applicable Warrant Shares at the time of such exercise.

(e) Except as otherwise provided for herein, this Warrant shall not entitle the Holder to any voting rights or other rights as a stockholder of the Company by virtue of the ownership hereof.

5. Delivery of Warrant Shares.

(a) Upon exercise of this Warrant, the Company shall promptly (but in no event later than three Trading Days after the Exercise Date) issue or cause to be issued and deliver or cause to be delivered to the Holder, in such name or names as the Holder may designate, a certificate for the Warrant Shares issuable upon such exercise (the "***Certificate***")bearing a legend in the following form:

THIS SECURITY HAS NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, THE SUBSTANCE OF WHICH SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY. THIS SECURITY IS ALSO SUBJECT TO CERTAIN LOCK-UP AGREEMENT BY AND BETWEEN MARATHON PATENT GROUP, INC. AND DBD CREDIT FUNDING LLC DATED JANUARY 29, 2015.

The Holder, or any Person so designated by the Holder to receive the Warrant Shares, shall be deemed to have become holder of record of such Warrant Shares as of the Exercise Date.

(b) Upon expiration of the Lock-Up Agreement by and between the Company and the Purchaser dated as of the date hereof and following the delivery by the Purchaser to the Company or the Company's transfer agent of (i) a certificate representing Warrant Shares, (ii) a seller's representation letter substantially in the form as attached hereto as Appendix A, (iii) a broker's representation letter substantially in the form attached hereto as Appendix B, the Company shall promptly instruct its counsel to issue a legal opinion for the removal of restrictive legend and instruct its transfer agent to deliver to such Purchaser a certificate representing such Shares that is free from all restrictive and other legends within three Trading Days of such legal opinion.

(c) Neither these securities nor the securities for which these securities are exercisable have been registered with the Commission or the securities commission of any state in reliance upon an exemption from registration under the Securities Act, and, accordingly, may not be offered or sold except pursuant to an effective registration statement under the Securities Act or pursuant to an available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with applicable state securities laws. The Holder acknowledges and agrees that the Warrant may be sold only pursuant to an applicable exemption from the registration requirements of the Securities Act and that the Warrant Shares may only be sold pursuant to an effective registration statement under the Securities Act or in accordance with any applicable exemption from the registration requirements of the Securities Act.

(d) This Warrant is exercisable, either in its entirety or, from time to time, for a portion of the number of Warrant Shares. Upon surrender of this Warrant following one or more partial exercises, the Company shall issue or cause to be issued, at its expense, a New Warrant evidencing the right to purchase the remaining number of Warrant Shares.

(e) The Holder covenants that it will not execute any purchases or sales, including short sales, of any of the Company's securities during the period commencing with the date hereof and ending at such time as the end of the Lock-Up Period (as such term is defined in that certain Lock-Up Agreement, by and between Holder and the Company, dated as of the date hereof).

(f) To the extent permitted by law, the Company's obligations to issue and deliver Warrant Shares in accordance with the terms hereof are absolute and unconditional, irrespective of any action or inaction by the Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by the Holder or any other Person of any obligation to the Company or any violation or alleged violation of law by the Holder or any other Person, and irrespective of any other circumstance which might otherwise limit such obligation of the Company to the Holder in connection with the issuance of Warrant Shares. Nothing herein shall limit the Holder's right to pursue any other remedies available to it hereunder, in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver Common Stock upon exercise of this Warrant as required pursuant to the terms hereof.

6. Charges, Taxes and Expenses. Issuance and delivery of certificates for shares of Common Stock upon exercise of this Warrant shall be made without charge to the Holder for any issue or transfer tax, withholding tax, transfer agent fee or other incidental tax or expense in respect of the issuance of such certificates, all of which taxes and expenses shall be paid by the Company; *provided*, *however*, that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the issue, delivery or registration of any certificates for Warrant Shares or Warrant in a name other than that of the Holder and that the Holder will be required to pay any tax with respect to cash received in lieu of fractional shares. The Holder shall be responsible for all other tax liability of the Holder that may arise as a result of holding or transferring this Warrant or receiving Warrant Shares upon exercise hereof.

7. Replacement of Warrant. If this Warrant is mutilated, lost, stolen or destroyed, the Company, at the sole expense of the Holder (such expenses, if any imposed by the Company to be reasonable), shall issue or cause to be issued in exchange and substitution for and upon cancellation hereof, or in lieu of and in substitution for this Warrant, a New Warrant, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction and customary and reasonable indemnity, if requested by the Company.

8. Reservation of Warrant Shares. The Company covenants that it will at all times reserve and keep available out of the aggregate of its authorized but unissued and otherwise unreserved Common Stock, solely for the purpose of enabling it to issue Warrant Shares upon exercise of this Warrant as herein provided, the number of Warrant Shares which are then issuable and deliverable upon the exercise of this entire Warrant, free from all taxes, liens, claims, encumbrances with respect to the issuance of such Warrant Shares and will not be subject to any pre-emptive rights or similar rights (taking into account the adjustments and restrictions of Section 9 hereof). The Company covenants that all Warrant Shares so issuable and deliverable shall, upon issuance and the payment of the applicable Exercise Price in accordance with the terms hereof, be duly and validly authorized, issued, fully paid and nonassessable. The Company will take all such action as may be necessary to assure that such shares of Common Stock may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of any securities exchange or automated quotation system upon which the Common Stock may be listed or quoted, as the case may be.

9. Certain Adjustments. The Exercise Price and number of Warrant Shares issuable upon exercise of this Warrant are subject to adjustment from time to time as set forth in this Section 9.

(a) *Stock Dividends*. If the Company, at any time while this Warrant is outstanding, pays a dividend on its Common Stock payable in additional shares of Common Stock or otherwise makes a distribution on any class of capital stock that is payable in shares of Common Stock, then in each such case the Exercise Price shall be multiplied by a fraction, (A) the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to the opening of business on the day after the record date for the determination of stockholders entitled to receive such dividend or distribution and (B) the denominator of which shall be the number of shares of Common Stock outstanding immediately after the distribution date of such dividend or distribution. Any adjustment made pursuant to this Section 9(a) shall become effective immediately after the record date for the determination of stockholders entitled to receive such dividend or distribution; *provided, however*, that if following such record date the Company rescinds or modifies such dividend or distribution, the Exercise Price shall be appropriately adjusted (as of the date that the Company effectively rescinds or modifies such dividend or distribution) to take into account the effect of such rescinded or modified dividend or distribution on the Exercise Price pursuant to this Section 9(a).

(b) *Stock Splits*. If the Company, at any time while this Warrant is outstanding, (i) subdivides outstanding shares of Common Stock into a larger number of shares, or (ii) combines outstanding shares of Common Stock into a smaller number of shares, then in each such case the Exercise Price shall be multiplied by a fraction, (A) the numerator of which shall be the number of shares of Common Stock outstanding immediately before such event and (B) the denominator of which shall be the number of shares of Common Stock outstanding immediately after such event. Any adjustment pursuant to this Section 9(b) shall become effective immediately after the effective date of such subdivision or combination.

(c) *Reclassifications*. A reclassification of the Common Stock (other than any such reclassification in connection with a merger or consolidation to which Section 9(e) applies) into shares of any other class of stock shall be deemed:

(i) a distribution by the Company to the holders of its Common Stock of such shares of such other class of stock for the purposes and within the meaning of this Section 9; and

(ii) if the outstanding shares of Common Stock shall be changed into a larger or smaller number of shares of Common Stock as part of such reclassification, such change shall be deemed a subdivision or combination, as the case may be, of the outstanding shares of Common Stock for the purposes and within the meaning of Section 9(b).

(d) *Other Distributions*. If the Company, at any time while this Warrant is outstanding, distributes to holders of Common Stock (i) evidences of its indebtedness, (ii) shares of any class of capital stock, (iii) rights or warrants to subscribe for or purchase any shares of any class of capital stock or (iv) any other asset, other than a distribution of Common Stock covered by Section 9(a), (in each case, "***Distributed Property***"), then in each such case the Exercise Price in effect immediately prior to the record date fixed for determination of stockholders entitled to receive such distribution (and the Exercise Price thereafter applicable) shall be adjusted (effective on and after such record date) to equal the product of such Exercise Price multiplied by a fraction, (A) the numerator of which shall be Market Price on such record date less the then fair market value of the Distributed Property distributed in respect of one outstanding share of Common Stock, which, if the Distributed Property is other than cash or marketable securities, shall be as reasonably determined in good faith by the Board of Directors of the Company whose determination shall be described in a board resolution, and (B) the denominator of which shall be the Market Price on such record date; *provided, however*, that if following the record date for such distribution the Company rescinds or modifies such distribution, the Exercise Price shall be appropriately adjusted (as of the date that the Company effectively rescinds or modifies such distribution) to take into account the effect of such rescinded or modified distribution on the Exercise Price pursuant to this Section 9(d).

(e) *Fundamental Transactions*. If, at any time while this Warrant is outstanding, (i) the Company effects any merger or consolidation of the Company with or into another Person, (ii) the Company effects any sale of all or substantially all of its assets or a majority of its stock acquired by a third party, in each case in one or a series of related transactions, (iii) any tender offer or exchange offer by another Person is completed pursuant to which all or substantially all of the holders of Common Stock are permitted to tender or exchange their shares for other securities, cash or property or (iv) there shall occur any merger of another Person into the Company whereby the Common Stock is cancelled, converted or reclassified into or exchanged for other securities, cash or property (in any such case, a "***Fundamental Transaction***"), then, as a condition to the consummation of such Fundamental Transaction, the Company shall (or, in the case of any Fundamental Transaction in which the Company is not the surviving entity, the Company shall take all reasonable steps to cause such other Person to execute and deliver to the Holder of this Warrant a written instrument providing that:

(x) so long as this Warrant remains outstanding, upon the exercise hereof at any time on or after the consummation of such Fundamental Transaction and on such terms and subject to such conditions as shall be nearly equivalent as may be practicable to the provisions set forth in this Warrant, this Warrant shall be exercisable into, in lieu of Common Stock issuable upon such exercise prior to such consummation, the securities or other property (the "Substituted Property") that would have been received in connection with such Fundamental Transaction by a holder of the number of shares of Common Stock into which this Warrant was exercisable immediately prior to such Fundamental Transaction, assuming such holder of Common Stock:

(A) is not a Person with which the Company consolidated or into which the Company merged or which merged into the Company or to which such sale or transfer was made, as the case may be (a "***Constituent Person***"), or an Affiliate of a Constituent Person; and

(B) failed to exercise such Holder's rights of election, if any, as to the kind or amount of securities, cash and other property receivable in connection with such Fundamental Transaction (*provided, however*, that if the kind or amount of securities, cash or other property receivable in connection with such Fundamental Transaction is not the same for each share of Common Stock held immediately prior to such Fundamental Transaction by a Person other than a Constituent Person or an Affiliate thereof and in respect of which such rights of election shall not have been exercised (a "***Non-Electing Share***"), then, for the purposes of this Section 9(e), the kind and amount of securities, cash and other property receivable in connection with such Fundamental Transaction by each Non-Electing Share shall be deemed to be the kind and amount so receivable per share by a plurality of the Non-Electing Shares); and

(y) the rights and obligations of the Company (or, in the event of a transaction in which the Company is not the surviving Person, such other Person) and the Holder in respect of Substituted Property shall be as nearly equivalent as may be practicable to the rights and obligations of the Company and Holder in respect of Common Stock hereunder.

Such written instrument shall provide for adjustments which, for events subsequent to the effective date of such written instrument, shall be as nearly equivalent as may be practicable to the adjustments provided for in this Section 9. The above provisions of this Section 9(e) shall similarly apply to successive Fundamental Transactions.

(f) *Adjustment of Warrant Shares*. Simultaneously with any adjustment to the Exercise Price pursuant to paragraphs (a) through (d) of this Section 9, the number of Warrant Shares that may be purchased upon exercise of this Warrant shall be increased or decreased proportionately, so that after such adjustment the aggregate Exercise Price payable hereunder for the increased or decreased number of Warrant Shares shall be the same as the aggregate Exercise Price payable for the Warrant Shares immediately prior to such adjustment.

(g) *Calculations*. All calculations under this Section 9 shall be made to the nearest cent or the nearest 1/100th of a share, as applicable. The number of shares of Common Stock outstanding at any given time shall not include shares owned or held by or for the account of the Company, and the disposition of any such shares shall be considered an issue or sale of Common Stock.

(h) *Adjustments*. Notwithstanding any provision of this Section 9, no adjustment of the Exercise Price shall be required if such adjustment is less than $0.01; *provided, however*, that any adjustments which by reason of this Section 9(h) are not required to be made shall be carried forward and taken into account for purposes of any subsequent adjustment required to be made hereunder.

(i) *Notice of Adjustments*. Upon the occurrence of each adjustment pursuant to this Section 9, the Company will promptly deliver to the Holder a certificate executed by the Company's Chief Financial Officer setting forth, in reasonable detail, the event requiring such adjustment and the method by which such adjustment was calculated, the adjusted Exercise Price and the adjusted number or type of Warrant Shares or other securities issuable upon exercise of this Warrant (as applicable). The Company will retain at its office copies of all such certificates and cause the same to be available for inspection at said office during normal business hours by the Holder or any prospective purchaser of the Warrant designated by the Holder.

(j) *Notice of Corporate Events*. If the Company (i) declares a dividend or any other distribution of cash, securities or other property in respect of its Common Stock, including, without limitation, any granting of rights or warrants to subscribe for or purchase any capital stock of the Company or any subsidiary of the Company, (ii) authorizes, approves, enters into any agreement contemplating, or solicits stockholder approval for, any Fundamental Transaction or (iii) authorizes the voluntary dissolution, liquidation or winding up of the affairs of the Company, then the Company shall give the Holder notice thereof at the same time and in the same manner as it gives notice thereof to the holders of outstanding Common Stock; *provided*, *however*, that the failure to deliver such notice or any defect therein shall not affect the validity of the corporate action required to be described in such notice.

10. Fractional Shares. The Company shall not be required to issue or cause to be issued fractional Warrant Shares on the exercise of this Warrant. If any fraction of a Warrant Share would, except for the provisions of this Section 10, be issuable upon exercise of this Warrant, the Company shall make a cash payment to the Holder equal to (a) such fraction multiplied by (b) the Market Price on the Exercise Date of one full Warrant Share.

11. Listing on Securities Exchanges. The Company has agreed to list, and will use its commercially reasonable efforts to maintain the listing of, the Warrant Shares on Nasdaq consistent with the terms of the Subscription Agreement, dated as of the date hereof, by and between the Company and Holder (the "**Subscription Agreement**"). In furtherance and not in limitation of any other provision of this Warrant, if the Company at any time shall list any Common Stock on any Eligible Market other than Nasdaq, the Company will use its commercially reasonable efforts, at its expense, to simultaneously list the Warrant Shares (and use its commercially reasonable best efforts to maintain such listing) on such Eligible Market, upon official notice of issuance following the exercise of this Warrant; and the Company will so list, register and use its commercially reasonable best efforts to maintain such listing on any Eligible Market any Other Securities, if and at the time that any securities of like class or similar type shall be listed on such Eligible Market by the Company.

12. Remedies. The Company stipulates that the remedies at law of the Holder of this Warrant in the event of any default or threatened default by the Company in the performance of or compliance with any of the terms of this Warrant are not and will not be adequate, and that such terms may be specifically enforced by a decree for the specific performance of any agreement contained herein or by an injunction against a violation of any of the terms hereof or otherwise.

13. Notices. Any and all notices or other communications or deliveries hereunder (including without limitation any Exercise Notice) shall be in writing and shall be mailed by certified mail, return receipt requested, or by a nationally recognized courier service or delivered (in person, by facsimile or by email), against receipt to the party to whom such notice or other communication is to be given. Any notice or other communication given by means permitted by this Section 13 shall be deemed given at the time of receipt thereof. The address for such notices or communications shall be as set forth below:

If to the Company: Marathon Patent Group, Inc.
11100 Santa Monica Blvd., Ste. 380
Los Angeles, CA 90025

If to the Holder: As set forth on the signature page to the Subscription Agreement.

Or such other address as is provided to such other party in accordance with this Section 13.

14. Warrant Agent. The Company shall serve as warrant agent under this Warrant. Upon a prompt written notice to the Holder, the Company may appoint a new warrant agent. Any Person into which any new warrant agent may be merged, any Person resulting from any consolidation to which any new warrant agent shall be a party or any Person to which any new warrant agent transfers substantially all of its corporate trust or shareholders services business shall be a successor warrant agent under this Warrant without any further act. Any such successor warrant agent shall promptly cause notice of its succession as warrant agent to be mailed (by first class mail, postage prepaid) to the Holder at the Holder's last address as shown on the Warrant Register.

15. Exercise Limitations; Holder's Restrictions. The Company shall not effect any exercise of this Warrant, and a Holder shall not have the right to exercise any portion of this Warrant, pursuant to Section 15 or otherwise, to the extent that after giving effect to such issuance after exercise as set forth on the applicable Notice of Exercise, the Holder (together with the Holder's Affiliates, and any other person or entity acting as a group together with the Holder or any of the Holder's Affiliates), would beneficially own in excess of the Beneficial Ownership Limitation (as defined below). For purposes of the foregoing sentence, the number of shares of Common Stock beneficially owned by the Holder and its Affiliates shall include the number of shares of Common Stock issuable upon exercise of this Warrant with respect to which such determination is being made, but shall exclude the number of shares of Common Stock which would be issuable upon (A) exercise of the remaining, nonexercised portion of this Warrant beneficially owned by the Holder or any of its Affiliates and (B) exercise or conversion of the unexercised or nonconverted portion of any other securities of the Company subject to a limitation on conversion or exercise analogous to the limitation contained herein beneficially owned by the Holder or any of its affiliates. Except as set forth in the preceding sentence, for purposes of this Section 15, beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder, it being acknowledged by the Holder that the Company is not representing to the Holder that such calculation is in compliance with Section 13(d) of the Exchange Act and the Holder is solely responsible for any schedules required to be filed in accordance therewith. To the extent that the limitation contained in this Section 15 applies, the determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates) and of which portion of this Warrant is exercisable shall be in the sole discretion of the Holder, and the submission of an Exercise Notice shall be deemed to be the Holder's determination of whether this Warrant is exercisable (in relation to other securities owned by the Holder together with any Affiliates) and of which portion of this Warrant is exercisable, in each case subject to the Beneficial Ownership Limitation, and the Company shall have no obligation to verify or confirm the accuracy of such determination. In addition, a determination as to any group status as contemplated above shall be determined in accordance with Section 13(d) of the Exchange Act and the rules and regulations promulgated thereunder. For purposes of this Section 15, in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares of Common Stock as reflected in (A) the Company's most recent periodic or annual report, as the case may be, (B) a more recent public announcement by the Company or (C) any other notice by the Company or the transfer agent setting forth the number of shares of Common Stock outstanding. Upon the written or oral request of a Holder, the Company shall within two Trading Days confirm orally and in writing to the Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Company, including this Warrant, by the Holder or its Affiliates since the date as of which such number of outstanding shares of Common Stock was reported. The "Beneficial Ownership Limitation" shall be 4.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock issuable upon exercise of this Warrant. The Holder, upon not less than 61 days' prior notice to the Company, may increase or decrease the Beneficial Ownership Limitation provisions of this Section 15, provided that the Beneficial Ownership Limitation in no event exceeds 9.99% of the number of shares of the Common Stock outstanding immediately after giving effect to the issuance of shares of Common Stock upon exercise of this Warrant held by the Holder and the provisions of this Section 15 shall continue to apply. Any such increase or decrease will not be effective until the 61st day after such notice is delivered to the Company. The provisions of this paragraph shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 15 to correct this paragraph (or any portion hereof) which may be defective or inconsistent with the intended Beneficial Ownership Limitation herein contained or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitations contained in this paragraph shall apply to a successor holder of this Warrant.

16. Miscellaneous.

(a) This Warrant may be assigned by the Holder without prior written consent of the Company. This Warrant may not be assigned by the Company, except to a successor in the event of a Fundamental Transaction. This Warrant shall be binding on and inure to the benefit of the parties hereto and their respective successors and assigns. Subject to the preceding sentence, nothing in this Warrant shall be construed to give to any Person other than the Company and the Holder any legal or equitable right, remedy or cause of action under this Warrant. This Warrant may be amended only in writing signed by the Company and the Holder and their successors and assigns.

(b) The Company will not, by amendment of its governing documents or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such action as may be necessary or appropriate in order to protect the rights of the Holder against impairment. Without limiting the generality of the foregoing, the Company (i) will not increase the par value of any Warrant Shares above the amount payable therefor upon exercise thereof, and (ii) will take all such action as may be reasonably necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable Warrant Shares on the exercise of this Warrant, free from all taxes, liens, claims and encumbrances and (iii) will not close its shareholder books or records in any manner which interferes with the timely exercise of this Warrant.

(c) This Warrant shall be governed by and construed and enforced in accordance with the laws of the State of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and Federal courts sitting in the City of New York, Borough of Manhattan, for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding that it is not personally subject to the jurisdiction of any such court or that such suit, action or proceeding is improper. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Warrant and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. **THE PARTIES HEREBY WAIVE ALL RIGHTS TO A TRIAL BY JURY.**

(d) Neither party shall be deemed in default of any provision of this Warrant, to the extent that performance of its obligations or attempts to cure a breach hereof are delayed or prevented by any event reasonably beyond the control of such party, including, without limitation, war, hostilities, acts of terrorism, revolution, riot, civil commotion, national emergency, strike, lockout, unavailability of supplies, epidemic, fire, flood, earthquake, force of nature, explosion, embargo, or any other Act of God, or any law, proclamation, regulation, ordinance, or other act or order of any court, government or governmental agency, *provided* that such party gives the other party written notice thereof promptly upon discovery thereof and uses commercially reasonable best efforts to cure or mitigate the delay or failure to perform.

(e) The headings herein are for convenience only, do not constitute a part of this Warrant and shall not be deemed to limit or affect any of the provisions hereof.

(f) In case any one or more of the provisions of this Warrant shall be deemed invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Warrant shall not in any way be affected or impaired thereby and the parties will attempt in good faith to agree upon a valid and enforceable provision which shall be a commercially reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Warrant.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK,
SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Company has caused this Warrant to be duly executed by its authorized officer as of the date first indicated above.

MARATHON PATENT GROUP, INC.

By: /s/ Doug Croxall
Name: Doug Croxall
Title: CEO

[*Signature Page To Warrant*]

APPENDIX A

FORM OF ASSIGNMENT

(to be completed and signed only upon transfer of Warrant)

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto _____ the right represented by the within Warrant to purchase _____ shares of Common Stock of Marathon Patent Group, Inc. to which the within warrant relates and appoints _____ attorney to transfer said right on the books of Marathon Patent Group, Inc. with full power of substitution in the premises.

Dated:_____

(Signature must conform in all respects to name of Holder as specified on face of the Warrant)

Address of Transferee:

In the presence of:

_____

APPENDIX B

FORM OF EXERCISE NOTICE

(To be executed by the Holder to exercise the right to purchase shares of Common Stock under the foregoing Warrant)

To: Marathon Patent Group, Inc.

The undersigned is the Holder of Warrant No. [ ] (the "Warrant") issued by Marathon Patent Group, Inc., a Nevada corporation (the "Company"). Capitalized terms used herein and not otherwise defined have the respective meanings set forth in the Warrant.

1. The Warrant is currently exercisable to purchase a total of _____ Warrant Shares.

2. The undersigned Holder hereby exercises its right to purchase _____ Warrant Shares pursuant to the Warrant.

3. The Holder intends that payment of the Exercise Price shall be made as:

   a. A "Cash Exercise" with respect to _____ Warrant Shares; and/or

   b. A "Cashless Exercise" with respect to _____ Warrant Shares.

4. In the event that the Holder has elected a Cash Exercise with respect to some or all of the Warrant Shares to be issued pursuant hereto, the Holder shall pay the sum of $_____ to the Company in accordance with the terms of the Warrant.

5. Pursuant to this exercise, the Company shall deliver to the Holder _____ Warrant Shares in accordance with the terms of the Warrant

6. Following this exercise, the Warrant shall be exercisable to purchase a total of _____ Warrant Shares.

Dated: _____

Name of Holder:

(Print)

By:

Title:

(Signature must conform in all respects to name of Holder as specified on face of the Warrant)

Exhibit 10.4

EXECUTION VERSION

SUBSCRIPTION AGREEMENT

This Subscription Agreement (this "Agreement") is dated as of January 29, 2015, between Marathon Patent Group, Inc., a Nevada corporation (the "Company"), and DBD Credit Funding LLC, a Delaware limited liability company ("Purchaser").

WHEREAS, subject to the terms and conditions set forth in this Agreement, the Company desires to issue and sell to Purchaser, and Purchaser, desires to purchase from the Company, securities of the Company as more fully described in this Agreement.

NOW, THEREFORE, IN CONSIDERATION of the mutual covenants contained in this Agreement, and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the Company and each Purchaser agree as follows:

ARTICLE I.
DEFINITIONS

1.1 Definitions. In addition to the terms defined elsewhere in this Agreement, for all purposes of this Agreement, the following terms have the meanings set forth in this Section 1.1:

"Acquiring Person" shall have the meaning ascribed to such term in Section 4.3.

"Action" shall have the meaning ascribed to such term in Section 3.1(j).

"Affiliate" means any Person that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with a Person as such terms are used in and construed under Rule 405 under the Securities Act.

"Board of Directors" means the board of directors of the Company.

"Business Day" means any day except any Saturday, any Sunday, any day which is a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

"Closing" means the closing of the purchase and sale of the Shares pursuant to Section 2.1.

"Commission" means the United States Securities and Exchange Commission.

"Common Stock" means the common stock of the Company, par value $0.0001 per share, and any other class of securities into which such securities may hereafter be reclassified or changed.

"Common Stock Equivalents" means any securities of the Company or the Subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, rights, options, warrants or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

"Company Counsel" means Sichenzia Ross Friedman Ference LLP.

"Eligible Market" means any of the New York Stock Exchange, the NYSE Amex or the Trading Market, and any successor markets thereto.

"Evaluation Date" shall have the meaning ascribed to such term in Section 3.1(r).

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"FCPA" shall have the meaning ascribed to such term in Section 3.1(aa).

"GAAP" shall have the meaning ascribed to such term in Section 3.1(h).

"Indebtedness" shall have the meaning ascribed to such term in Section 3.1(y).

"Intellectual Property Rights" shall have the meaning ascribed to such term in Section 3.1(o).

"Liens" means a lien, charge, security interest, encumbrance, right of first refusal, preemptive right or other restriction.

"Material Adverse Effect" shall have the meaning assigned to such term in Section 3.1(b).

"Material Permits" shall have the meaning ascribed to such term in Section 3.1(m).

"Money Laundering Laws" shall have the meaning ascribed to such term in Section 3.1(ff).

"OFAC" shall have the meaning ascribed to such term in Section 3.1(ee).

"Purchase Price" means $1,000,000.

"Person" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

"Proceeding" means an action, claim, suit, investigation or proceeding (including, without limitation, an informal investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"Purchaser Party" shall have the meaning ascribed to such term in Section 4.5.

"Rule 144" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"Rule 424" means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended or interpreted from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same purpose and effect as such Rule.

"SEC Reports" shall have the meaning ascribed to such term in Section 3.1(h).

"Shares" means a number of shares of Common Stock of the Company issued or issuable to Purchaser pursuant to this Agreement equal to (a) the Purchase Price divided by (b) a price per share equal to the lesser of (i) the closing bid price per share on the Trading Day immediately preceding the date of the Closing and (ii) the average of the closing bid price per share for the last thirty previous Trading Days preceding the date of the Closing.

"Short Sales" means all "short sales" as defined in Rule 200 of Regulation SHO under the Exchange Act (but shall not be deemed to include the location and/or reservation of borrowable shares of Common Stock).

"Subsidiary" means any subsidiary consolidated in the Company's financial statements, and shall, where applicable, also include any direct or indirect subsidiary of the Company formed or acquired after the date hereof.

"Trading Day" means a day on which the principal Trading Market is open for trading.

"Trading Market" means the Nasdaq Global Market or Nasdaq Capital Market, and any successor markets thereto.

"Transaction Documents" means this Agreement and any other documents or agreements executed in connection with the transactions contemplated hereunder, including (i) the Revenue Sharing and Securities Purchase Agreement, dated as of the date hereof, by and among the Company, the Company's subsidiaries that are signatory thereto, Purchaser and the other parties signatory thereto (the "RSSPA"), (ii) Security Agreement, dated as of the date hereof, by and among the Company, Purchaser and the other parties signatory thereto, and (iii) the Warrant, dated as of the date hereof, by and between the Company and Purchaser.

"VWAP" means, for any date, the price determined by the first of the following clauses that applies: (a) if the Common Stock is then listed or quoted on a Trading Market, the daily volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the Trading Market on which the Common Stock is then listed or quoted as reported by Bloomberg L.P. (based on a Trading Day from 9:30 a.m. (New York City time) to 4:02 p.m. (New York City time)), (b) if the OTC Bulletin Board is not a Trading Market, the volume weighted average price of the Common Stock for such date (or the nearest preceding date) on the OTC Bulletin Board, (c) if the Common Stock is not then listed or quoted for trading on the OTC Bulletin Board and if prices for the Common Stock are then reported in the "Pink Sheets" published by Pink OTC Markets, Inc. (or a similar organization or agency succeeding to its functions of reporting prices), the most recent bid price per share of the Common Stock so reported, or (d) in all other cases, the fair market value of a share of Common Stock as determined by an independent appraiser selected in good faith by the Purchasers of a majority in interest of the Shares then outstanding and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

ARTICLE II.
PURCHASE AND SALE

2.1 Closing. Upon the terms and subject to the conditions set forth herein, the Company agrees to sell, and the Purchaser agrees to purchase, the Shares in consideration of the payment by Purchaser of the Purchase Price. The Closing shall occur at the offices of Company Counsel or such other location as the parties shall mutually agree.

ARTICLE III.
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Company. Except as described in the SEC Reports or any information contained or incorporated therein, the Company hereby makes the following representations and warranties to Purchaser:

(a) Subsidiaries. All of the direct and indirect subsidiaries of the Company are described in the Company's SEC Reports or the schedules thereto or the documents incorporated therein or Schedules to the Revenue Sharing and Securities Purchase Agreement. The Company owns, directly or indirectly, all of the capital stock or other equity interests of each Subsidiary free and clear of any Liens, and all of the issued and outstanding shares of capital stock of each Subsidiary are validly issued and are fully paid, non-assessable and free of preemptive and similar rights to subscribe for or purchase securities.

(b) Organization and Qualification. The Company and each of the Subsidiaries is an entity duly incorporated or otherwise organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization, with the requisite power and authority to own and use its properties and assets and to carry on its business as currently conducted. Neither the Company nor any Subsidiary is in violation nor default of any of the provisions of its respective certificate or articles of incorporation, bylaws or other organizational or charter documents, except to the extent that any such default could not have or reasonably be expected to result in: (i) a material adverse effect on the legality, validity or enforceability of any Transaction Document, (ii) a material adverse effect on the results of operations, assets, prospects, business or condition (financial or otherwise) of the Company and the Subsidiaries, taken as a whole, or (iii) a material adverse effect on the Company's ability to perform in any material respect on a timely basis its obligations under any Transaction Document (any of (i), (ii) or (iii), a "Material Adverse Effect"), provided, that none of the following alone shall be deemed, in and of itself, to constitute a Material Adverse Effect: (i) a change in the market price or trading volume of the Common Stock or (ii) changes in general economic conditions or changes affecting the industry in which the Company operates generally (as opposed to Company-specific changes) so long as such changes do not have a materially disproportionate effect on the Company. Each of the Company and the Subsidiaries is duly qualified to conduct business and is in good standing as a foreign corporation or other entity in each jurisdiction in which the nature of the business conducted or property owned by it makes such qualification necessary, except where the failure to be so qualified or in good standing, as the case may be, could not have or reasonably be expected to result in a Material Adverse Effect and no Proceeding has been instituted in any such jurisdiction revoking, limiting or curtailing or seeking to revoke, limit or curtail such power and authority or qualification.

(c) Authorization; Enforcement. The Company has the requisite corporate power and authority to enter into and to consummate the transactions contemplated by each of the Transaction Documents and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of each of the Transaction Documents by the Company and the consummation by it of the transactions contemplated hereby and thereby have been duly authorized by all necessary action on the part of the Company and no further action is required by the Company, the Board of Directors or the Company's stockholders in connection therewith. Each Transaction Document to which it is a party has been (or upon delivery will have been) duly executed by the Company and, when delivered in accordance with the terms hereof and thereof, will constitute the valid and binding obligation of the Company enforceable against the Company in accordance with its terms, except (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(d) No Conflicts. The execution, delivery and performance by the Company of the Transaction Documents, the issuance and sale of the Shares and the consummation by it of the transactions contemplated hereby and thereby to which it is a party do not and will not (i) conflict with or violate any provision of the Company's or any Subsidiary's certificate or articles of incorporation, bylaws or other organizational or charter documents, or (ii) conflict with, or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in the creation of any Lien upon any of the properties or assets of the Company or any Subsidiary, or give to others any rights of termination, amendment, acceleration or cancellation (with or without notice, lapse of time or both) of, any agreement, credit facility, debt or other instrument (evidencing a Company or Subsidiary debt or otherwise) or other understanding to which the Company or any Subsidiary is a party or by which any property or asset of the Company or any Subsidiary is bound or affected, or (iii) subject to the Required Approvals, conflict with or result in a violation of any law, rule, regulation, order, judgment, injunction, decree or other restriction of any court or governmental authority to which the Company or a Subsidiary is subject (including federal and state securities laws and regulations), or by which any property or asset of the Company or a Subsidiary is bound or affected; except in the case of each of clauses (ii) and (iii), such as could not have or reasonably be expected to result in a Material Adverse Effect.

(e) Filings, Consents and Approvals. The Company is not required to obtain any consent, waiver, authorization or order of, give any notice to, or make any filing or registration with, any court or other federal, state, local or other governmental authority or other Person in connection with the execution, delivery and performance by the Company of the Transaction Documents, other than (i) the notice and/or application(s) to the Trading Market for the listing of the Shares for trading thereon in the time and manner required thereby, (ii) the filing of Form D with the Commission and (iii) such filings as are required to be made under applicable state securities laws (collectively, the "Required Approvals").

(f) Issuance of the Shares. The Shares are duly authorized and, when issued and paid for in accordance with the applicable Transaction Documents, will be duly and validly issued, fully paid and nonassessable, free and clear of all Liens imposed by the Company. The Company has reserved from its duly authorized capital stock the maximum number of shares of Common Stock issuable pursuant to this Agreement.

(g) Capitalization. Neither the Company nor any of its Subsidiaries has issued any capital stock since the Company's most recently filed periodic report under the Exchange Act, other than pursuant to the exercise of employee stock options under the Company's stock option plans or the issuance of shares of Common Stock to employees, or pursuant to the conversion and/or exercise of Common Stock Equivalents outstanding as of the date of the most recently filed periodic report under the Exchange Act. No Person has any right of first refusal, preemptive right, right of participation, or any similar right to participate in the transactions contemplated by the Transaction Documents except as has been duly waived. Except as a result of the purchase and sale of the Shares, the transactions contemplated by the Transaction Documents or as disclosed in the SEC Reports, there are no outstanding options, warrants, scrip rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities, rights or obligations convertible into or exercisable or exchangeable for, or giving any Person any right to subscribe for or acquire, any shares of Common Stock, or contracts, commitments, understandings or arrangements by which the Company or any Subsidiary is or may become bound to issue additional shares of Common Stock or Common Stock Equivalents. The issuance and sale of the Shares will not obligate the Company or any of its Subsidiaries to issue shares of Common Stock or other securities to any Person (other than the Purchaser) and will not result in a right of any holder of securities of the Company or any of its Subsidiaries to adjust the exercise, conversion, exchange or reset price under any of such securities. All of the outstanding shares of capital stock of the Company and its Subsidiaries are validly issued, fully paid and nonassessable, have been issued in compliance with all federal and state securities laws, and none of such outstanding shares was issued in violation of any preemptive rights or similar rights to subscribe for or purchase securities. No further approval or authorization of any stockholder, the Board of Directors or third party is required for the issuance and sale of the Shares. Except as disclosed in the SEC Reports or in any exhibit thereto, there are no stockholders agreements, voting agreements or other similar agreements with respect to the Company's or any of its Subsidiaries' capital stock to which the Company is a party or, to the knowledge of the Company, between or among any of the Company's stockholders.

(h) SEC Reports; Financial Statements. The Company has filed all reports, schedules, forms, statements and other documents required to be filed by the Company under the Securities Act and the Exchange Act, including pursuant to Section 13(a) or 15(d) thereof, for the three (3) years preceding the date hereof (or such shorter period as the Company was required by law or regulation to file such material) (the foregoing materials, including the exhibits thereto and documents incorporated by reference therein, being collectively referred to herein as the "SEC Reports") on a timely basis or has received a valid extension of such time of filing and has filed any such SEC Reports prior to the expiration of any such extension. As of their respective dates, the SEC Reports complied in all material respects with the requirements of the Securities Act and the Exchange Act, as applicable, and none of the SEC Reports, when filed, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Company has complied with the requirements of Rule 144(i)(2) and the Company's securities are not subject to the restrictions on the availability of Rule 144 for the resale of the Company's securities set forth in Rule 144(i). The financial statements of the Company included in the SEC Reports comply in all material respects with applicable accounting requirements and the rules and regulations of the Commission with respect thereto as in effect at the time of filing. Such financial statements have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis during the periods involved ("GAAP"), except as may be otherwise specified in such financial statements or the notes thereto and except that unaudited financial statements may not contain all footnotes required by GAAP, and fairly present in all material respects the financial position of the Company and its consolidated Subsidiaries as of and for the dates thereof and the results of operations and cash flows for the periods then ended, subject, in the case of unaudited statements, to normal, immaterial, year-end audit adjustments.

(i) Material Changes; Undisclosed Events, Liabilities or Developments. Since the date of the latest audited financial statements included within the SEC Reports, except as specifically disclosed in a subsequent SEC Report filed prior to the date hereof, (i) there has been no event, occurrence or development that has had or that could reasonably be expected to result in a Material Adverse Effect, (ii) the Company has not incurred any liabilities (contingent or otherwise) other than (A) trade payables and accrued expenses incurred in the ordinary course of business consistent with past practice and (B) liabilities not required to be reflected in the Company's financial statements pursuant to GAAP or disclosed in filings made with the Commission, (iii) the Company has not altered its method of accounting, (iv) the Company has not declared or made any dividend or distribution of cash or other property to its stockholders or purchased, redeemed or made any agreements to purchase or redeem any shares of its capital stock and (v) the Company has not issued any equity securities to any officer, director or Affiliate, except pursuant to existing Company stock option plans. The Company does not have pending before the Commission any request for confidential treatment of information. Except for the issuance of the Shares contemplated by this Agreement or as disclosed in the SEC Reports, no event, liability, fact, circumstance, occurrence or development has occurred or exists or is reasonably expected to occur or exist with respect to the Company or its Subsidiaries or their respective business, properties, operations, assets or financial condition that would be required to be disclosed by the Company under applicable securities laws at the time this representation is made or deemed made that has not been publicly disclosed at least one (1) Trading Day prior to the date that this representation is made.

(j) [Intentionally Omitted]

(k) [Intentionally Omitted]

(l) [Intentionally Omitted]

(m) [Intentionally Omitted]

(n) [Intentionally Omitted]

(o) [Intentionally Omitted]

(p) [Intentionally Omitted]

(q) [Intentionally Omitted]

(r) Sarbanes-Oxley; Internal Accounting Controls. The Company is in compliance with any and all applicable requirements of the Sarbanes-Oxley Act of 2002 that are effective as of the date hereof, and any and all applicable rules and regulations promulgated by the Commission thereunder that are effective as of the date hereof, except where the failure to be in compliance would not have a Material Adverse Effect. The Company and the Subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. The Company has established disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the Company and designed such disclosure controls and procedures to ensure that information required to be disclosed by the Company in the reports it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the Commission's rules and forms. The Company's certifying officers have evaluated the effectiveness of the Company's disclosure controls and procedures as of the end of the period covered by the Company's most recently filed periodic report under the Exchange Act (such date, the "Evaluation Date"). The Company presented in its most recently filed periodic report under the Exchange Act the conclusions of the certifying officers about the effectiveness of the disclosure controls and procedures based on their evaluations as of the Evaluation Date. Since the Evaluation Date, there have been no changes in the Company's internal control over financial reporting (as such term is defined in the Exchange Act) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

(s) Certain Fees. No brokerage or finder's fees or commissions are or will be payable by the Company to any broker, financial advisor or consultant, finder, placement agent, investment banker, bank or other Person with respect to the transactions contemplated by the Transaction Documents. The Purchaser shall have no obligation with respect to any fees or with respect to any claims made by or on behalf of other Persons for fees of a type contemplated in this Section that may be due in connection with the transactions contemplated by the Transaction Documents.

(t) Investment Company. The Company is not, and is not an Affiliate of, and immediately after receipt of payment for the Shares, will not be or be an Affiliate of, an "investment company" within the meaning of the Investment Company Act of 1940, as amended. The Company shall conduct its business in a manner so that it will not become an "investment company" subject to registration under the Investment Company Act of 1940, as amended.

(u) Registration Rights. Except as described in the SEC Reports, no Person has any right to cause the Company to effect the registration under the Securities Act of any securities of the Company.

(v) Listing and Maintenance Requirements. The Common Stock is registered pursuant to Section 12(b) or 12(g) of the Exchange Act, and the Company has taken no action designed to, or which to its knowledge is likely to have the effect of, terminating the registration of the Common Stock under the Exchange Act nor has the Company received any notification that the Commission is contemplating terminating such registration. The Company has not, in the 12 months preceding the date hereof, received notice from any Trading Market on which the Common Stock is or has been listed or quoted to the effect that the Company is not in compliance with the listing or maintenance requirements of such Trading Market. The Company is, and has no reason to believe that it will not in the foreseeable future continue to be, in compliance with all such listing and maintenance requirements.

(w) Application of Takeover Protections. There are no control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or other similar anti-takeover provision under the Company's certificate of incorporation (or similar charter documents) or the laws of its state of incorporation that is or could become applicable to the Purchaser as a result of the Purchaser and the Company fulfilling their obligations or exercising their rights under the Transaction Documents, including without limitation as a result of the Company's issuance of the Shares and the Purchaser' ownership of the Shares.

(x) [Intentionally Omitted]

(y) Solvency. Based on the consolidated financial condition of the Company as of the date hereof, after giving effect to the receipt by the Company of the proceeds from the sale of the Shares hereunder, (i) the fair saleable value of the Company's assets exceeds the amount that will be required to be paid on or in respect of the Company's existing debts and other liabilities (including known contingent liabilities) as they mature, (ii) the Company's assets do not constitute unreasonably small capital to carry on its business as now conducted and as proposed to be conducted including its capital needs taking into account the particular capital requirements of the business conducted by the Company, and projected capital requirements and capital availability thereof, and (iii) the current cash and cash equivalents of the Company, together with the proceeds the Company would receive, were it to liquidate all of its assets, after taking into account all anticipated uses of the cash, would be sufficient to pay all amounts on or in respect of its liabilities when such amounts are required to be paid. The Company does not intend to incur debts beyond its ability to pay such debts as they mature (taking into account the timing and amounts of cash to be payable on or in respect of its debt). The Company has no knowledge of any facts or circumstances which lead it to believe that it will file for reorganization or liquidation under the bankruptcy or reorganization laws of any jurisdiction within one year from the date hereof. The SEC Reports set forth as of the date hereof all outstanding secured and unsecured Indebtedness of the Company or any Subsidiary, or for which the Company or any Subsidiary has commitments. For the purposes of this Agreement, "Indebtedness" means (x) any liabilities for borrowed money or amounts owed in excess of $100,000 (other than trade accounts payable incurred in the ordinary course of business), (y) all guaranties, endorsements and other contingent obligations in respect of indebtedness of others, whether or not the same are or should be reflected in the Company's balance sheet (or the notes thereto), except guaranties by endorsement of negotiable instruments for deposit or collection or similar transactions in the ordinary course of business; and (z) the present value of any lease payments in excess of $100,000 due under leases required to be capitalized in accordance with GAAP. Neither the Company nor any Subsidiary is in default with respect to any Indebtedness.

(z) Tax Status. Except for matters that would not, individually or in the aggregate, have or reasonably be expected to result in a Material Adverse Effect, The Company and each Subsidiary (i) has made or filed all United States federal and state income and all foreign income and franchise tax returns, reports and declarations required by any jurisdiction to which it is subject, (ii) has paid all taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such returns, reports and declarations and (iii) has set aside on its books provision reasonably adequate for the payment of all material taxes for periods subsequent to the periods to which such returns, reports or declarations apply. There are no unpaid taxes in any material amount claimed to be due by the taxing authority of any jurisdiction, and the officers of the Company or of any Subsidiary know of no basis for any such claim.

(aa) Foreign Corrupt Practices. Neither the Company, nor to the knowledge of the Company after reasonable inquiry, any agent or other person acting on behalf of the Company, has (i) directly or indirectly, used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses related to foreign or domestic political activity, (ii) made any unlawful payment to foreign or domestic government officials or employees or to any foreign or domestic political parties or campaigns from corporate funds, (iii) failed to disclose fully any contribution made by the Company (or made by any person acting on its behalf of which the Company is aware) which is in violation of law, or (iv) violated in any material respect any provision of the Foreign Corrupt Practices Act of 1977, as amended (the "FCPA").

(bb) Acknowledgment Regarding Purchaser' Purchase of Shares. The Company acknowledges and agrees that the Purchaser is acting solely in the capacity of an arm's length purchaser with respect to the Transaction Documents and the transactions contemplated thereby. The Company further acknowledges that Purchaser is not acting as a financial advisor or fiduciary of the Company (or in any similar capacity) with respect to the Transaction Documents and the transactions contemplated thereby and any advice given by any Purchaser or any of their respective representatives or agents in connection with the Transaction Documents and the transactions contemplated thereby is merely incidental to the Purchaser' purchase of the Shares. The Company further represents to each Purchaser that the Company's decision to enter into this Agreement and the other Transaction Documents has been based solely on the independent evaluation of the transactions contemplated hereby by the Company and its representatives.

(cc) Acknowledgement Regarding Purchaser's Trading Activity. Anything in this Agreement or elsewhere herein to the contrary notwithstanding, it is understood and acknowledged by the Company that: (i) Purchaser has not been asked by the Company to agree, nor has any Purchaser agreed, to desist from purchasing or selling, long and/or short, securities of the Company, or "derivative" securities based on securities issued by the Company or to hold the Shares for any specified term; (ii) past or future open market or other transactions by Purchaser, specifically including, without limitation, Short Sales or "derivative" transactions, before or after the closing of this or future private placement transactions, may negatively impact the market price of the Company's publicly-traded securities; (iii) Purchaser, and counter-parties in "derivative" transactions to which Purchaser is a party, directly or indirectly, presently may have a "short" position in the Common Stock, and (iv) Purchaser shall not be deemed to have any affiliation with or control over any arm's length counter-party in any "derivative" transaction. The Company further understands and acknowledges that (y) Purchaser may engage in hedging activities at various times during the period that the Shares are outstanding and (z) such hedging activities (if any) could reduce the value of the existing stockholders' equity interests in the Company at and after the time that the hedging activities are being conducted.

(dd) Regulation M Compliance. The Company has not, and to its knowledge no one acting on its behalf has, (i) taken, directly or indirectly, any action designed to cause or to result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of any of the Shares, (ii) sold, bid for, purchased, or, paid any compensation for soliciting purchases of, any of the Shares, or (iii) paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company, other than, in the case of clauses (ii) and (iii), compensation paid to the Company's placement agent in connection with the placement of the Shares.

(ee) Office of Foreign Assets Control. Neither the Company nor, to the Company's knowledge, any director, officer, agent, employee or affiliate of the Company is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC").

(ff) Money Laundering. The operations of the Company are and have been conducted at all times in compliance with applicable financial record-keeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, applicable money laundering statutes and applicable rules and regulations thereunder (collectively, the "Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(gg) Reliance on Representations and Warranties in the Revenue Sharing and Securities Purchase Agreement. Purchaser is entitled to rely on the representations and warranties contained in Article IV of the RSSPA.

3.2 Representations and Warranties of the Purchaser. Purchaser hereby represents and warrants as of the date hereof to the Company as follows (unless as of a specific date therein):

(a) Organization; Authority. Purchaser is either an individual or an entity duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization with full right, corporate or partnership power and authority to enter into and to consummate the transactions contemplated by this Agreement and otherwise to carry out its obligations hereunder and thereunder. The execution and delivery of this Agreement and performance by such Purchaser of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate, partnership, limited liability company or similar action, as applicable, on the part of the Purchaser. Each Transaction Document to which it is a party has been duly executed by the Purchaser, and when delivered by the Purchaser in accordance with the terms hereof, will constitute the valid and legally binding obligation of the Purchaser, enforceable against it in accordance with its terms, except: (i) as limited by general equitable principles and applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally, (ii) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies and (iii) insofar as indemnification and contribution provisions may be limited by applicable law.

(b) Own Account. Purchaser is acquiring the Shares as principal for its own account and has no direct or indirect arrangement or understandings with any other Persons to distribute or regarding the distribution of such Shares in violation of the Securities Act or any applicable state securities law (this representation and warranty not limiting Purchaser's right to sell the Shares in compliance with applicable federal and state securities laws).

(c) Purchaser Status. At the time Purchaser was offered the Shares, it was, and as of the date hereof it is, either: (i) an "accredited investor" as defined in Rule 501(a)(1), (a)(2), (a)(3), (a)(7) or (a)(8) under the Securities Act or (ii) a "qualified institutional buyer" as defined in Rule 144A(a) under the Securities Act. Purchaser is not required to be registered as a broker-dealer under Section 15 of the Exchange Act.

(d) Certain Transactions and Confidentiality. Other than consummating the transactions contemplated hereunder, Purchaser has not, nor has any Person acting on behalf of or pursuant to any understanding with Purchaser, directly or indirectly executed any purchases or sales, including Short Sales, of the securities of the Company during the period commencing as of the time that Purchaser first received a term sheet (written or oral) as of the Company or any other Person representing the Company setting forth the material terms of the transactions contemplated hereunder and ending immediately prior to the execution hereof. Other than to other Persons party to this Agreement, Purchaser has maintained the confidentiality of all disclosures made to it in connection with this transaction (including the existence and terms of this transaction). Notwithstanding the foregoing, for avoidance of doubt, nothing contained herein shall constitute a representation or warranty, or preclude any actions, with respect to the identification of the availability of, or securing of, available shares to borrow in order to effect Short Sales or similar transactions in the future.

ARTICLE IV.
OTHER AGREEMENTS OF THE PARTIES

4.1 Transfer Restrictions.

(a) Purchaser agrees to the imprinting, so long as is required by this Section 4.1, of a legend on any of the Shares in the following form:

THIS SECURITY HAS NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, THE SUBSTANCE OF WHICH SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY. THIS SECURITY IS ALSO SUBJECT TO CERTAIN LOCK-UP AGREEMENT BY AND BETWEEN MARATHON PATENT GROUP, INC. AND DBD CREDIT FUNDING LLC DATED JANUARY 29, 2015.

(b) Upon expiration of the Lock-Up Agreement by and between the Company and the Purchaser dated as of the date hereof and following the delivery by the Purchaser to the Company or the Company's transfer agent of (i) a certificate representing Shares, (ii) a seller's representation letter, (iii) a broker's representation letter, the Company shall promptly instruct its counsel to issue a legal opinion for the removal of restrictive legend on such certificate and instruct its transfer agent to deliver to such Purchaser a certificate representing such Warrant Shares that is free from all restrictive and other legends within three Trading Days of such legal opinion.

(c) The Purchaser covenants that it will not execute any purchases or sales, including short sales, of any of the Company's securities during the period commencing with the date hereof and ending at such time as the end of the Lock-Up Period (as such term is defined in that certain Lock-Up Agreement, by and between Purchaser and the Company, dated as of the date hereof).

4.2 Furnishing of Information. Until the earlier of (i) the time the Purchaser no longer hold any Shares or (ii) five years from the date hereof, the Company covenants to timely file (or obtain extensions in respect thereof and file within the applicable grace period) all reports required to be filed by the Company after the date hereof pursuant to the Exchange Act and, if the Company is not required to file reports pursuant to the Exchange Act, it will prepare and furnish to the Purchaser and make publicly available in accordance with Rule 144(c) such information as is required for the Purchaser to sell the Shares, including without limitation, under Rule 144. The Company further covenants that it will take such further action as any holder of Shares may reasonably request, to the extent required from time to time to enable such Person to sell such Shares without registration under the Securities Act, including without limitation, within the requirements of the exemption provided by Rule 144.

4.3 Shareholder Rights Plan. No claim will be made or enforced by the Company or, with the consent of the Company, any other Person, that Purchaser is an "Acquiring Person" (or similar term) under any control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or similar anti-takeover plan or arrangement in effect or hereafter adopted by the Company, or that Purchaser could be deemed to trigger the provisions of any such plan or arrangement, by virtue of receiving Shares under the Transaction Documents or under any other agreement between the Company and the Purchaser. No control share acquisition, business combination, poison pill (including any distribution under a rights agreement) or similar anti-takeover plan or arrangement hereafter adopted by the Company shall limit the number of additional shares of Common Stock that the Purchaser may acquire.

4.4 Non-Public Information. Except with respect to the material terms and conditions of the transactions contemplated by the Transaction Documents, so long as Purchaser owns Shares of record, the Company covenants and agrees that neither it, nor any other Person acting on its behalf will provide Purchaser or its agents or counsel with any information that the Company believes constitutes material non-public information, unless prior thereto Purchaser shall have executed a written agreement with the Company regarding the confidentiality and use of such information. The Company understands and confirms that Purchaser shall be relying on the foregoing covenant in effecting transactions in securities of the Company.

4.5 Indemnification of Purchaser. Subject to the provisions of this Section 4.5, the Company will indemnify and hold Purchaser and its directors, officers, shareholders, members, partners, employees and agents (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title), each Person who controls Purchaser (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, shareholders, agents, members, partners or employees (and any other Persons with a functionally equivalent role of a Person holding such titles notwithstanding a lack of such title or any other title) of such controlling persons (each, a "Purchaser Party") harmless from any and all losses, liabilities, obligations, claims, contingencies, damages, costs and expenses, including all judgments, amounts paid in settlements, court costs and reasonable attorneys' fees and costs of investigation that any Purchaser Party may suffer or incur as a result of or relating to (a) any breach of any of the representations, warranties, covenants or agreements made by the Company in this Agreement or in the other Transaction Documents or (b) any action instituted against Purchaser in any capacity, or any of them or their respective Affiliates, by any stockholder of the Company who is not an Affiliate of Purchaser, with respect to any of the transactions contemplated by the Transaction Documents (unless such action is based upon a breach of Purchaser's representations, warranties or covenants under the Transaction Documents or any agreements or understandings Purchaser may have with any such stockholder or any violations by Purchaser of state or federal securities laws or any conduct by Purchaser which constitutes fraud, gross negligence, willful misconduct or malfeasance). If any action shall be brought against any Purchaser Party in respect of which indemnity may be sought pursuant to this Agreement, such Purchaser Party shall promptly notify the Company in writing, and the Company shall have the right to assume the defense thereof with counsel of its own choosing reasonably acceptable to the Purchaser Party. Any Purchaser Party shall have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Purchaser Party except to the extent that (i) the employment thereof has been specifically authorized by the Company in writing, (ii) the Company has failed after a reasonable period of time to assume such defense and to employ counsel or (iii) in such action there is, in the reasonable written opinion of counsel to the Purchaser furnished to the Company, a material conflict on any material issue between the position of the Company and the position of such Purchaser Party, in which case the Company shall be responsible for the reasonable fees and expenses of no more than one such separate counsel. The Company will not be liable to any Purchaser Party under this Agreement (y) for any settlement by a Purchaser Party effected without the Company's prior written consent, which shall not be unreasonably withheld or delayed; or (z) to the extent, but only to the extent that a loss, claim, damage or liability is attributable to any Purchaser Party's breach of any of the representations, warranties, covenants or agreements made by such Purchaser Party in this Agreement or in the other Transaction Documents. The indemnification required by this Section 4.5 shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or are incurred, but if the Purchaser Party is later determined not to be entitled to indemnification under this Section 4.5 or otherwise, the Purchaser Party will promptly return any moneys paid pursuant to this sentence. The indemnity agreements contained herein shall be in addition to any cause of action or similar right of any Purchaser Party against the Company or others, and any liabilities the Company may be subject to pursuant to law.

4.6 Reservation of Common Stock. As of the date hereof, the Company has reserved and the Company shall continue to reserve and keep available at all times, free of preemptive rights, a sufficient number of shares of Common Stock for the purpose of enabling the Company to issue Shares pursuant to this Agreement.

4.7 Listing of Common Stock. The Company hereby agrees to use commercially reasonable efforts to maintain the listing or quotation of the Common Stock on the Trading Market on which it is currently listed except if the Company moves its principal listing to another registered national securities exchange.

ARTICLE V.
MISCELLANEOUS

5.1 Fees and Expenses. Except as expressly set forth in the Transaction Documents to the contrary, each party shall pay the fees and expenses of its advisers, counsel, accountants and other experts, if any, and all other expenses incurred by such party incident to the negotiation, preparation, execution, delivery and performance of this Agreement.

5.2 Entire Agreement. The Transaction Documents, together with the exhibits and schedules thereto, contain the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules.

5.3 Notices. Any and all notices or other communications or deliveries required or permitted to be provided hereunder shall be in writing and shall be deemed given and effective on the earliest of: (a) the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number set forth on the signature pages attached hereto or by email attachment at the email address prior to 5:30 p.m. (Boston time) on a Trading Day, (b) the next Trading Day after the date of transmission, if such notice or communication is delivered via facsimile at the facsimile number or by email attachment at the email address set forth on the signature pages attached hereto on a day that is not a Trading Day or later than 5:30 p.m. (Boston time) on any Trading Day, (c) the second (2^{nd}) Trading Day following the date of mailing, if sent by U.S. nationally recognized overnight courier service or (d) upon actual receipt by the party to whom such notice is required to be given. The address for such notices and communications shall be as set forth on the signature pages attached hereto.

5.4 Amendments; Waivers. No provision of this Agreement may be waived, modified, supplemented or amended except in a written instrument signed, in the case of an amendment, by the Company and Purchaser or, in the case of a waiver, by the party against whom enforcement of any such waived provision is sought. No waiver of any default with respect to any provision, condition or requirement of this Agreement shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of any party to exercise any right hereunder in any manner impair the exercise of any such right.

5.5 Headings. The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

5.6 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their successors and permitted assigns. The Company may not assign this Agreement or any rights or obligations hereunder without the prior written consent of Purchaser (other than by merger). Purchaser may assign any or all of its rights under this Agreement to any Person to whom Purchaser assigns or transfers any Shares, provided that such transferee agrees in writing to be bound, with respect to the transferred Shares, by the provisions of the Transaction Documents that apply to the "Purchaser" and that such subsequent transferee shall have no rights under Section 5.4.

5.7 No Third-Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective successors and permitted assigns and is not for the benefit of, nor may any provision hereof be enforced by, any other Person, except as otherwise set forth in Section 4.5.

5.8 Governing Law. All questions concerning the construction, validity, enforcement and interpretation of the Transaction Documents shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Agreement and any other Transaction Documents (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the City of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, borough of Manhattan for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of any of the Transaction Documents), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is improper or is an inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Agreement and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any other manner permitted by law. If either party shall commence an action or proceeding to enforce any provisions of the Transaction Documents, then, in addition to the obligations of the Company under Section 4.5, the prevailing party in such action or proceeding shall be reimbursed by the other party for its reasonable attorneys' fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding.

5.9 Survival. The representations and warranties contained herein shall survive the Closing and the delivery of the Shares.

5.10 Execution. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party, it being understood that both parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

5.11 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

5.12 Replacement of Shares. If any certificate or instrument evidencing any Shares is mutilated, lost, stolen or destroyed, the Company shall issue or cause to be issued in exchange and substitution for and upon cancellation thereof (in the case of mutilation), or in lieu of and substitution therefor, a new certificate or instrument, but only upon receipt of evidence reasonably satisfactory to the Company of such loss, theft or destruction and, if requested by the Company, the posting of a customary bond. The applicant for a new certificate or instrument under such circumstances shall also pay any reasonable third-party costs (including customary indemnity) associated with the issuance of such replacement Shares.

5.13 Remedies. In addition to being entitled to exercise all rights provided herein or granted by law, including recovery of damages, each of the Purchaser and the Company will be entitled to specific performance under the Transaction Documents. The parties agree that monetary damages may not be adequate compensation for any loss incurred by reason of any breach of obligations contained in the Transaction Documents and hereby agree to waive and not to assert in any action for specific performance of any such obligation the defense that a remedy at law would be adequate.

5.14 Construction. The parties agree that each of them and/or their respective counsel has reviewed and had an opportunity to revise the Transaction Documents and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of the Transaction Documents or any amendments hereto. In addition, each and every reference to share prices and shares of Common Stock in any Transaction Document shall be subject to adjustment for reverse and forward stock splits, stock dividends, stock combinations and other similar transactions of the Common Stock that occur after the date of this Agreement.

5.15 **WAIVER OF JURY TRIAL. IN ANY ACTION, SUIT, OR PROCEEDING IN ANY JURISDICTION BROUGHT BY ANY PARTY AGAINST ANY OTHER PARTY, THE PARTIES EACH KNOWINGLY AND INTENTIONALLY, TO THE GREATEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND EXPRESSLY WAIVES FOREVER TRIAL BY JURY.**

(Signature Pages Follow)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

MARATHON PATENT GROUP, INC.

By: /s/ Doug Croxall
Name: Doug Croxall
Title: CEO

Address for Notice:
11100 Santa Monica Blvd., Ste. 380
Los Angeles, CA 90025
Fax: [__]
Email: [__]

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

Sichenzia Ross Friedman Ference LLP
61 Broadway, 32nd Floor
New York, NY 10006
Attention: Harvey J. Kesner, Esq.
Facsimile: (212) 930-9725
Email: hkesner@srff.com

[*Signature Page to Subscription Agreement*]

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be duly executed by their respective authorized signatories as of the date first indicated above.

DBD CREDIT FUNDING LLC

By: /s/ Constantine M. Dakolias
Name: Constantine M. Dakolias
Title: President

Address for Notice:
Intellectual Property Finance Group
Fortress Investment Group
One Market Plaza
Spear Tower, 42nd Floor
San Francisco, CA 94105
Attention: Yoni Shtein
Tel: (415) 284-7415
Email: yshtein@fortress.com
CC: jnoble@fortress.com

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

Ropes & Gray LLP
Prudential Tower
800 Boylston St
Boston, MA 02119-3600
Attention: Alyson Allen
Fax: (617) 951-7000
Email: alyson.allen@ropesgray.com

Exhibit 10.5

EXECUTION VERSION

SECURITY AGREEMENT

SECURITY AGREEMENT, dated as of January 29, 2015 (this **"Agreement"**), by and among Marathon Patent Group, Inc., the other undersigned grantors and each Additional Grantor (as herein defined) (collectively, **"Grantor"**) and DBD Credit Funding LLC, as collateral agent for the Secured Parties (as defined in the Revenue Sharing and Securities Purchase Agreement, as defined below) (in such capacity as collateral agent, the **"Collateral Agent"**).

RECITALS:

WHEREAS, reference is made to that certain Revenue Sharing and Securities Purchase Agreement, dated as of the date hereof (as it may be amended, restated, supplemented or otherwise modified from time to time, the **"Revenue Sharing and Securities Purchase Agreement"**), by and among the Grantor, the Purchasers party thereto from time to time and the Collateral Agent;

WHEREAS, in consideration of the purchase of the Notes, the Warrants and the Revenue Stream by Purchasers and the other accommodations of the Purchasers, in each case as set forth in the Revenue Sharing and Securities Purchase Agreement, Grantor has agreed to secure Grantor's obligations with respect to the payment in full and satisfaction of the Notes under the Revenue Sharing and Securities Purchase Agreement as set forth herein; and

NOW, THEREFORE, in consideration of the premises, agreements, provisions and covenants herein contained, and other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, Grantor and Collateral Agent agree as follows:

SECTION 1. DEFINITIONS.

1.1. General Definitions. In this Agreement, the following terms shall have the following meanings:

"Capital Stock" shall mean any and all shares, interests, participations or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership interests in a Person (other than a corporation), including, without limitation, partnership interests and membership interests, and any and all warrants, rights or options to purchase or other arrangements or rights to acquire any of the foregoing.

"Chattel Paper" shall mean all "chattel paper" as defined in Article 9 of the UCC, including, without limitation, "electronic chattel paper" or "tangible chattel paper", as each term is defined in Article 9 of the UCC.

"Collateral Support" shall mean all property (real or personal) assigned, hypothecated or otherwise securing any Collateral and shall include any security agreement or other agreement granting a lien or security interest in such real or personal property.

"Commercial Tort Claims" shall mean all "commercial tort claims" as defined in Article 9 of the UCC, including, without limitation, all commercial tort claims listed on Schedule 4.5 (as such schedule may be amended or supplemented from time to time).

"Commodities Accounts" shall mean all "commodity accounts" as defined in Article 9 of the UCC.

"Copyright Licenses" shall mean any and all agreements providing for the granting of any right in or to Copyrights (whether any Grantor is licensee or licensor thereunder) including, without limitation, each agreement referred to in Schedule 4.4.

"Copyrights" shall mean all United States, and foreign copyrights (including community designs), including, without limitation, copyrights in software and databases, and all Mask Works (as defined under 17 U.S.C. 901 of the U.S. Copyright Act), whether registered or unregistered, and, with respect to any and all of the foregoing: (i) all registrations and applications therefor including, without limitation, the registrations and applications referred to in Schedule 4.4, (ii) all extensions and renewals thereof, (iii) all rights corresponding thereto throughout the world, (iv) all rights to sue for past, present and future infringements thereof, and (v) all Proceeds of the foregoing, including, without limitation, licenses, royalties, income, payments, claims, damages and proceeds of suit.

"Deposit Accounts" shall mean all "deposit accounts" as defined in Article 9 of the UCC.

"Documents" shall have the meaning assigned to such term in the Revenue Sharing and Securities Purchase Agreement.

"Equipment" shall mean all "equipment" as defined in Article 9 of the UCC.

"Intellectual Property" shall mean, collectively, as owned, licensed or used in the business of each Grantor, the Copyrights, the Copyright Licenses, the Patents, the Patent Licenses, the Trademarks, the Trademark Licenses, the Trade Secrets, and the Trade Secret Licenses.

"General Intangibles" shall mean all "general intangibles" as defined in Article 9 of the UCC, including "payment intangibles" also as defined in Article 9 of the UCC.

"Goods" (i) shall mean all "goods" as defined in Article 9 of the UCC and (ii) shall include, without limitation, all Inventory and Equipment (in each case, regardless of whether characterized as goods under the UCC).

"Inventory" shall mean (i) all "inventory" as defined in Article 9 of the UCC; (ii) all goods held for sale or lease or to be furnished under contracts of service or so leased or furnished, all raw materials, work in process, finished goods, and materials used or consumed in the manufacture, packing, shipping, advertising, selling, leasing, furnishing or production of such inventory or otherwise used or consumed in any Grantor's business; (iii) all goods in which any Grantor has an interest in mass or a joint or other interest or right of any kind; and (iv) all goods which are returned to or repossessed by any Grantor, all computer programs embedded in any goods and all accessions thereto and products thereof (in each case, regardless of whether characterized as inventory under the UCC).

"Investment Accounts" shall mean the Securities Accounts, Commodities Accounts and Deposit Accounts.

"Investment Related Property" shall mean: (i) all "investment property" (as such term is defined in Article 9 of the UCC) and (ii) all of the following (regardless of whether classified as investment property under the UCC): all Pledged Equity Interests, Pledged Debt, the Investment Accounts and certificates of deposit.

"Instruments" shall mean all "instruments" as defined in Article 9 of the UCC.

"Patents" shall have the meaning assigned to such term in the Revenue Sharing and Securities Purchase Agreement.

"Patent Security Agreement" shall mean the patent security agreement executed by the parties substantially in the form of Exhibit B to perfect the Secured Parties' security interest in the Collateral pursuant to the terms and conditions of this Agreement.

"Permitted Liens" shall mean any Lien that is permitted to be incurred by Grantor under Section 6.8 of the Revenue Sharing and Securities Purchase Agreement.

"Pledged Debt" shall mean all Indebtedness owed to any Grantor, including, without limitation, all Indebtedness described on Schedule 4.2 under the heading "Pledged Debt", issued by the obligors named therein, the Instruments evidencing such Indebtedness, and all interest, cash, Instruments and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such Indebtedness.

"Pledged Equity Interests" shall mean all Pledged Stock, Pledged LLC Interests, Pledged Partnership Interests and Pledged Trust Interests.

"Pledged LLC Interests" shall mean all interests in any limited liability company owned by any Grantor including, without limitation, all limited liability company interests listed on Schedule 4.2 under the heading "Pledged LLC Interests" and the certificates, if any, representing such limited liability company interests and any interest of any Grantor on the books and records of such limited liability company or on the books and records of any securities intermediary pertaining to such interest and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such limited liability company interests.

"Pledged Partnership Interests" shall mean all interests in any general partnership, limited partnership, limited liability partnership or other partnership owned by any Grantor including, without limitation, all partnership interests listed on Schedule 4.2 under the heading "Pledged Partnership Interests" and the certificates, if any, representing such partnership interests and any interest of any Grantor on the books and records of such partnership or on the books and records of any securities intermediary pertaining to such interest and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such partnership interests.

"Pledged Stock" shall mean all shares of Capital Stock owned by any Grantor, including, without limitation, all shares of Capital Stock described on Schedule 4.2 under the heading "Pledged Stock", and the certificates, if any, representing such shares and any interest of any Grantor in the entries on the books of the issuer of such shares or on the books of any securities intermediary pertaining to such shares, and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such shares.

"Pledged Trust Interests" shall mean all interests in a Delaware business trust or other trust owned by any Grantor including, without limitation, all trust interests listed on Schedule 4.2 under the heading "Pledged Trust Interests" and the certificates, if any, representing such trust interests and any interest of any Grantor on the books and records of such trust or on the books and records of any securities intermediary pertaining to such interest and all dividends, distributions, cash, warrants, rights, options, instruments, securities and other property or proceeds from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such trust interests.

"Proceeds" shall mean: (i) all "proceeds" as defined in Article 9 of the UCC and (ii) whatever is receivable or received when Collateral or proceeds are sold, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary.

"Receivables" shall mean all rights to payment, whether or not earned by performance, for goods or other property sold, leased, licensed, assigned or otherwise disposed of, or services rendered or to be rendered, including, without limitation all such rights constituting or evidenced by any Account, Chattel Paper, Instrument, General Intangible or Investment Related Property, together with all of any Grantor's rights, if any, in any goods or other property giving rise to such right to payment and all Collateral Support and Supporting Obligations related thereto and all Receivables Records.

"Receivables Records" shall mean (i) all original copies of all documents, instruments or other writings or electronic records or other Records evidencing the Receivables, (ii) all books, correspondence, credit or other files, Records, ledger sheets or cards, invoices, and other papers relating to Receivables, including, without limitation, all tapes, cards, computer tapes, computer discs, computer runs, record keeping systems and other papers and documents relating to the Receivables, whether in the possession or under the control of any Grantor or any computer bureau or agent from time to time acting for any Grantor or otherwise, (iii) all evidences of the filing of financing statements and the registration of other instruments in connection therewith, and amendments, supplements or other modifications thereto, notices to other creditors or secured parties, and certificates, acknowledgments, or other writings, including, without limitation, lien search reports, from filing or other registration officers, (iv) all credit information, reports and memoranda relating thereto and (v) all other written or nonwritten forms of information related in any way to the foregoing or any Receivable.

"Securities Accounts" shall mean all "securities accounts" as defined in Article 8 of the UCC.

"Security Agreement Supplement" shall mean any supplement to this Agreement substantially in the form of Exhibit A.

"Supporting Obligation" shall mean all "supporting obligations" as defined in Article 9 of the UCC.

"Trademarks" shall mean all United States, state, territorial, provincial or foreign trademarks, trade names, corporate names, company names, business names, fictitious business names, internet domain names, trade styles, service marks, certification marks, collective marks, logos, other source or business identifiers, designs and general intangibles of a like nature, all registrations and applications for any of the foregoing including, without limitation: (i) the registrations and applications referred to in Schedule 4.4, (ii) all extensions or renewals of any of the foregoing, (iii) all of the goodwill of the business connected with the use of and symbolized by the foregoing, (iv) the right to sue for past, present and future infringement or dilution of any of the foregoing or for any injury to goodwill, and (v) all Proceeds of the foregoing, including, without limitation, licenses, royalties, income, payments, claims, damages, and proceeds of suit.

"Trademark Licenses" shall mean any and all agreements providing for the granting of any right in or to Trademarks (whether any Grantor is licensee or licensor thereunder), including, without limitation, each agreement referred to in Schedule 4.4.

"Trade Secret Licenses" shall mean any and all agreements providing for the granting of any right in or to Trade Secrets (whether any Grantor is licensee or licensor thereunder) including, without limitation, each agreement referred to in Schedule 4.4.

"Trade Secrets" shall mean all trade secrets and all other confidential or proprietary information and know-how now or hereafter owned or used in, or contemplated at any time for use in, the business of any Grantor, whether or not such Trade Secret has been reduced to a writing or other tangible form, including all documents and things embodying, incorporating, or referring in any way to such Trade Secret, including, without limitation: (i) the right to sue for past, present and future misappropriation or other violation of any Trade Secret, and (ii) all Proceeds of the foregoing, including, without limitation, licenses, royalties, income, payments, claims, damages, and proceeds of suit.

"UCC" means the Uniform Commercial Code as in effect from time to time in the State of New York *provided* that, if perfection or the effect of perfection or non-perfection or the priority of the security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, "UCC" means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof relating to such perfection, effect of perfection or non-perfection or priority.

"United States" shall mean the United States of America.

1.2. Definitions; Interpretation. All capitalized terms used herein (including the preamble and recitals hereto) but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Revenue Sharing and Securities Purchase Agreement or, if not defined therein, in the UCC. References to "Sections," "Exhibits" and "Schedules" shall be to sections, exhibits and schedules, as the case may be, of this Agreement unless otherwise specifically provided. The rules of construction specified in Section 1.2 of the Revenue Sharing and Securities Purchase Agreement also apply to this Agreement.

1.3. Schedules and Exhibits. This Agreement includes each of the following Schedules and Exhibits, all of which are incorporated into this Agreement by this reference, as each may be amended or supplemented from time to time in accordance with the terms and conditions here.

Schedule 4.1	Grantor Corporate Information
Schedule 4.2	Investment Related Property
Schedule 4.3	Description of Letters of Credit
Schedule 4.4	Intellectual Property
Schedule 4.5	Commercial Tort Claims
Exhibit A	Security Agreement Supplement
Exhibit B	Patent Security Agreement

SECTION 2. GRANT OF SECURITY.

2.1. Grant of Security. As security for the payment and performance in full of all of the Secured Obligations (as defined in Section 3.1), Grantor hereby grants to Collateral Agent, for the benefit of Secured Parties, a security interest and continuing lien on all of Grantor's right, title and interest in, to and under all personal property of Grantor, in each case whether now owned or existing or hereafter acquired or arising and wherever located, including the following (all of which are hereinafter collectively referred to as the **"Collateral"**):

(a) Accounts;

(b) the license agreements set forth on Schedule 4.5 of the Revenue Sharing and Securities Purchase Agreement (the "Existing Licenses");

(c) Chattel Paper;

(d) Documents;

(e) General Intangibles;

(f) Goods;

(g) Instruments;

(h) Insurance;

(i) Intellectual Property;

(j) Investment Related Property;

(k) Letter of Credit Rights;

(l) Money;

(m) Receivables and Receivable Records;

(n) Commercial Tort Claims described on Schedule 4.5 (as such schedule may be amended or supplemented from time to time);

(o) to the extent not otherwise included above, all Collateral Support and Supporting Obligations relating to any of the foregoing;

(p) to the extent not otherwise included above, all other tangible and intangible personal property of such Grantor, including, without limitation, all bank and other accounts and all cash, all investments and all other property from time to time deposited therein or otherwise credited thereto, all monies and property in the possession or under the control of any Agent or any Purchaser or any affiliate, representative, agent or correspondent of any Agent or any Purchaser, all proceeds, products, offspring, accessions, rents, profits, income, benefits, substitutions and replacements of and to any of the property of such Grantor described in the preceding clauses of this Section 2.1 (including, without limitation, any proceeds of insurance thereon and all causes of action, claims and warranties now or hereafter held by such Grantor in respect of any of the items listed above), and all books, correspondence, files and other Records, including, without limitation, all tapes, disks, cards, software, data and computer programs in the possession or under the control of such Grantor or any other Person from time to time acting for such Grantor; and

(q) to the extent not otherwise included above, all receivables, Proceeds, products, accessions, rents and profits of or in respect of any of the foregoing.

2.2. Certain Limited Exclusions. Notwithstanding anything herein to the contrary, in no event shall the security interest granted under Section 2.1 hereof attach to (a) any lease, license, contract, property rights or agreement to which any Grantor is a party or any of its rights or interests thereunder if and for so long as the grant of such security interest shall constitute or result in (i) the abandonment, invalidation or unenforceability of any right, title or interest of any Grantor therein (including, without limitation, by virtue of any law, rule or regulation applicable to such Grantor) or (ii) in a breach or termination pursuant to the terms of, or a default under, any such lease, license, contract, property rights or agreement (other than to the extent that any such term would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the UCC (or any successor provision or provisions) of any relevant jurisdiction or any other applicable law (including the Bankruptcy Code) or principles of equity); provided, however, that, in each case, such security interest shall attach immediately at such time as the condition causing such abandonment, invalidation or unenforceability shall be remedied and to the extent severable, shall attach immediately to any portion of such lease, license, contract, property rights or agreement that does not result in any of the consequences specified in (i) or (ii) above or (b) any intent-to-use (ITU) United States trademark application for which an amendment to allege use or statement of use has not been filed under 15 U.S.C. § 1051(c) or 15 U.S.C. § 1051(d), respectively, or, if filed, has not been deemed in conformance with 15 U.S.C. § 1051(a) or 15 U.S.C. § 1051(c) in each case, only to the extent the grant of security interest in such intent-to-use Trademark is in violation of 15 U.S.C. § 1060 and only unless and until a "Statement of Use" or "Amendment to Allege Use" is filed, has been deemed in conformance with 15 U.S.C. § 1051(a) and 15 U.S.C. § 1051(c) or examined and accepted, respectively, by the United States Patent and Trademark Office in which case such security interest shall attach immediately. Notwithstanding anything in this Section 2.2 to the contrary, the foregoing exclusions shall not in any way limit, impair or otherwise affect Collateral Agent's continuing Liens upon any rights or interests of Grantor in (A) monies due or to become due to Grantor in respect of such lease, license, contract, property rights agreement or other interests or (B) any and all Proceeds from the sale, transfer, assignment, license, lease or other dispositions of such lease, license, contract, property rights, agreements or other interests.

SECTION 3. SECURITY FOR OBLIGATIONS; GRANTORS REMAIN LIABLE.

3.1. Security for Obligations. This Agreement secures, and the Collateral is collateral security for, the prompt and complete payment or performance in full when due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including the payment of amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. § 362(a) (and any successor provision thereof)), of all obligations relating to the payment in full and satisfaction of the Notes with respect to Grantor, whether now existing or hereafter incurred (collectively, the **"Secured Obligations"**).

3.2. Continuing Liability Under Collateral. Notwithstanding anything herein to the contrary, (i) Grantor shall remain liable for all obligations under the Collateral and nothing contained herein is intended to or shall be a delegation of duties to Collateral Agent or any other Secured Party, (ii) Grantor shall remain liable under each of the agreements included in the Collateral and neither Collateral Agent nor any other Secured Party shall have any obligation or liability under any of such agreements by reason of or arising out of this Agreement and (iii) the exercise by Collateral Agent of any of its rights hereunder shall not release Grantor from any of its duties or obligations under the contracts and agreements included in the Collateral.

SECTION 4. REPRESENTATIONS AND WARRANTIES AND COVENANTS.

4.1. Generally.

(a) Representations and Warranties. Grantor hereby represents and warrants to Collateral Agent and each other Secured Party, as of the Closing Date and as of the date of each issuance of Notes, that:

(i) it owns the Collateral purported to be owned by it or otherwise has the rights it purports to have in each item of Collateral and, as to all Collateral whether now existing or hereafter acquired, will continue to own or have such rights in each item of the Collateral, in each case free and clear of any and all Liens, rights or claims of all other Persons other than Permitted Liens;

(ii) it has indicated on Schedule 4.1 (as such schedule may be amended or supplemented from time to time): (w) the type of organization of Grantor, (x) the jurisdiction of organization of Grantor, (y) its organizational identification number, if any, and (z) the jurisdiction where the chief executive office or its sole place of business is, and for the one-year period preceding the date hereof has been, located.

(iii) the full legal name of Grantor is as set forth on Schedule 4.1 and it has not done in the last five (5) years, and does not do, business under any other name (including any trade-name or fictitious business name) except for those names set forth on Schedule 4.1;

(iv) except as provided on Schedule 4.1, it has not changed its name, jurisdiction of organization, chief executive office or sole place of business or its corporate structure in any way (e.g., by merger, consolidation, change in corporate form or otherwise) within the past five (5) years;

(v) it has not become bound (whether as a result of merger or otherwise) as debtor under a security agreement entered into by another Person, which has not heretofore been terminated other than the agreements identified on Schedule 4.1 hereof;

(vi) (w) upon the filing of all UCC financing statements naming Grantor as "debtor" and Collateral Agent as "secured party" and describing the Collateral in the filing offices set forth opposite such Grantor's name on Schedule 4.1 hereof and other filings delivered by each Grantor, (x) upon delivery of all Instruments, Chattel Paper and certificated Pledged Equity Interests and Pledged Debt, along with corresponding stock powers, as applicable, (y) upon execution of a control agreement establishing Collateral Agent's "control" (within the meaning of Section 8-106, 9-106 or 9-104 of the UCC, as applicable) with respect to any Investment Account, and (z) to the extent perfection or priority of a security interest therein not subject to Article 9 of the UCC, upon recordation of the security interests granted hereunder in Patents, Trademarks, Copyrights and exclusive Copyright Licenses in the applicable intellectual property registries, including but not limited to the United States Patent and Trademark Office and the United States Copyright Office, the security interests granted to Collateral Agent hereunder shall constitute valid and perfected first priority Liens (subject in the case of priority only to Permitted Liens) on such Collateral;

(vii) all actions and consents, including all filings, notices, registrations and recordings necessary or desirable for the exercise by Collateral Agent of the voting or other rights provided for in this Agreement or the exercise of remedies in respect of the Collateral have been made or obtained;

(viii) other than the financing statements filed in favor of Collateral Agent, no effective UCC financing statement, fixture filing or other instrument similar in effect under any applicable law covering all or any part of the Collateral is on file in any filing or recording office except for (A) financing statements for which proper termination statements have been delivered to Collateral Agent for filing and (B) financing statements filed in connection with Permitted Liens; and

(ix) no authorization, approval or other action by, and no notice to or filing with, any Governmental Authority or regulatory body is required for either (i) the pledge or grant by any Grantor of the Liens purported to be created in favor of Collateral Agent hereunder or (ii) the exercise by Collateral Agent of any rights or remedies in respect of any Collateral (whether specifically granted or created hereunder or created or provided for by applicable law), except (A) for the filings contemplated by clause (vi) above and (B) as may be required, in connection with the disposition of any Investment Related Property, by laws generally affecting the offering and sale of securities.

(b) Covenants and Agreements. Grantor hereby covenants and agrees with Collateral Agent and each other Secured Party that:

(i) it shall not change Grantor's name, identity, corporate structure (e.g., by merger, consolidation, change in corporate form or otherwise) sole place of business, chief executive office, type of organization or jurisdiction of organization or establish any trade names unless it shall have (A) notified Collateral Agent in writing, by executing and delivering to Collateral Agent a completed Security Agreement Supplement, together with all Supplements to Schedules thereto, at least fifteen (15) Business Days prior to any such change or establishment, identifying such new proposed name, identity, corporate structure, sole place of business, chief executive office, jurisdiction of organization or trade name and providing such other information in connection therewith as Collateral Agent may reasonably request and (B) taken all actions necessary or advisable to maintain the continuous validity, perfection and the same or better priority of Collateral Agent's security interest in the Collateral intended to be granted and agreed to hereby; and

(ii) it shall not take or permit any action which could impair Collateral Agent's rights in the Collateral.

4.2. Investment Related Property.

4.2.1. Investment Related Property Generally

(a) Covenants and Agreements. Each Grantor hereby covenants and agrees with Collateral Agent and each other Secured Party that:

(i) in the event it acquires rights in any Investment Related Property after the date hereof, it shall deliver to Collateral Agent a completed Security Agreement Supplement, together with all Supplements to Schedules thereto, reflecting such new Investment Related Property and all other Investment Related Property. Notwithstanding the foregoing, each Grantor agrees that the security interest of Collateral Agent shall attach to all Investment Related Property immediately upon any Grantor's acquisition of rights therein and shall not be affected by the failure of any Grantor to deliver a supplement to Schedule 4.2 as required hereby;

(ii) except as provided in the next sentence, in the event such Grantor receives any dividends, interest or distributions on any Investment Related Property, or any securities or other property upon the merger, consolidation, liquidation or dissolution of any issuer of any Investment Related Property, then (a) such dividends, interest or distributions and securities or other property shall be included in the definition of Collateral without further action and (b) such Grantor shall within fifteen (15) Business Days take all steps, if any, reasonably requested by Collateral Agent to ensure the validity, perfection, priority and, if applicable, control of Collateral Agent over such Investment Related Property (including, without limitation, delivery thereof to Collateral Agent) and pending any such action such Grantor shall be deemed to hold such dividends, interest, distributions, securities or other property in trust for the benefit of Collateral Agent and the same shall be segregated from all other property of such Grantor. Notwithstanding the foregoing, so long as no Event of Default shall have occurred and be continuing, Collateral Agent authorizes each Grantor to retain all ordinary cash dividends and distributions paid in the normal course of the business of the issuer and consistent with the past practice of the issuer and all scheduled payments of interest, in each case, solely to the extent the same is expressly permitted by the terms and provisions of the Revenue Sharing and Securities Purchase Agreement;

(iii) each Grantor consents to the grant by each other Grantor of a security interest in all Investment Related Property to Collateral Agent.

(b) Delivery and Control. Each Grantor agrees that with respect to any Investment Related Property in which it currently has rights it shall comply with the provisions of this Section 4.2.1(b) on or before the Closing Date and with respect to any Investment Related Property hereafter acquired by such Grantor it shall comply with the provisions of this Section 4.2.1(b) promptly, and in any event with in three (3) Business Days, upon acquiring rights therein, in each case in form and substance satisfactory to Collateral Agent. With respect to any Investment Related Property that is represented by a certificate or that is an "instrument" with a face value in excess of $200,000 (other than any Investment Related Property credited to a Securities Account) it shall cause such certificate or instrument to be delivered to Collateral Agent, indorsed in blank by an "effective indorsement" (as defined in Section 8-107 of the UCC), regardless of whether such certificate constitutes a "certificated security" for purposes of the UCC. With respect to any Investment Related Property that is an "uncertificated security" for purposes of the UCC (other than any "uncertificated securities" credited to a Securities Account), it shall cause the issuer of such uncertificated security if such issuer is a subsidiary of such Grantor or controlled by such Grantor to either (i) register Collateral Agent as the registered owner thereof on the books and records of the issuer or (ii) execute an agreement substantially in a form reasonably acceptable to the Collateral Agent, pursuant to which such issuer agrees to comply with Collateral Agent's instructions with respect to such uncertificated security without further consent by such Grantor.

(c) Voting and Distributions.

(i) So long as no Event of Default shall have occurred and be continuing:

(1) except as otherwise provided under the covenants and agreements relating to Investment Related Property in this Agreement or elsewhere herein or in the Revenue Sharing and Securities Purchase Agreement, each Grantor shall be entitled to exercise or refrain from exercising any and all voting and other consensual rights pertaining to the Investment Related Property or any part thereof for any purpose not inconsistent with the terms of this Agreement or the Revenue Sharing and Securities Purchase Agreement; it being understood, however, that neither the voting by such Grantor of any Pledged Equity Interest for, or such Grantor's consent to, the election of directors (or similar governing body) at a regularly scheduled annual or other meeting of stockholders, members or partners or with respect to incidental matters at any such meeting, nor such Grantor's consent to or approval of any action otherwise permitted under this Agreement and the Revenue Sharing and Securities Purchase Agreement, shall be deemed inconsistent with the terms of this Agreement or the Revenue Sharing and Securities Purchase Agreement within the meaning of this Section 4.2.1(c)(i)(1), and no notice of any such voting or consent need be given to Collateral Agent; and

(2) Collateral Agent shall promptly execute and deliver (or cause to be executed and delivered) to each Grantor all proxies and other instruments as such Grantor may from time to time reasonably request for the purpose of enabling such Grantor to exercise the voting and other consensual rights when and to the extent which it is entitled to exercise pursuant to clause (1) above;

(ii) Upon the occurrence and during the continuation of an Event of Default:

(1) all rights of each Grantor to exercise or refrain from exercising the voting and other consensual rights which it would otherwise be entitled to exercise pursuant hereto shall cease and all such rights shall thereupon become vested in Collateral Agent who shall thereupon have the sole right to exercise such voting and other consensual rights; and

(2) in order to permit Collateral Agent to exercise the voting and other consensual rights which it may be entitled to exercise pursuant hereto and to receive all dividends and other distributions which it may be entitled to receive hereunder: (A) each Grantor shall promptly execute and deliver (or cause to be executed and delivered) to Collateral Agent all proxies, dividend payment orders and other instruments as Collateral Agent may from time to time reasonably request and (B) each Grantor acknowledges that Collateral Agent may utilize the power of attorney set forth in Section 6.1.

4.2.2. Pledged Equity Interests

(a) Representations and Warranties. Grantor hereby represents and warrants to Collateral Agent and each other Secured Party, as of the Closing Date and as of the date of each issuance of Notes, that:

(i) Schedule 4.2 sets forth under the headings "Pledged Stock," "Pledged LLC Interests," "Pledged Partnership Interests" and "Pledged Trust Interests," respectively, all of the Pledged Stock, Pledged LLC Interests, Pledged Partnership Interests and Pledged Trust Interests owned by any Grantor and such Pledged Equity Interests constitute the percentage of issued and outstanding shares of stock, percentage of membership interests, percentage of partnership interests or percentage of beneficial interest of the respective issuers thereof indicated on such Schedule;

(ii) except as set forth on Schedule 4.2, it has not acquired any Capital Stock or securities of another entity or all or substantially all the assets of another entity, or merged with another entity, within the past five (5) years;

(iii) it is the record and beneficial owner of the Pledged Equity Interests free of all Liens, rights or claims of other Persons other than Permitted Liens and, except as set forth on Schedule 4.2, there are no outstanding warrants, options or other rights to purchase, or shareholder, voting trust or similar agreements outstanding with respect to, or property that is convertible into, or that requires the issuance or sale of, any Pledged Equity Interests;

(iv) without limiting the generality of any of the foregoing, no consent of any Person including any other general or limited partner, any other member of a limited liability company, any other shareholder or any other trust beneficiary is necessary or desirable in connection with the creation, perfection or first priority status of the security interest of Collateral Agent in any Pledged Equity Interests or the exercise by Collateral Agent of the voting or other rights provided for in this Agreement or the exercise of remedies in respect thereof; and

(v) none of the Pledged LLC Interests nor Pledged Partnership Interests are or represent interests in issuers that: (a) are registered as investment companies or (b) are dealt in or traded on securities exchanges or markets or (c) have opted to be treated as securities under the uniform commercial code of any jurisdiction.

(b) Covenants and Agreements. Each Grantor hereby covenants and agrees that:

(i) other than as permitted under the Revenue Sharing and Securities Purchase Agreement, without the prior written consent of Collateral Agent, it shall not vote to enable or take any other action to: (a) amend or terminate any partnership agreement, limited liability company agreement, certificate of incorporation, by-laws or other organizational documents in any way that materially and adversely changes the rights of such Grantor with respect to any Investment Related Property, taken as a whole or adversely affects the validity, perfection or priority of Collateral Agent's security interest, (b) permit any issuer of any Pledged Equity Interest to issue any additional stock, partnership interests, limited liability company interests or other Capital Stock or securities of any nature or to issue securities convertible into or granting the right of purchase or exchange for any stock or other Capital Stock or securities of any nature of such issuer, (c) other than as permitted under the Revenue Sharing and Securities Purchase Agreement, permit any issuer of any Pledged Equity Interest to dispose of all or a material portion of their assets, (d) waive any default under or breach of any terms of organizational documents relating to the issuer of any Pledged Equity Interest or the terms of any Pledged Debt, or (e) cause any issuer of any Pledged Partnership Interests or Pledged LLC Interests which are not securities (for purposes of the UCC) on the date hereof to elect or otherwise take any action to cause such Pledged Partnership Interests or Pledged LLC Interests to be treated as securities for purposes of the UCC; provided, however, notwithstanding the foregoing, if any issuer of any Pledged Partnership Interests or Pledged LLC Interests takes any such action in violation of the foregoing in this clause (e), such Grantor shall promptly notify Collateral Agent in writing of any such election or action and, in such event, shall take all steps necessary or advisable to establish Collateral Agent's "control" thereof;

(ii) it shall comply with all of its obligations under any partnership agreement or limited liability company agreement relating to Pledged Partnership Interests or Pledged LLC Interests and shall enforce all of its rights with respect to any Investment Related Property;

(iii) other than as permitted under the Revenue Sharing and Securities Purchase Agreement, without the prior written consent of Collateral Agent, it shall not vote to enable or take any other action to permit any issuer of any Pledged Equity Interest to merge or consolidate unless (i) such issuer creates a security interest that is perfected by a filed financing statement (that is not effective solely under Section 9-508 of the UCC) in collateral in which such new debtor has or acquires rights, and (ii) all the outstanding Capital Stock or securities of the surviving or resulting corporation, limited liability company, partnership or other entity is, upon such merger or consolidation, pledged hereunder and no cash, securities or other property is distributed in respect of the outstanding equity interests of any other constituent Grantor; and

(iv) each Grantor consents to the grant by each other Grantor of a security interest in all Investment Related Property to Collateral Agent and, without limiting the foregoing, consents to the transfer of any Pledged Partnership Interest and any Pledged LLC Interest to Collateral Agent or its nominee upon following the occurrence and during the continuation of an Event of Default and to the substitution of Collateral Agent or its nominee as a partner in any partnership or as a member in any limited liability company with all the rights and powers related thereto.

4.2.3. Pledged Debt

(a) Representations and Warranties. Each Grantor hereby represents and warrants to Collateral Agent and each other Secured Party, as of the Closing Date and as of the date of each issuance of Notes, that Schedule 4.2 sets forth under the heading "Pledged Debt" all of the Pledged Debt owned by any Grantor and all of such Pledged Debt has been duly authorized, authenticated or issued, and delivered and (i) is the legal, valid and binding obligation of the issuers thereof (subject to bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditors' rights generally or by equitable principles relating to enforceability) and (ii) is not in default and constitutes all of the issued and outstanding inter-company Indebtedness.

(b) Covenants and Agreements. Each Grantor hereby covenants and agrees with Collateral Agent and each other Secured Party that it shall notify Collateral Agent of any default under any Pledged Debt that has caused, either in any individual case or in the aggregate, a Material Adverse Effect.

4.2.4. Investment Accounts

(a) Representations and Warranties. Grantor hereby represents and warrants to Collateral Agent and each other Secured Party, as of the Closing Date and as of the date of each issuance of Notes, that:

(i) Schedule 4.2 hereto sets forth under the headings "Securities Accounts" and "Commodities Accounts," respectively, all of the Securities Accounts and Commodities Accounts in which each Grantor has an interest. Each Grantor is the sole entitlement holder of each such Securities Account and Commodity Account, and such Grantor has not consented to, and is not otherwise aware of, any Person (other than Collateral Agent or with respect to Permitted Liens) having "control" (within the meanings of Sections 8-106 and 9-106 of the UCC) over, or any other interest in, any such Securities Account or Commodity Account or securities or other property credited thereto;

(ii) Schedule 4.2 hereto sets forth under the headings "Deposit Accounts" all of the Deposit Accounts in which each Grantor has an interest. Each Grantor is the sole account holder of each such Deposit Account and such Grantor has not consented to, and is not otherwise aware of, any Person (other than Collateral Agent or with respect to Permitted Liens, the bank or other depositary institution at which such Deposit Account is maintained) having either sole dominion and control (within the meaning of common law) or "control" (within the meanings of Section 9-104 of the UCC) over, or any other interest in, any such Deposit Account or any money or other property deposited therein; and

(iii) Each Grantor has taken all actions necessary or desirable, including those specified in Section 4.2.4(c), to: (a) establish Collateral Agent's "control" (within the meanings of Sections 8-106 and 9-106 of the UCC) over any portion of the Investment Related Property constituting Certificated Securities, Uncertificated Securities, Securities Accounts, Securities Entitlements or Commodities Accounts (each as defined in the UCC); (b) establish Collateral Agent's "control" (within the meaning of Section 9-104 of the UCC) over all Deposit Accounts; and (c) deliver all Instruments to Collateral Agent.

(b) Covenant and Agreement. Each Grantor hereby covenants and agrees with Collateral Agent and each other Secured Party that it shall not close or terminate any Investment Account without the prior consent of Collateral Agent and unless a successor or replacement account has been established with the consent of Collateral Agent with respect to which successor or replacement account a control agreement has been entered into by the appropriate Grantor, Collateral Agent and securities intermediary or depository institution at which such successor or replacement account is to be maintained in accordance with the provisions of Section 4.2.4(c).

(c) Delivery and Control

(i) With respect to any Investment Related Property consisting of Securities Accounts or Securities Entitlements, it shall cause the securities intermediary maintaining such Securities Account or Securities Entitlement to enter into an agreement in a form reasonably satisfactory to the Collateral Agent pursuant to which it shall agree to comply with Collateral Agent's "entitlement orders" without further consent by such Grantor. With respect to any Investment Related Property that is a "Deposit Account", it shall cause the depositary institution maintaining such account to enter into an agreement in a form reasonably satisfactory to Collateral Agent, pursuant to which Collateral Agent shall have "control" (within the meaning of Section 9-104 of the UCC) over such Deposit Account. Each Grantor shall have used best efforts to have entered into such control agreement or agreements with respect to: (i) any Securities Accounts, Securities Entitlements or Deposit Accounts that exist on the Closing Date, within 60 days after the Closing Date and (ii) any Securities Accounts, Securities Entitlements or Deposit Accounts that are created or acquired after the Closing Date, as of or prior to the deposit or transfer of any such Securities Entitlements or funds, whether constituting moneys or investments, into such Securities Accounts or Deposit Accounts; and

(ii) In addition to the foregoing, if any issuer of any Investment Related Property is located in a jurisdiction outside of the United States, each Grantor shall take such additional actions, including, without limitation, causing the issuer to register the pledge on its books and records or making such filings or recordings, in each case as may be necessary or advisable, under the laws of such issuer's jurisdiction to insure the validity, perfection and priority of the security interest of Collateral Agent. Upon the occurrence and during the continuation of an Event of Default, Collateral Agent shall have the right, without notice to any Grantor, to transfer all or any portion of the Investment Related Property to its name or the name of its nominee or agent. In addition, Collateral Agent shall have the right at any time, without notice to any Grantor, to exchange any certificates or instruments representing any Investment Related Property for certificates or instruments of smaller or larger denominations.

4.3. Letter of Credit Rights.

(a) Representations and Warranties. Grantor hereby represents and warrants to Collateral Agent and each other Secured Party, as of the Closing Date and as of the date of each issuance of Notes, that:

(i) all letters of credit to which such Grantor has rights are listed on Schedule 4.3 hereto; and

(ii) it has obtained the consent of each issuer of any material letter of credit to the assignment of the proceeds of the letter of credit to Collateral Agent.

(b) Covenants and Agreements. Each Grantor hereby covenants and agrees with Collateral Agent and each other Secured Party that with respect to any material letter of credit hereafter arising it shall obtain the consent of the issuer thereof to the assignment of the proceeds of the letter of credit to Collateral Agent and shall deliver to Collateral Agent a completed Security Agreement Supplement, together with all Supplements to Schedules thereto.

4.4. Intellectual Property.

(a) Representations and Warranties. Except as disclosed in Schedule 4.4, Grantor hereby represents and warrants to Collateral Agent and each other Secured Party, as of the Closing Date and as of the date of each issuance of Notes, that:

(i) Schedule 4.4 sets forth a true and complete list of all United States, state and foreign registrations of and applications for the Patents and the other Intellectual Property;

(ii) it is the sole and exclusive owner of the entire right, title, and interest in and to all of the Intellectual Property listed on Schedule 4.4, free and clear of all Liens, claims, encumbrances and licenses, except for Permitted Liens and the Existing Licenses set forth on Schedule 4.5 of the Revenue Sharing and Securities Purchase Agreement; and

(iii) all registrations and applications for Patents of Grantor are standing in the name of Grantor, and none of such Patents has been licensed by any Grantor to any Affiliate or third party, except as disclosed in Schedule 4.4.

(b) Covenants and Agreements. Each Grantor hereby covenants and agrees with Collateral Agent and each other Secured Party that it will update Schedule 4.4 within 15 days following the completion of each fiscal quarter if such Grantor has acquired additional Intellectual Property during such fiscal quarter, and it shall execute and deliver a Patent Security Agreement with respect to any Patents not previously subject to a Patent Security Agreement.

4.5. Commercial Tort Claims.

(a) Representations and Warranties. Each Grantor hereby represents and warrants to Collateral Agent and each other Secured Party, as of the Closing Date and as of the date of each issuance of Notes, that Schedule 4.5 (as such schedule may be amended or supplemented from time to time) sets forth all Commercial Tort Claims of each Grantor.

(b) Covenants and Agreements. Each Grantor hereby covenants and agrees with Collateral Agent and each other Secured Party that prior to the initiation of any Commercial Tort Claim hereafter arising it shall deliver to the Collateral Agent a completed Security Agreement Supplement, together with all Supplements to Schedules thereto, identifying such new Commercial Tort Claims and granting a security interest therein to the Collateral Agent.

SECTION 5. FURTHER ASSURANCES; ADDITIONAL GRANTORS.

5.1. Further Assurances.

(a) Grantor agrees that from time to time, at the expense of Grantor, it shall promptly execute and deliver all further instruments and documents, and take all further action, that may be reasonably necessary or desirable, or that Collateral Agent may reasonably request, in order to create and/or maintain the validity, perfection or priority of and protect any security interest granted or purported to be granted hereby or to enable Collateral Agent to exercise and enforce its rights and remedies hereunder with respect to any Collateral. Without limiting the generality of the foregoing, Grantor shall:

(i) file or authorize the filing of such financing or continuation statements, or amendments thereto, and execute and deliver such other agreements, instruments, endorsements, powers of attorney or notices, as may be reasonably necessary or desirable, or as Collateral Agent may reasonably request, in order to perfect and preserve the security interests granted or purported to be granted hereby;

(ii) take all actions necessary to ensure the recordation of appropriate evidence of the liens and security interest granted hereunder in the Intellectual Property with any intellectual property registry in which said Intellectual Property are registered or in which an application for registration is pending including, without limitation, the United States Patent and Trademark Office, the United States Copyright Office, the various Secretaries of State, and the foreign counterparts of any of the foregoing; and

(iii) at Collateral Agent's reasonable request, appear in and defend any action or proceeding that may affect Grantor's title to or Collateral Agent's security interest in all or any part of the Collateral.

(b) Grantor hereby authorizes Collateral Agent to file a Record or Records, including, without limitation, financing or continuation statements, and amendments thereto, in any jurisdictions and with any filing offices as Collateral Agent may determine, in its sole discretion, are necessary to perfect the security interest granted to Collateral Agent herein. Such financing statements may describe the Collateral in the same manner as described herein or may contain an indication or description of collateral that describes such property in any other manner as Collateral Agent may determine, in its sole discretion, is necessary, advisable or prudent to ensure the perfection of the security interest in the Collateral granted to Collateral Agent herein, including, without limitation, describing such property as "all assets" or "all personal property, whether now owned or hereafter acquired." Grantor shall furnish to Collateral Agent from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as Collateral Agent may reasonably request, all in reasonable detail.

(c) Grantor hereby authorizes Collateral Agent to amend Schedule 4.4 to include reference to any right, title or interest in any existing Intellectual Property or any Intellectual Property acquired or developed by any Grantor after the execution hereof or to delete any reference to any right, title or interest in any Intellectual Property in which any Grantor no longer has or claims any right, title or interest.

5.2. Additional Grantors. From time to time subsequent to the date hereof, additional Persons may become parties hereto as additional Grantors (each, an **"Additional Grantor"**), by executing a supplement to this agreement in form and substance satisfactory to the Collateral Agent. Upon delivery of any such supplement to Collateral Agent, notice of which is hereby waived by Grantors, each Additional Grantor shall be a Grantor and shall be as fully a party hereto as if Additional Grantor were an original signatory hereto. Each Grantor expressly agrees that its obligations arising hereunder shall not be affected or diminished by the addition or release of any other Grantor hereunder, nor by any election of Collateral Agent not to cause any Subsidiary of any Grantor to become an Additional Grantor hereunder. This Agreement shall be fully effective as to any Grantor that is or becomes a party hereto regardless of whether any other Person becomes or fails to become or ceases to be a Grantor hereunder.

SECTION 6. COLLATERAL AGENT APPOINTED ATTORNEY-IN-FACT.

6.1. Power of Attorney. Grantor hereby irrevocably appoints Collateral Agent (such appointment being coupled with an interest) as Grantor's attorney-in-fact, with full authority in the place and stead of Grantor and in the name of Grantor, Collateral Agent or otherwise, from time to time in Collateral Agent's discretion to take any action and to execute any instrument that Collateral Agent may deem reasonably necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, the following:

(a) upon the occurrence and during the continuance of any Event of Default, to ask for, demand, collect, sue for, recover, compound, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Collateral;

(b) upon the occurrence and during the continuance of any Event of Default, to receive, endorse and collect any drafts or other instruments, documents and chattel paper in connection with clause (a) above;

(c) upon the occurrence and during the continuance of any Event of Default, to file any claims or take any action or institute any proceedings that Collateral Agent may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce the rights of Collateral Agent with respect to any of the Collateral;

(d) to prepare and file any UCC financing statements and continuations and amendments thereof against Grantor as debtor;

(e) to prepare, sign, and file for recordation in any intellectual property registry, appropriate evidence of the lien and security interest granted herein in the Intellectual Property in the name of Grantor as assignor or debtor;

(f) to take or cause to be taken all actions necessary to perform or comply or cause performance or compliance with the terms of this Agreement, including, without limitation, access to pay or discharge taxes or Liens (other than Permitted Liens) levied or placed upon or threatened against the Collateral, the legality or validity thereof and the amounts necessary to discharge the same to be determined by Collateral Agent in its sole discretion, any such payments made by Collateral Agent to become obligations of Grantor to Collateral Agent, due and payable immediately without demand; and

(g) upon the occurrence and during the continuation of an Event of Default, generally to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though Collateral Agent were the absolute owner thereof for all purposes, and to do, at Collateral Agent's option and Grantor's expense, at any time or from time to time, all acts and things that Collateral Agent deems reasonably necessary to protect, preserve or realize upon the Collateral and Collateral Agent's security interest therein in order to effect the intent of this Agreement, all as fully and effectively as Grantor might do.

6.2. No Duty on the Part of Collateral Agent or Secured Parties. The powers conferred on Collateral Agent hereunder are solely to protect the interests of the Secured Parties in the Collateral and shall not impose any duty upon Collateral Agent or any Secured Party to exercise any such powers. Collateral Agent and the Secured Parties shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their respective officers, directors, employees or agents shall be responsible to Grantor for any act or failure to act hereunder, except for their own gross negligence or willful misconduct as determined by a final, non-appealable judgment of a court of competent jurisdiction.

SECTION 7. REMEDIES.

7.1. Generally.

(a) If any Event of Default shall have occurred and be continuing, Collateral Agent may exercise in respect of the Collateral, in addition to all other rights and remedies provided for herein or otherwise available to it at law or in equity, all the rights and remedies of Collateral Agent on default under the UCC (whether or not the UCC applies to the affected Collateral) to collect, enforce or satisfy any Secured Obligations then owing, whether by acceleration or otherwise, and also may, without notice except as required under the UCC, exercise its rights under Section 2.11 of the Revenue Sharing and Securities Purchase Agreement and sell, assign, lease, license (on an exclusive or nonexclusive basis) or otherwise dispose of the Collateral or any part thereof in one or more parcels at public or private sale, at any of Collateral Agent's offices or elsewhere, for cash, on credit or for future delivery, at such time or times and at such price or prices and upon such other terms as Collateral Agent may deem commercially reasonable, provided however, that any such exercise of remedies (including any sale, assignment or disposition of Patents or any rights in any Patents) shall be subject to (1) the required grant by Purchasers and the Collateral Agent to the Grantor a non-exclusive, royalty-free, world-wide license (with the right to sublicense to third parties under the Existing Licenses and the sale of proprietary products and any other licenses entered into in compliance with this Agreement) to the Patents pursuant to the proviso at the end of Section 7.2 of the Revenue Sharing and Securities Purchase Agreement and (2) the Purchasers and Collateral Agent obtaining and delivering to Grantor a written acknowledgement and agreement of the applicable transferee or assignee as required pursuant to the proviso at the end of Section 7.2 of the Revenue Sharing and Securities Purchase Agreement.

(b) In connection with the exercise of remedies pursuant to Section 7.1(a) of this Agreement, Collateral Agent or any other Secured Party may be the purchaser of any or all of the Collateral at any public or private (to the extent that the portion of the Collateral being privately sold is of a kind that is customarily sold on a recognized market or the subject of widely distributed standard price quotations) sale in accordance with the UCC and Collateral Agent, as collateral agent for and representative of the Secured Parties, shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such sale made in accordance with the UCC, to use and apply any of the Secured Obligations as a credit on account of the purchase price for any Collateral payable by Collateral Agent at such sale. Each purchaser at any such sale shall hold the property sold absolutely free from any claim or right on the part of Grantor, and Grantor hereby waives (to the extent permitted by applicable law) all rights of redemption, stay and/or appraisal which it now has or may at any time in the future have under any rule of law or statute now existing or hereafter enacted. Grantor agrees that, to the extent notice of sale shall be required by law, at least thirty (30) days notice to Grantor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. Collateral Agent shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. Collateral Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. Grantor agrees that it would not be commercially unreasonable for Collateral Agent to dispose of the Collateral or any portion thereof by using Internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets. Grantor hereby waives any claims against Collateral Agent arising by reason of the fact that the price at which any Collateral may have been sold at such a private sale was less than the price which might have been obtained at a public sale, even if Collateral Agent accepts the first offer received and does not offer such Collateral to more than one offeree. If the proceeds of any sale or other disposition of the Collateral are insufficient to pay all the Secured Obligations, Grantor shall be liable for the deficiency and the fees of any attorneys employed by Collateral Agent to collect such deficiency. Grantor further agrees that a breach of any of the covenants contained in this Section will cause irreparable injury to Collateral Agent, that Collateral Agent has no adequate remedy at law in respect of such breach and, as a consequence, that each and every covenant contained in this Section shall be specifically enforceable against Grantor, and Grantor hereby waives and agrees not to assert any defenses against an action for specific performance of such covenants except for a defense that no default has occurred giving rise to the Secured Obligations becoming due and payable prior to their stated maturities. Nothing in this Section shall in any way alter the rights of Collateral Agent hereunder.

(c) Collateral Agent may sell the Collateral in connection with the exercise of remedies pursuant to Section 7.1(a) of this Agreement without giving any warranties as to the Collateral. Collateral Agent may specifically disclaim or modify any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral.

(d) Collateral Agent shall have no obligation to marshal any of the Collateral.

7.2. Application of Proceeds. All proceeds received by Collateral Agent in respect of any sale, any collection from, or other realization upon all or any part of the Collateral in connection with the exercise of remedies pursuant to Section 7.1(a) or (b) of this Agreement shall be applied in full or in part by Collateral Agent against the Secured Obligations as follows:

(a) *First,* to payment of that portion of the Secured Obligations constituting fees, indemnities, expenses and other amounts (other than principal, interest and the Purchaser's proportionate share of Revenue Stream, but including (x) attorney costs and other expenses payable under Section 9.1 of the Revenue Sharing and Securities Purchase Agreement, (y) amounts owing in respect of the preservation of Collateral or the security interest in the Collateral and (z) amounts owing in respect of enforcing the rights of the Secured Parties under the Documents) payable to the Collateral Agent in its capacity as such or to the Purchasers;

(b) *Second,* to the payment of that portion of the Secured Obligation constituting amounts owed to the Purchasers, in respect of the Notes;

(c) *Third,* to the payment of that portion of the Secured Obligation constituting amounts owed to the Purchasers, in respect of the Revenue Stream; and

(d) *Last*, the balance, if any, after all the Secured Obligations have been paid in full, to the Grantor or as otherwise required by applicable law.

7.3. Sales on Credit. If Collateral Agent sells any of the Collateral in connection with the exercise of remedies pursuant to Section 7.1(a) of this Agreement upon credit, Grantor will be credited only with payments actually made by the purchaser thereof and received by Collateral Agent and applied to indebtedness of the purchaser thereof. In the event the purchaser fails to pay for the Collateral, Collateral Agent may resell the Collateral and Grantor shall be credited with proceeds of the sale.

7.4. Deposit Accounts. If any Event of Default shall have occurred and be continuing, Collateral Agent may apply the balance from any Deposit Account or instruct the bank at which any Deposit Account is maintained to pay the balance of any Deposit Account to or for the benefit of Collateral Agent; provided, for purposes of clarity, except upon the occurrence and during the continuation of an Event of Default, Collateral Agent shall not give any such instructions directing the disposition of funds, or withholding the withdrawal rights of any Grantor, from time to time credited to any Securities Account, Securities Entitlement or Deposit Account.

7.5. Investment Related Property. Grantor recognizes that, by reason of certain prohibitions contained in the Securities Act and applicable state securities laws, Collateral Agent may be compelled, with respect to any sale of all or any part of the Investment Related Property conducted without prior registration or qualification of such Investment Related Property under the Securities Act and/or such state securities laws, to limit purchasers to those who will agree, among other things, to acquire the Investment Related Property for their own account, for investment and not with a view to the distribution or resale thereof. Grantor acknowledges that any such private sale may be at prices and on terms less favorable than those obtainable through a public sale without such restrictions (including a public offering made pursuant to a registration statement under the Securities Act) and, notwithstanding such circumstances, Grantor agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner and that Collateral Agent shall have no obligation to engage in public sales and no obligation to delay the sale of any Investment Related Property for the period of time necessary to permit the issuer thereof to register it for a form of public sale requiring registration under the Securities Act or under applicable state securities laws, even if such issuer would, or should, agree to so register it. If Collateral Agent determines to exercise its right to sell any or all of the Investment Related Property, upon written request, Grantor shall and shall cause each issuer of any Pledged Equity Interests to be sold hereunder from time to time to furnish to Collateral Agent all such information as Collateral Agent may request in order to determine the number and nature of interest, shares or other instruments included in the Investment Related Property which may be sold by Collateral Agent in exempt transactions under the Securities Act and the rules and regulations of the Securities and Exchange Commission thereunder, as the same are from time to time in effect.

7.6. Intellectual Property.

(a) Anything contained herein to the contrary notwithstanding, upon the occurrence and during the continuation of an Event of Default

(i) The Collateral Agent may exercise its rights under Section 2.11 of the Revenue Sharing and Securities Purchase Agreement;

(ii) Collateral Agent shall have the right (but not the obligation) to bring suit or otherwise commence any action or proceeding in the name of Grantor, Collateral Agent or otherwise, in Collateral Agent's sole discretion, to enforce any Patents, in which event Grantor shall, at the request of Collateral Agent, do any and all lawful acts and execute any and all documents required by Collateral Agent in aid of such enforcement and Grantor shall promptly, upon demand, reimburse and indemnify Collateral Agent as provided in Sections 9.1 and 9.2 of the Revenue Sharing and Securities Purchase Agreement in connection with the exercise of its rights under this Section, and, to the extent that Collateral Agent shall elect not to bring suit to enforce any Patents as provided in this Section, Grantor agrees to use all reasonable measures, whether by action, suit, proceeding or otherwise, to prevent the infringement or other violation of any of Grantor's rights in the Patents by any other Person and for that purpose agrees to diligently maintain any action, suit or proceeding against any Person so infringing as shall be necessary to prevent such infringement or violation;

(iii) Collateral Agent shall have the right to notify, or require Grantor to notify, any obligors with respect to amounts due or to become due to Grantor in respect of the Patents, of the existence of the security interest created herein, to direct such obligors to make payment of all such amounts directly to Collateral Agent, and, upon such notification and at the expense of Grantor, to enforce collection of any such amounts and to adjust, settle or compromise the amount or payment thereof, in the same manner and to the same extent as Grantor might have done;

(1) all amounts and proceeds (including checks and other instruments) received by Grantor in respect of amounts due to Grantor in respect of the Collateral or any portion thereof shall be received in trust for the benefit of Collateral Agent hereunder, shall be segregated from other funds of Grantor and shall be forthwith paid over or delivered to Collateral Agent in the same form as so received (with any necessary endorsement) to be applied as per Section 7.2 of this Agreement; and

(2) no Grantor shall adjust, settle or compromise the amount or payment of any such amount or release wholly or partly any obligor with respect thereto or allow any credit or discount thereon.

(b) If (i) an Event of Default shall have occurred and, by reason of cure, waiver, modification, amendment or otherwise, no longer be continuing, (ii) no other Event of Default shall have occurred and be continuing, (iii) an assignment or other transfer to Collateral Agent of any rights, title and interests in and to the Patents shall have been previously made and shall have become absolute and effective, and (iv) the Secured Obligations shall not have become immediately due and payable, upon the written request of Grantor, Collateral Agent shall promptly execute and deliver to Grantor, at Grantor's sole cost and expense, such assignments or other transfer as may be necessary to reassign to Grantor any and all such rights, title and interests as may have been assigned to Collateral Agent as aforesaid, subject to any disposition thereof that may have been made by Collateral Agent; provided, after giving effect to such reassignment, Collateral Agent's security interest granted pursuant hereto, as well as all other rights and remedies of Collateral Agent granted hereunder, shall continue to be in full force and effect; and provided further, the rights, title and interests so reassigned shall be free and clear of any other Liens granted by or on behalf of Collateral Agent and the Secured Parties.

SECTION 8. COLLATERAL AGENT.

Collateral Agent has been appointed to act as "Collateral Agent" hereunder by Purchasers pursuant to the Revenue Sharing and Securities Purchase Agreement. Collateral Agent shall be obligated, and shall have the right hereunder, to make demands, to give notices, to exercise or refrain from exercising any rights, and to take or refrain from taking any action (including, without limitation, the release or substitution of Collateral), solely in accordance with this Agreement and the other Documents; provided, Collateral Agent shall, after payment in full of all Obligations under the Revenue Sharing and Securities Purchase Agreement and the other Documents, exercise, or refrain from exercising, any remedies provided for herein in accordance with the instructions of the Majority Purchasers. In furtherance of the foregoing provisions of this section, each Secured Party, by its acceptance of the benefits hereof, agrees that it shall have no right individually to realize upon any of the Collateral hereunder, it being understood and agreed by such Secured Party that all powers, rights and remedies hereunder may be exercised solely by Collateral Agent for the benefit of Secured Parties in accordance with the terms of this section. Collateral Agent may resign, and a successor be appointed, in accordance with the Revenue Sharing and Securities Purchase Agreement. After any retiring Collateral Agent's resignation hereunder as Collateral Agent, the provisions of this Agreement shall inure to its benefit as to any actions taken or omitted to be taken by it under this Agreement while it was Collateral Agent hereunder.

SECTION 9. CONTINUING SECURITY INTEREST; TRANSFER OF RIGHTS UNDER INVESTMENT DOCUMENTS.

This Agreement shall create a continuing security interest in the Collateral and shall remain in full force and effect until the payment in full and satisfaction of the obligations with respect to the Notes under the Revenue Sharing and Securities Purchase Agreement (other than contingent indemnity obligations not then asserted), be binding upon Grantor, its successors and assigns, and inure, together with the rights and remedies of Collateral Agent hereunder, to the benefit of Collateral Agent and its successors, transferees and assigns. Without limiting the generality of the foregoing, but subject to the terms of the Revenue Sharing and Securities Purchase Agreement, any Purchaser may assign or otherwise transfer any rights held by it under the Documents to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to Purchasers herein or otherwise. Upon the payment in full of all Secured Obligations (other than contingent indemnity obligations not then asserted), the security interest granted hereby shall automatically terminate hereunder and of record and all rights to the Collateral shall revert to Grantor. Upon any such termination, Collateral Agent shall, at Grantor's expense, execute and deliver to Grantor or otherwise authorize the filing of such release documents as Grantor shall reasonably request, including financing statement amendments to evidence such termination, in each case, such documents to be in form and substance satisfactory to Collateral Agent and without representation or warranty by, or recourse to, Collateral Agent. Upon any Disposition of property permitted by the Revenue Sharing and Securities Purchase Agreement, the Liens granted herein shall be deemed to be automatically released and such property shall automatically revert to the Grantor (or transferee) with no further action on the part of any Person. Collateral Agent shall, at Grantor's expense, execute and deliver or otherwise authorize the filing of such documents as Grantor shall reasonably request, in form and substance reasonably satisfactory to Collateral Agent and without representation or warranty by, or recourse to, Collateral Agent, including financing statement amendments to evidence such release.

SECTION 10. STANDARD OF CARE; COLLATERAL AGENT MAY PERFORM.

The powers conferred on Collateral Agent hereunder are solely to protect its interest in the Collateral and shall not impose any duty upon it to exercise any such powers. Except for the exercise of reasonable care in the custody of any Collateral in its possession and the accounting for moneys actually received by it hereunder, Collateral Agent shall have no duty as to any Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to any Collateral. Collateral Agent shall be deemed to have exercised reasonable care in the custody and preservation of Collateral in its possession if such Collateral is accorded treatment substantially equal to that which Collateral Agent accords its own property. Neither Collateral Agent nor any of its directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon all or any part of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of Grantor or otherwise. If Grantor fails to perform any agreement contained herein, Collateral Agent may itself perform, or cause performance of, such agreement, and the expenses of Collateral Agent incurred in connection therewith shall be payable by Grantor under Section 9.1 of the Revenue Sharing and Securities Purchase Agreement.

SECTION 11. INDEMNITY.

The Grantor (as "Indemnitor") agrees to indemnify, pay and hold the Secured Parties, and the officers, directors, partners, managers, members, employees, agents, and Affiliates of the Secured Parties (collectively, the "Indemnitees") harmless from and against any and all other liabilities, costs, expenses, obligations, losses (other than lost profit), damages, penalties, actions, judgments, suits, claims and disbursements of any kind or nature whatsoever (including, without limitation, the reasonable fees and disbursements of one counsel for such Indemnitees) in connection with any investigative, administrative or judicial proceeding commenced or threatened (excluding claims among Indemnitees), whether or not such Indemnitee shall be designated a party thereto, which may be imposed on, incurred by, or asserted against that Indemnitee, in any manner relating to or arising out of this Agreement (the "Indemnified Liabilities"); *provided* that the Indemnitor shall not have any obligation to an Indemnitee hereunder with respect to an Indemnified Liability to the extent that such Indemnified Liability arises from the gross negligence or willful misconduct of that Indemnitee or any of its officers, directors, partners, managers, members, employees, agents and/or Affiliates. Each Indemnitee shall give the Indemnitor prompt written notice of any claim that might give rise to Indemnified Liabilities setting forth a description of those elements of such claim of which such Indemnitee has knowledge; *provided* that any failure to give such notice shall not affect the obligations of the Indemnitor. The Indemnitor shall have the right at any time during which such claim is pending to select counsel to defend and control the defense thereof and settle any claims for which it is responsible for indemnification hereunder (*provided* that the Indemnitor will not settle any such claim without (i) the appropriate Indemnitee's prior written consent, which consent shall not be unreasonably withheld or (ii) obtaining an unconditional release of the appropriate Indemnitee from all claims arising out of or in any way relating to the circumstances involving such claim and without any admission as to culpability or fault of such Indemnitee) so long as in any such event, the Indemnitor shall have stated in a writing delivered to the Indemnitee that, as between the Indemnitor and the Indemnitee, the Indemnitor is responsible to the Indemnitee with respect to such claim to the extent and subject to the limitations set forth herein; *provided* that the Indemnitor shall not be entitled to control the defense of any claim in the event that in the reasonable opinion of counsel for the Indemnitee, there are one or more material defenses available to the Indemnitee which are not available to the Indemnitor; *provided further*, that with respect to any claim as to which the Indemnitee is controlling the defense, the Indemnitor will not be liable to any Indemnitee for any settlement of any claim pursuant to this Section 11 that is effected without its prior written consent, which consent shall not be unreasonably withheld. To the extent that the undertaking to indemnify, pay and hold harmless set forth in this Section 11 may be unenforceable because it is violative of any law or public policy, the Grantor shall contribute the maximum portion which it is permitted to pay and satisfy under applicable law, to the payment and satisfaction of all Indemnified Liabilities incurred by the Indemnitees or any of them. Notwithstanding anything to the contrary in this Agreement, no party shall be liable to the other party or any third party for any indirect, incidental, exemplary, special, punitive or consequential damages (including with respect to lost revenue, lost profits or savings or business interruption) of any kind or nature whatsoever suffered by the other party or any third party howsoever caused and regardless of the form or cause of action, even if such damages are foreseeable or such party has been advised of the possibility of such damages. The provisions of this Section 11 shall survive the termination of this Agreement.

SECTION 12. MISCELLANEOUS.

Any notice required or permitted to be given under this Agreement shall be given in accordance with Section 9.3 of the Revenue Sharing and Securities Purchase Agreement. No failure or delay on the part of Collateral Agent in the exercise of any power, right or privilege hereunder or under any other Document shall impair such power, right or privilege or be construed to be a waiver of any default or acquiescence therein, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other power, right or privilege. All rights and remedies existing under this Agreement and the other Documents are cumulative to, and not exclusive of, any rights or remedies otherwise available. In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby. All covenants hereunder shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, the fact that it would be permitted by an exception to, or would otherwise be within the limitations of, another covenant shall not avoid the occurrence of a Default or an Event of Default if such action is taken or condition exists. This Agreement shall be binding upon and inure to the benefit of Collateral Agent and Grantor and their respective successors and assigns. Grantor shall not, without the prior written consent of Collateral Agent given in accordance with the Revenue Sharing and Securities Purchase Agreement, assign any right, duty or obligation hereunder. This Agreement and the other Documents embody the entire agreement and understanding between Grantor and Collateral Agent and supersede all prior agreements and understandings between such parties relating to the subject matter hereof and thereof. Accordingly, the Documents may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties. This Agreement may be executed in one or more counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic transmission shall be effective as a manually executed counterpart of this Agreement. In the event of an express conflict between the terms and conditions of this Agreement and the terms and conditions of the Revenue Sharing and Securities Purchase Agreement, the terms and conditions of the Revenue Sharing and Securities Purchase Agreement shall control.

THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF THE SECURITY INTEREST OR THE REMEDIES HEREUNDER IN RESPECT OF ANY COLLATERAL ARE GOVERNED BY THE LAW OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK.

TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, EACH PARTY HERETO WAIVES, AND COVENANTS THAT IT WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE CONDUCT OF THE PARTIES HERETO, WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER IN CONTRACT, TORT OR OTHERWISE. The Grantor acknowledges that Grantor has been informed by the Secured Parties that the foregoing sentence constitutes a material inducement upon which the Secured Parties have relied and will rely in entering into this Agreement. Grantor or any of the Secured Parties may file an original counterpart or a copy of this Agreement with any court as written evidence of the consent of the Grantors and the Secured Parties to the waiver of their rights to trial by jury.

Each party hereto (a) irrevocably submits to the exclusive jurisdiction of any New York state court or federal court sitting in New York, New York, and any court having jurisdiction over appeals of matters heard in such courts, for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement or the subject matter hereof or thereof; (b) waives to the extent not prohibited by applicable law that cannot be waived, and agrees not to assert, by way of motion, as a defense or otherwise, in any such proceeding brought in any of the above-named courts, any claim that they are not subject personally to the jurisdiction of such court, that their property is exempt or immune from attachment or execution, that such proceeding is brought in an inconvenient forum, that the venue of such proceeding is improper, or that this Agreement, or the subject matter hereof or thereof, may not be enforced in or by such court; and (c) consents to service of process in any such proceeding in any manner at the time permitted under the applicable laws of the State of New York and agree that service of process by registered or certified mail, return receipt requested, at the address specified in or pursuant to Section 9.3 of the Revenue Sharing and Securities Purchase Agreement is reasonably calculated to give actual notice.

IN WITNESS WHEREOF, Grantor and Collateral Agent have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

GRANTOR:

MARATHON PATENT GROUP, INC.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

SAMPO IP, LLC
/s/ Doug Croxall
By: Doug Croxall
Title: Manager

RELAY IP, INC.
/s/ Doug Croxall
By: Doug Croxall
Title: CEO

CYBERFONE SYSTEMS, LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

VANTAGE POINT TECHNOLOGY, INC.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

CRFD RESEARCH, INC.
/s/ Doug Croxall
By: Doug Croxall
Title: CEO

E2E PROCESSING, INC.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

LOOPBACK TECHNOLOGIES, INC.
/s/ Doug Croxall
By: Doug Croxall
Title: CEO

LOOPBACK TECHNOLOGIES II, INC.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

SIGNAL IP, INC.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

HYBRID SEQUENCE IP, INC.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

PME ACQUISITION LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

SOEMS ACQUISITION CORP.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

IP LIQUIDITY VENTURES ACQUISITION LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

IP LIQUIDITY VENTURES, LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

SARIF BIOMEDICAL ACQUISITION LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

SARIF BIOMEDICAL LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

SELENE COMMUNICATION TECHNOLOGIES ACQUISITION LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

SELENE COMMUNICATION TECHNOLOGIES, LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

DA ACQUISITION LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

DYNAMIC ADVANCES, LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

CLOUDING CORP.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

TLI ACQUISITION CORP.

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

TLI COMMUNICATIONS LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

MEDTECH GROUP ACQUISITION CORP.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

TLIF, LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

COLLATERAL AGENT:

DBD Credit Funding LLC

/s/ Constantine M. Dakolias
_____
By: Constantine M. Dakolias
Title: President

[Signature Page to Security Agreement]

EXHIBIT A
TO SECURITY AGREEMENT

SECURITY AGREEMENT SUPPLEMENT

This **SECURITY AGREEMENT SUPPLEMENT**, dated **[mm/dd/yy]**, is delivered by **[NAME OF GRANTOR]** a **[NAME OF STATE OF INCORPORATION] [Corporation]** (the **"Grantor"**) pursuant to the Security Agreement, dated as of **[mm/dd/yy]** (as it may be from time to time amended, restated, modified or supplemented, the **"Security Agreement"**), among **[NAME OF COMPANY]**, the Grantor and **[NAME OF COLLATERAL AGENT]**, as the Collateral Agent. Capitalized terms used herein not otherwise defined herein shall have the meanings ascribed thereto in the Security Agreement.

Grantor hereby confirms the grant to Collateral Agent set forth in the Security Agreement of, and does hereby grant to Collateral Agent, a security interest in all of Grantor's right, title and interest in and to all Collateral to secure the Secured Obligations, in each case whether now or hereafter existing or in which Grantor now has or hereafter acquires an interest and wherever the same may be located and specifically, without limitation, grants to the Collateral Agent a security interest in all of Grantor's right, title and interest in the Commercial Tort Claims referenced on Schedule 4.5. Grantor represents and warrants to Collateral Agent and each other Secured Party that the attached Supplements[1] to Schedules accurately and completely set forth all additional information required pursuant to the Security Agreement and hereby agrees that such Supplements to Schedules shall constitute part of the Schedules to the Security Agreement.

IN WITNESS WHEREOF, Grantor has caused this Security Agreement Supplement to be duly executed and delivered by its duly authorized officer as of **[mm/dd/yy]**.

[NAME OF GRANTOR]

By: _____
Name:
Title:

---

[1] Supplemental schedules to be attached

EXHIBIT B
TO SECURITY AGREEMENT

Patent Security Agreement

Patent Security Agreement, dated as of January 29, 2015 by Marathon Patent Group, Inc. and the undersigned entities (collectively, the "Pledgor"), in favor of DBD Credit Funding LLC, in its capacity as collateral agent pursuant to the Revenue Sharing and Securities Purchase Agreement (in such capacity, the "Collateral Agent").

W i t n e s s e t h:

Whereas, the Pledgor is party to a Security Agreement of even date herewith (the "Security Agreement") in favor of the Collateral Agent pursuant to which the Pledgor is required to execute and deliver this Patent Security Agreement;

Now, Therefore, in consideration of the premises and to induce the Collateral Agent, for the benefit of the Secured Parties, to enter into the Revenue Sharing and Securities Purchase Agreement, the Pledgor hereby agrees with the Collateral Agent as follows:

SECTION 1. Defined Terms. Unless otherwise defined herein, terms defined in the Security Agreement and used herein have the meaning given to them in the Security Agreement.

SECTION 2. Grant of Security Interest in Patent Collateral. The Pledgor hereby pledges and grants to the Collateral Agent for the benefit of the Secured Parties a lien on and security interest in and to all of its right, title and interest in, to and under all the following Collateral:

(a) all of the Company's existing and future acquired Patents, including, but not limited to, the items listed on Schedule A attached hereto; and

(b) all Proceeds of any and all of the foregoing.

SECTION 3. Security Agreement. The security interests granted to the Collateral Agent pursuant to this Patent Security Agreement are granted in conjunction with the security interests granted to the Collateral Agent pursuant to the Security Agreement, and Pledgor hereby acknowledges and affirms that the rights and remedies of the Collateral Agent with respect to the security interests in the Patents made and granted hereby are set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provision of this Patent Security Agreement is deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall control.

SECTION 4. Counterparts. This Patent Security Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Patent Security Agreement by signing and delivering one or more counterparts. Delivery of an executed counterpart of a signature page of this Patent Security Agreement by telecopier or other electronic transmission (i.e. a "pdf" or "tif" document) shall be effective as delivery of a manually executed counterpart of this Patent Security Agreement.

[Signature page follows]

In Witness Whereof, the Pledgor has caused this Patent Security Agreement to be executed and delivered by its duly authorized offer as of the date first set forth above.

Very truly yours,

Pledgor:

MARATHON PATENT GROUP, INC.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

SAMPO IP, LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

RELAY IP, INC.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

CYBERFONE SYSTEMS, LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

VANTAGE POINT TECHNOLOGY, INC.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

CRFD RESEARCH, INC.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

E2E PROCESSING, INC.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

LOOPBACK TECHNOLOGIES, INC.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

LOOPBACK TECHNOLOGIES II, INC.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

SIGNAL IP, INC.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

HYBRID SEQUENCE IP, INC.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

PME ACQUISITION LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

SOEMS ACQUISITION CORP.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

IP LIQUIDITY VENTURES ACQUISITION LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

IP LIQUIDITY VENTURES, LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

SARIF BIOMEDICAL ACQUISITION LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

SARIF BIOMEDICAL LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

SELENE COMMUNICATION TECHNOLOGIES ACQUISITION LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

SELENE COMMUNICATION TECHNOLOGIES, LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

DA ACQUISITION LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

DYNAMIC ADVANCES, LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

CLOUDING CORP.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

TLI ACQUISITION CORP.

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

TLI COMMUNICATIONS LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

MEDTECH GROUP ACQUISITION CORP.

/s/ Doug Croxall
By: Doug Croxall
Title: CEO

TLIF, LLC

/s/ Doug Croxall
By: Doug Croxall
Title: Manager

Accepted and Agreed:
DBD Credit Funding LLC
as Collateral Agent

By: /s/ Constantine M. Dakolias
Name: Constantine M. Dakolias
Title: President

SCHEDULE A
PATENTS

SCHEDULE 4.1
TO SECURITY AGREEMENT

GRANTOR CORPORATE INFORMATION

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

SCHEDULE 4.2
TO SECURITY AGREEMENT

INVESTMENT RELATED PROPERTY

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

SCHEDULE 4.3
TO SECURITY AGREEMENT

DESCRIPTION OF LETTERS OF CREDIT

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

SCHEDULE 4.4
TO SECURITY AGREEMENT

INTELLECTUAL PROPERTY

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

SCHEDULE 4.5

TO SECURITY AGREEMENT

COMMERCIAL TORT CLAIMS

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

Exhibit 10.6

Patent Security Agreement

Patent Security Agreement, dated as of January 29, 2015 by Marathon Patent Group, Inc. and the undersigned entities (collectively, the "Pledgor"), in favor of DBD Credit Funding LLC, in its capacity as collateral agent pursuant to the Revenue Sharing and Securities Purchase Agreement (in such capacity, the "Collateral Agent").

W i t n e s s e t h:

Whereas, the Pledgor is party to a Security Agreement of even date herewith (the "Security Agreement") in favor of the Collateral Agent pursuant to which the Pledgor is required to execute and deliver this Patent Security Agreement;

Now, Therefore, in consideration of the premises and to induce the Collateral Agent, for the benefit of the Secured Parties, to enter into the Revenue Sharing and Securities Purchase Agreement, the Pledgor hereby agrees with the Collateral Agent as follows:

SECTION 1. Defined Terms. Unless otherwise defined herein, terms defined in the Security Agreement and used herein have the meaning given to them in the Security Agreement.

SECTION 2. Grant of Security Interest in Patent Collateral. The Pledgor hereby pledges and grants to the Collateral Agent for the benefit of the Secured Parties a lien on and security interest in and to all of its right, title and interest in, to and under all the following Collateral:

(a) all of the Company's existing and future acquired Patents, including, but not limited to, the items listed on Schedule A attached hereto; and

(b) all Proceeds of any and all of the foregoing.

SECTION 3. Security Agreement. The security interests granted to the Collateral Agent pursuant to this Patent Security Agreement are granted in conjunction with the security interests granted to the Collateral Agent pursuant to the Security Agreement, and Pledgor hereby acknowledges and affirms that the rights and remedies of the Collateral Agent with respect to the security interests in the Patents made and granted hereby are set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provision of this Patent Security Agreement is deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall control.

SECTION 4. Counterparts. This Patent Security Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Patent Security Agreement by signing and delivering one or more counterparts. Delivery of an executed counterpart of a signature page of this Patent Security Agreement by telecopier or other electronic transmission (i.e. a "pdf" or "tif" document) shall be effective as delivery of a manually executed counterpart of this Patent Security Agreement.

[Signature page follows]

In Witness Whereof, the Pledgor has caused this Patent Security Agreement to be executed and delivered by its duly authorized offer as of the date first set forth above.

Very truly yours,

Pledgor:

MARATHON PATENT GROUP, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

SAMPO IP, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

RELAY IP, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

CYBERFONE SYSTEMS, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

VANTAGE POINT TECHNOLOGY, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

CRFD RESEARCH, INC.

/s/ Doug Croxall

_____

By: Doug Croxall
Title: CEO

E2E PROCESSING, INC.

/s/ Doug Croxall

_____

By: Doug Croxall
Title: CEO

LOOPBACK TECHNOLOGIES, INC.

/s/ Doug Croxall

_____

By: Doug Croxall
Title: CEO

LOOPBACK TECHNOLOGIES II, INC.

/s/ Doug Croxall

_____

By: Doug Croxall
Title: CEO

SIGNAL IP, INC.

/s/ Doug Croxall

_____

By: Doug Croxall
Title: CEO

HYBRID SEQUENCE IP, INC.

/s/ Doug Croxall

_____

By: Doug Croxall
Title: CEO

PME ACQUISITION LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SOEMS ACQUISITION CORP.

/s/ Doug Croxall
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By: Doug Croxall
Title: CEO

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/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

IP LIQUIDITY VENTURES, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SARIF BIOMEDICAL ACQUISITION LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SARIF BIOMEDICAL LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SELENE COMMUNICATION TECHNOLOGIES ACQUISITION LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SELENE COMMUNICATION TECHNOLOGIES, LLC

/s/ Doug Croxall
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By: Doug Croxall
Title: Manager

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/s/ Doug Croxall
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By: Doug Croxall
Title: Manager

DYNAMIC ADVANCES, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

CLOUDING CORP.

/s/ Doug Croxall
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By: Doug Croxall
Title: CEO

TLI ACQUISITION CORP.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

TLI COMMUNICATIONS LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

MEDTECH GROUP ACQUISITION CORP.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

TLIF, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

Accepted and Agreed:
DBD Credit Funding LLC
as Collateral Agent

By: /s/ Constantine M. Dakolias
Name: Constantine M. Dakolias
Title: President

SCHEDULE A
PATENTS

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

Exhibit 10.7

EXECUTION VERSION

LOCK-UP AGREEMENT

THIS LOCK-UP AGREEMENT (the "**Agreement**") is made and entered into as of January 29, 2015, by and between DBD Credit Funding LLC ("**Shareholder**") and Marathon Patent Group, Inc., a Nevada corporation (the "**Company**").

WHEREAS, the Shareholder has agreed to enter into this Agreement and to restrict the public sale, assignment, transfer, conveyance, hypothecation or alienation of the Company's common stock, par value $0.0001 per share ("**Common Stock**") (i) acquired pursuant to that certain Subscription Agreement, dated as of the date hereof, by and between the Company and Shareholder and (ii) issuable upon the exercise or conversion of that certain Warrant, dated as of the date hereof, issued by the Company to the Shareholder, such shares of Common Stock identified on Schedule 1 herein (the "**Lock-Up Shares**"), all on the terms set forth below.

NOW, THEREFORE, in consideration of the foregoing promises and the mutual covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Except as otherwise expressly provided herein, each Shareholder agrees that, during the period beginning on the date hereof and ending on the earlier to occur of (A) the 12-month anniversary of this Agreement and (B) an acceleration of an Event of Default (as such term is defined in that certain Revenue Sharing and Securities Purchase Agreement, dated as of the date hereof, by and among the Company, Shareholder and the other signatories thereto) (the "**Lock-Up Period**"), the undersigned will not directly or indirectly, (i) offer, sell, offer to sell, contract to sell, hedge, hypothecate, pledge, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or sell (or announce any offer, sale, offer of sale, contract of sale, hedge, hypothecation, pledge, sale of any option or contract to purchase, purchase of any option or contract of sale, grant of any option, right or warrant to purchase or other sale or disposition), or otherwise transfer or dispose of (or enter into any transaction or device that is designed to, or could be expected to, result in the disposition by any person at any time in the future), any Lock-Up Shares, beneficially owned, within the meaning of Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), by the undersigned on the date hereof or hereafter acquired or (ii) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of any Lock-Up Shares, whether or not any such swap or transaction described in clause (i) or (ii) above is to be settled by delivery of any Lock-Up Shares. For the avoidance of doubt, the Shareholders may purchase additional shares of the Company's Common Stock during the Lock-Up Period to the extent that such purchase only increases the net holding of the Shareholders in the Company.

(a) The Shareholders will not engage in any short selling (as defined under Rule 200 of Regulation SHO under the Exchange Act) of the Lock-Up Shares during the Lock-Up Period.

(b) The following legend describing this Agreement shall be imprinted on each stock certificate representing the Lock-Up Shares covered hereby, and the transfer records of the Company's transfer agent shall reflect such appropriate restrictions:

"THE TRANSFERABILITY OF THE SHARES REPRESENTED BY THIS STOCK CERTIFICATE IS SUBJECT TO THE TERMS OF THE LOCK-UP AGREEMENT ENTERED INTO BY THE SHAREHOLDER AND THE COMPANY, WHICH SHALL EXPIRE ON JANUARY __, 2016."

(c) During the Lock-Up Period, the Company shall maintain its "reporting" status with the Securities and Exchange Commission; file all reports that are required to be filed by it during such period; and use its "best efforts" to ensure that the Common Stock is continually quoted for public trading.

(d) The Shareholders may transfer the Lock-Up Shares during the Lock-Up Period if such transfer is: (i) a bona fide gift or gifts, (ii) to any trust, partnership, corporation or other entity formed for the direct or indirect benefit of the undersigned or the immediate family of the undersigned; provided that any such transfer shall not involve a disposition for value, (iii) to non-profit organizations qualified as charitable organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, (iv) if such transfer occurs by operation of law, such as rules of descent and distribution, statutes governing the effects of a merger or a qualified domestic order, (v) to any of Shareholder's affiliates or any investment fund or any other entity controlled or managed by the Shareholder or under common control or management with the Shareholder, (vi) sales or transfers of Common Stock acquired in the open market or (vi) with the prior written consent of the Company; provided that prior to such transfer with respect to clauses (i) through (v), the transferee or done agrees in writing to be bound by the restrictions set forth herein prior to such transfer. For purposes hereof, "immediate family" shall mean any relationship by blood, marriage or adoption, not more remote than first cousin.

2. Notwithstanding anything to the contrary set forth herein, the Company may, in its sole discretion and in good faith, at any time and from time to time, waive, in writing, any of the conditions or restrictions contained herein to increase the liquidity of the Common Stock or if such waiver would otherwise be in the best interests of the development of the trading market for the Common Stock. Unless otherwise agreed by the Shareholders, all such waivers shall be pro rata, as to all of the Shareholders who executed this Agreement whose Lock-Up Shares can, at the time of any such waiver, be publicly sold in accordance with the Securities Act of 1933, as amended (the "**Securities Act**"), or Rule 144 promulgated thereunder by the Securities and Exchange Commission or otherwise.

3. Except as otherwise provided in this Agreement or any other agreements between the parties, the Shareholders shall be entitled to their respective beneficial rights of ownership of the Lock-Up Shares, including the right to vote the Lock-Up Shares for any and all purposes.

4. This Agreement may be executed in any number of counterparts with the same force and effect as if all parties had executed the same document.

5. All notices and communications provided for herein shall be in writing and shall be deemed to be given or made on the date of delivery, if delivered in person, by an internationally recognized overnight delivery service, or by facsimile, to the party entitled to receive the same, if to any Shareholder at the address or facsimile number on the Counterpart Signature Page and if to the Company, at 11100 Santa Monica Blvd., Suite 380, Los Angeles, CA 90025, or at such other address or facsimile number as shall be designated by any party hereto in written notice to the other party hereto delivered pursuant to this subsection.

6. The resale restrictions on the Lock-Up Shares set forth in this Agreement shall be in addition to all other restrictions on transfer imposed by applicable United States and state securities laws, rules and regulations.

7. Each Shareholder agrees that in the event of a breach of any of the terms and conditions of this Agreement by any such Shareholder, that in addition to all other remedies that may be available in law or in equity to the non-defaulting parties, a preliminary and permanent injunction and an order of a court requiring such defaulting Shareholder to cease and desist from violating the terms and conditions of this Agreement and specifically requiring such Shareholder to perform his/her/its obligations hereunder is fair and reasonable by reason of the inability of the parties to this Agreement to presently determine the type, extent or amount of damages that the Company or the non-defaulting Shareholders may suffer as a result of any breach or continuation thereof.

8. This Agreement sets forth the entire understanding of the parties hereto with respect to the subject matter hereof, and may not be amended except by a written instrument executed by the parties hereto.

9. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts entered into and to be performed wholly within said State; and the Company and the Shareholders agree that any action based upon this Agreement may be brought in the United States and state courts of New York or federal courts in the Southern District of New York only, and each submits himself/herself/itself to the jurisdiction of such courts for all purposes hereunder.

10. Except as provided herein, this Agreement may be modified or waived only by a separate writing signed by each of the parties hereto expressly so modifying or waiving this Agreement.

11. In the event of default hereunder, the non-defaulting parties shall be entitled to recover reasonable attorney's fees incurred in the enforcement of this Agreement.

12. If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

13. The Shareholder has relied upon its own tax and legal advisors in connection with this Agreement.

[*Signature page follows*]

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this Agreement as of the day and year first above written.

MARATHON PATENT GROUP, INC.

By Douglas Croxall

Name: Douglas Croxall
Title: Chief Executive Officer

[*Signature Page to Lock-Up Agreement*]

Schedule 1

Lock-Up Shareholders

Name	**Number of Shares Beneficially Owned**
DBD Credit Funding LLC	134,409 shares of Common Stock Warrant exercisable for up to 100,000 shares of Common Stock (as may be adjusted pursuant to the terms of the Warrant)

47917239_2

LOCK-UP AGREEMENT
COUNTERPART SIGNATURE PAGE

The undersigned, through execution and delivery of this Counterpart Signature Page, intend to be legally bound by the terms of the Agreement, as a Shareholder.

DBD CREDIT FUNDING LLC

By /s/ Constantine M. Dakolias
Name: Constantine M. Dakolias
Title: President

Intellectual Property Finance Group
Fortress Investment Group
One Market Plaza
Spear Tower, 42nd Floor
San Francisco, CA 94105
Phone: 415-284-7415
Email: yshtein@fortress.com
CC: jnoble@fortress.com

Exhibit 10.8

LOCK-UP AGREEMENT

THIS LOCK-UP AGREEMENT (the "**Agreement**") is made and entered into as of January 29, 2015, by and between the undersigned ("**Holders**") and Marathon Patent Group, Inc., a Nevada corporation (the "**Company**"). Capitalized terms used but not defined herein will have the meanings assigned to them in the RSSPA (as defined below).

WHEREAS, Holders hold shared voting and dispositive power over securities in the Company;

WHEREAS, the Company intends to enter into a Revenue Sharing and Securities Purchase Agreement (the **"RSSPA"**) pursuant to which the Company shall sell (i) up to $50,000,000 in aggregate original principal amount of the Company's senior secured notes, (ii) an interest in the monetization net revenues of the Company and its Subsidiaries from certain activities on the terms specified the RSSPA, and (iii) warrants for the purchase of 100,000 shares of the Company's common stock;

WHEREAS, the Holders have agreed to enter into this Agreement and to restrict the public sale, assignment, transfer, conveyance, hypothecation or alienation of the Company's common stock, par value $0.0001 per share ("**Common Stock**"), convertible securities and the underlying shares of Common Stock, issuable upon the exercise or conversion of such convertible securities identified on Schedule 1 herein, constituting all of the Company's securities held by such Holders or their Related Group (the "**Lock-Up Shares**"), all on the terms set forth below.

NOW, THEREFORE, in consideration of the foregoing promises and the mutual covenants contained herein, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Each Holder represents that the Lock-Up Shares constitute all of the Company securities it holds. Except as otherwise expressly provided herein, each Holder agrees that, during the period beginning on the date hereof and until payment in full of the Note Obligations (the "**Lock-Up Period**"), the Holder and his/her Related Group will not directly or indirectly, (i) offer, sell, offer to sell, contract to sell, hedge, hypothecate, pledge, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or sell (or announce any offer, sale, offer of sale, contract of sale, hedge, hypothecation, pledge, sale of any option or contract to purchase, purchase of any option or contract of sale, grant of any option, right or warrant to purchase or other sale or disposition), or otherwise transfer or dispose of (or enter into any transaction or device that is designed to, or could be expected to, result in the disposition by any person at any time in the future), more than five percent (5%) of the Lock-Up Shares, beneficially owned, within the meaning of Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), by such Holder and his/her Related Group on the date hereof or hereafter acquired or (ii) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of more than five percent (5%) of the Lock-Up Shares, whether or not any such swap or transaction described in clause (i) or (ii) above is to be settled by delivery of any Lock-Up Shares. For the avoidance of doubt, the Holders may purchase additional shares of the Company's Common Stock during the Lock-Up Period to the extent that such purchase only increases the net holding of the Holders in the Company.

(a) The Holders will not engage in any short selling (as defined under Rule 200 of Regulation SHO under the Exchange Act) of the Lock-Up Shares during the Lock-Up Period.

(b) The following legend describing this Agreement shall be imprinted on each stock certificate representing the Lock-Up Shares covered hereby during the Lock-up Period only, and the transfer records of the Company's transfer agent shall reflect such appropriate restrictions:

"THE TRANSFERABILITY OF THE SHARES REPRESENTED BY THIS STOCK CERTIFICATE IS SUBJECT TO THE TERMS OF THE LOCK-UP AGREEMENT ENTERED INTO BY THE SHAREHOLDER AND THE COMPANY."

(c) During the Lock-Up Period, the Company shall maintain its "reporting" status with the Securities and Exchange Commission; file all reports that are required to be filed by it during such period; and use its "best efforts" to ensure that the Common Stock is continually quoted for public trading.

(d) The Holders, upon prior written consent of the Company, may transfer more than five percent (5%) of the Lock-Up Shares during the Lock-Up Period only if such transferee executes and delivers a copy of this Agreement and only: (i) as a bona fide gift or gifts, provided that prior to such transfer the donee or donees thereof agree in writing to be bound by the restrictions set forth herein, (ii) to any trust, partnership, corporation or other entity formed for the direct or indirect benefit of the undersigned or the immediate family of the undersigned, provided that prior to such transfer a duly authorized officer, representative or trustee of such transferee agrees in writing to be bound by the restrictions set forth herein, and provided further that any such transfer shall not involve a disposition for value, (iii) to non-profit organizations qualified as charitable organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or (iv) if such transfer occurs by operation of law, such as rules of descent and distribution, statutes governing the effects of a merger or a qualified domestic order, provided that prior to such transfer the transferee executes an agreement stating that the transferee is receiving and holding any Stock Consideration subject to the provisions of this Agreement. For purposes hereof, "immediate family" shall mean any relationship by blood, marriage or adoption, not more remote than first cousin.

2. Notwithstanding anything to the contrary set forth herein, the Company may, in its sole discretion and in good faith, at any time and from time to time, waive, in writing, any of the conditions or restrictions contained herein to increase the liquidity of the Common Stock or if such waiver would otherwise be in the best interests of the development of the trading market for the Common Stock. Unless otherwise agreed by the Holders, all such waivers shall be pro rata, as to all of the Holders who executed this Agreement whose Lock-Up Shares can, at the time of any such waiver, be publicly sold in accordance with the Securities Act of 1933, as amended (the "**Securities Act**"), or Rule 144 promulgated thereunder by the Securities and Exchange Commission or otherwise.

3. Except as otherwise provided in this Agreement or any other agreements between the parties, the Holders shall be entitled to their respective beneficial rights of ownership of the Lock-Up Shares, including, but not limited to, the right to vote the Lock-Up Shares for any and all purposes.

4. This Agreement may be executed in any number of counterparts with the same force and effect as if all parties had executed the same document.

5. All notices and communications provided for herein shall be in writing and shall be deemed to be given or made on the date of delivery, if delivered in person, by an internationally recognized overnight delivery service, or by facsimile, to the party entitled to receive the same, if to any Holder at the address or facsimile number on the Counterpart Signature Page and if to the Company, at 11100 Santa Monica Blvd., Suite 380, Los Angeles, CA 90025, or at such other address or facsimile number as shall be designated by any party hereto in written notice to the other party hereto delivered pursuant to this subsection.

6. The resale restrictions on the Lock-Up Shares set forth in this Agreement shall be in addition to all other restrictions on transfer imposed by applicable United States and state securities laws, rules and regulations.

7. Each Holder agrees that in the event of a breach of any of the terms and conditions of this Agreement by any such Holder, that in addition to all other remedies that may be available in law or in equity to the non-defaulting parties, a preliminary and permanent injunction and an order of a court requiring such defaulting Holder to cease and desist from violating the terms and conditions of this Agreement and specifically requiring such Holder to perform his/her/its obligations hereunder is fair and reasonable by reason of the inability of the parties to this Agreement to presently determine the type, extent or amount of damages that the Company or the non-defaulting Holders may suffer as a result of any breach or continuation thereof.

8. This Agreement sets forth the entire understanding of the parties hereto with respect to the subject matter hereof, and may not be amended except by a written instrument executed by the parties hereto.

9. This Agreement shall be governed by and construed in accordance with the laws of the State of New York applicable to contracts entered into and to be performed wholly within said State; and the Company and the Holders agree that any action based upon this Agreement may be brought in the United States and state courts of New York or federal courts in the Southern District of New York only, and each submits himself/herself/itself to the jurisdiction of such courts for all purposes hereunder.

10. Except as provided herein, this Agreement may be modified or waived only by a separate writing signed by each of the parties hereto expressly so modifying or waiving this Agreement.

11. In the event of default hereunder, the non-defaulting parties shall be entitled to recover reasonable attorney's fees incurred in the enforcement of this Agreement.

12. If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

13. The Holders have relied upon their own tax and legal advisors in connection with this Agreement.

[*Signature page follows*]

IN WITNESS WHEREOF, the undersigned have duly executed and delivered this Agreement as of the day and year first above written.

MARATHON PATENT GROUP, INC.

By /s/ Douglas Croxall

Name: Douglas Croxall
Title: Chief Executive Officer

LOCK-UP AGREEMENT
COUNTERPART SIGNATURE PAGE

This Counterpart Signature Page for that certain Lock-Up Agreement (the "**Agreement**") dated as of the ____ day of January 2015, among Marathon Patent Group, Inc., a Nevada corporation (the "**Company**") and certain persons who pursuant to Section 2(f) of the Agreement are "**Holders**", through execution and delivery of this Counterpart Signature Page, intend to be legally bound by the terms of the Agreement, as a Holder, of the number of the Company's shares set forth below or hereafter acquired during the Lock-Up Period as defined in the Agreement.

TECHDEV HOLDINGS, LLC

/s/ Audrey Spangenberg

By: ACCLAIM FINANCIAL GROUP, LLC, its sole Member

/s/ Audrey Spangenberg
Name: Audrey Spangenberg
Title: Managing Member

/s/ Audrey Spangenberg
AUDREY SPANGENBERG

/s/ Erich Spangenberg
ERICH SPANGENBERG

GRANICUS IP, LLC

/s/ Erich Spangenberg
Name: Erich Spangenberg
Title: Manager

Schedule 1

Lock-Up Shares

Name	Common Stock	Common Stock Underlying Warrants	Common Stock Underlying Notes	Common Stock Underlying Preferred Stock
TechDev Holdings, LLC (Acclaim Financial Group, LLC)	923,078			391,000
Erich Spangenberg	307,692			
Granicus IP, LLC				391,000
TT IP, LLC	300,000			
IPNav Capital, LLC	96,154	48,078		

Total	1,626,924	48,078		782,000

Exhibit 10.9

EXECUTION VERSION

PATENT LICENSE AGREEMENT

THIS PATENT LICENSE AGREEMENT (the "**Agreement**") is made and entered into effective as of January 29, 2015 by and among:

Marathon Patent Group, Inc., a Nevada corporation having its principal place of business located at 11100 Santa Monica Blvd. Suite 380, Los Angeles, CA 90025 (the **"Issuer"**), the entities listed on Schedule I hereto (together with the Issuer, the "**Licensor**"); and

DBD Credit Funding LLC, an entity incorporated under the laws of Delaware having its principal place of business located at 1345 Avenue of the Americas, 46th Floor, New York, NY 10105 ("**Licensee**").

Licensor and Licensee are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**".

WHEREAS, reference is made to the Revenue Sharing and Securities Purchase Agreement, dated as of the date hereof (as it may be amended, restated, supplemented or otherwise modified from time to time, the "**Revenue Sharing and Securities Purchase Agreement**"), by and among the Licensor, the Purchasers (including the Licensee) and the Licensee, acting as the Collateral Agent and the Security Agreement, dated as of the date hereof (as it may be amended, restated, supplemented or otherwise modified from time to time, the "**Security Agreement**"), by and among the Grantors (as defined therein, including Licensor) and the Licensee, acting as the Collateral Agent;

WHEREAS, in consideration of the investments set forth in the Revenue Sharing and Securities Purchase Agreement, Licensor agreed to grant certain rights, including rights to license patents and patent applications, to the Licensee for the benefit of the Secured Parties; and

WHEREAS, Licensor is the owner of certain patents and patent applications identified in Schedule I(a) of the Revenue Sharing and Securities Purchase Agreement, which Schedule I(a) shall be an integral part of this Agreement; and

NOW, **THEREFORE**, in consideration of the premises and the mutual covenants and agreements contained herein, the Parties hereto agree as follows:

1. Definitions

In this Agreement, the following terms shall have the assigned meaning. Capitalized terms used in this Agreement but not defined herein shall have the meaning given to them in the Revenue Sharing and Securities Purchase Agreement and/or the Security Agreement, as applicable.

"**Licensed Patents**" shall mean the Patents listed on Schedule I(a) of the Revenue Sharing and Securities Purchase Agreement.

2. License

2.1 Subject to the terms and conditions herein and in the Revenue Sharing and Securities Purchase Agreement, Licensor hereby grants to Licensee a non-exclusive, transferrable, sub-licensable, divisible, irrevocable, fully paid-up, royalty-free, and worldwide license to the Licensed Patents, including, but not limited to, the rights to make, have made, market, use, sell, offer for sale, import, export and distribute the inventions disclosed in the Licensed Patents and otherwise exploit the Licensed Patents in any lawful manner in Licensee's sole and absolute discretion solely for the benefit of the Secured Parties ("**Patent License**"), provided that Licensee shall only use the Patent License following acceleration of the Note Obligations.

2.2 If Licensee elects to grant any sublicense(s) pursuant to the Patent License in Section 2.1, Licensee shall provide written notice within fifteen days of entering into any sublicense agreement.

3. Representations, Warranties and Acknowledgements

3.1 Each Party represents, warrants and covenant to the other that the execution, delivery and performance of this Agreement is within each Party's powers and has been duly authorized.

3.2 Licensor hereby represents, warrants and covenant that it is the sole and exclusive owner of all rights, title and interest in and to the Licensed Patents.

3.3 EXCEPT AS EXPRESSLY PROVIDED HEREIN, NEITHER PARTY MAKES ANY WARRANTIES OF ANY KIND, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, AND EACH PARTY SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING ANY WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT OR FITNESS FOR A PARTICULAR PURPOSE OR THAT ARISE BY COURSE OF DEALING OR BY REASON OF CUSTOM OR USAGE IN THE TRADE, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW.

3.4 Notwithstanding anything to the contrary in this Agreement, no Party shall be liable to the other or any third party for any indirect, incidental, exemplary, special, punitive or consequential damages (including with respect to lost revenue, lost profits or savings or business interruption) of any kind or nature whatsoever suffered by the other Party or any third party howsoever caused and regardless of the form or cause of action, even if such damages are foreseeable or such party has been advised of the possibility of such damages.

4. Infringement

Upon request, Licensee shall notify Licensor of any infringement of the Licensed Patents by third parties of which Licensee become aware. Licensor shall have the sole right, at its expense, to bring any action on account of any such infringement of the Licensed Patents, and Licensee shall reasonably cooperate with Licensor, as Licensor may request and at Licensor's expense, in connection with any such action brought by Licensor.

5. Termination

5.1 The Parties may terminate this Agreement at any time by mutual written agreement executed by both Parties provided that any sublicenses granted hereunder prior to the termination of this Agreement shall survive according to the respective terms and conditions of such sublicenses.

5.2 The Agreement shall end after the later of (x) the expiration of the last Licensed Patent to expire, (y) the date on which all statutes of limitations have fully run for bringing infringement claims under the Licensed Patents and (z) the termination of any sublicensing agreement by Licensee with regards to the Licensed Patents. Breach(es), material or otherwise, of this Agreement by either Party or any other Person will not constitute grounds by which this Agreement may be terminated, provided that it shall terminate upon payment by Licensor in full of all obligations under the Revenue Sharing and Securities Purchase Agreement and the Notes thereunder.

6. Survival

Any rights and obligations which by their nature survive and continue after any expiration or termination of this Agreement will survive and continue and will bind the Parties and their successors and assigns, until such rights are extinguished and obligations are fulfilled.

7. Statement of Intent With Respect to Bankruptcy.

The Parties intend that the licenses granted under this Agreement are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the United States Bankruptcy Code, 111 U.S.C. § 101, et seq. ("**Bankruptcy Code**"), licenses of rights to "intellectual property" as defined in the Bankruptcy Code.

8. Assignment

Licensee and each of its sublicensees may, without the consent of Licensor, assign any or all of their rights and interests, and delegate any or all of their obligations without restriction. The rights and obligations of the Parties hereto shall inure to the benefit of, and be binding and enforceable upon and by, the respective successors and assigns of the Parties.

9. Entire Agreement and Construction

This Agreement along with the pertinent provisions of the Revenue Sharing and Securities Purchase Agreement and other Documents constitute the sole, final and entire understanding of the parties hereto concerning the subject matter hereof, and all prior understandings having been merged herein. This Agreement cannot be modified or amended except by a writing signed by the Parties hereto. The language used in this Agreement will be deemed to be the language chosen by the Parties hereto to express their mutual intent, and no rule of strict construction will be applied against any Party.

10. Severability

The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application thereof to any Person or any circumstance, is invalid or unenforceable, (a) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision to other Persons or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application thereof, in any other jurisdiction.

11. Notices

All notices, requests, claims, demands, and other communications hereunder shall be in writing and shall be given (and shall be deemed to have been duly given upon receipt) by delivery in person, or by overnight delivery service from a recognized carrier, to the respective Party as follows:

if to Licensor:

Marathon Patent Group, Inc.
11100 Santa Monica Blvd., Suite 380
Los Angeles, CA 90025
Attn: Chief Executive Officer
Tel: 800-804-1690
Email: doug@marathonpg.com

With a copy to:

Harvey J. Kesner, Esq.
Sichenzia Ross Friedman Ference LLP
61 Broadway, 32nd Floor
New York, NY 10006
Phone: (212) 930-9700
Email: hkesner@srff.com

if to Licensee:

Yoni Shtein
Vice President
Intellectual Property Finance Group
Fortress Investment Group
One Market Plaza
Spear Tower, 42nd Floor
San Francisco, CA 94105
Phone: 415-284-7415
Email: yshtein@fortress.com
CC: jnoble@fortress.com

With a copy to:

Alyson Allen
Ropes & Gray LLP
Prudential Tower, 800 Boylston Street
Boston, MA 02199-3600
Tel: 617-951-7483
Email: alyson.allen@ropesgray.com

or to such other address as the person to whom notice is given may have previously furnished to the other Party in writing in the manner set forth above.

12. Governing Law; Jurisdiction; Venue

This Agreement, and all claims arising hereunder or relating hereto, shall be governed by and construed in accordance with the internal laws of the State of New York in the United States of America applicable to agreements made and to be performed entirely within such State, without regard to the conflicts of law principles of such State that would result in the application of the laws of another jurisdiction. In any action or proceeding between either of the Parties arising out of or relating to this Agreement or any of the transactions contemplated by this Agreement, each of the Parties (a) irrevocably and unconditionally consents and submits to the exclusive jurisdiction and venue of the state and federal courts residing in the State of New York and (b) agrees that all claims in respect of such action or proceeding must be heard and determined exclusively in the state or federal courts in the State of New York. Each Party shall be entitled to seek injunctive or other equitable relief, without the posting of a bond, at any time (with or without delivering a demand notice) whenever the facts or circumstances would permit a Party to seek such equitable relief in a court of competent jurisdiction.

13. Waiver

Except as otherwise provided herein, any failure of any Party to comply with any obligation, covenant, agreement, or condition herein may be waived by the Party entitled to the benefits thereof only by a written instrument signed by the Party granting such waiver; provided, however, that such waiver or failure to insist upon strict compliance with such obligation, covenant, agreement, or condition shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

14. Counterparts

This Agreement may be executed in one or more counterparts, each of which will be an original and both of which will constitute together the same document. Counterparts may be signed and delivered by facsimile or PDF file, each of which will be binding when received by the applicable Party.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

Licensor:

MARATHON PATENT GROUP, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

SAMPO IP, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

RELAY IP, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

CYBERFONE SYSTEMS, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

VANTAGE POINT TECHNOLOGY, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

[Signature Page to Patent License Agreement]

CRFD RESEARCH, INC.

/s/ Doug Croxall

By: Doug Croxall
Title: CEO

E2E PROCESSING, INC.

/s/ Doug Croxall

By: Doug Croxall
Title: CEO

LOOPBACK TECHNOLOGIES, INC.

/s/ Doug Croxall

By: Doug Croxall
Title: CEO

LOOPBACK TECHNOLOGIES II, INC.

/s/ Doug Croxall

By: Doug Croxall
Title: CEO

SIGNAL IP, INC.

/s/ Doug Croxall

By: Doug Croxall
Title: CEO

HYBRID SEQUENCE IP, INC.

/s/ Doug Croxall

By: Doug Croxall
Title: CEO

[Signature Page to Patent License Agreement]

PME ACQUISITION LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SOEMS ACQUISITION CORP.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

IP LIQUIDITY VENTURES ACQUISITION LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

IP LIQUIDITY VENTURES, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SARIF BIOMEDICAL ACQUISITION LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SARIF BIOMEDICAL LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

[Signature Page to Patent License Agreement]

SELENE COMMUNICATION TECHNOLOGIES ACQUISITION LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SELENE COMMUNICATION TECHNOLOGIES, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

DA ACQUISITION LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

DYNAMIC ADVANCES, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

CLOUDING CORP.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

TLI ACQUISITION CORP.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

[Signature Page to Patent License Agreement]

TLI COMMUNICATIONS LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

MEDTECH GROUP ACQUISITION CORP.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

TLIF, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

Licensee:

DBD CREDIT FUNDING LLC

/s/ Constantine M. Dakolias
_____
By: Constantine M. Dakolias
Title: President

[Signature Page to Patent License Agreement]

SCHEDULE I

LIST OF GUARANTORS

The confidential portion has been so omitted and filed separately with the Securities and Exchange Commission ("SEC").

Exhibit 10.10

EXECUTION VERSION

GUARANTY AGREEMENT

This GUARANTY AGREEMENT (this "Agreement") is dated as of January 29, 2015 by each of the entities listed on the signature pages hereof (the "Guarantors") in favor of the Secured Parties (as defined in the Revenue Sharing and Securities Purchase Agreement referred to below).

RECITALS

WHEREAS, pursuant to the Revenue Sharing and Securities Purchase Agreement, dated as of the date hereof (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Revenue Sharing and Securities Purchase Agreement"; capitalized terms used herein without definition are used as defined in the Revenue Sharing and Securities Purchase Agreement), by and among Marathon Patent Group, Inc., a Nevada corporation (the "Company"), the Guarantors, DBD Credit Funding LLC as collateral agent (the "Collateral Agent"), and the Purchasers party thereto, the Purchasers have agreed to make extensions of credit to the Company upon the terms and subject to the conditions set forth therein;

WHEREAS, each Guarantor has agreed to guaranty the Note Obligations of the Company with respect to the payment in full and satisfaction of the Notes delivered by the Company pursuant to the Revenue Sharing and Securities Purchase Agreement;

WHEREAS, each Guarantor will derive substantial direct and indirect benefits from the making of the extensions of credit under the Revenue Sharing and Securities Purchase Agreement; and

WHEREAS, it is a condition precedent to the obligation of the Purchasers to make their respective extensions of credit to the Company under the Revenue Sharing and Securities Purchase Agreement that the Guarantors shall have executed and delivered this Agreement to the Secured Parties.

NOW THEREFORE, in consideration of the premises and to induce the Secured Parties to enter into the Revenue Sharing and Securities Purchase Agreement and to induce the Purchasers to make their respective extensions of credit to the Company thereunder, each Guarantor hereby agrees with the Secured Parties as follows:

ARTICLE I
GUARANTEES

1.1 Guarantee of Obligations. Until such time as the Guaranteed Obligations (as defined below) have been repaid in full, each Guarantor hereby jointly and severally with the other Guarantors guarantees, as a primary obligor and not as a surety, to each Secured Party, the prompt payment in full when due (whether at stated maturity, by required prepayment, declaration, demand, by acceleration or otherwise) of all amounts (including any fees, costs or charges that would accrue but for the provisions of (i) the Title 11 of the United States Code after any bankruptcy or insolvency petition under Title 11 of the United States Code and (ii) any other Debtor Relief Laws) owed by the Company to the Secured Parties pursuant to, the Notes, owing to the Secured Parties by the Company under the Revenue Sharing and Securities Purchase Agreement or the Notes in accordance with the terms thereof (such obligations being herein collectively called the "Guaranteed Obligations"). The Guarantors hereby jointly and severally agree that if the Company or other Guarantor(s) shall fail to pay in full when due (whether at stated maturity, by acceleration or otherwise) any of the Guaranteed Obligations, the Guarantors will promptly pay the same in cash, and that in the case of any extension of time of payment or renewal of any of the Guaranteed Obligations, the same will be promptly paid in full when due (whether at extended maturity, by acceleration or otherwise) in accordance with the terms of such extension or renewal.

1.2 Continuing Obligations. The obligations of the Guarantors hereunder shall constitute a guaranty of payment and to the fullest extent permitted by applicable law, are absolute, irrevocable and unconditional, joint and several, irrespective of the value, genuineness, validity, regularity or enforceability of the Guaranteed Obligations of the Company under the Revenue Sharing and Securities Purchase Agreement or any other agreement or instrument referred to herein or therein, or any substitution, release or exchange of any other guarantee of or security for any of the Guaranteed Obligations, and, irrespective of any other circumstance whatsoever that might otherwise constitute a legal or equitable discharge or defense of a surety or Guarantor (except for payment in full). The Guarantors acknowledge that the Secured Parties have entered into the Revenue Sharing and Securities Purchase Agreement in reliance on this Agreement being a continuing irrevocable agreement, and each Guarantor agrees that its guarantee may not be revoked in whole or in part.

1.3 Waivers with Respect to Guaranteed Obligations. Except to the extent expressly required by this Agreement, each Guarantor waives, to the fullest extent permitted by the provisions of applicable law, all of the following (including all defenses, counterclaims and other rights of any nature based upon any of the following):

1.3.1 presentment, demand for payment and protest of nonpayment of any of the Guaranteed Obligations, and notice of protest, dishonor or nonperformance;

1.3.2 notice of any Default or of any inability to enforce performance of the obligations of the Company or any other Person with respect to the Revenue Sharing and Revenue Sharing and Securities Purchase Agreement or this Agreement or notice of any acceleration of maturity of any Guaranteed Obligations;

1.3.3 demand for performance or observance of, and any enforcement of any provision of the Revenue Sharing and Securities Purchase Agreement, this Agreement or the Guaranteed Obligations or any pursuit or exhaustion of rights or remedies against the Company or any other Person in respect of the Guaranteed Obligations or any requirement of diligence or promptness on the part of any Secured Party in connection with any of the foregoing;

1.3.4 any act or omission on the part of any Secured Party which may impair or prejudice the rights of such Guarantor, including rights to obtain subrogation, exoneration, contribution, indemnification or any other reimbursement from the Company or any other Person, or otherwise operate as a deemed release or discharge;

1.3.5 any statute of limitations or any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than the obligation of the principal;

1.3.6 any "single action" or "antideficiency" law which would otherwise prevent any Secured Party from bringing any action;

1.3.7 all demands and notices of every kind with respect to the foregoing; and

1.3.8 to the extent not referred to above, all defenses (other than payment) which the Company may now or hereafter have to the payment of the Guaranteed Obligations, together with all suretyship defenses, which could otherwise be asserted by such Guarantor.

No delay or omission on the part of any of the Secured Parties in exercising any right under this Agreement or under any other guarantee of the Guaranteed Obligations shall operate as a waiver or relinquishment of such right. No action which the Secured Parties or the Company may take or refrain from taking with respect to the Guaranteed Obligations shall affect the provisions of this Agreement or the obligations of the Guarantors hereunder. None of the Secured Parties' rights shall at any time in any way be prejudiced or impaired by any act or failure to act on the part of the Company or Guarantors, or by any noncompliance by the issuer or Guarantors with this Agreement, regardless of any knowledge thereof which any Secured Party may have or otherwise be charged with.

1.4 Secured Parties' Power to Waive, etc. Notwithstanding anything to the contrary herein, with respect to this Article I, each Guarantor grants to each of the Secured Parties full power in their discretion, without notice to or consent of such Guarantor, such notice and consent being expressly waived to the fullest extent permitted by applicable law, and without in any way affecting the liability of such Guarantor under its guarantee hereunder:

1.4.1 to waive compliance with, and any Default under, and to consent to any amendment to or modification or termination of any provision of, or to give any waiver in respect of, this Agreement, the Guaranteed Obligations or any guarantee thereof (each as from time to time in effect);

1.4.2 to grant any extensions of the Guaranteed Obligations (for any duration), and any other indulgence with respect thereto, and to effect any total or partial release (by operation of law or otherwise), discharge, compromise or settlement with respect to the obligations of the Company or any other Person in respect of the Guaranteed Obligations, whether or not rights against such Guarantor under this Agreement are reserved in connection therewith;

1.4.3 to collect or liquidate or realize upon any of the Guaranteed Obligations in any manner or to refrain from collecting or liquidating or realizing upon any of the Guaranteed Obligations; and

1.4.4 to extend additional advances or credit, if any, under the Revenue Sharing and Securities Purchase Agreement, this Agreement or otherwise in such amount and with such returns as the Secured Parties may determine, including increasing the amount of advances or credit and the returns, interest rate and fees with respect thereto, even though the conditions of the Company may have deteriorated since the date hereof.

1.5 Information Regarding the Company, etc. Each Guarantor has made such investigation as it deems desirable of the risks undertaken by it in entering into this Agreement and is fully satisfied that it understands all such risks. Each Guarantor waives any obligation which may now or hereafter exist on the part of any Secured Party to inform it of the risks being undertaken by entering into this Agreement or of any changes in such risks and, from and after the date hereof, and each Guarantor undertakes to keep itself informed of such risks and any changes therein. Each Guarantor expressly waives any duty which may now or hereafter exist on the part of any Secured Party to disclose to such Guarantor any matter related to the business, operations, character, collateral, credit, condition (financial or otherwise), income or prospects of the Company and its Affiliates or their properties or management, whether now or hereafter known by any Secured Party. Each Guarantor represents, warrants and agrees that it assumes sole responsibility for obtaining from the Company all information concerning this Agreement and all other information as to the Company and its Affiliates or their properties or management as such Guarantor deems necessary or desirable.

1.6 Subrogation. Each Guarantor agrees that it will not exercise any right of reimbursement, subrogation, contribution, offset or other claims against the Company or any other Guarantor arising by contract or operation of law in connection with any payment made or required to be made by it under this Agreement.

1.7 Subordination. Each Guarantor covenants and agrees that all Indebtedness, claims and liabilities now or hereafter owing by the Company to such Guarantor, whether arising hereunder or otherwise, are subordinated to the prior payment in full in cash of the Guaranteed Obligations and are so subordinated as a claim against the Company or any of its assets, whether such claim be in the ordinary course of business or in the event of voluntary or involuntary liquidation, dissolution, insolvency or bankruptcy, so that no payment with respect to any such indebtedness, claim or liability will be made or received while any Event of Default exists. If, notwithstanding the foregoing, any payment with respect to any such Indebtedness, claim or liability is received by any Guarantor in contravention of this Agreement, such payment shall be held in trust for the benefit of the Secured Parties and promptly turned over to them in the original form received by such Guarantor.

1.8 Contribution Among Guarantors. The Guarantors agree that, as among themselves in their capacity as guarantors of the Guaranteed Obligations, the ultimate responsibility for repayment of the Guaranteed Obligations, in the event that the Company fails to pay when due the Guaranteed Obligations, shall be equally apportioned among the respective Guarantors. In the event that any Guarantor, in its capacity as a guarantor, pays an amount with respect to the Guaranteed Obligations in excess of its proportionate share as set forth in this Section 1.8 each other Guarantor shall make a contribution payment to such Guarantor in an amount such that the aggregate amount paid by each Guarantor reflects its proportionate share of the Guaranteed Obligations. In the event of any default by any Guarantor under this Section 1.8, each other Guarantor will bear its proportionate share of the defaulting Guarantor's obligation under this Section 1.8. This Section 1.8 is intended to set forth only the rights and obligations of the Guarantors among themselves and shall not in any way affect the obligations of any Guarantor to any Secured Party (which obligations shall at all times constitute the joint and several obligations of all the Guarantors).

1.9 General Limitation on Guaranteed Obligations. In any action or proceeding involving any foreign or domestic corporate limited partnership or limited liability company law or similar law, or any applicable state, federal or foreign bankruptcy, insolvency, reorganization or other law affecting the rights of creditors generally, if the obligations of any Guarantor under Section 1.1 would otherwise be held or determined to be void, voidable, invalid or unenforceable, or subordinated to the claims of any other creditors, on account of the amount of its liability under Section 1.1, then, notwithstanding any other provision to the contrary, the amount of such liability shall, without any further action by such Guarantor or any other Person, be automatically limited and reduced to the highest amount that is valid and enforceable and not subordinated to the claims of other creditors as determined in such action or proceeding.

ARTICLE II
GENERAL PROVISIONS

2.1 Independent Obligations. The obligations of each Guarantor hereunder are independent of and separate from the Guaranteed Obligations. If any Guaranteed Obligation is not paid when due (after giving effect to any grace period), or upon the occurrence and during the continuance of any Event of Default, the Secured Parties may, at their sole election, proceed directly and at once, without notice, against any Guarantor to collect and recover the full amount of any Guaranteed Obligation then due, without first proceeding against any other Guarantor and without first joining any other Guarantor in any proceeding.

2.2 Notices. All notices, requests and demands to or upon the Secured Parties or any Guarantor hereunder shall be effected in the manner provided for in Section 9.3 of the Revenue Sharing and Securities Purchase Agreement; provided, however, that any such notice, request or demand to or upon any Guarantor shall be addressed to the Company's notice address set forth in such Section 9.3.

2.3 Amendments, Consents, Waivers, etc.

2.3.1 Amendments. No amendment, modification, termination or waiver of any provision of this Agreement shall in any event be effective without the written consent of the Guarantors and the Majority Purchasers; *provided* that the consent of each affected Purchaser shall be required for any amendment, modification, termination or waiver that (i) waives or reduces any amounts owed to it under this Agreement or extends the date for payment of any amount hereunder or (ii) releases all or substantially all of the aggregate value of the guarantees of the Guarantors hereunder. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. No notice to or demand on the Guarantors in any case shall entitle the Guarantors to any further notice or demand in similar or other circumstances. Any amendment, modification, termination, waiver or consent effected in accordance with this Section 2.3.1 shall be binding upon the holders of the Obligations at the time outstanding and each future holder thereof.

2.3.2 Course of Dealing; No Implied Waivers. No course of dealing between the Secured Parties and the Guarantors shall operate as a waiver of any Secured Party's rights under this Agreement or with respect to the Obligations. In particular, no delay or omission on the part of any Secured Party in exercising any right under this Agreement or with respect to the Obligations shall operate as a waiver of such right or any other right hereunder or thereunder. A waiver on any one occasion shall not be construed as a bar to or waiver of any right or remedy on any future occasion.

2.4 No Strict Construction. The parties have participated jointly in the negotiation and drafting of this Agreement with counsel sophisticated in financing transactions. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

2.5 Venue; Service of Process; Certain Waivers. Each Guarantor and each Secured Party:

2.5.1 irrevocably submits to the exclusive jurisdiction of any New York state court or federal court sitting in New York, New York, and any court having jurisdiction over appeals of matters heard in such courts, for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement or the subject matter hereof;

2.5.2 waives to the extent not prohibited by applicable law that cannot be waived, and agrees not to assert, by way of motion, as a defense or otherwise, in any such proceeding brought in any of the above-named courts, any claim that it is not subject personally to the jurisdiction of such court, that its property is exempt or immune from attachment or execution, that such proceeding is brought in an inconvenient forum, that the venue of such proceeding is improper, or that this Agreement or the subject matter hereof, may not be enforced in or by such court;

2.5.3 consents to service of process in any such proceeding in any manner at the time permitted under the applicable laws of the State of New York and agrees that service of process by registered or certified mail, return receipt requested, at its address specified in or pursuant to Section 9.3 of the Revenue Sharing and Securities Purchase Agreement is reasonably calculated to give actual notice; and

2.5.4 waives to the extent not prohibited by applicable law that cannot be waived any right it may have to claim or recover in any such proceeding any special, exemplary, punitive or consequential damages.

2.6 WAIVER OF JURY TRIAL. TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW THAT CANNOT BE WAIVED, EACH GUARANTOR AND EACH SECURED PARTY WAIVES, AND COVENANTS THAT IT WILL NOT ASSERT (WHETHER AS PLAINTIFF, DEFENDANT OR OTHERWISE), ANY RIGHT TO TRIAL BY JURY IN ANY FORUM IN RESPECT OF ANY ISSUE, CLAIM OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE CONDUCT OF THE PARTIES HERETO, WHETHER NOW EXISTING OR HEREAFTER ARISING AND WHETHER IN CONTRACT, TORT OR OTHERWISE. Each Guarantor acknowledges that it has been informed by the Secured Parties that the foregoing sentence constitutes a material inducement upon which the Secured Parties have relied and will rely in entering into this Agreement, the Revenue Sharing and Securities Purchase Agreement, the Notes and the Collateral Documents. Any of the Guarantors or Secured Parties may file an original counterpart or a copy of this Agreement with any court as written evidence of the consent of the Guarantors and Secured Parties to the waiver of their rights to trial by jury.

2.7 Additional Guarantors. Prior to the formation or acquisition of any Subsidiary, the Company shall cause such Subsidiary to become a Grantor hereunder, and such Subsidiary shall execute and deliver to the Secured Parties a Joinder Agreement substantially in the form of Annex 1 and shall thereafter for all purposes be a party hereto and have the same rights, benefits and obligations as a Guarantor party hereto on the Closing Date. The execution and delivery of any such instrument shall not require the consent of any other Guarantor hereunder. The rights and obligations of each Guarantor hereunder shall remain in full force and effect notwithstanding the addition of any new Guarantor as a party to this Agreement.

2.8 Interpretation; Governing Law; etc. All covenants, agreements, representations and warranties made in this Agreement or in certificates delivered pursuant hereto or thereto shall be deemed to have been relied on by each Secured Party, notwithstanding any investigation made by such Secured Party, and shall survive the execution and delivery to the Secured Parties hereof and thereof. The invalidity or unenforceability of any provision hereof shall not affect the validity or enforceability of any other provision hereof, and any invalid or unenforceable provision shall be modified so as to be enforced to the maximum extent of its validity or enforceability. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof. This Agreement and the Documents constitute the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior and contemporaneous understandings and agreements, whether written or oral. This Agreement may be executed in any number of counterparts which together shall constitute one instrument. This Agreement may be executed by electronic (including .pdf) means. This Agreement, and any issue, claim or proceeding arising out of or relating to this Agreement or the conduct of the parties hereto, whether now existing or hereafter arising and whether in contract, tort or otherwise, shall be governed by and construed in accordance with the laws of the State of New York.

(The remainder of this page intentionally has been left blank.)

IN WITNESS WHEREOF, the parties hereto have duly executed this Guaranty Agreement as of the date and year first above written.

Guarantors:

SAMPO IP, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

RELAY IP, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

CYBERFONE SYSTEMS, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

VANTAGE POINT TECHNOLOGY, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

CRFD RESEARCH, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

E2E PROCESSING, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

LOOPBACK TECHNOLOGIES, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

LOOPBACK TECHNOLOGIES II, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

SIGNAL IP, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

HYBRID SEQUENCE IP, INC.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

PME ACQUISITION LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SOEMS ACQUISITION CORP.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

IP LIQUIDITY VENTURES ACQUISITION LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

IP LIQUIDITY VENTURES, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SARIF BIOMEDICAL ACQUISITION LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SARIF BIOMEDICAL LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SELENE COMMUNICATION TECHNOLOGIES ACQUISITION LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

SELENE COMMUNICATION TECHNOLOGIES, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

DA ACQUISITION LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

DYNAMIC ADVANCES, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

CLOUDING CORP.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

TLI ACQUISITION CORP.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

TLI COMMUNICATIONS LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

[Signature Page to Guaranty Agreement]

MEDTECH GROUP ACQUISITION CORP.

/s/ Doug Croxall
_____
By: Doug Croxall
Title: CEO

TLIF, LLC

/s/ Doug Croxall
_____
By: Doug Croxall
Title: Manager

[Signature Page to Guaranty Agreement]

ACCEPTED AND AGREED
as of the date and year first above written:

Secured Parties:

DBD Credit Funding LLC, as Collateral Agent

/s/ Constantine M. Dakolias
_____
By: Constantine M. Dakolias
Title: President

DBD Credit Funding LLC, as Purchaser

/s/ Constantine M. Dakolias
_____
By: Constantine M. Dakolias
Title: President

JOINDER AGREEMENT

This JOINDER AGREEMENT, dated as of [ ] is delivered pursuant to: (a) the Revenue Sharing and Securities Purchase Agreement, dated as of January 29, 2015, among the Company, the Guarantors, the Collateral Agent, the Purchasers party thereto (as such agreement may be amended, restated, supplemented or otherwise modified from time to time, the "Revenue Sharing and Securities Purchase Agreement") and (b) the Guaranty Agreement, dated as of January 29, 2015, by the Guarantors party thereto in favor of the Secured Parties (as such agreement may be amended, restated, supplemented or otherwise modified from time to time, the "Guaranty Agreement"). Capitalized terms used herein without definition are used as defined in the Revenue Sharing and Securities Purchase Agreement.

By executing and delivering this Joinder Agreement, the undersigned: (a) hereby becomes a party to the Revenue Sharing and Securities Purchase Agreement and to the Guaranty Agreement as a Guarantor thereunder with the same force and effect as if originally named as a Guarantor therein, and, without limiting the generality of the foregoing expressly assumes all obligations and liabilities of a Guarantor thereunder, (b) represents and warrants that, with respect to the undersigned, the representations and warranties thereunder are true and correct in all material respects (without duplication of any materiality qualifier contained therein) as of the date hereof, except to the extent that such representation or warranty expressly relates to an earlier date (in which event such representations and warranties shall have been true and correct in all material respects (without duplication of any materiality qualifier contained therein) as of such earlier date) and (c) acknowledges and agrees that this Joinder Agreement constitutes a Document.

By acknowledging and agreeing to this Joinder Agreement, the undersigned hereby agrees that this Joinder Agreement may be attached to the Revenue Sharing and Securities Purchase Agreement and the Guaranty Agreement.

The provisions of Sections 9.7, 9.8 and 9.9 of the Revenue Sharing and Securities Purchase Agreement are hereby incorporated by reference herein and made a part hereof and shall apply to this Joinder Agreement, *mutatis mutandis*, as if fully set forth herein.

[Signature pages follow]

IN WITNESS WHEREOF, THE UNDERSIGNED HAS CAUSED THIS JOINDER AGREEMENT TO BE DULY EXECUTED AND DELIVERED AS OF THE DATE FIRST ABOVE WRITTEN.

[ ]

By: _____

Name:

Title:

ACKNOWLEDGED AND AGREED

as of the date first above written:

[SECURED PARTIES],
as a Secured Party

By: _____
Name:
Title:

Exhibit 99.1

Marathon Patent Group Secures $50 Million Long Term Financing

LOS ANGELES, CA--(Marketwired - Feb 3, 2015) - **Marathon Patent Group, Inc.** (NASDAQ: MARA) ("Marathon"), a patent licensing company, announced today that it has entered into a $50 million long term financing facility with funds managed by affiliates of Fortress Investment Group (NYSE: FIG).

"We continue to execute our business plan and are pleased with our 2014 achievements. We have proven to the market that we are able to build a diversified revenue-generating portfolio of IP assets. In doing so, we are pleased to have entered into a financing relationship with Fortress which will allow Marathon to continue to grow through the acquisition of additional portfolios and assets that we believe will enhance shareholder value."

"The facility provides $15 million of additional capital to our balance sheet with an additional $35 million available, while not materially affecting the ownership of our equity holders. We continue to explore acquisitions and other partnering opportunities that can make a material difference to our operating results, particularly when managed in conjunction with our highly effective team of professionals and advisors" said Doug Croxall, Founder and CEO of Marathon.

Mr. Croxall continued "The Fortress Intellectual Property Finance Group has shown their depth of understanding of patent assets and recognized the great value of our patent portfolios in providing us with the new facility."

About Marathon Patent Group:

Marathon is a patent acquisition and monetization company. The Company acquires patents from a wide-range of patent holders from individual inventors to Fortune 500 companies. Marathon's strategy of acquiring patents that cover a wide-range of subject matter allows the Company to achieve diversity within its patent asset portfolio. Marathon generates revenue with its diversified portfolio through actively managed concurrent patent rights enforcement campaigns. This approach is expected to result in a long-term, diversified revenue stream. To learn more about Marathon Patent Group, visit www.marathonpg.com.

About Fortress

Fortress Investment Group LLC is a leading, highly diversified global investment firm with $66.0 billion in assets under management as of September 30, 2014. Founded in 1998, Fortress manages assets on behalf of over 1,600 institutional clients and private investors worldwide across a range of private equity, credit, liquid hedge funds and traditional asset management strategies. Fortress is publicly traded on the New York Stock Exchange (NYSE: FIG). For additional information, please visit www.fortress.com.

Safe Harbor Statement

Certain statements in this press release constitute "forward-looking statements" within the meaning of the federal securities laws. Words such as "may," "might," "will," "should," "believe," "expect," "anticipate," "estimate," "continue," "predict," "forecast," "project," "plan," "intend" or similar expressions, or statements regarding intent, belief, or current expectations, are forward-looking statements. While the Company believes these forward-looking statements are reasonable, undue reliance should not be placed on any such forward-looking statements, which are based on information available to us on the date of this release. These forward looking statements are based upon current estimates and assumptions and are subject to various risks and uncertainties, including without limitation those set forth in the Company's filings with the Securities and Exchange Commission (the "SEC"), not limited to Risk Factors relating to its patent business contained therein. Thus, actual results could be materially different. The Company expressly disclaims any obligation to update or alter statements whether as a result of new information, future events or otherwise, except as required by law.

- **CONTACT INFORMATION**

  Marathon Patent Group

  Jason Assad

  678-570-6791

  Jason@marathonpg.com