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): **February 19, 2021**

QUEST PATENT RESEARCH CORPORATION
(Exact Name of Registrant as Specified in Charter)

Delaware	**33-18099-NY**	**11-2873662**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

411 Theodore Fremd Ave., Suite 206S, Rye, NY	10580-1411
(Address of Principal Executive Offices)	(Zip Code)

Registrant's telephone number, including area code (888) 743-7577

Check the appropriate box if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communication 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 communication pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

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

Securities registered pursuant to Section 12(b) of the Act: None

Indicate by a check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1033 or Rule 12b-2 of the Securities Exchange Act of 1934.

Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01. Entry into a Material Definitive Agreement

Summary of Agreements with QPRC Finance LLC

On February 22, 2021, Quest Patent Research Corporation (the "Company") entered into a series of agreements, all dated February 19, 2021,with QPRC Finance LLC ("QFL"), including a Prepaid Forward Purchase Agreement (the "Purchase Agreement"), a Security Agreement (the "Security Agreement"), a Subsidiary Security Agreement (the "Subsidiary Security Agreement"), a Subsidiary Guaranty (the "Subsidiary Guarantee"), a Warrant Issue Agreement (the "Warrant Issue Agreement"), a Registration Rights Agreement (the "Registration Rights Agreement") and a Board Observation Rights Agreement (the "Board Observation Rights Agreement" together with the Security Agreement, the Subsidiary Guaranty, the Subsidiary Security Agreement, Warrant Issuance Agreement, Registration Rights Agreement and the Purchase Agreement, the "Investment Documents") pursuant to which, at the closing held contemporaneously with the execution of the agreements:

(i) Pursuant to the Purchase Agreement, QFL agreed to make available to the Company a financing facility of: (i) up to $25,000,000 for the acquisition of mutually agreed patent rights that the Company intends to monetize; (ii) up to $2,000,000 for operating expenses; and (iii) $1,750,000 to fund the cash payment portion of the restructure of the Company's obligations to Intelligent Partners LLC ("IPLLC"). In return the Company transferred to QFL a right to receive a portion of net proceeds generated from the monetization of those patents. The terms of the Purchase Agreement are described under "Purchase Agreement."

(ii) The Company used $1,750,000 of proceeds from the QFL financing as the cash payment portion of the restructure of the Company's obligations to IPLLC as transferee of United Wireless Holdings, Inc. ("United Wireless") pursuant to a restructure agreement (the "Restructure Agreement") between the Company and IPLLC executed contemporaneously with the closing of the Investment Documents. The payment was made directly from QFL to IPLLC. The terms of the Restructure Agreement are described under "Restructure Agreement."

(iii) Pursuant to the Security Agreement, the Company's obligations under the Purchase Agreement with QFL are secured by: (i) the Proceeds (as defined in the Purchase Agreement); (ii) the Patents (as defined in the Purchase Agreement; (iii) all General Intangibles now or hereafter arising from or related to the foregoing (i) and (ii); and (iv) Proceeds (including, without limitation, Cash Proceeds and insurance proceeds) and products of the foregoing (i)-(iii).

(iv) Pursuant to the Subsidiary Guaranty, Quest Licensing Corporation ("QLC"), Quest NetTech Corporation ("NetTech"), Mariner IC Inc. ("Mariner"), Semcon IP Inc. ("Semcon"), IC Kinetics Inc. ("IC"), CXT Systems Inc. ("CXT"), M-Red Inc. ("MRED"), and Audio Messaging Inc.("AMI"), collectively, the "Subsidiary Guarantors") guaranteed the Company's obligations to QFL under the Purchase Agreement.

(v) Pursuant to the Subsidiary Security Agreement, the Subsidiary Guarantors grant QFL a security interest in the proceeds from the future monetization of their respective patent portfolios.

(vi) Pursuant to the Warrant Issue Agreement, the Company granted QFL ten-year warrants to purchase a total of up to 96,246,246 shares of the Company's common stock, with an exercise price of $0.0054 per share which may be exercised from February 19, 2021 through February 18, 2031on a cash or cashless basis. Exercisability of the Warrant is limited if, upon exercise, the holder would beneficially own more than 4.99% (the "Maximum Percentage") of the Company's common stock, except that by written notice to the Company, the holder may change the Maximum Percentage to any other percentage not in excess of 9.99% provided any such change will not be effective until the sixty-first (61st) day following notice to the Company. The Warrant also contains certain minimum ownership percentage antidilution rights pursuant to which the aggregate number of shares of common stock purchasable upon the initial exercise of the Warrant shall not be less than 10% of the aggregate number of outstanding shares of capital stock of the Company (determined on a fully diluted basis). A portion of any gain from sale of the shares, net of taxes and costs of exercise, realized prior to the completion of all monetization activities shall be credited against the total return due to QFL pursuant to the Purchase Agreement.

(vii) The Company agreed to take all commercially reasonable steps necessary to regain compliance with the OTCQB eligibility standards as soon as practicable, but in no event later than 12 months from the closing date.

(viii) The Company granted QFL certain registration rights with respect to the 96,246,246 shares of common stock issuable upon exercise of the warrant.

(ix) Commencing six months from the closing date, if the shares owned by QFL cannot be sold pursuant to a registration statement and cannot be sold pursuant to Rule 144 without the Company being in compliance with the current public information requirements of Rule 144, if the Company is not in compliance with the current public information requirements, the Company is required to pay damages to QFL.

(x) Pursuant to the Board Observation Rights Agreement, until the later of the date on which QFL or its affiliates (i) have received the entirety of their Investment Return (as defined in Purchase Agreement), and (ii) no longer hold any Securities (the "Observation Period"), the Company granted QFL the right, exercisable at any time during the Observation Period, to appoint a representative to attend meetings (including, without limitation, telephonic or other electronic meetings) of the Board or any committee thereof, including executive sessions, in an observer capacity.

We have filed the Purchase Agreement, the Security Agreement, the Subsidiary Security Agreement, the Guaranty, the Warrant Issue Agreement, the Form of Warrant, the Registration Rights Agreement and the Board Observation Rights Agreement as exhibits to this Form 8-K. The description of these agreements in this Form 8-K are summaries only and are qualified in their entireties by the agreements filed as exhibits.

Purchase Agreement

Pursuant to the Purchase Agreement, QFL agreed to make available to the Company a financing facility of: (i) up to $25,000,000 for the acquisition of mutually agreed patent rights that the Company intends to monetize; (ii) up to $2,000,000 for operating expenses from which the Company may, at its discretion, draw up to $200,000 per calendar quarter; and (iii) $1,750,000 to fund the cash payment portion of the restructure of the Company's obligations to IPLLC. In return the Company transferred to QFL the right to receive a portion of net proceeds generated from the monetization of those patents. After QFL has a negotiated rate of return, the Company and QFL shall share net proceeds equally until QFL shall have achieved its Investment Return (as defined therein). Thereafter, the Company shall retain 100% of all net proceeds. Except in an Event of Default, as defined therein, all payments by the Company to QFL pursuant to the Purchase Agreement are non-recourse and shall be paid only if and after net proceeds from monetization of the patent rights owned or acquire by the Company are received, or to be received.

Events of Default include any breach of the Investment Documents, including non-payment, material misrepresentation, security interest compromise, criminal indictment or felony conviction of an officer or director of the Company, the current chief executive no longer serving as the chief executive or as a director of the Company, the occurrence of any Event of Default under the Restructure Agreement, as defined therein, and insolvency of the Company. In addition to all rights and remedies available under law and the Investment Documents, upon and Event of Default, QFL may: (i) declare the Investment Return immediately due and payable, (ii) except in the event of insolvency of the Company, declare an amount equal to the aggregate amount of the capital provided pursuant to the Purchase Agreement, plus a late charge, immediately due and payable, or (iii) cease making capital available to the Company.

QFL may terminate Purchase Price Payments other than in an Event of Default by giving written notice to the Company in which case QFL's interest in Net Proceeds shall be an amount equal to the greater of (i) the capital advanced to the Company plus interest at the prime rate, on the one hand, and (ii) Net Proceeds received by the QFL prior to the date of such termination.

Grant of Security Interests

Pursuant to the Security Agreement and Subsidiary Security Agreement, payment of the obligations of the Company under the Purchase Agreement with QFL are secured by (i) the Proceeds (as defined in the Purchase Agreement); (ii) the Patents; (iii) all General Intangibles now or hereafter arising from or related to the foregoing; (iv) Proceeds (including, without limitation, Cash Proceeds and insurance proceeds) and products of the foregoing and (v) the proceeds realized by the relative patent portfolios of the Subsidiary Guarantors. The security interest in proceeds from the CXT and M-Red patents granted to QFL is junior to the security interest held by the respective affiliates of Intellectual Ventures granted to secure the obligations of CXT and MRED pursuant to their applicable patent sale agreement.

Registration Rights Agreement

Pursuant to the Registration Rights Agreement, the Company agreed to file a registration statement with the SEC covering 50,000,000 of the 96,246,246 shares of common stock issuable upon exercise of the Warrant. The Company is required to file the registration statement by the second business day following the earlier of (x) the date on which the Company is next required to file its financial statements on Form 10-K or Form 10-Q under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and (y) the date on which the Company actually files its financial statements on Form 10-K or Form 10-Q under the Exchange Act, in each case without regard to any extension pursuant to Rule 12b-25 under the Exchange Act (the "Initial Filing Deadline"); provided, that, if the Company's common stock is not quoted on an existing trading market for the purpose of conducting an at the market offering under Rule 415 of the Securities Act of 1933, as amended, the Initial Filing Deadline shall be no earlier than the second business day following the date on which the QFL provides the Company with written information as to the fixed price at which it plans to offer and sell the Registrable Securities (as defined in the Registration Rights Agreement) pursuant to the registration statement. The Company is also required to file additional Registration Statements (as defined in the Registration Rights Agreement) on the date 60 days after the date that the Company receives written notice from any Investor (as defined in the Registration Rights Agreement) that 60% of the Registrable Securities held by all Investors registered under the immediately preceding registration statement have been sold. The Registration Rights Agreement provides for the Company to pay damages in the event that the Company does not meet the required deadlines.

Intercreditor Agreement

In connection with the agreements with QFL and the agreements with IPLLC described below, the Company and its Subsidiaries entered into an intercreditor agreement with QFL and IPLLC which sets forth the priority of QFL in the collateral under the Investment Documents.

Summary of Agreements with IPLLC

The Company, together with certain of its subsidiaries, and United Wireless, entered into a Securities Purchase Agreement dated October 22, 2015 (the "SPA") and related Transaction Documents, as defined therein, pursuant to which the Company sold 50,000,000 shares (the "Shares") of the Company's common stock, par value $0.00003 per share (the "Common Stock") at $0.05 per share, or an aggregate of $250,000; the Company issued its 10% secured convertible promissory notes due September 30, 2020 to United, and granted United an option (the "2015 Purchase Option") to purchase up to an additional 50,000,000 shares of Common Stock in three tranches at the prices as set forth therein. The 2015 Purchase Option expired unexercised on September 30, 2020. The Shares are currently owned by Andrew C. Fitton ("Fitton") and Michael Carper ("Carper") and United subsequently transferred its note and assigned all of its remaining rights under the agreements to IPLLC, which is an affiliate of United Wireless and is owned by Fitton and Carper. The securities purchase agreement and transaction documents, as defined therein, are described in the Company's annual report on Form 10-K for the year ended December 31, 2019.

At September 30, 2020, promissory notes in the aggregate principal amount of $4,672,810 were outstanding. The notes became due by their terms on September 30, 2020, and the Company did not make any payment on account of principal of and interest on the notes. On or prior to the date of the Restructure Agreement, IPLLC transferred to Fitton and Carper $250,000 of the Notes (the "Transferred Note"), thereby reducing the principal amount of the Notes held by IPLLC to $4,422,810.

On February 22, 2021, the Company and IPLLC agreed to extinguish the note and Transferred Note, and terminate or amend and restate the SPA and Transaction Documents, pursuant to a series of agreements including: a Restructure Agreement (the "Restructure Agreement"), a Stock Purchase Agreement (the "Stock Purchase Agreement"), an Option Grant (the "Option Grant"), an Amended and Restated Pledge Agreement (the "Pledge Agreement"), an Amended and Restated Registration Rights Agreement (the "Registration Rights Agreement"), a Board Observation Agreement (the "Board Observation Agreement"), a MPA-NA Security Interest Agreement (the "MPA-NA Security Interest Agreement"), an Amended and Restated Patent Proceeds Security Agreement (the "Patent Proceeds Security Agreement", an Amended and Restated MPA-CP (the "MPA-CP"), an Amended and Restated MPA-CXT (the "MPA-CXT"), a MPA-MR (the "MPA-MR"), a MPA-AMI (the "MPA-AMI," and together with the MPA-CP, MPA-CXT and MPA-MR, each a Restructure MPA and together the Restructure MPAs) and a MPA-NA (the "MPA-NA").

(i) Pursuant to the Restructure Agreement, the Company paid IPLLC $1,750,000 at closing and recognized a further non-interest bearing total monetization proceeds obligation (the "TMPO") of $2,805,000, which shall, from and after the Restructure Date, be reduced on a dollar for dollar basis by (i) payments to IPLLC pursuant to the restructure agreement, the Restructure MPAs and the MPA-NA and (ii) any election by the IPLLC to pay the Exercise Price of the Restructure Option, in whole or part, by means of a reduction in the then outstanding TMPO. Further details regarding the TMPO are provided under "TMPO";

(ii) Pursuant to the Stock Purchase Agreement, the Company issued to Fitton and Carper, as holders of the transferred note, a total of 46,296,296 shares of the Company's restricted Common Stock at a purchase price of $0.0054 per share, which purchase price was paid by the conversion and in full satisfaction of the Transferred Note (the "Conversion Shares").

(iii) Pursuant to the Option Grant, the Company granted IPLLC an option to purchase a total of 50,000,000, with exercise prices of $0.054 per share which vest immediately and may be exercised through February 9, 2026.

(iv) Pursuant to the MPA-CP, IPLLC is entitled to receive 60% of the net monetization proceeds from future monetization of the patent portfolios owned by QLC, NetTech (as successor to Wynn Technologies Inc.), Semcon, Mariner and IC. The MPA-CP amended and restated in its entirety the monetization proceeds agreement dated October 22, 2015. The Company's obligations under the MPA-CP are secured by a pledge of the stock of Mariner, Semcon and IC;

(v) Pursuant to MPA-CXT, IPLLC received the right to receive 60% of the net monetization proceeds from future monetization of the CXT portfolio. The MPA-CXT amended and restated in its entirety the prior monetization proceeds agreement dated July 31, 2017;

(vi) Pursuant to the MPA-MR, IPLLC is entitled to receive 60% of the net proceeds from the future monetization of the MRED patent portfolio;

(vii) Pursuant to the MPA-AMI, IPLLC is entitled to receive 60% of the net proceeds from the future monetization of the audio messaging portfolio;

(viii) Pursuant to the MPA-NA, until the TMPO has been paid in full, IPLLC is entitled to receive 10% of the net proceeds realized from new assets acquired by the Company. If, in any calendar quarter, net proceeds realized exceed $1,000,000, IPLLC's entitlement for that quarter only shall increase to 30% on the portion of net proceeds in excess of $1,000,000 but less than $3,000,000. If in the same calendar quarter, net proceeds exceed $3,000,000, IPLLC's entitlement for that quarter only shall increase to 50% on the portion of net proceeds in excess of $3,000,000. After satisfaction of the TMPO, the MPA-NA and IPLLC's interest in new asset proceeds shall terminate.

(ix) Pursuant to the Subsidiary Security Agreement, the Company's obligations under its agreements with IPLLC, including its obligations under the restructure agreement and the Restructure MPAs are secured by a security interest in the net proceeds realized from the future monetization of the patents currently owned by the eight subsidiaries named above.

(x) Pursuant to the MPA-NA-Security Interest Agreement, the Company's obligations under the MPA-NA are secured by a security interest in net proceeds realized from the future monetization of new patents acquired until the TMPO is satisfied, provided IPLLC's secured interest shall be limited to its entitlement in Net Proceeds under the MPA-NA. After satisfaction of the TMPO the security interest in proceeds from new assets shall terminate.

(xi) The Company granted IPLLC, Andrew Fitton and Michael Carper certain registration rights with respect to (i) the 50,000,000 Shares currently owned by Fitton and Carper; (ii) the Conversion Shares being issued to Fitton and Carper, and (iii) the 50,000,000 shares of common stock issuable upon exercise of the Restructure Option;

(xii) Commencing six months from the closing date, if the shares owned by IPLLC cannot be sold pursuant to a registration statement and cannot be sold pursuant to Rule 144 without the Company being in compliance with the current public information requirements of Rule 144, if the Company is not in compliance with the current public information requirements, the Company is required to pay damages to IPLLC.

(xiii) Pursuant to the Board Observation Rights Agreement, until the Total Monetization Proceeds Obligation has been satisfied (the "Observation Period"), the Company granted IPLLC the option and right, exercisable at any time during the Observation Period, to appoint a representative to attend meetings of the Board or any committee thereof, including executive sessions, in an observer capacity.

The Company has filed the Restructure Agreement, the Stock Purchase, the Option Grant, the Pledge Agreement, the Registration Rights Agreement, the Board Observation Agreement, the MPA-NA Security Interest Agreement, the Patent Proceeds Security Agreement, the Restructure MPAs and the MPA-NA as

exhibits to this Form 8-K. The description of these agreements in this Form 8-K are summaries only and are qualified in their entireties by the agreements filed as exhibits.

TMPO

The TMPO obligation bears no interest rate and there is no prepayment penalty. Although the obligation has no maturity date, if an Event of Default shall occur and be continuing, the then outstanding TMPO shall become immediately due and payable.

Events of Default include (i) a Change of Control of the Company (ii) any uncured default on payment due to IPLLC in an amount totaling in excess of $275,000, which is not the subject of a Dispute or other formal dispute resolution proceeding initiated in good faith pursuant to this Agreement or other Restructure Documents (iii) the filing of a voluntary petition for relief under the United States Bankruptcy Code by Company or any of its material subsidiaries, (iv) the filing of an involuntary petition for relief under the United States Bankruptcy Code against the Company, which is not stayed or dismissed within sixty (60) days of such filing, except for an involuntary petition for relief filed solely by IPLLC, or any Affiliate or member of IPLLC, or (v) acceleration of an obligation in excess of $1 million dollars to another provider of financing following a final determination by arbitration or other judicial proceeding that such obligation is due and owing.

Monetization Proceeds Agreements

Pursuant to the restructure MPAs, IPLLC has a right to receive 60% of the net monetization proceeds from the patents currently owned by the Subsidiary Guarantors. The agreement has no termination provisions, so IPLLC will be entitled to its percentage interest as long as revenue can be generated from the intellectual property covered by the agreement.

Pursuant to the MPA-NA IPLLC has a right to receive 10% of the net monetization proceeds realized from patents acquired by the Company until the date the TMPO is paid in full. The agreement and IPLLC's entitlement to its percentage interest terminates upon payment in full of the TMPO.

Net monetization proceeds represents the amount by which any consideration received from the monetization of the patents, including royalty payments and amounts received as a result of litigation relating to the patents exceeds monetization expenses, including legal fees, and certain other expenses as detailed in the applicable monetization proceeds agreement.

Grant of Security Interests

Pursuant to the Patent Proceeds Security Agreement, the Company's and its subsidiaries' payment obligations under the restructure agreement and restructure MPAs are secured by a security interest in the net proceeds from the patents owned by the Subsidiary Guarantors. The security interest is junior to any existing security interest held by sellers/prior owners or litigation funders and the security interest granted to QFL pursuant to the Subsidiary Security Agreement.

Pursuant to the MPA-NA Security Agreement, the Company's payment obligations under the restructure agreement and MPA-NA are secured by a security interest in net proceeds realized from the future monetization of new patents acquired until the TMPO is satisfied, provided IPLLC's interest shall be limited to its percentage entitlement in net proceeds under the MPA-NA. The security interest is junior to the security interest granted to QFL pursuant to the Subsidiary Security Agreement.

Registration Rights Agreement

Pursuant to a registration rights agreement, the Company granted IPLLC, Andrew Fitton and Michael Carper certain registration rights with respect to (i) the 50,000,000 Shares currently owned by Fitton and Carper; (ii) the Conversion Shares issued to Fitton and Carper, and (iii) the 50,000,000 shares of common stock issuable upon exercise of the Restructure Option. The Company agreed to file a registration statement with the SEC covering up to a maximum of 50,000,000 of the Shares, Conversion Shares and Options Shares. The Company is required to file the registration statement by the earlier of the second (2nd) Business Day following the date on which the Company (x) is next required to file its financial statements on Form 10-K or Form 10-Q under the Exchange Act, and (y) actually files its financial statements on Form 10-K or Form 10-Q under the Exchange Act, in each case without regard to any extension pursuant to Rule 12b-25 under the Exchange Act. The Company is required to have the registration statement declared effective by the SEC within 120 days of the closing if the registration statement is not subject to a full review by the SEC and 180 days if the registration statement is subject to a full review. The registration rights agreements provides for the Company to pay damages in the event that the Company does not meet the required deadlines.

Consulting Contracts

On February 22, 2021, the Company entered into advisory service agreement with three consultants – William Gates, Crystal Nicolson and Jeff Toler pursuant to which they will provide services to the Company in connection with the development of the Company's business. The agreements have a term of ten years and may be terminated by the Company for cause or upon the death or disability of the consultants.

Pursuant to the agreements with Mr. Gates and Ms. Nicolson, the compensation payable to each of them consists of a restricted stock grant of 10,000,000 shares of Common Stock which immediately vests in full and a ten-year option to purchase a total of 30,000,000 shares of Common Stock, which become exercisable cumulatively as follows:

a. 10,000,000 shares at an exercise price of $0.01 per share becoming exercisable upon the commencement of trading of the Common Stock on the OTCQB.

b. 10,000,000 shares at an exercise price of $0.03 per share, becoming exercisable on the first day on which the Company files with the SEC a Form 10-K or Form 10-Q which stockholders' equity of at least $5,000,000, and

c. 10,000,000 shares at an exercise price of $0.05/share becoming exercisable on the date on which the Common Stock is listed for trading on the Nasdaq Stock Market or the New York Stock Exchange.

Pursuant to the agreement with Mr. Toler, the compensation payable to him consists of a restricted stock grant of 10,000,000 shares of Common Stock which immediately vests in full and a ten-year option to purchase 30,000,000 shares of Common Stock, which becomes exercisable cumulatively as follows:

a. 10,000,000 shares at an exercise price of $0.01 per share upon the first anniversary of the agreement.

b. 10,000,000 shares at an exercise price of $0.03 per share upon the second anniversary of the agreement; and

c. 10,000,000 shares at an exercise price of $0.05 per share upon the third anniversary of the agreement.

Item 3.02 Unregistered Sales of Equity Securities

The issuance of the warrant to purchase 96,296,296 shares of common stock to QFL, the issuance of 46,296,296 shares of common stock to Fitton and Carper and the issuance to IPLLC of an option to purchase 50,000,000 shares as described in Item 1.01 are exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933 as transactions not involving a public offering. No underwriter or broker participated in or received compensation in connection with such issuances.

Pursuant to the 2017 Equity Incentive Plan, amended as described in Item 5.02, the Company issued to William Gates, Crystal Nicolson and Jeff Toler a total of 30,000,000 shares of Common Stock as a restricted stock grant and options to purchase a total of 90,000,000 shares of common stock pursuant to the agreements described in Item 1.01. The issuance of the options and restricted stock grants described in Item 1.01 under "Consulting Contracts" are exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933 as transactions not involving a public offering. No underwriter or broker participated in or received compensation in connection with such issuances.

Pursuant to the 2017 Equity Incentive Plan, as amended, the Company issued to Jon C. Scahill, Timothy J. Scahill, Dr. William R. Carroll and Ryan T. Logue the restricted stock grants for a total of 74,000,000 shares of Common Stock and granted to Jon C. Scahill an option to purchase 60,000,000 shares, as set forth in Item 5.02. The issuance of the options and restricted stock grants described in Item 5.02 are exempt from registration pursuant to Section 4(a)(2) of the Securities Act of 1933 as transactions not involving a public offering. No underwriter or broker participated in or received compensation in connection with such issuances.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On February 19, 2021 the board of directors:

(i) amended the 2017 Equity Incentive Plan (the "Plan") increasing the shares the Company can issue under the plan to 500,000,000 shares of common stock pursuant to non-qualified stock options, restricted stock grants and other equity-based incentives, the amendment to the Plan and the grants of awards pursuant to the Plan, as described in Items 1.01 and 5.02, to be effective upon the closing of the agreements with QFL.

(ii) Granted restricted stock grants for services rendered and vesting in full upon grant, to:

a. Jon C. Scahill – 49,000,000 shares

b. Timothy J. Scahill – 10,000,000 shares

c. Dr. William R. Carroll - 10,000,000 shares

(iii) Granted Jon Scahill a ten-year option (the "Option") to purchase 60,000,000 shares of Common Stock which become exercisable cumulatively as follows:

a. 20,000,000 shares at an exercise price of $0.01 per share becoming exercisable upon the commencement of trading of the Common Stock on the OTCQB.

b. 20,000,000 shares at an exercise price of $0.03 per share, becoming exercisable on the first day on which the Company files with the SEC a Form 10-K or Form 10-Q which stockholders' equity of at least $5,000,000, and

c. 20,000,000 shares at an exercise price of $0.05/share becoming exercisable on the date on which the Common Stock is listed for trading on the Nasdaq Stock Market or the New York Stock Exchange

(iv) Appointed Ryan T. Logue to the board of directors and granted Mr. Logue a restricted stock grant of 5,000,000 shares of common stock which vests upon his acceptance of his appointment as a director.

Mr. Logue, age 40, is an investment advisory representative Lincoln Investment, a position he has held since 2019. Prior to joining Lincoln Investment, he spent 16 years with Morgan Stanley in the private wealth management department. Mr. Logue has spent the majority of his career focused on investing in both public and private opportunities department. Mr. Logue graduated with a BA from Colgate University and an MBA from Columbia University and has previously served on the board of the Columbia Alumni Association of Fairfield County.

Item 9.01. Financial Statements and Exhibits

Exhibits.

Number	Description
99.1*	Purchase Agreement dated February 19, 2021 among the Company and QPRC Finance LLC
99.2	Ex. A to Purchase Agreement – Security Agreement dated February 19, 2021 among the Company and QPRC Finance LLC
99.3	Ex. B to Purchase Agreement – Subsidiary Continuing Guaranty Agreement dated February 19, 2021 among Quest Licensing Corporation, Mariner IC Inc., Semcon IP Inc., IC Kinetics Inc., Quest NetTech Corporation, CXT Systems, Inc., M-Red Inc., Audio Messaging Inc. and QPRC Finance LLC
99.4	Ex. C to Purchase Agreement – Subsidiary Patent Proceeds Security Agreement dated February 19, 2021 among the Company, Quest Licensing Corporation, Mariner IC Inc., Semcon IP Inc., IC Kinetics Inc., Quest NetTech Corporation, CXT Systems, Inc., M-Red Inc., Audio Messaging Inc. and QPRC Finance LLC
99.5	Ex. D to Purchase Agreement – Warrant Issuance Agreement dated February 19, 2021 among the Company and QPRC Finance LLC
99.6	Ex. E to Purchase Agreement – Board Observation Rights Agreement dated February 19, 2021 among the Company and QPRC Finance LLC
99.7	Registration Rights Agreement – dated February 19, 2021 among the Company and QPRC Finance LLC
99.8	Form of Warrant – dated February 19, 2021 among the Company and QPRC Finance LLC
99.9	Restructure Agreement dated February 19, 2021 among the Company, Quest Licensing Corporation, Mariner IC Inc., Semcon IP Inc., IC Kinetics Inc., Quest NetTech Corporation, CXT Systems, Inc., M-Red Inc., Audio Messaging Inc. Intelligent Partners LLC, Andrew Fitton and Michael Carper.
99.10	Ex. A to Restructure Agreement - Stock Purchase Agreement dated February 19, 2021 among the Company, Intelligent Partners LLC, Andrew Fitton and Michael Carper
99.11	Ex. B to Restructure Agreement - Option Grant dated February 19, 2021 among the Company and Intelligent Partners LLC
99.12	Ex. C to Restructure Agreement - Amended and Restated Pledge Agreement dated February 19, 2021 among the Company and Intelligent Partners LLC
99.13	Ex. D to Restructure Agreement - Amended and Restated Registration Rights Agreement dated February 19, 2021 among the Company, Intelligent Partners LLC, Andrew Fitton and Michael Carper.
99.14	Ex. E to Restructure Agreement - Board Observation Agreement dated February 19, 2021 among the Company and Intelligent Partners LLC
99.15	Ex. F to Restructure Agreement - Amended and Restated MPA-CP dated February 19, 2021 among the Company, Quest Licensing Corporation, Mariner IC Inc., Semcon IP Inc., IC Kinetics Inc., Quest NetTech Corporation and Intelligent Partners LLC
99.16	Ex. G to Restructure Agreement - Amended and Restated MPA-CXT dated February 19, 2021 among CXT Systems, Inc. and Intelligent Partners LLC
99.17	Ex. H to Restructure Agreement - Monetization Proceeds Agreement dated February 19, 2021 among M-RED Inc. and Intelligent Partners LLC
99.18	Ex. I to Restructure Agreement - Monetization Proceeds Agreement dated February 19, 2021 among Audio Messaging Inc. and Intelligent Partners LLC
99.19	Ex. J to Restructure Agreement - Amended and Restated 2015 Patent Proceeds Security Agreement dated February 19, 2021 among the Company, Quest Licensing Corporation, Mariner IC Inc., Semcon IP Inc., IC Kinetics Inc., Quest NetTech Corporation, CXT Systems, Inc., M-Red Inc., Audio

	Messaging Inc. and Intelligent Partners LLC
99.20	Ex. K to Restructure Agreement - MPA-NA dated February 19, 2021 among the Company and Intelligent Partners LLC
99.21	Ex. L to Restructure Agreement - MPA-NA Security Interest Agreement dated February 19, 2021 among the Company and Intelligent Partners LLC

* Certain confidential information has been deleted from this Exhibit.

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 hereunto duly authorized.

QUEST PATENT RESEARCH CORPORATION
(Registrant)

Date: February 24, 2021

By: /s/ Jon C. Scahill
Jon C. Scahill
Title: Chief Executive Officer

EX-99.1 2 ea136324ex99-1_questpatent.htm PURCHASE AGREEMENT DATED FEBRUARY 19, 2021 AMONG THE COMPANY AND QPRC FINANCE LLC

Exhibit 99.1

CERTAIN CONFIDENTIAL PORTIONS OF THIS EXHIBIT HAVE BEEN OMITTED AND REPLACED WITH "[***]". SUCH IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS (I) NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF DISCLOSED.

PREPAID FORWARD PURCHASE AGREEMENT

This Prepaid Forward Purchase Agreement (as amended from time to time, the "Purchase Agreement") is made by and between Quest Patent Research Corporation, a Delaware corporation ("Seller"), and QPRC Finance LLC ("Buyer"), a Delaware limited liability company (each, a "Party," and collectively, the "Parties"). This Purchase Agreement is effective as of February 19, 2021 (the "Effective Date"). Terms used herein but not otherwise defined shall have the meanings set forth in **Schedule I** and the exhibits hereto.

WHEREAS, Seller is in the business of, among other things, acquiring and monetizing patents;

WHEREAS, the purpose of this Purchase Agreement is for Buyer to provide financing to Seller for certain operating expenses and for the acquisition of certain mutually agreed patent rights (the "Patents") that Seller intends to license, enforce, or otherwise monetize (such activities, "Monetization");

WHEREAS, in connection the financing hereunder, Seller and/or certain of Seller's Affiliates and Buyer are executing and delivering (i) the Security Agreement (attached hereto and incorporated herein as **Exhibit A**) (as may be amended from time to time, the "Security Agreement"); (ii) the Subsidiary Continuing Guaranty Agreement (attached hereto and incorporated herein as **Exhibit B**) (as may be amended from time to time, the "Subsidiary Guaranty"), (iii) the Subsidiary Patent Proceeds Security Agreement (attached hereto and incorporated herein as **Exhibit C**) (as may be amended from time to time, the "Subsidiary Security Agreement", and, together with the Security Agreement, the "Security Documents"), (iv) the Warrant Issuance Agreement (attached hereto and incorporated herein as **Exhibit D**) (as may be amended from time to time, the "Warrant Issuance Agreement"); and (vi) the Board Observation Rights Agreement (attached hereto and incorporated herein as **Exhibit E**) (as may be amended from time to time, the "Board Observation Rights Agreement," and, together with the Security Agreement, the Subsidiary Guaranty, the Subsidiary Security Agreement, Warrant Issuance Agreement, and the Purchase Agreement, the "Investment Documents").

WHEREAS, the Parties acknowledge and agree that licensing, litigation, and related activity is the essential activity of Seller's business, that the Investment Documents were created because of pending and anticipated litigations, and that the Investments Documents would not have been created in substantially similar form but for those litigations.

NOW, **THEREFORE**, in consideration of the mutual covenants and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of Buyer and Seller, intending to be legally bound, hereby agrees as follows:

1. ***Incorporation of Recitals***. The recitals set forth above are hereby incorporated into the terms of this Purchase Agreement.

2. ***Transfer of Investment Return***. Seller agrees to pay Buyer the Investment Return set forth on **Schedule II** hereto ("Investment Return"). Seller hereby transfers to Buyer the portion of the Net Proceeds, and, so long as Component (1) of the Investment Return has not been paid to Buyer in full, all other monies received by Seller or any agent or Affiliate thereof in any connection (except to the extent that such other monies are legally encumbered to a third-party), equal to the Investment Return and the right to receive the Investment Return (the "Transferred Interest"), and Buyer hereby accepts the transfer of the Transferred Interest from Seller, upon the terms set forth herein. For the avoidance of doubt, Buyer's receipt of the Investment Return and the Transferred Interest does not constitute an assignment of claims or convey to Buyer any right, title, or interest in or to the Patents.

3. ***Payment of Purchase Price***. The purchase price for the Transferred Interest shall be equal to the sum of the purchase price payments that Buyer makes or causes to be made under the Purchase Agreement (the "Purchase Price," and each such payment, a "Purchase Price Payment"). Subjects to the terms herein, Buyer shall make the following Purchase Price Payments:

a. Up to the Maximum Operating Capital Purchase Payments Amount to pay certain operating expenses ("Operating Capital Purchase Price Payments"); provided, however, that Operating Capital Purchase Price Payments shall not exceed $200,000 in any calendar quarter;

b. A single payment of $1,750,000 to Intelligent Partners LLC ("Intelligent Partners") pursuant to that certain Restructure Agreement (the "Restructure Agreement") dated February 19, 2021 between Seller, certain subsidiaries of Seller and Intelligent Partners, Andrew C. Fitton and Michael Carper (the "Intelligent Partners Payment"); and

c. Up to an additional $25,000,000 to acquire Patents ("Patent Acquisition Purchase Price Payments"), as agreed by Buyer in its sole and absolute discretion;

As used herein the Maximum Operating Capital Purchase Payments Amount (the "Maximum Operating Capital Purchase Payments Amount") shall initially be $2,000,000, subject to reduction by Seller upon ten (10) business days' advance written notice to Buyer, provided, Seller may not reduce the Maximum Operating Capital Purchase Payments Amount to an amount that is less than the aggregate amount of all Operating Capital Purchase Price Payments that have been made or that are subject to an outstanding request to be made as of the date of such reduction. For each Purchase Price Payment, Seller shall submit to Buyer an invoice reasonably detailing the Purchase Price Payment to be made, including, if appropriate, with reference to the section number of the Purchase Price Payment set forth herein. Buyer shall make the Purchase Price Payment within 30 days of the receipt of a proper invoice to the account specified on **Schedule III**; provided, however that the Parties will work in good faith to make payments more quickly to the extent necessary, *e.g.*, to facilitate a patent purchase.

[***]

Notwithstanding anything to the contrary in this Purchase Agreement, the maximum amount that Buyer shall be obligated to pay under this Purchase Agreement as of the Effective Date, and subject to the terms and conditions herein, shall be the sum of [***], plus [***], plus [***] (the "Maximum Investment"), subject to future increases as a result of mutually agreed patent purchases.

4. ***Payment of Investment Return***. Until Buyer has received the entirety of its Investment Return, Seller, and any Affiliate of Seller entitled to receipt of any Proceeds, shall irrevocably direct and cause each Seller's Attorney to receive all Proceeds in connection with the Monetization of those Patents into its trust account and to pay the appropriate share of Net Proceeds to Buyer directly within five days of receipt of a distribution report approved by Buyer ("Distribution Report"), unless Buyer agrees in writing to accept a different process for payment. Buyer agrees that, except as specified in Section 7, the Purchase Price Payments to Seller are without recourse, meaning that all payments to Buyer under this Purchase Agreement shall be paid only if and after any Net Proceeds are received, or to be received by Seller. Seller shall have ten (10) business days from Seller's Attorney's receipt of Proceeds to prepare and submit the Distribution Report to Buyer for approval. Seller shall direct each Seller's Attorney to supply Buyer with all information in its possession about any Proceeds it receives in the event that Seller does not submit a Distribution Report to Buyer with respect to such Proceeds within ten (10) business days of such Seller's Attorneys' receipt of such Proceeds.

5. ***Seller's Representations, Warranties, Covenants, Acknowledgements, and Waivers; Indemnification***. All representations, warranties, and covenants contained in the Investment Documents shall be continuous and survive the execution of this Purchase Agreement.

a. Seller represents and warrants that, as of the Effective Date:

i. Seller has full authority to enter into and perform the Investment Documents and to bind Seller to all of the Investment Documents' respective terms, none of which will (a) violate any other agreement of Seller, (b) to the best of Seller's knowledge, violate any applicable law, or (c) require any notice or approval of any third party which has not been obtained.

ii. Seller is duly authorized and holds all certificates of authority, licenses, and permits necessary to carry on its business as presently conducted and as presently proposed to be conducted, except to the extent that the failure to be so qualified or be in good standing would not reasonably be expected to have a Material Adverse Effect. As used in this Agreement, "Material Adverse Effect" means any material adverse effect on the business, properties, assets, liabilities, operations, results of operations, condition (financial or otherwise) or prospects of the Seller individually, or the Seller and its Affiliates taken as a whole, or on the transactions contemplated hereby or in the other Investment Documents or by the agreements and instruments to be entered into in connection herewith or therewith, or on the authority or ability of the Seller to perform any of its material obligations under any of the Investment Documents.

iii. Seller (a) understands the risks involved in the Investment Documents; (b) has adequate information to make an informed decision to enter into the transactions contemplated by the Investment Documents, and (c) has independently and without reliance upon Buyer, and based upon such information as Seller has deemed appropriate, conducted its own analyses and made its own decision to enter into the Investment Documents. Seller acknowledges that Buyer has not given Seller any investment or other advice, or any opinion, regarding whether the transactions contemplated by the Investment Documents are prudent.

iv. Seller has consulted with independent legal counsel regarding the Investment Documents and is fully advised with respect to Seller's obligations and rights with respect hereto. Seller has received independent legal advice with respect to all of the Investment Documents and the transactions contemplated thereby.

v. No broker, finder, or other entity acting under the authority of Seller or any of its Affiliates is entitled to any broker's commission or other fee in connection with this transaction for which Buyer could be responsible.

vi. To the best of Seller's knowledge, Seller is in compliance in all material respects with all United States statutes and governmental rules and regulations applicable to it, except where the failure to be in compliance will not have a Material Adverse Effect.

b. Seller covenants that so long as this Purchase Agreement remains in effect:

i. Seller shall not directly or indirectly sell, transfer, assign, lease, encumber, or otherwise convey any interest, right, or title in the Proceeds or the Patents (whether in one transaction or in a series of transactions) to any Person, except Buyer, without Buyer's prior written consent, it being understood that the grant to any Seller's Attorney of an interest in the Proceeds from any Patent shall not be deemed a violation of this Section 5.b.i.

ii. Seller shall not create, incur, assume, or suffer to exist any lien with respect to the Proceeds or Patents, except liens in favor of Buyer.

iii. Seller shall not permit any director, manager, officer, employee, agent, or Affiliate of Seller to engage in any transaction on behalf of Seller that would reasonably be expected to adversely affect Buyer's rights under the Investment Documents.

iv. Seller shall promptly notify Buyer after becoming aware of any breach by Seller of any representation, warranty, covenant, or other obligation under any Investment Document.

v. Seller shall maintain its legal entity in good standing in the state of its formation and maintain all of its certificates, permits, licenses, and agreements of any kind or nature necessary to the operation of its business, including those necessary or desirable for the completion of the monetization of the Patents, except where the failure of any of the foregoing shall not have, individually or in the aggregate, a Material Adverse Effect.

vi. Seller shall not substantially modify its legal entity existence, such as a change of name, entity type, or merger with another company, unless (a) Seller provides Buyer with at least thirty (30) days' prior written notice of such event, (b) this Purchase Agreement becomes binding on any resulting entities, and (c) any such resulting entities assume all obligations of Seller, which assumption shall be reflected in the documents effecting such change.

vii. Upon reasonable notice, Seller shall permit any Person designated by Buyer to visit and inspect any of Seller's properties, corporate books, and financial records, to examine and to make copies of its books of accounts and other financial records, and to discuss the affairs, finances, and accounts of Seller relevant to the monetization of the Patents, and to be advised as to the same by, their officers, all to the extent reasonably necessary to ensure compliance with the Investment Documents, at such reasonable times and intervals as Buyer may designate during normal business hours.

viii. All information furnished by Seller to Buyer for purposes of or in connection with this Purchase Agreement shall be true and accurate in every material respect on the date as of which such information is dated or certified, and none of such information shall be incomplete by omitting to state any material fact known to Seller, or that Seller would have known after reasonable inquiry, and necessary to make such information not materially misleading in light of the circumstances under which made.

ix. In the event that Seller is contemplating dissolution due to financial insolvency or a bankruptcy filing (an "Insolvency Event"), to the extent commercially feasible and known to Seller, Seller agrees to give Buyer thirty (30) days' advance notice of the contemplated Insolvency Event, or if thirty (30) days' notice is not feasible, Seller will notify Buyer as soon as any Seller reasonably believes that an Insolvency Event is likely to occur.

x. Subject to any claim of attorney-client privilege, Seller shall promptly notify Buyer (and in no event less later than three business days after such event) any time there is a material change in circumstances or facts relating to Seller that in Seller's reasonable judgement would (a) cause any representation, warranty, or covenant to become untrue, (b) materially affect the value of the Monetization or Proceeds (including developments in any litigation), or (c) prevent or materially inhibit Seller from performing its obligations under the Investment Documents.

xi. Subject to any claims of attorney-client privilege, Seller shall timely inform Buyer of any material developments regarding (a) Seller's business operations, (b) the Patents, (c) the status of any Monetization or Proceeds, and (d) the status of any litigation.

xii. Seller shall timely respond to requests from Buyer's auditors to confirm the existence of a contract or contracts between Buyer and Seller, and the terms, amounts, and commitments therein.

xiii. In the event Seller alleges that Buyer has breached this Purchase Agreement, Seller shall provide written notice of such breach and provide Buyer with at least fifteen days' written notice to cure such breach.

Notwithstanding the foregoing or anything in this Agreement to the contrary, Buyer acknowledges that in connection with its information and access rights under this Agreement, Seller may be required to provide information that may be deemed to be material non-public information; provided that the Seller agrees to clearly identify any such information as such, in writing, and, prior to delivery of any material non-public information, to request and obtain written confirmation that Buyer wishes to receive non-public information notwithstanding that it may constitute material non-public information. Buyer and Seller 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 Buyer to evaluate from time to time the extent to which Buyer is prepared to receive material non-public information from Seller 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 Buyer's objective of remaining reasonably informed of Sellers Monetization efforts and available to consult with Seller regarding such activities, while not being unreasonably restricted in public trading of common stock of the Seller. For the avoidance of doubt, subject to Seller not providing Buyer with any information that it is not prepared to disclose to the public without first requesting and obtaining written confirmation that Buyer wishes to receive non-public information, Seller shall have no obligation to Buyer to disclose information to the public, whether by press release or filing with the U.S. Securities Exchange Commission (the "SEC"), that it is not otherwise obligated to disclose at such time pursuant to the Securities Exchange Act of 1934, as amended, and the regulations of the SEC promulgated thereunder.

c. Seller represents, warrants, acknowledges, and admits, and expressly, unconditionally, and irrevocably waives any claim or argument that is inconsistent with or contrary to, the following:

i. Seller is transacting with Buyer only and not any Affiliate of Buyer.

ii. Seller expressly waives any argument that Buyer is the alter ego of any other entity, that Buyer's corporate veil may be pierced, or that Seller may seek legal redress from any entity other than Buyer, based on any theory or argument, for any claim arising from, in connection with, or relating to the Investment Documents. Seller accordingly waives any and all claims against any Affiliate of Buyer arising from, in connection with, or related to the Investment Documents and the transactions contemplated thereby unless such Affiliate is a party thereto.

d. Seller shall indemnify, hold harmless, and defend Buyer and its managers, officers, directors, employees, agents, Affiliates, successors, and permitted assigns (each, an "Indemnitee," and collectively, the "Indemnitees") against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including professional fees and attorneys' fees, that are incurred by, or brought or awarded against, any Indemnitee arising from, in connection with, or relating to (a) breach or non-fulfillment of any of Seller's representations, warranties, or covenants set forth in the Investment Documents; or (b) any grossly negligent or more culpable act or omission of Seller (including any reckless or willful misconduct) in connection with the performance of Seller's obligations under the Investment Documents, it being understood that Seller is making no representation or warranty as to the amount of Net Proceeds to be derived from the investment made by Buyer pursuant to the Investment Documents.

6. ***Buyer's Representations and Warranties***. Buyer represents and warrants that, as of the Effective Date:

a. Buyer has full power and authority to execute and perform the Investment Documents and to bind Buyer to all of the Investment

Documents' respective terms, none of which will (a) violate any other agreement of Buyer, (b) to the best of Buyer's knowledge, violate any applicable law, or (c) require any notice or approval of any third party which has not been obtained.

b. Buyer (a) understands the risks involved in the Investment Documents; (b) has adequate information to make an informed decision to enter into the transactions contemplated by the Investment Documents, and (c) has independently and without reliance upon Seller, and based upon such information as Buyer has deemed appropriate, conducted its own analyses and made its own decision to enter into the Investment Documents. Buyer acknowledges that Seller has not given Buyer any investment or other advice, or any opinion, regarding whether the transactions contemplated by the Investment Documents are prudent.

c. Buyer has consulted with independent legal counsel regarding the Investment Documents and is fully advised with respect to Buyer's obligations and rights with respect hereto. Buyer has received independent legal advice with respect to all of the Investment Documents and the transactions contemplated thereby.

d. No broker, finder, or other entity acting under the authority of Buyer or any of its Affiliates is entitled to any broker's commission or other fee in connection with this transaction for which Seller could be responsible.

7. ***Events of Default.***

a. Each of the events or circumstances set forth below is an Event of Default (each an "Event of Default" and together "Events of Default"):

i. Non-payment. Seller fails to pay, distribute, or authorize the distribution of any amount payable or distributable to Buyer when due under Investment Documents.

ii. Other Obligations. Seller fails to comply with any provision of the Investment Documents (other than those referred to in subsection (a)(i) above) and, if such failure to comply is curable, such failure to comply is not cured within fifteen days of Buyer providing written notice to Seller.

iii. Misrepresentation. Any representation, warranty or statement made or deemed to have been made by Seller in the Investment Documents or any other document delivered by or on behalf of Seller hereunder is or proves to have been misrepresented or misleading in any material respect.

iv. Retention Agreement Cross-Default. Seller breaches any material provision of a retention agreement with Seller's Attorney.

v. Spoliation. Seller is found or determined to have spoliated evidence.

vi. Investment Document Invalidity or Challenge. Any material provision of any Investment Document, at any time after its execution and delivery, ceases to be in full force and effect as to Seller as a result of action by Seller or the failure of Seller to take necessary action known or reasonably should have been known by Seller to be taken; Seller contests in any manner the validity or enforceability of any provision of any Investment Document; or Seller denies that it has any or further liability or obligation under any provision of the Investment Document, or purports to revoke, terminate, or rescind any provision of any Investment Document; provided, that a reasonable good faith disagreement as to whether any provision is applicable to a particular situation or any liability has been paid or otherwise satisfied shall not be deemed an Event of Default.

vii. Security Interest Compromise. Buyer ceases to have a valid and perfected first priority lien on the Collateral (as defined in any Security Document") or Seller seeks to avoid, limit, or otherwise adversely affect any security interest granted to Buyer provided that Buyer has taken all commercially reasonable action necessary to perfect such security interest.

viii. Criminal Indictment. A criminal indictment or a felony is entered against an officer or director of Seller.

ix. Suspension of Business. Seller takes, or there shall be involuntarily taken (including without limitation as a result of any judgment or injunction against Seller or any of its subsidiaries), any action to suspend the operation of the business of Seller, taken as a whole, in the ordinary courses, it being understood that the suspension of business of a subsidiary of Seller shall not be an Event of Default if (a) such suspension would not reasonably be expected to have a Material Adverse Effect or (b) Buyer consents to such suspension of business of a subsidiary.

x. Change of Management. Jon Scahill no longer serves as a director or performs the functions of President and Chief Executive Officer of Seller without the prior written consent of Buyer other than as a result of his death or Permanent Disability. As used in this Agreement "Permanent Disability" means Jon Scahill is unable to engage in any substantial gainful activity by reason of a physical or mental impairment, as determined by a qualified, independent physician, which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than six (6) months.

xi. Restructure Default. The occurrence of any "Event of Default" or "Acceleration Event" under the Restructure Agreement or any document entered in connection therewith (including, without limitation, any Restructure Document (as such term is defined in the Restructure Agreement) or NA Document (as such term is defined in the Restructure Agreement)) or the exercise of any remedies against Seller under the Restructure Agreement or any such other document.

xii. Insolvency.

1. Seller fails to pay its debts as they become due or suspends making payments on any of its material financial obligations that are not subject to a bona fide dispute; or

2. The value of Seller's assets is less than its liabilities (taking into account contingent and prospective value of liabilities, the contingent and prospective value of assets, and the contingent and prospective nature of Monetization).

xiii. Insolvency Proceedings. Any legal proceedings are taken in relation to:

1. the suspension of payments, winding up, dissolution, liquidation, administration or reorganization (by way of voluntary arrangement, scheme of arrangement, or otherwise) of Seller

2. the filing of a voluntary petition for relief under the United States Bankruptcy Code by Seller or the filing of an involuntary petition for relief against Seller which is not stayed or dismissed within sixty (60) days of such filing;

3. the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of Seller or substantially all of Seller's assets; or

4. enforcement over all or substantially all of Seller's assets of (a) any mortgage, charge, pledge, lien, or other security interest securing any obligation of Seller or its Affiliates to any Person or any other agreement or arrangement having a similar effect, or (b) any claim, cause of action, suit, or demand, including any counterclaim or third-party claim that is adverse to Seller, Buyer, or any Affiliate thereof, other than any claim seeking a declaratory judgment of non-infringement, invalidity, or unenforceability of any Patent.

b. Rights and Remedies.

i. Upon an Event of Default, Buyer may, in its sole and absolute discretion, upon written notice to Seller, do any one or more of the following:

1. Declare Seller's obligation to pay Buyer its Investment Return immediately due and payable in full and, in addition, in the case of an Event of Default described in any of clauses (i)-(xi) of Section 7.a, declare an amount equal to the aggregate amount of the Purchase Price Payments paid by Buyer plus a Late Payment Charge (as defined in Schedule II) to be immediately due and payable from Seller to Buyer.

2. Cease making Purchase Price Payments ("Payment Termination"), without prejudice to Buyer resuming Purchase Price Payments at its election.

3. Except as otherwise provided herein, without notice to or demand upon Seller, make such payments and do such acts, on behalf of Seller, as Buyer reasonably considers necessary or reasonable to protect its rights under the Investment Documents.

In addition to the foregoing, Buyer shall have all rights and remedies provided by law and any rights and remedies contained in any Investment Document, including enforcing its security interest in the Net Proceeds. No remedy herein is intended to be exclusive of any other remedy and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or any other provision of law.

ii. For the avoidance of doubt, Buyer's pursuit of any or all of the foregoing rights and remedies, shall not (a) affect, reduce, or impair Buyer's right to retain the Transferred Interest and to receive the Investment Return resulting from any Net Proceeds received, whether in the past, present, or future, (b) give rise to any liability on the part of Buyer to any Person, including Seller, or (c) have any effect whatsoever on the rights and obligations of the Parties set forth in the Security Agreement.

8. ***Other Purchase Price Payment Termination***. Buyer may terminate Purchase Price Payments other than as set forth in Section 7 hereof by giving written notice to Seller of its decision to terminate payment pursuant to this Section 8 ("Other Payment Termination"). In the event of such Other Payment Termination, Buyer's interest in the Net Proceeds shall be an amount equal to the greater of (i) the Purchase Price Payments made by Buyer plus interest at the prime rate, on the one hand, and (ii) Net Proceeds received by Buyer prior to the date of such Other Payment Termination, if any. Buyer shall have no liability to any Person, including Seller, relating to, arising from, or in connection with an Other Payment Termination under this Section 8. Nor shall such Other Payment Termination have any effect whatsoever on the rights and obligations of the Parties set forth in the Security Agreement.

9. ***Right of First Refusal***. At any time from the Effective Date, but until the earlier of (i) such time as Buyer's Maximum Investment has been exhausted, or (ii) Buyer has received its Total Return (as defined in Schedule II), Seller shall not, directly or indirectly, through any Affiliate or otherwise, enter into any agreement or consummate any transaction involving the purchase of a patent right (a "Patent Acquisition"), except after having complied with its obligations of this Section 9; provided, that from and after the date upon which Buyer has received at least $20,000,000 in Net Proceeds under Section 4, Seller may enter into a Patent Acquisition that does not require any third-party financing without complying with the requirements of the three following sentences of this Section 9. Seller shall notify Buyer in writing of a potential Patent Acquisition and provide Buyer with all diligence materials available to Seller regarding the transaction. In the case of potential Patent Acquisitions with an up-front cash purchase price of no greater than $100,000, calculated without regard to any back-end payments, Buyer shall have five (5) business days from the date of Seller's presentation of the opportunity to finance the Patent Acquisition (the date of such presentation, the "Seller's Presentation Date") to accept the opportunity. In the case of potential Patent Acquisition with a purchase price in excess of $100,000, Buyer shall have forty-five (45) calendar days from the Seller's Presentation Date to accept the opportunity; provided, however, that in the event that circumstances require that the acquisition decision be made in less time or Buyer requires additional time to conduct diligence, the Parties shall agree in good faith to alter the review period. In the event Buyer does not approve the Patent Acquisition, Seller shall be free to pursue the opportunity without Buyer's participation and the patents shall not be Patents under this Purchase Agreement (the "Declined Patents"). If, at any time prior to the closing of a potential Patent Acquisition with respect to Declined Patents, any change or amendment is made that, individually or in the aggregate with any other changes or amendments, is more favorable in any material respect to the counterparty in such potential Patent Acquisition (a "Revised Patent Acquisition"), then the Revised Patent Acquisition shall constitute a new Patent Acquisition and again be subject to the terms of this Section 9.

10. ***Confidentiality***. The Parties agree that any non-public information or document provided before or after the Effective Date by one Party (the "Disclosing Party") and/or its directors, officers, members, employees, parents, subsidiaries, affiliates, agents, attorneys, auditors, or professional financial advisors (its "Representatives") to the other Party (the "Receiving Party") and/or its Representatives shall be "Confidential Information." In addition, "Confidential Information" shall include the Investment Documents and all drafts thereof, the terms of the Investment Documents, and the relationship between the Parties. "Confidential Information" shall not include information that was rightfully known by the Receiving Party or documents that were in the Receiving Party's rightful possession at the time the information was provided. Information or documents will no longer be considered "Confidential Information" under this Agreement to the extent that (a) the information or document becomes generally known to the public, on or after the Effective Date, other than through a breach of this Purchase Agreement, (b) the Receiving Party receives the information or document from a third party that is not subject to non-disclosure obligation owed to the Disclosing Party, or (c) the Disclosing Party agrees in writing that the information or document is no longer confidential. A Receiving Party may disclose such Confidential Information to its or the Disclosing Party's Representatives, provided that the Representative has a need to know such information in connection with the

furtherance of the purposes of this Purchase Agreement and the Representative is bound by confidentiality obligations at least as restrictive as those set forth herein. A Receiving Party may not otherwise disclose Confidential Information, except to the extent (a) the Disclosing Party consents to such disclosure in writing, or (b) the Party is seeking to enforce its rights under the Agreement, provided that Confidential Information is filed under seal. In addition, Buyer may disclose Confidential Information to any potential or actual investor, financing source, assignee, transferee, or participant. In addition, a Receiving Party may disclose Confidential Information if such disclosure is necessary to comply with a court order, subpoena, investigation, or other government or legal process, including SEC reporting obligations (the "SEC Reporting Obligations"), wherein, on the advice of counsel, the Receiving Party is legally obligated to make such disclosure (each a "Disclosure Request"), provided that the Party receiving the Disclosure Request shall, to the extent possible, give the Disclosing Party reasonable notice of the Disclosure Request and cooperate with the Disclosing Party in attempting to seek an appropriate order, confidential treatment or a similar remedy limiting the requested disclosure, at the Disclosing Party's expense. If, in the absence of an order limiting disclosure or a waiver by the Disclosing Party, the Receiving Party is compelled to disclose Confidential Information, the Receiving Party may disclose such Confidential Information that its attorney advises it is necessary to disclose to comply with the Disclosure Request. Should the Disclosing Party not contest the Disclosure Request, the Receiving Party shall not have any obligation to do so. The Receiving Party may, however, contest the Disclosure Request even if the Disclosing Party elects not to do so. Notwithstanding the foregoing, the obligations of the Receiving Party with respect to Disclosure Requests shall not apply with respect to any disclosure of Confidential Information made in connection with any routine governmental or regulatory inquiry, examination, or other request that does not specifically target the Disclosing Party's Confidential Information. Notwithstanding the foregoing, Buyer acknowledges that some or all of the Investment Documents and the agreements and instruments to be entered into in connection therewith will be disclosed in and filed as exhibits pursuant to Seller's SEC Reporting Obligations. In connection such Reporting Obligations, Seller shall limit its disclosure to only that which is necessary to comply with such SEC Reporting Obligations, shall seek appropriate confidential treatment, and shall provide Buyer with an opportunity in advance to review and comment on such sections of disclosure and exhibits.

11. ***Common Interest***. The Parties recognize that certain Confidential Information may be subject to the attorney-client privilege, the work product doctrine, or other privileges and protections (the "Common Interest Material"). The Parties agree that they share a common legal interest in pending or reasonably anticipated litigation, Monetization, and in pursuing the purposes of this Purchase Agreement and in any subsequent dealings relating thereto. Accordingly, the Parties agree that any Common Interest Material shared between or among them shall be subject to the common interest doctrine to the maximum extent permitted by law and that the disclosure of Common Interest Material under this Agreement is not intended to, and does not, waive any applicable privilege, protection, immunity, or other legal protection applicable to such information.

12. ***Patent Standing***. The Parties specifically intend and agree that Seller and, as appropriate, its Affiliates shall have sole and exclusive standing to enforce the Patents and that this Purchase Agreement shall be read and construed consistent with that intent. For the avoidance of doubt, the Parties specifically intend and agree that Seller shall exclusively own all right, title, and interest in and to the Patents.

13. ***Governing Law, Arbitration, and Jurisdiction***. The Investment Documents and any and all related claims (whether styled or sounding in tort, contract, or any other legal theory arising from, in connection with, or relating to any Investment Document) shall be governed exclusively by New York law without regard to choice-of-law or conflict-of-law principles. Any dispute, claim or controversy arising out of or relating to the Investment Documents or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this agreement to arbitrate, shall be determined by arbitration in New York, New York before one arbitrator. The arbitration shall be administered by JAMS pursuant to its Comprehensive Arbitration Rules and Procedures. Judgment on the Award may be entered in any court having jurisdiction. This clause shall not preclude parties from seeking provisional remedies in aid of arbitration from a court of appropriate jurisdiction.

14. ***Relationship Between Buyer and Seller;*** [***].

a. The relationship of the Parties shall be that of seller and buyer, and neither Party shall be considered or act as an agent of or have any fiduciary duties to the other Party. The Investment Documents are not intended to create a joint venture, partnership, or association between the Parties.

b. [***]

15. ***Conditions Precedent to Buyer's Payment Obligations***. Unless and until all of the following conditions have been satisfied in Buyer's sole and absolute discretion, Buyer shall not be obligated to make any Purchase Price Payments: (i) the completion of Buyer's due diligence, the results of which are satisfactory to Buyer in its sole and absolute discretion; (ii) full execution of all Investment Documents; (iii) the full execution of an Intercreditor and Subordination Agreement (in the form attached hereto and incorporated herein as **Exhibit F**) by Seller, each of Seller's Affiliates that are parties thereto and Intelligent Partners, LLC, (iv) the full execution of a Mutual Release and Covenant Not to Sue (in the form attached hereto and incorporated herein as **Exhibit G**) by the holders of 100% of Seller's outstanding notes and Buyer and (v) the perfection of Buyer's first-priority security interest in the Proceeds.

16. ***Successors and Assigns***. Seller shall not assign, pledge, sell, or otherwise in any way directly or indirectly transfer or encumber (i) any of its rights or obligations under the Investment Documents or (ii) the Proceeds (or any interest therein) without the prior written consent of Buyer. Any such assignment shall be null and void. Buyer may assign or otherwise transfer all or any of its rights and obligations under the Investment Documents; *provided that* (a) no such assignment shall be made to any Person that would materially and adversely affect Monetization; and (b) such assignment is to a third party of net worth sufficient to support Buyer's obligations hereunder. Subject to the foregoing, the Investment Documents shall be binding and inure to the benefit of Seller and Buyer and their respective heirs, executors, successors, and permitted assigns.

17. ***No Waiver; Cumulative Remedies***. No failure on the part of Buyer to exercise, no course of dealing with respect to, and no delay on the part of Buyer in exercising, any right, power, or remedy hereunder shall operate as a waiver thereof. No single or partial exercise of any such right, power, privilege, or remedy hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power, privilege, or remedy. Buyer shall not be required to (i) demand upon, or pursue or exhaust any of its rights or remedies against Seller, any other obligor, guarantor, or pledgor, or any other Person with respect to the payment of the Seller's obligations under any of the Investment Documents; (ii) pursue or exhaust any of its rights or remedies with respect to any Collateral (as defined in any Security Document) therefor or any direct or indirect guarantee thereof; (iii) look first to, enforce, or exhaust any other security, collateral, or guaranties, (iv) marshal the Collateral (as defined in any Security Document) or any guarantee of such obligations; or (v) effect a public sale of any Collateral (as defined in any Security Document). All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law or otherwise available.

18. ***Entire Agreement***. The Investment Documents, including any documents incorporated therein by reference, embody the final and mutual understanding of the Parties with respect to the subject matter thereof, and replace and supersede any prior agreements or understandings between the Parties. All exhibits and schedules attached hereto, and documents incorporated by reference herein, are incorporated as though fully set forth herein.

19. ***Further Actions***. Seller agrees to execute any further documents, and to take any further actions, reasonably requested by Buyer to effectuate the rights granted to Buyer under the Investment Documents.

20. ***Construction***. Any argument that ambiguities are to be resolved against the drafting party is expressly waived. The Investment Documents shall be deemed to have been drafted by each of the Parties, and each of the provisions thereof shall be construed without regard to any presumption or other rule requiring construction against the Party drafting such provisions. Any reference to any law or statute shall be deemed to refer to such law or statute as amended and all rules and regulations promulgated thereunder, unless the context requires otherwise. The words include, includes, and including shall be deemed to be followed by without limitation. Pronouns in masculine, feminine, and neutral genders shall be construed to include any other gender, and words in the singular form will be construed to include the plural and vice versa, unless the context otherwise requires. The words herein, hereof, hereby, and hereunder, and words of similar import, refer to this Purchase Agreement as a whole and not to any particular subdivision unless expressly so limited.

21. ***Amendment and Waiver***. The Investment Documents shall not be amended or waived except by another written agreement by the Parties in the case of an amendment or by the Party granting the waiver in the case of a waiver.

22. ***Severability; Savings Clause***. In the event that any provision or aspect of any of the Investment Documents cannot be interpreted in accordance with applicable law, or is deemed invalid or unenforceable, such provision and the remainder of the Investment Documents shall be interpreted and implemented to the fullest extent permitted by law, as it is the Parties' express intent that the Investment Documents shall remain in full force and effect and enforceable to the greatest possible extent. At a minimum, and without prejudice to its other rights, Buyer shall be entitled to the return of its investment principal on a recourse basis in the event any aspect of the Investment Documents is deemed to be invalid or unenforceable.

23. ***Notices***. Notices and other communications shall be given in writing by either electronic mail or overnight courier service which provides evidence of delivery, to the addresses set forth on the signature page to this Purchase Agreement.

24. ***Counterparts; Effectiveness***. This Purchase Agreement may be executed in any number of 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. This Purchase Agreement shall become effective upon the execution of a counterpart hereof by each of the Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have caused this Purchase Agreement to be duly executed by their respective authorized signatories as of the Effective Date.

QUEST PATENT RESEARCH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: CEO
Date: February 19, 2021
Address: 411 Theodore Fremd Ave.
Suite 206S
Rye, NY 10580
Attn: Jon Scahill
Email: jscahill@qprc.com
Phone: (888) 743-7577

QPRC FINANCE LLC

By:
Name: [***]
Title: [***]
Date: February 19, 2021
Address: [***]
Email: [***]
Phone: [***]

[Signature Page to Prepaid Forward Purchase Agreement]

SCHEDULE I TO PURCHASE AGREEMENT

DEFINITIONS

"Adverse Claim" means any claim, cause of action, suit, or demand, including any counterclaim or third-party claim that is adverse to Seller, Seller's Affiliates, Seller's Attorneys or Buyer's interests pursuant to this Purchase Agreement; provided that "Adverse Claim" shall not include any non-monetary counterclaim relating directly to the Claims brought by Seller or Seller's Affiliates, including allegations regarding the invalidity, non-infringement, or unenforceability of any of the Patents, except to the extent that any such non-monetary counterclaim is in connection with, arises out of, or is otherwise related to any breach (or is based on or relates to facts or circumstances the existence of which would constitute a breach) of any representations or warranties or covenants made by Seller in this Purchase Agreement or any other Investment Document.

"Affiliate" means as to any Person (i) any other Person that directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person or its respective successors, or (ii) if such Person is an individual, a spouse, parent, sibling, or descendant of such Person, or a trust over which such Person has sole investment and dispositive power for the benefit of such Person, spouse, parent, sibling, or descendant. The term "control" including the terms "controlling," "controlled by," or "under common control with" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such a Person, whether through the ownership of voting shares, by contract, or otherwise. Affiliates includes such entities whether now existing or later established by investment, merger, or otherwise, including the successors and assigns of such Person.

"Attorney's Fees" means the fees, hourly, contingent or otherwise, charged by Seller's Attorneys, pursuant to a retainer agreement approved by Buyer, to: (a) maintain and prosecute the Patents and prosecute the Claims to completion, including pre-trial, trial, and collections of any settlements, judgments, and awards, and to defend any non-monetary counterclaims brought against the Seller or Seller's Affiliates by any of the Defendants relating directly to the Claims, including allegations regarding invalidity, non-infringement, or unenforceability of the Patents; (b) defend any inter partes, or other post-grant review of the Patents; and (c) represent Seller or Seller's Affiliates in any transaction with a patent aggregator or entity that may infringe the Patents or which may owe an indemnity obligation to a Person that may infringe the Patents, or any agent or Affiliate thereof, regardless of whether the transaction purports to involve the Patents.

"Claims" means all threatened or actual legal claims, actions, suits, arbitrations, causes of action, or proceedings before any supranational, national, state, municipal, or local entity or governmental authority, whether located within or without the United States, including any U.S. District Court or the International Trade Commission, and demands asserted by Seller or its Affiliates against one or more of the Defendants or against any other parties threatened with or added to a claim, action, suit, arbitration, cause of action, or proceeding brought against any of the Defendants relating to claims of patent infringement of any of the Patents that are or may be included by or on behalf of Seller or its Affiliates against the accused parties or included in any settlement or resolution of that Claim.

"Defendants" means those Persons identified on a retainer agreement with Seller's Attorney, approved by Buyer, including each of their respective predecessors, successors, and Affiliates, and all additional Persons, against which Claims are or will be threatened, alleged or asserted by Seller or its Affiliates during the course of such representation. To the extent such Persons are identified by informal/brand names in the retainer agreement, the fact that legal names have not been included shall not exclude such Persons from being Defendants under this Agreement. The names of the Defendants set forth in any such retainer agreement shall be deemed to include any and all Persons who could reasonably be considered to be a Defendant.

"Monetization Expenses" means, pursuant to a retainer agreement approved by Buyer, reasonable direct out-of-pocket expenses actually incurred by Seller or its Affiliates or Seller's Attorneys, in connection with realization of Proceeds. The reasonableness of expenses incurred by Seller's Attorneys will be determined in accordance with the commercially reasonable costs typically charged for such expenses. Monetization Expenses include reasonable and documented expert and consulting fees; local counsel fees; e-discovery vendors; litigation support services for audio and visual presentations; jury consultants; focus groups; photocopying; postage and delivery; computer-assisted research; filing fees; court reporters and other transcription services; and reasonable travel expenses. Monetization Expenses do not include Attorneys' Fees or any fees or expenses relating to costs or damages awards against Seller or its Affiliates resulting from any Adverse Claim. For the avoidance of doubt, Monetization Expenses shall not include any salaries, consultant fees (not directly related to the realization of Proceeds), accountant fees, securities counsel fees, general corporate expenses, regulatory fees, non-court filing costs, debt service or other corporate overhead of Seller.

"Net Proceeds" shall mean Proceeds minus the sum of: (a) Monetization Expenses, plus (b) Attorney's Fees, plus (c) Other Expenses.

"Other Expenses" means expenses incurred pursuant to a purchase agreement of a Patent, approved by Buyer, whereby a portion of Proceeds are legally encumbered to a third-party.

"Person" means any individual, firm, company, corporation, partnership, limited liability company, sole proprietorship, government, state, or agency, or subdivision of a state (or governmental entity), or any association, trust, joint venture, or consortium (whether or not having separate legal personality).

"Proceeds" shall mean the total value of anything (whether tangible, intangible, monetary, nonmonetary, or otherwise) received or to be received, whether actual or contingent, directly or indirectly by or on behalf of Seller or any agent or Affiliate thereof, any Person acting at the direction or on the behalf of any of the foregoing, any third-party as a result of a direction from any of the foregoing, or to which any of the foregoing become entitled or are relieved from making, in each case arising from, relating to, or in connection with, whether in whole or in part: (a) the Patents, including, without limitation, any consideration received in connection with a license, covenant not to sue, release, settlement agreement, compromise, injunction, judgment, offset of principal or interest, royalty payments, any other form of resolution reached after the initiation of litigation, arbitration, or mediation, awards of attorneys' fees, awards of sanctions (as permitted by applicable law), voluntary dismissals of any monetary counterclaim by any defendant against which a claim of infringement of a Patent has been alleged, interest received in connection a settlement or awarded in a judgment, claim of malpractice, sale, or any and all gross, pre-tax monetary payment (but excluding the amount of any unavoidable foreign taxes for which the Seller is legally liable, provided that the Seller uses commercially reasonable efforts to minimize any such taxes) or the value of any other consideration received or to be received; (b) any transaction with a patent aggregator or entity that may infringe the Patents or which may owe an indemnity obligation to a Person that may infringe the Patents, or any agent or Affiliate thereof, regardless of whether the transaction purports to involve the Patents; (c) (i) the transfer, sale, disposition, in whole or in party, of any item of Collateral (as defined in any Security Document), (ii) the realization of cash or cash equivalents with respect to any item of Collateral (as defined in any Security Document) and (iii) and any other transaction involving any item of Collateral (as defined in any Security Document), and (d) any other transaction the result of which would be to reduce the likelihood of Buyer receiving its Investment Return. Proceeds shall be determined without taking into consideration any fees or expenses incurred in connection with obtaining or collecting the Proceeds (including any contingency fees), recoupments or set-offs of any kind, including any recoupments or set-offs in respect of any counterclaims or cross-claims. For the avoidance of doubt, unless expressly described as "Net Proceeds," Proceeds, when used in the Investment Documents, shall always refer to gross proceeds, *i.e.*, the total value of the consideration, without setoff, deduction, or netting of any kind, however characterized.

[***]

"Seller's Attorney" means any law firm retained by Seller or Seller's Affiliates', pursuant to a retainer agreement approved by Buyer, primarily responsible for monetizing one or more Patents.

CONFIDENTIAL

SCHEDULE II

TO PURCHASE AGREEMENT

INVESTMENT RETURN

The Buyer's "Investment Return" shall consist of the following components (1), (2) and (3) (each a "Component" and collectively "Components"):

(1) First, 100% of monies received by Seller or any agent or Affiliate thereof in any connection, unless legally encumbered to a third-party, shall be paid to Buyer until Buyer has received under this Component (1) an amount equal to the aggregate amount of [***] plus an amount sufficient to cause the payments under this Component (1) to provide Buyer with an [***]% internal rate of return, [***];

(2) Second, 100% of all Net Proceeds received by Seller shall be paid to Buyer until Buyer has received under this Component (2) an amount equal to the aggregate amount of [***] *plus* an amount sufficient to cause the payments under this Component (2) to provide Buyer with an [***]% IRR on [***];

(3) Third, 50% of all Net Proceeds shall be paid to Buyer and 50% of all Net Proceeds shall be paid to Seller, until Buyer receives, inclusive of distributions made under Components (1), (2), and (3), an aggregate amount equal to [***];

(4) Thereafter, Seller shall retain 100% of all Net Proceeds.

For the avoidance of doubt, until Component (1) of the Investment Return has been paid to Buyer in full, Seller or any Affiliate of Seller shall cause 100% of monies received or entitled to be received by Seller or any agent or Affiliate thereof from whatever source, net of any legal third party encumbrance, to be deposited with Fabricant LLP, or other such attorney as may be approved by Buyer, for distribution pursuant to Section 4 and this Schedule II.

As used herein, "Incurred Payments" means the aggregate sum of (a) all Purchase Price Payments, *plus* (b) documented legal fees and costs associated with due diligence, structuring, and closing (*e.g.*, background checks, deal and ethics counsel fees, fees for security taking and maintenance) in an amount not to exceed $200,000, *plus* (c) documented third-party legal fees and costs associated with the receipt, defense of, and compliance with subpoenas or other discovery formally or informally sought from Buyer or its Affiliates arising from, relating to, or in connection with the Investment Documents, or, in the event Buyer or any Affiliate thereof is compelled to join a litigation, the document legal fees and costs associated therewith (each (b) and (c) being a "Direct Buyer Cost" and collectively "Direct Buyer Costs").

The Parties intend that Buyer's Investment Return shall be the same whether paid out (a) at once after all Monetization has concluded, or (b) as Buyer actually

receives its Investment Return while Monetization is ongoing. In that regard, to the extent of any difference, the Party who has received an amount greater than the Party would have received had proceeds been paid after the resolution of all Monetization shall pay the difference to the other Party within 30 days of the resolution of all Monetization.

If Seller is entitled to amounts constituting Net Proceeds that are not, for any reason, distributed to Seller, then Seller shall pay to Buyer an amount equal to the payments that Buyer would have received under the terms of this Purchase Agreement had all such Net Proceeds been distributed to Seller.

Amounts not timely paid shall accrue a late payment charge from the date on which they should have been paid to Buyer at a monthly compounding rate per annum equal to the applicable pre-judgment interest rate pursuant to CPLR § 5004, *plus*, to compensate Buyer for the loss of the use of capital, Seller shall be liable for an additional charge equal to an amount that would yield a 20% internal rate of return on the sum not paid, calculated from the date the monies should have been paid to the date they are paid, using the XIRR function of Microsoft Excel (collectively, the "Late Payment Charge"). In addition, and notwithstanding anything to the contrary contained herein, if it is determined by an arbitral body or court that Seller improperly delayed, inhibited, or prevented the distribution of Proceeds to Buyer, regardless of whether Seller's position had a good faith basis, Seller shall be liable for attorneys' fees and costs incurred by Buyer in connection with any proceeding based, in whole or in part, on such conduct.

SCHEDULE III TO PURCHASE AGREEMENT

SELLER PAYMENT INFORMATION

Seller Wire Instructions

For Purchase Price Payments Other than the Intelligent Partners Payment:

Account Name: [***]

Account Number: [***]

Transaction bank: [***]

Routing Number: [***]

SWIFT Code: [***]

For the Intelligent Partners Payment:

Intelligent Partners LLC	
Bank:	[***]
Address:	[***]
Account Name:	[***]
Account Number:	[***]
ACH:	[***]
Wire Transfers:	[***]
Swift Code	[***]

EX-99.2 3 ea136324ex99-2_questpatent.htm EX. A TO PURCHASE AGREEMENT - SECURITY AGREEMENT DATED FEBRUARY 19, 2021 AMONG THE COMPANY AND QPRC FINANCE LLC

Exhibit 99.2

SECURITY AGREEMENT

This Security Agreement (as amended from time to time, the "Security Agreement"), is made by and between is made by and between Quest Patent Research Corporation ("Seller"), and QPRC Finance LLC ("Buyer"), a Delaware limited liability company (each, a "Party," and collectively, the "Parties"). This Security Agreement is effective as of February 19, 2021 (the "Effective Date"). Reference is made to that certain Prepaid Forward Purchase Agreement between Buyer and Seller, dated as of the date hereof (as it may be amended from time to time, the "Purchase Agreement").

WHEREAS, Seller and Buyer have entered into the Purchase Agreement, whereby Buyer is providing funding for Seller for, *inter alia*, operating expenses and costs associated with the Monetization of the Patents and to allow Buyer to receive a portion of the Proceeds (as defined in the Purchase Agreement); and

WHEREAS, in order to secure the payment, fulfillment, and performance by Seller of its obligations under the Investment Documents, Seller has agreed to grant to Buyer a continuing first-priority security interest in and to all of the Collateral (as hereinafter defined) pursuant to this Security Agreement;

NOW, **THEREFORE**, in consideration of the mutual covenants and agreements hereinafter set forth, the parties hereto agree as follows:

1. ***Definitions***. For purposes of this Security Agreement, capitalized terms used but not defined herein shall have the meanings given to them in the Purchase Agreement, and the following terms shall have the following meanings:

"Bankruptcy Code" means the United States Bankruptcy Code Title 11, U.S. Code, as the same may be amended from time to time.

"Collateral" means all right, title and interest of Seller in and to the following property of Seller, whether now owned or hereafter acquired, and wherever located: (i) the Proceeds (as defined in the Purchase Agreement); (ii) the Patents; (iii) all General Intangibles now or hereafter arising from or related to the foregoing; and (iv) Proceeds (including, without limitation, Cash Proceeds and insurance proceeds) and products of the foregoing.

"Encumbrance" means any existing or prospective mortgage, pledge, lien, security or ownership interest, charge, hypothecation, or other encumbrance, option agreement, transfer, termination, compromise, set-off right, security or subordination arrangement, adverse claim, or other similar interest or arrangement of any kind.

"Obligations" means all present and future obligations of Seller to Buyer of any kind or nature, including, without limitation: (i) Seller's obligations to Buyer under the Investment Documents, including payment of the Investment Return, and any claims for breach of any of the Investment Documents; (ii) the repayment of (a) any amounts that Buyer may advance or spend for the maintenance, preservation or enforcement of the Collateral and Buyer's rights under the Investment Documents, and (b) any other expenditures that Buyer may make under or in connection with this Security Agreement and the enforcement thereof; (iii) all amounts

owed under any modifications, renewals or extensions of any of the foregoing obligations; and (iv) any of the foregoing that arises after the filing of a petition by or against Seller under the Bankruptcy Code (including, without limitation, any amounts which would accrue and become due but for the commencement of such petition).

"Patents" means all patents, patent applications and/or other related assets assigned to or acquired by or on behalf of Seller or any Affiliate thereof.

"UCC" means the Uniform Commercial Code in effect in the State of New York, as may be amended from time to time; provided that, if perfection or the effect of perfection or non-perfection or the priority of any security interest in the Collateral or the availability of any remedy is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, then UCC means the Uniform Commercial Code as in effect from time to time in such other jurisdiction for purposes of the provisions hereof related to such perfection, effect of perfection or non-perfection or priority or availability of such remedy, as the case may be.

In addition, the following terms shall have the respective meanings provided for in the UCC: "Cash Proceeds," "Commercial Tort Claim," "Deposit Account," "General Intangibles," and "Proceeds."

2. ***Grant of Security***. As collateral security for the payment and performance of the Obligations, Seller hereby grants and conveys to Buyer a first-priority continuing lien and security interest in and to the Collateral. Seller hereby authorizes Buyer's filing of financing statements (and any amendments thereto) in such jurisdictions as may be designated by Buyer and to take such other steps and make such other filings as Buyer may determine to perfect Buyer's lien in and to the Collateral (collectively, the "UCC Financing Statements"). For the avoidance of doubt, Seller authorizes Buyer's indication of the Collateral pursuant to UCC § 9-504(2). Seller shall do all things necessary so that at all times Buyer will have a valid, first-priority continuing lien and security interest in and to the Collateral. Seller agrees that it will not sell, transfer, lease, assign, or otherwise dispose of any of the Collateral or grant or permit to exist any Encumbrance in or on the Collateral, except as created hereunder.

3. ***Remedies***. Upon (a) any breach or default by Seller of any representation, warranty, covenant or agreement under any provision of this Security Agreement or the Purchase Agreement, (b) the occurrence of an Event of Default or (c) Seller voluntarily or involuntarily becoming subject to any proceeding under the Bankruptcy Code or any similar proceeding under statutory or common law of any applicable jurisdiction, Buyer may (i) take any action available at law or in equity against Seller to collect the Obligations, whether or not due and owing at such time, (ii) pursue any remedy available at law (including all those rights and remedies that are available to a 'secured party' under the provisions of Article 9 of the UCC, or otherwise) to foreclose against the Collateral and (iii) without limitation of the foregoing, transfer ownership of any item of Collateral into the name of Buyer or an entity designated by Buyer, including, without limitation, a transfer of the Patents and the goodwill associated therewith to Buyer or to Buyer's designees, in each case without further consent or authorization of Seller. All rights and remedies existing under this Security Agreement are cumulative to, and not exclusive of, any other rights or remedies otherwise available to Buyer. The Dispute Resolution provision set forth in Section 9 of the Purchase Agreement shall apply to any dispute concerning this Security Agreement; *provided*, *however*, that Buyer, and Buyer only, may elect for the resolution of disputes concerning this Security Agreement in any state or federal court located in New York, New York.

4. ***Attorney in Fact***. Seller appoints Buyer as Seller's attorney-in-fact with full irrevocable power and authority in its place and stead and in its name or otherwise, from time to time in Buyer's sole discretion, to do all things in its name and on its behalf that Buyer may deem reasonably necessary or advisable to create and perfect, and to continue and preserve, an indefeasible continuing first-priority continuing lien and security interest in and to the Collateral in favor of Buyer and to accomplish the purposes of this Security Agreement in connection with Buyer's exercise of rights and remedies hereunder, including the filing of a form of assignment with the United States Patent and Trademark Office or with such other governmental authorities with respect to any Patents and the goodwill associated therewith.

5. ***Seller's Representations and Covenants***. Seller represents and warrants that (a) (i) Seller is a company duly organized, validly existing, and in good standing under the laws of its jurisdiction of organization; (b) Seller owns, with exclusive rights to control, all of the Collateral, free and clear of all Encumbrances, except as created by this Security Agreement, and has the power to transfer and grant the security interests hereunder; (c) Buyer's security interest in the Collateral is a valid, first-priority security interest, and (d) no authorization, approval, or other action by, and no notice to or filing with, any governmental authority or other person or entity is required for the grant by Seller of the first-priority security interest granted hereby or for the execution, delivery, and performance of this Security Agreement by Seller other than (i) any such authorizations, approvals, actions, notices, or filings that have been obtained or made, or (ii) the filing by Buyer of the UCC Financing Statements. Seller (or any predecessors by merger or otherwise) has not, within the four (4) month period preceding the date hereof, had a different name or address from the name and address of Seller listed on the signature page hereof. Seller covenants that (a) it shall not change its name or form of organization, or take any other action that results in a change of the jurisdiction of organization of Seller, or change its chief executive officer, without giving Buyer at least thirty days' prior written notice of any such action; and (b) Seller shall promptly, and in any event within two (2) business days after the same is acquired by it, notify Buyer of any future Commercial Tort Claim acquired by Seller with respect to the Claims and shall execute and deliver to Buyer such documents as Buyer shall request to perfect, preserve, or protect the liens, rights, and remedies of Buyer with respect to any such Commercial Tort Claim.

6. ***Further Actions***. Seller agrees to execute any further documents, and to take any further actions, reasonably requested by Buyer to evidence, maintain the first priority of, or perfect the security interest granted herein, or to effectuate the rights granted to Buyer under the Investment Documents.

7. ***Release of Security Interest***. Within five (5) business days after all of the Obligations have been indefeasibly paid in full to Buyer, Buyer shall cause to be filed a release of Buyer's filed UCC Financing Statements; *provided that* if Buyer fails to release its filed UCC Financing Statements within five (5) business days after all of the Obligations have been indefeasibly paid in full to Buyer, Seller shall have the right to file a release of such filed UCC Financing Statements. Notwithstanding the foregoing, Seller shall not have any right to file a release of Buyer's filed UCC Financing Statements prior to the indefeasible payment in full of all of the Obligations to Buyer.

8. ***Severability***. In the event any provision of this Security Agreement is deemed to be unenforceable or contrary to public policy, such provision shall be severable, and the remainder of this Security Agreement shall remain in effect and enforceable to the greatest possible extent.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have caused this Security Agreement to be duly executed by their respective authorized signatories as of the Effective Date.

QUEST PATENT RESEARCH CORPORATION **QPRC FINANCE LLC**

By:	/s/ Jon C. Scahill	By:	
Name:	Jon C. Scahill	Name:	
Title:	CEO	Title:	
Date:	February 19, 2021		
Address:	411 Theodore Fremd Ave. Suite 206S Rye, NY 10580	Date: Address:	February 19, 2021
Attn:	Jon Scahill	Email:	
Email:	jscahill@qprc.com	Phone:	
Phone:	(888) 743-7577		

[Signature Page to Security Agreement]

EX-99.3 4 ea136324ex99-3_questpatent.htm EX. B TO PURCHASE AGREEMENT - SUBSIDIARY CONTINUING GUARANTY AGREEMENT DATED FEBRUARY 19, 2021 AMONG QUEST LICENSING CORPORATION, MARINER IC INC., SEMCON IP INC., IC KINETICS INC., QUEST NETTECH CORPORATION, CXT SYSTEMS, INC., M-RED INC

Exhibit 99.3

SUBSIDIARY CONTINUING GUARANTY AGREEMENT

THIS SUBSIDIARY CONTINUING GUARANTY AGREEMENT (this "Guaranty") is made this 19th day of February, 2021 by Quest Licensing Corporation, a Delaware corporation ("QLC"), Mariner IC Inc., a Texas corporation ("Mariner"), Semcon IP Inc., a Texas corporation ("Semcon"), IC Kinetics Inc., a Texas corporation ("IC"), Quest NetTech Corporation, a Texas corporation ("NetTech"), CXT Systems, Inc., a Texas corporation ("CXT"), M-Red Inc., a Texas corporation ("MRED"), and Audio Messaging Inc., a Texas corporation ("AMI" and collectively with QLC, Mariner, Semcon, IC, NetTech, CXT, and MRED, the "Guarantors" and each a "Guarantor"), in favor of QPRC Finance LLC**,** a Delaware limited liability company Buyer (together with its successors and assigns, "Buyer").

Recitals:

Reference is made to a certain Purchase Agreement dated as of the date hereof between Quest Patent Research Corporation, a Delaware corporation ("Seller"), and Buyer, (together with all schedules, riders and exhibits thereto and all amendments, restatements, modifications, or supplements with respect thereto, the "Purchase Agreement"). Pursuant to the Purchase Agreement, Buyer have agreed, subject to all the terms and conditions thereof, to make certain purchase price payments to Seller.

Pursuant to the terms of the Purchase Agreement and as a condition to Buyer's obligation to make purchase price payments to Seller, Guarantors are required to execute and deliver to Buyer this Guaranty. The obligations of the Guarantors under this Guaranty are secured by that certain Subsidiary Patent Proceeds Security Agreement (the "Subsidiary Security Agreement"), dated the date hereof, between the Buyer and the Guarantors. The Buyer's recourse against the Guarantor is limited to the proceeds obtained by the Buyer exercising its remedies available against the Collateral (as defined in the Subsidiary Security Agreement) subject to the security interest of the Subsidiary Security Agreement.

To induce Buyer to make payments to Seller as provided in the Purchase Agreement, Guarantors are willing to execute this Guaranty.

Agreement:

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements set forth herein, Guarantors hereby agree as follows:

1. **Definitions; Rules of Construction.** Capitalized terms used herein, unless otherwise defined, shall have the meanings ascribed to them in the Purchase Agreement. As used herein, the words "herein," "hereof," "hereunder," and "hereon" shall have reference to this Guaranty taken as a whole and not to any particular provision hereof; and the word "including" shall mean "including, without limitation." The phrase "payment in full of the Guaranteed Obligations" shall mean full and final payment of the Guaranteed Obligations and the termination of all financing commitments under the Purchase Agreement. "Guaranteed Obligations" means the Obligations, as defined in the Subsidiary Security Agreement.

2. **Guaranty.**

(a) Guarantors hereby unconditionally and absolutely guarantee to Buyer the due and punctual payment, performance, and discharge (whether upon stated maturity, demand, acceleration or otherwise in accordance with the terms thereof) of the Guaranteed Obligations.

(b) Buyer shall be under no obligation to marshal any assets in favor of Guarantors or in payment of any of the Guaranteed Obligations. If and to the extent Buyer receives any payment on account of any of the Guaranteed Obligations (whether from Seller, Guarantors or a third party obligor or from the sale or other disposition of any Collateral) and such payment or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required to be repaid to a trustee, receiver or any other Person under any bankruptcy act, state or federal law, common law or equitable cause, then the part of the Guaranteed Obligations intended to be satisfied shall be revived and continued in full force and effect as if said payment had not been made. The provisions of this paragraph shall survive the termination of this Guaranty.

(c) Buyer shall look solely to Guarantors' interest in the Collateral subject to the Subsidiary Security Agreement, and all rights, estates, and interests now or at any time hereafter securing the payment and performance of the Guaranteed Obligations under this Guaranty as contained in the Subsidiary Security Agreement. Guarantors shall have no personal liability to Buyer by the terms of this Guaranty except as expressed in the prior sentence.

3. **Nature of Guaranty.** This Guaranty is a primary, immediate and original obligation of Guarantor; is an absolute, unconditional, continuing and irrevocable guaranty of payment of the Guaranteed Obligations and not of collectibility only; is not contingent upon the exercise or enforcement by Buyer of whatever rights or remedies Buyer may have against Seller or others, or the enforcement of any lien or realization upon any Collateral or other security that Buyer may at any time possess; and shall remain in full force and effect without regard to future changes in conditions, including change of law or any invalidity or unenforceability of any of the Guaranteed Obligations or agreements evidencing same. This Guaranty shall be in addition to any other present or future guaranty or other security for any of the Guaranteed Obligations, shall not be prejudiced or unenforceable by the invalidity of any such other guaranty or security, and is not conditioned upon or subject to the execution by any other Person of this Guaranty or any other guaranty or suretyship agreement.

4. **Payment of Guaranteed Obligations**.

(a) If a Guarantor should dissolve or become insolvent (within the meaning of the New York Uniform Commercial Code), or if a petition for an order for relief with respect to a Guarantor should be filed by or against such Guarantor under any chapter of any insolvency, bankruptcy, reorganization or similar law, or if a receiver, trustee or conservator should be appointed for a Guarantor or any of such Guarantor's property, or if an Event of Default shall occur and be continuing, then, in any such event and whether or not any of the Guaranteed Obligations is then due and payable or the maturity thereof has been accelerated or demand for

payment thereof has been made, Buyer may, without notice to Guarantor, make the Guaranteed Obligations immediately due and payable hereunder as to Guarantors and Buyer shall be entitled to enforce the obligations of Guarantors hereunder as if the Guaranteed Obligations were then due and payable in full. If any of the Guaranteed Obligations are collected by or through an attorney at law, Guarantors shall pay to Buyer reasonable attorneys' fees and court costs.

(b) Guarantors' payment of the Guaranteed Obligations shall be without setoff or other deductions, irrespective of any counterclaim, defense, or other claim that Guarantors may have or assert at any time. If for any reason Seller has no legal existence or is under no legal obligation to discharge any of the Guaranteed Obligations, or if any of the Guaranteed Obligations become unrecoverable from Seller by reason of Seller's insolvency, bankruptcy, or reorganization or by other operation of law or for any other reason, this Guaranty shall nevertheless be binding on Guarantors to the same extent as if Guarantors had at all times been the principal obligor on all such Guaranteed Obligations. If acceleration of the time for payment of any of the Guaranteed Obligations is stayed upon the insolvency, bankruptcy, or reorganization of debt or for any other reason, all such amounts otherwise subject to acceleration under the terms of the Purchase Agreement or other instrument or agreement evidencing or securing the payment of the Guaranteed Obligations shall be immediately due and payable by Guarantor.

(c) The books and records of Buyer showing the account between Buyer and Seller shall be admissible in evidence in any action or proceeding against or involving Guarantors as *prima facie* proof of the items therein set forth, and the monthly statements of Buyer rendered to Seller, to the extent no written objection thereto is made within 30 days from the date of sending thereof to Seller, shall be deemed conclusively correct and shall constitute an account stated between Buyer and Seller and shall be binding on Guarantors.

5. **Specific Waivers of Guarantors.** To the fullest extent permitted by applicable law, Guarantors waive notice of Buyer's acceptance hereof and reliance hereon; notice of amounts from time to time by Buyer to Seller and the creation, existence or acquisition of any Guaranteed Obligations; notice of the amount of Guaranteed Obligations of Seller to Buyer from time to time, (subject, however, to Guarantors' right to make inquiry of Buyer to ascertain the amount of Guaranteed Obligations at any reasonable time); notice of any adverse change in Seller's financial condition or of any other fact which might increase Guarantors' risk; notice of presentment for payment, demand, protest and notice thereof as to any instrument; notice of default or acceleration; all other notices and demands to which Guarantors might otherwise be entitled; any right Guarantors may have, by statute or otherwise, to require Buyer to institute suit against Seller after notice or demand from Guarantors or to seek recourse first against Seller, or to realize upon any security for the Guaranteed Obligations, as a condition to enforcing Guarantors' liability and obligations hereunder; any defense that Seller may at any time have or assert based upon the statute of limitations, the statute of frauds, failure of consideration, fraud, bankruptcy, lack of legal capacity, usury, or accord and satisfaction; any defense that other indemnity, guaranty, or security was to be obtained; any defense or claim that any Person purporting to bind Seller to the payment of any of the Guaranteed Obligations did not have actual or apparent authority to do so; any defense or claim that any other act or omission by Buyer had the effect of increasing Guarantors' risk of payment; and any other legal or equitable defense to payment hereunder. Guarantors also waive any right that Guarantors may have to claim or recover in any litigation arising out of this Guaranty or the Purchase Agreement, any special, exemplary, punitive, or consequential damages or any damages other than, or in addition to, actual damages. Without limiting the generality of the foregoing, Guarantors shall be and remain liable to the fullest extent permitted by applicable law for any deficiency existing after foreclosure of any mortgage or security interest securing the Guaranteed Obligations and sale of any Collateral, without regard to whether Seller's or any other obligor's (other than Guarantors') obligation to pay such deficiency is barred or discharged by applicable law or judicial decision. If Seller's or any other obligor's (other than Guarantors') obligation to pay any such deficiency is barred or discharged by applicable law, Guarantors shall nevertheless remain obligated to pay such deficiency as though Seller's or such other obligor's obligations had not been discharged. Guarantors warrant and agree that each of the waivers set forth in this Section 5 is made with Guarantors' full knowledge of its significance and consequences, and that such waivers are reasonable and not contrary to applicable law or public policy. If any waiver or other provision of this Guaranty shall be held to be prohibited by or invalid under applicable law or public policy, such waiver or other provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such waiver or other provision and without invalidating any other provision of this Guaranty.

6. **Guarantors' Consents and Acknowledgments.**

(a) Guarantors consent and agree that, without notice to or by Guarantors and without reducing, releasing, diminishing, impairing or otherwise affecting the liability or obligations of Guarantors hereunder, Buyer may (with or without consideration) compromise or settle any of the Guaranteed Obligations; accelerate the time for payment of any of the Guaranteed Obligations; extend the period of duration or the time for the payment, discharge or performance of any of the Guaranteed Obligations; increase the amount of the Guaranteed Obligations; refuse to enforce, or release all or any Persons liable for the payment of, any of the Guaranteed Obligations; increase, decrease or otherwise alter the rate of interest payable with respect to the principal amount of any of the Guaranteed Obligations or grant other indulgences to Seller in respect thereof; amend, modify, terminate, release, or waive the Purchase Agreement, or any other documents or agreements evidencing, securing or otherwise relating to the Guaranteed Obligations (other than this Guaranty); release, surrender, exchange, modify or impair, or consent to the sale, transfer or other disposition of, any Collateral or other property at any time securing (directly or indirectly) any of the Guaranteed Obligations or on which Buyer may at any time have a lien; fail or refuse to perfect (or to continue the perfection of) any lien granted or conveyed to Buyer with respect to any Collateral, or to preserve rights to any Collateral, or to exercise care with respect to any Collateral in Buyer's possession; extend the time of payment of any Collateral consisting of accounts, notes, chattel paper or other rights to the payment of money; refuse to enforce or forbear from enforcing its rights or remedies with respect to any Collateral or any Person liable for any of the Guaranteed Obligations or make any compromise or settlement or agreement therefor in respect of any Collateral or with any party to the Guaranteed Obligations; or release or substitute any one or more of the endorsers or guarantors of the Guaranteed Obligations, whether parties to this Guaranty or not.

(b) Guarantors are fully aware of the financial condition of Seller and deliver this Guaranty based solely upon Guarantors' own independent investigation and in no part upon any representation or statement of Buyer with respect thereto. Guarantors are in a position to and hereby assume full responsibility for obtaining any additional information concerning Seller's financial condition as Guarantors may deem material to Guarantors' obligations hereunder and Guarantors are not relying upon, nor expecting Buyer to furnish Guarantors any information in Buyer's possession concerning, Seller's financial condition. If Buyer, in its sole discretion, undertakes at any time or from time to time to provide any information to Guarantors regarding Seller, any of the Collateral or any transaction or occurrence in respect of the Purchase Agreement, Buyer shall be under no obligation to update any such information or to provide any such information to Guarantors on any subsequent occasion. Guarantors hereby knowingly accepts the full range of risks encompassed within a contract of "Guaranty," which risks include, without limitation, the possibility that Seller will contract additional Guaranteed Obligations for which Guarantors may be liable hereunder after Seller's financial condition or ability to pay its lawful debts when they fall due has deteriorated.

7. **Continuing Nature of Guaranty.**

(a) This Guaranty shall continue in full force and effect until payment in full of the Guaranteed Obligations and termination of all commitments under the Purchase Agreement. Guarantors acknowledge that there may be future advances by Buyer to Seller (although Buyer may be under no obligation to make such advances) and that the number and amount of the Guaranteed Obligations are unlimited and may fluctuate from time-to-time hereafter, and this Guaranty shall remain in force at all times hereafter, whether there are any Guaranteed Obligations outstanding from time to time or not.

(b) To the fullest extent permitted by applicable law, Guarantors waive any right that Guarantors may have to terminate or revoke this Guaranty. If, notwithstanding the foregoing waiver, Guarantors shall nevertheless have any right under applicable law to terminate or revoke this Guaranty, which right cannot be waived by Guarantors, such termination or revocation shall not be effective until a written notice of such termination or revocation, specifically referring to this Guaranty and signed by the Guarantor, is actually received by an officer of Buyer who is familiar with the Purchase Agreement and this Guaranty; but any such termination or revocation shall not affect the obligation of Guarantors or Guarantors' successors or assigns with respect to any of the Guaranteed Obligations owing to Buyer and existing at the time of the receipt by Buyer of such revocation or to arise out of or in connection with any transactions theretofore entered into by Buyer with or for the account of Seller. If Buyer grants loans or other extensions of credit to or for the benefit of Seller or takes other action after the termination or revocation by Guarantors but prior to Buyer's receipt of such written notice of termination or revocation, then the rights of Buyer hereunder with respect thereto shall be the same as if such termination or revocation had not occurred.

8. **Subordination; Postponement of Subrogation Rights.**

(a) Any and all present and future debts and obligations of Seller to Guarantors are hereby waived and postponed in favor of and subordinated to the payment in full of the Guaranteed Obligations. If any payment shall be made to Guarantors on account of any indebtedness owing by Seller to Guarantors during any time that any Guaranteed Obligations are outstanding, Guarantors shall hold such payment in trust for the benefit of Buyer and shall make such payments to Buyer to be credited and applied against the Guaranteed Obligations, whether matured or unmatured, in accordance with the discretion of Buyer. The provisions of this Guaranty shall be supplemental to and not in derogation of any rights and remedies of Buyer or any affiliate of Buyer under any separate subordination agreement that Buyer or such affiliate may at any time or from time to time enter into with Guarantor.

(b) Until the payment in full of the Guaranteed Obligations, Guarantors shall have no claim, right or remedy (whether or not arising in equity, by contract or applicable law) against Seller or any other Person by reason of Guarantors' payment or other performance hereunder. Without limiting the generality of the foregoing, Guarantors hereby subordinates to the payment in full of the Guaranteed Obligations any and all legal or equitable rights or claims that Guarantors may have to reimbursement, subrogation, indemnity and exoneration and agrees that until the payment in full of the Guaranteed Obligations, Guarantors shall have no recourse to any assets or property of Seller (including any Collateral) and no right of recourse against or contribution from any other Person in any way directly or contingently liable for any of the Guaranteed Obligations, whether any of such rights arise under contract, in equity or under applicable law.

9. **Other Guaranties**. If on the date of Guarantors' execution of this Guaranty or at any time thereafter Buyer receives any other guaranty from Guarantors or from any other Person of any of the Guaranteed Obligations, the execution and delivery to Buyer and Buyer's acceptance of any such additional guaranty shall not be deemed in lieu of or to supersede, terminate or diminish this Guaranty, but shall be construed as an additional or supplementary guaranty unless otherwise expressly provided in such additional or supplementary guaranty; and if, prior to the date hereof, Guarantors or any other Person has given to Buyer a previous guaranty or guaranties, this Guaranty shall be construed to be an additional or supplementary guaranty and not to be in lieu thereof or to supersede, terminate or diminish such previous guaranty or guaranties.

10. **Application of Payments**. Unless otherwise required by law or a specific agreement to the contrary, all payments received by Buyer from Seller, Guarantors, or any other Person with respect to the Guaranteed Obligations or from proceeds of the Collateral may be applied (or reversed and reapplied) by Buyer to the Guaranteed Obligations in such manner and order as Buyer desires, in its sole discretion, without affecting in any manner Guarantors' liability hereunder.

11. **Limitation on Guaranty.** To the extent any performance of this Guaranty would violate any applicable usury statute or other applicable law, the obligation to be fulfilled shall be reduced to the limit legally permitted, so that this Guaranty shall not require any performance in excess of the limit legally permitted, but such obligation shall be fulfilled to the limit of legal validity. Additionally, no Guarantor shall pay under this Guaranty more than its Adjusted Net Worth. "Adjusted Net Worth" means, for any Guarantor at any time, the greater of (x) $0 and (y) the amount by which the fair saleable value of such Guarantor's assets on the date of the respective payment hereunder exceeds its debts and other liabilities (including contingent liabilities, but without giving effect to any of its obligations under this Guaranty). The provisions of this paragraph shall control every other provision of this Guaranty.

12. **Notices**. All notices, demands, requests, consents, approvals, and other communications required or permitted hereunder shall be as set forth in the Purchase Agreement, as if each Guarantor were a party to the Purchase Agreement. The address for each Guarantor shall be the same as the address for Seller under the Purchase Agreement.

13. **Governing Law; Venue**. This Guaranty and any dispute, claim or controversy arising out of or relating to this Guaranty or the breach, termination, enforcement, interpretation or validity thereof, including the determination of the scope or applicability of this Section 13 and the agreement to arbitrate, shall be governed by Section 13 of the Purchase Agreement as if the Guarantors were, in addition to Seller and Buyer, parties to the Purchase Agreement.

14. **Successors and Assigns.** All the rights, benefits and privileges of Buyer under this Guaranty shall vest in and be enforceable by Buyer and its successors and assigns. Buyer may, without notice to Guarantor, assign this Guaranty, in whole or in part. This Guaranty shall be binding upon Guarantors and Guarantors' successors and assigns.

15. **Miscellaneous.** This Guaranty expresses the entire understanding of the parties with respect to the subject matter hereof; may not be changed orally, and no obligation of Guarantors can be released or waived by Buyer or any officer or agent of Buyer, except by a writing signed by a duly authorized officer of Buyer; and may be executed in multiple counterparts, all of which taken together shall constitute one and the same Guaranty and the signature page of any counterpart may be removed therefrom and attached to any other counterpart. If any part of this Guaranty is determined to be invalid, the remaining provisions of this Guaranty shall be unaffected and shall remain in full force and effect. No delay or omission on Buyer's part to exercise any right or power arising hereunder will impair any such right or power or be considered a waiver of any such right or power, nor will Buyer's action or inaction impair any such right or power, and all of Buyer's rights and remedies hereunder are cumulative and not exclusive of any other rights or remedies that Buyer may have under other agreements, at law or in equity. Time is of the essence of this Guaranty and of each provision hereof. The section headings in this Guaranty are inserted for convenience of reference only and shall in no way alter, modify or define, or be used in construing, the text of this Guaranty.

[Remainder of page intentionally left blank; signatures appear on following page.]

IN WITNESS WHEREOF, Guarantors have caused this Guaranty to be signed, sealed and delivered by its duly authorized officers, on the day and year first written above.

QUEST LICENSING CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: CEO

QUEST NETTECH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: CEO

MARINER IC INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: CEO

SEMCON IP INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: CEO

IC KINETICS INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: CEO

CXT SYSTEMS INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: CEO

M-RED INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: CEO

AUDIO MESSAGING INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: CEO

[Signature Page to Subsidiary Continuing Guaranty Agreement]

EX-99.4 5 ea136324ex99-4_questpatent.htm EX. C TO PURCHASE AGREEMENT - SUBSIDIARY PATENT PROCEEDS SECURITY AGREEMENT DATED FEBRUARY 19, 2021 AMONG THE COMPANY, QUEST LICENSING CORPORATION, MARINER IC INC., SEMCON IP INC., IC KINETICS INC., QUEST NETTECH CORPORATION, CXT SYSTEMS, INC., M-RED INC

Exhibit 99.4

SUBSIDIARY PATENT PROCEEDS SECURITY AGREEMENT

SUBSIDIARY PATENT PROCEEDS SECURITY AGREEMENT (this "**Security Agreement**") dated as of February 19, 2021 (the "**Effective Date**"), among Quest Patent Research Corporation, a Delaware corporation (the "**Company**"), Quest Licensing Corporation, a Delaware corporation ("**QLC**"), Quest NetTech Corporation, a Texas corporation (as successor to Wynn Technologies Inc.) ("**NetTech**"), Mariner IC Inc., a Texas corporation ("**Mariner**"), **Semcon IP Inc.**, a Texas corporation ("**Semcon**"), **IC Kinetics Inc.**, a Texas corporation ("**IC**"), CXT Systems Inc., a Texas corporation ("**CXT**"), M-Red Inc., a Texas corporation ("**MRED**") and Audio Messaging Inc., a Texas corporation ("**AMI**") ,(each of the QLC, NetTech, Mariner, Semcon, IC, CXT, MRED and AMI, a "**Pledgor**" and collectively "**Pledgors**"), and QPRC Finance LLC, a Delaware limited liability company (the "**Buyer**"), and is effective as of the Effective Date.

WHEREAS, the Company and Intelligent Partners LLC, a Delaware limited liability company ("**IPLLC**") are parties to that certain Restructure Agreement (the "**Restructure Agreement**") dated as of the Restructure Date, as defined therein (the "**Restructure Date**");

WHEREAS, the Company and the Buyer are parties to that certain Prepaid Forward Purchase Agreement dated as of the Effective Date (the "**Purchase Agreement**");

WHEREAS, it is a condition precedent to the Buyer's entering into the Purchase Agreement and providing funds to the Company thereunder that the Pledgors execute and deliver to the Buyer this Security Agreement to secure their guaranty of the Company's obligations under the Purchase Agreement;

WHEREAS, the Pledgors have entered into the MPA-CP; MPA-CXT; MPA-MR and MPA-AMI, dated as of the Restructure Date (each a "**Restructure MPA**" and together the "**Restructure MPAs**") as defined in the Restructure Agreement and copies of which are attached hereto as Exhibit A; and

WHEREAS, to secure the payment of the Obligations, as defined below, each Pledgor desires to grant the Buyer a security interest in all of its or their right title and interest in Gross Monetization Proceeds, as defined in the applicable Restructure MPA, from the monetization of the Patents, as defined below;

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

1. DEFINITIONS.

Capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Purchase Agreement. In addition, the following terms shall have the meanings set forth in this Section 1 or elsewhere in this Security Agreement referred to below:

(a) **"Collateral"**. Means all of each Pledgor's right, title and interest in and to all of the Gross Monetization Proceeds as defined in the applicable Restructure MPA.

(b) "**Intercreditor Agreement**". Means the Intercreditor and Subordination Agreement among the Buyer, IPLLC, the Company and the Pledgors.

(c) "**Junior Lien**". Means any security interest in favor of IPLLC in the Collateral granted by the Pledgors pursuant to the Junior Security Agreement or otherwise.

(d) "**Junior Security Agreement**". Means the Amended and Restated Security Agreement dated as of February 19, 2021 made by the Company and the Pledgors in favor of IPLLC with respect to the Collateral.

(e) **"Obligations".** Means all present and future obligations of the Company to the Buyer of any kind or nature, including, without limitation: (i) the Company's obligations to the Buyer under the Investment Documents, including payment of the Investment Return, and any claims for breach of any of the Investment Documents; (ii) the repayment of (a) any amounts that the Buyer may advance or spend for the maintenance, preservation or enforcement of the Collateral and the Buyer's rights under the Investment Documents, and (b) any other expenditures that the Buyer may make under or in connection with the Investment Documents and the enforcement thereof; (iii) all amounts owed under any modifications, renewals or extensions of any of the foregoing obligations and (iv) any of the foregoing that arises after the filing of a petition by or against the Company under the Bankruptcy Code (including, without limitation, any amounts which would accrue and become due but for the commencement of such petition).

(f) **"Patents"**. Means the United States patents and patent applications identified on the applicable Restructure MPA, including all patents and patent applications related thereto, and all patents and patent applications claiming benefit, in whole or in part, of any of their filing dates including, but not limited to, extensions, divisionals, continuations, continuations-in-part, reissues, reexaminations, substitutions and foreign counterparts of any of the foregoing, the inventions disclosed or claimed therein, including the right to make, use, practice and/or sell (or license or otherwise transfer or dispose of) the inventions disclosed or claimed therein, and the right (but not the obligation) to make and prosecute applications for such patents.

(g) **"Permitted Liens"**. Means all existing security interests in the Collateral as set forth or permitted in and under the applicable Restructure MPA other than the Junior Lien.

(h) **"Pledgors' Guaranty".** Means the Subsidiary Continuing Guaranty Agreement of the Pledgors pursuant to which the Pledgors have agreed to pay to the Buyer certain Gross Monetization Proceeds in satisfaction of the sums owed by the Company under the Purchase Agreement.

2. GRANT OF SECURITY INTEREST.

(a) To secure the payment in full of the Obligations each Pledgor hereby grants to the Buyer a continuing security interest in all of the Collateral.

(b) The security interest in the Collateral created hereby will be junior and subordinate to:

(i) the Permitted Liens.

(c) The security interest in the Collateral created hereby will be senior in priority to the Junior Lien and any other security interest on the Collateral other than the Permitted Liens.

(d) All rights of the Buyer and the security interests granted to the Buyer hereunder, and all Obligations, shall be absolute and unconditional, irrespective of: (i) any lack of validity or enforceability of the Purchase Agreement, any Investment Documents, or any Restructure MPA; (ii) the failure of the Buyer (A) to assert any claim or demand or to enforce any right or remedy against any Pledgor or any other Person under the provisions of the Purchase Agreement, the Investment Documents, the Restructure MPAs, the Pledgors' Guaranty or otherwise, or (B) to exercise any right or remedy against any other guarantor of, or collateral securing, any Obligations; (iii) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations or any other extension, compromise or renewal of any Obligation; (iv) any reduction, limitation, impairment or termination of any Obligation for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to (and each Pledgor hereby waives any right to or claim of) any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality, non-genuineness, irregularity, compromise, unenforceability of, or any other event or occurrence affecting, any Obligations; (v) any amendment to, rescission, waiver, or other modification of, or any consent to departure from, any of the terms of the Purchase Agreement, the Investment Documents, the Intercreditor Agreement, the Pledgors' Guaranty, the Restructure Agreement, or any Restructure MPA; (vi) any addition, exchange, release, surrender or non-perfection of any collateral (including the Collateral), or any amendment to or waiver or release of or addition to or consent to departure from any guaranty, for any of the Obligations; or (vii) any other circumstances that might otherwise constitute a defense available to, or a legal or equitable discharge of, any Pledgor, any surety or any guarantor.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS.

Each Pledgor represents warrants and covenants that:

(a) the Pledgor has the right to enter into this Security Agreement and perform its terms;

(b) this Security Agreement creates in favor of the Buyer a valid security interest in the Collateral, subordinate only to the Permitted Liens;

(c) the Pledgor authorizes the Buyer's filing of financing statements (and any amendments thereto) in such jurisdictions as may be designated by the Buyer and to take such other steps and make such other filings as the Buyer may determine to perfect the Buyer's lien in and to the Collateral (For the avoidance of doubt, Pledgor authorizes the Buyer's indication of the Collateral pursuant to UCC § 9-504(2)); and

(d) no authorization, approval or other action by, and no notice to or filing with any governmental or regulatory authority, agency or office is required either (i) for the grant by the Pledgor or the effectiveness of the security interest granted hereby or for the execution, delivery and performance of this Security Agreement by the Pledgor, or the exercise by the Buyer of any of its rights and remedies hereunder, or (ii) except for the filing of financing statements with Secretary of State for the States of Delaware and Texas under the Uniform Commercial Code and the filing of this Security Agreement with the United States Patent and Trademark Office, and except for any filings that may be required in jurisdictions outside the United States, for the perfection of the security interest granted hereby.

4. NO TRANSFER OR INCONSISTENT AGREEMENTS.

Without the Buyer's prior written consent, except to the extent expressly permitted hereunder or pursuant to the Purchase Agreement, the Intercreditor Agreement, and each Restructure MPA, as applicable, no Pledgor will (i) mortgage, pledge, assign, encumber, grant a security interest in, transfer, or alienate any of the Collateral (other than the Permitted Liens and the Junior Lien) or (ii) enter into any agreement that is inconsistent with the Pledgor's obligations under this Security Agreement.

5. AFTER-ACQUIRED RIGHTS, ETC.

(a) **After-acquired Patents.** If, before all of the Obligations shall have finally been paid in full, any Pledgor shall obtain any right, title or interest in or to, or become entitled to the benefit of, any reissue, division, continuation, renewal, extension, or continuation-in-part of any of the Patents or any improvement on any of the Patents, the provisions of this Security Agreement shall automatically apply thereto, and such Pledgor shall promptly execute and deliver to the Buyer such documents or instruments as the Buyer may reasonably request in connection therewith; provided.

(b) **No Approval.** Each Pledgor hereby acknowledges and agrees that any future or other patents described in Section 5(a) shall be included as Patents under this Security Agreement, without the necessity of the Pledgor's further approval or signature.

6. REMEDIES.

If any Event of Default, as defined in the Purchase Agreement, shall have occurred and be continuing, then upon notice by the Buyer to each Pledgor, the Buyer shall have, in addition to all other rights and remedies given it by this Security Agreement, all of the rights and remedies of a secured party under the Uniform Commercial Code as enacted in the State of Delaware or New York, and, without limiting the generality of the foregoing, subject to applicable law, the Buyer may immediately, without demand of performance and without other notice (except as set forth below) or demand whatsoever to any Pledgor, all of which are hereby expressly waived, and without advertisement, sell or license at public or private sale or otherwise realize upon the whole or from time to time any part of the Collateral, or any interest which any Pledgor may have therein, and after deducting from the proceeds of sale or other disposition of the Collateral all expenses (including all reasonable expenses for broker's fees and legal services) related thereto, shall apply the residue of such proceeds toward the payment of the Obligations, whether on account of interest or otherwise as the Buyer, in its sole discretion, may elect. If such proceeds are insufficient to pay the Obligations or any other amounts required by law, the Company shall be liable for any deficiency. Notice of any sale, license or other disposition of any of the Collateral shall be given to the Pledgor of the relevant Collateral at least five (5) Business Days before the time that any intended public sale or other disposition of such Collateral is to be made or after which any private sale or other disposition of such Collateral may be made, which each Pledgor hereby agrees shall be reasonable notice of such public or private sale or other disposition. At any such sale or other disposition, the Buyer may, to the extent permitted under applicable law, purchase or license the whole or any part of the Collateral or interests therein sold, licensed, or otherwise disposed of.

7. POWER OF ATTORNEY.

If any Event of Default shall have occurred and be continuing, each Pledgor does hereby make, constitute and appoint the Buyer (and any officer or agent of the Buyer as the Buyer may select in its exclusive discretion) as the Pledgor's true and lawful attorney-in-fact, with the power to endorse the Pledgor's name on all applications, documents, papers and instruments necessary for the Buyer to use any of the Collateral, to practice, make, use or sell the inventions disclosed or claimed in any of the Collateral, to grant or issue any exclusive or nonexclusive license of any of the Collateral to any third person, or necessary for the Buyer to assign, pledge, convey or otherwise transfer title in or dispose of the Collateral or any part thereof or interest therein to any third person, and, in general, to execute and deliver any instruments or documents and do all other acts which the Pledgor is obligated to execute and do hereunder. This power of attorney shall be irrevocable for the duration of this Security Agreement.

8. FURTHER ASSURANCES.

Each Pledgor shall, at any time and from time to time, and at its expense, make, execute, acknowledge and deliver, and file and record as necessary or appropriate with governmental or regulatory authorities, agencies or offices, such agreements, assignments, documents and instruments, and do such other and further acts and things (including, without limitation, obtaining consents of third parties), as the Buyer may reasonably request or as may be necessary in order to implement the provisions of this Security Agreement or to assure and confirm to the Buyer the grant, perfection and priority of the Buyer's security interest in any of the Collateral.

9. TERMINATION.

At such time as all of the Obligations have been finally paid and satisfied in full, this Security Agreement shall terminate, and the Buyer shall, promptly ,and in any event within five (5) business days of request from a Pledgor, execute and deliver to such Pledgor, at the expense of the Pledgor, all deeds, assignments and other instruments as may be reasonably necessary or proper to reassign and reconvey to and re-vest in the Pledgor the entire right, title and interest to the Collateral previously granted, assigned, transferred and conveyed to the Buyer by the Pledgor pursuant to this Security Agreement, as fully as if this Security Agreement had not been made, subject to any disposition of all or any part thereof which may have been made by the Buyer in accordance herewith.

10. COURSE OF DEALING.

No course of dealing among the Pledgors and the Buyer, nor any failure to exercise, nor any delay in exercising, on the part of the Buyer, any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

11. EXPENSES.

Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses, incurred by the Buyer in its capacity as secured party in connection with the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving any of the Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to any of the Collateral, shall be borne and paid by the Pledgors, jointly and severally.

12. INDEMNIFICATION.

THE PLEDGORS, JOINTLY AND SEVERALLY, SHALL INDEMNIFY THE BUYER FOR ANY AND ALL COSTS, EXPENSES, DAMAGES AND CLAIMS, INCLUDING LEGAL FEES ("LOSSES") INCURRED BY THE BUYER IN ITS CAPACITY AS SECURED PARTY WITH RESPECT TO ANY CLAIM OR CLAIMS BROUGHT BY THIRD PARTIES REGARDING ANY PLEDGOR'S OWNERSHIP OR PURPORTED OWNERSHIP OF, OR RIGHTS OR PURPORTED RIGHTS ARISING FROM, ANY OF THE COLLATERAL OR ANY PRACTICE, USE, LICENSE OR SUBLICENSE THEREOF, OR ANY PRACTICE, MANUFACTURE, USE OR SALE OF ANY OF THE INVENTIONS DISCLOSED OR CLAIMED THEREIN, WHETHER ARISING OUT OF ANY PAST, CURRENT OR FUTURE EVENT, CIRCUMSTANCE, ACT OR OMISSION OR OTHERWISE.

13. RIGHTS AND REMEDIES CUMULATIVE.

All of the Buyer's rights and remedies with respect to Events of Default relating to the Collateral, shall be cumulative and may be exercised singularly or concurrently. This Security Agreement is supplemental to the Purchase Agreement and the Investment Documents\, as applicable, and nothing contained herein shall in any way derogate from any of the rights or remedies of the Buyer contained therein. Nothing contained in this Security Agreement shall be deemed to extend the time of attachment or perfection of or otherwise impair the security interest in any of the Collateral granted to the Buyer under the Purchase Agreement or the Investment Documents.

14. NOTICES.

All notices and other communications made or required to be given pursuant to this Security Agreement shall be made pursuant to the Purchase Agreement.

15. AMENDMENT AND WAIVER.

This Security Agreement is subject to modification only by a writing signed by the Buyer and each Pledgor, except as provided in Section 5(b). Neither party shall be deemed to have waived any right hereunder unless such waiver shall be in writing and signed by it. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion.

16. GOVERNING LAW, ARBITRATION, AND JURISDICTION.

The provisions of Section 13 of the Purchase Agreement are hereby incorporated into this Security Agreement, as if all of the parties to this Security Agreement were parties to the Purchase Agreement.

17. MISCELLANEOUS.

The headings of each section of this Security Agreement are for convenience only and shall not define or limit the provisions thereof. This Security Agreement and all rights and obligations hereunder shall be binding upon each Pledgor and its successors and assigns and shall inure to the benefit of the Buyer and its successors and assigns. In the event of any irreconcilable conflict between the provisions of this Security Agreement and the Purchase Agreement or the Investment Documents, as applicable, the provisions of the Purchase Agreement or that Investment Documents, as applicable shall control. If any term of this Security Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby, and this Security Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein.

[***Signature page immediately follows.***]

IN WITNESS WHEREOF, this Security Agreement has been executed as of the day and year first above written.

QUEST PATENT RESEARCH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

QUEST LICENSING CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

QUEST NETTECH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

MARINER IC INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

SEMCON IP INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

IC KINETICS INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

CXT SYSTEMS INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

M-RED INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

AUDIO MESSAGING INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

QPRC FINANCE LLC

By:
Name:
Title:

EX-99.5 6 ea136324ex99-5_questpatent.htm EX. D TO PURCHASE AGREEMENT - WARRANT ISSUANCE AGREEMENT DATED FEBRUARY 19, 2021 AMONG THE COMPANY AND QPRC FINANCE LLC

Exhibit 99.5

WARRANT ISSUANCE AGREEMENT

This **WARRANT ISSUANCE AGREEMENT** (this "Agreement"), dated as of February 19, 2021, by and between Quest Patent Research Corporation, a Delaware corporation (the "Company"), and QPRC Finance LLC, a Delaware limited liability company (the "Investor").

WHEREAS, the Company and the Investor are executing and delivering this Agreement in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"), or Rule 506(b) of Regulation D ("Regulation D") as promulgated by the U.S. Securities and Exchange Commission (the "SEC") under the Securities Act;

WHEREAS, to induce the Investor to enter into that certain Prepaid Forward Purchase Agreement, dated of even date herewith (the "Purchase Agreement"), the Company has agreed, upon the terms and conditions stated in this Agreement, to issue a Warrant to the Investor, substantially in the form attached hereto as Exhibit A (the "Warrant"), representing the right to acquire shares of the Company's common stock, par value $0.00003 per share (the "Common Stock"); and

WHEREAS, contemporaneously with the execution and delivery of this Agreement, the parties hereto are executing and delivering a (i) Registration Rights Agreement, substantially in the form attached hereto as Exhibit B (the "Registration Rights Agreement"), pursuant to which the Company has agreed to provide certain registration rights with respect to the Registrable Securities (as defined in the Registration Rights Agreement) under the Securities Act and the rules and regulations promulgated thereunder, and applicable state securities laws, and (ii) Board Observations Rights Agreement, substantially in the form attached hereto as Exhibit C (the "Observation Rights Agreement").

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

1. Closing. The date and time of the closing (the "Closing") shall be 9:30 a.m., New York City time, on the date hereof (or such other date and time as is mutually agreed upon by the Company and the Investor) after notification of satisfaction (or waiver) of the conditions to the Closing set forth in Section 6, electronically, by exchange of documents and certificates (or by such other method as is mutually agreed upon by the Company and the Investor) (the day on which the Closing takes place, the "Closing Date").

2. Investor's Representations and Warranties. The Investor represents and warrants that, as of the date hereof and as of the Closing Date:

(a) No Public Sale or Distribution. The Investor is (i) acquiring the Warrant, and (ii) upon exercise of the Warrant will acquire the shares of Common Stock issuable upon exercise of the Warrant (the "Warrant Shares" and, together with the Warrant, the "Securities"), for its own account and not with a view towards, or for resale in connection with, the public sale or distribution thereof, except pursuant to sales registered or exempted under the Securities Act; provided, however, that by making the representations herein, the Investor does not agree to hold any of the Securities for any minimum or other specific term and reserves the right to dispose of the Securities at any time in accordance with or pursuant to a registration statement or an exemption under the Securities Act. The Investor is acquiring the Securities hereunder in the ordinary course of its business. The Investor does not presently have any agreement or understanding, directly or indirectly, with any Person (as hereinafter defined) to distribute any of the Securities. For purposes of this Agreement, "Person" means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity and any government or any department or agency thereof.

(b) Accredited Investor Status. The Investor is an "accredited investor" as that term is defined in Rule 501(a) of Regulation D under the Securities Act.

(c) Reliance on Exemptions. The Investor understands that the Securities 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 Investor's compliance with, the representations, warranties, agreements, acknowledgments and understandings set forth herein in order to determine the availability of such exemptions and the eligibility of the Investor to acquire the Securities.

(d) Information. The Investor and its advisors or representatives have been furnished with all materials relating to the business, finances and operations of the Company that have been requested by the Investor. The Investor and its advisors or representatives have been afforded the opportunity to ask questions of the Company. Neither such inquiries nor any other due diligence investigations conducted by the Investor or its advisors or representatives shall modify, amend or in any other way affect the Investor's right to rely on the Company's representations and warranties contained herein. The Investor understands that the Securities involve a high degree of risk.

(e) No Governmental Review. The Investor understands that no U.S. federal or state agency or any other governmental agency has passed on, reviewed, or made any recommendation or endorsement of the Securities.

(f) Transfer or Resale. The Investor understands that except as provided in the Registration Rights Agreement: (i) the Securities have not been and are not being registered under the Securities Act or any state securities laws, and may not be offered for sale, sold, assigned or transferred unless (A) subsequently registered thereunder, (B) if requested by the Company, the Investor shall have delivered to the Company an opinion of counsel to the effect that the

Securities to be sold, assigned or transferred may be sold, assigned or transferred pursuant to an exemption from such registration (an "Opinion of Counsel"), or (C) the Investor provides the Company with reasonable assurance that such Securities can be sold, assigned or transferred pursuant to Rule 144 or Rule 144A promulgated under the Securities Act, as amended, (or a successor rule thereto) (collectively, "Rule 144"); (ii) any sale of the Securities made in reliance on Rule 144 may be made only in accordance with the terms of Rule 144 and further, if Rule 144 is not applicable, any resale of the Securities under circumstances in which the seller (or the Person through whom the sale is made) may be deemed to be an underwriter (as defined in the Securities Act) may require compliance with some other exemption under the Securities Act or the rules and regulations of the SEC thereunder; and (iii) neither the Company nor any other Person is under any obligation to register the Securities under the Securities Act or any state securities laws or to comply with the terms and conditions of any exemption thereunder. Notwithstanding the foregoing, the Securities may be pledged in connection with a bona fide margin account or other loan or financing arrangement secured by the Securities and such pledge of Securities shall not be deemed to be a transfer, sale or assignment of the Securities hereunder, and the Investor, in effecting a pledge of Securities, shall be required to provide the Company with any notice thereof or otherwise make any delivery to the Company pursuant to this Agreement or any other Transaction Document (as hereinafter defined), including, without limitation, this Section 2(f).

(g) Legends. The Investor understands that the certificates or other instruments representing the Warrant and, until such time as the resale of the Warrant Shares have been registered under the Securities Act as contemplated by the Registration Rights Agreement and sold pursuant to an effective registration statement, the stock certificates representing the Warrant Shares, except as set forth below, shall bear a restrictive legend in substantially the following form (and a stop-transfer order may be placed against transfer of such stock certificates):

> NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE EXERCISABLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL SELECTED BY THE HOLDER, IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

The legend set forth above shall be removed and the Company shall issue a certificate without such legend to the holder of the Securities upon which it is stamped or issue to such holder by electronic delivery at the applicable balance account at The Depository Trust Company ("DTC"), if (i) such Securities are registered for resale under the Securities Act and have been sold pursuant to an effective registration statement, (ii) in connection with a sale, assignment or other transfer, such holder provides the Company with an Opinion of Counsel, or (iii) the Securities can be sold, assigned or transferred pursuant to Rule 144. The Company shall be responsible for the fees of its transfer agent and all DTC fees associated with such issuance. The Company, at its expense, shall cause its counsel to issue a legal opinion to the transfer agent promptly if required by the transfer agent, or to any purchaser of the Securities if requested by the Investor, to effect the removal of the legend hereunder, and, in connection with such opinion, the Investor shall provide such counsel with such documentation relating to the disposition of the Securities as such counsel may reasonably request.

(h) Validity; Enforcement. This Agreement and the Registration Rights Agreement have been duly and validly authorized, executed and delivered on behalf of the Investor and shall constitute the legal, valid and binding obligations of the Investor enforceable against the Investor in accordance with their respective terms, except as such enforceability may be limited by general principles of equity or to applicable bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies.

(i) No Conflicts. The execution, delivery and performance by the Investor of this Agreement and the Registration Rights Agreement and the consummation by the Investor of the transactions contemplated hereby will not (i) result in a violation of the organizational documents of the Investor, or (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Investor is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including federal and state securities laws) applicable to the Investor, except in the case of clauses (ii) and (iii) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect (as hereinafter defined) on the ability of the Investor to perform its obligations hereunder.

(j) Compliance with Anti-Money Laundering Laws. The operations of the Investor are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements and all other applicable U.S. and non-U.S. anti-money laundering laws and regulations, including, but not limited to, those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the USA Patriot Act of 2001 and the applicable money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "Anti-Money Laundering Laws"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving any Investor with respect to the Anti-Money Laundering Laws is pending or, to the Investor's knowledge, threatened.

3. Representations and Warranties of the Company. The Company, together with its direct and indirect subsidiaries and affiliate entities (collectively, the "Company Group"), make the following representations and warranties to the Investor, as of the date hereof and as of the Closing Date, subject to the disclosures of the Company set forth in the disclosure schedules delivered to the Investor as of the date hereof (the "Disclosure Schedules").

(a) Organization and Qualification. Each member of the Company Group is an entity duly organized and validly existing and in good standing under the laws of the jurisdiction in which it is are formed, and has the requisite power and authority to own its properties and to carry on its business as now being conducted and as presently proposed to be conducted. Each member of the Company Group is duly qualified as a foreign entity to do business and is in good standing in every jurisdiction in which its ownership of property or the nature of the business conducted by it makes such qualification necessary, except to the extent that the failure to be so qualified or be in good standing would not reasonably be expected to have a Material Adverse Effect. As used in this Agreement, "Material Adverse Effect" means any material adverse effect on the business, properties, assets, liabilities, operations, results of operations, condition (financial or otherwise) or prospects of any member of the Company Group individually, or the Company Group taken as a whole, or on the transactions contemplated hereby or in the other Transaction Documents or by the agreements and instruments to be entered into in connection herewith or therewith, or on the authority or ability of the Company to perform any of its obligations under any of the Transaction Documents. The Company has no direct or indirect subsidiaries or affiliate entities except as set forth in Schedule 3(a).

(b) Authorization; Enforcement; Validity. The Company has the requisite power and authority to enter into and perform its obligations under this Agreement, the Warrant, the Registration Rights Agreement, the Irrevocable Transfer Agent Instructions (as defined in Section 5(b)), the Observation Rights Agreement, the Purchase Agreement and each of the other agreements entered into by the parties hereto in connection with the transactions contemplated by this Agreement (collectively, the "Transaction Documents") and to issue the Securities in accordance with the terms hereof and thereof. The execution and delivery of this Agreement and the other Transaction Documents by the Company and the consummation by the Company of the transactions contemplated hereby and thereby, including, without limitation, the issuance of the Warrant, and the reservation for issuance and the issuance of the Warrants Shares issuable upon exercise of the Warrant have been duly authorized by the Company's Board of Directors and (other than the filing with the SEC of one or more Registration Statements (as defined in the Registration Rights Agreement)) in accordance with the requirements of the Registration Rights Agreement, and other filings as may be required by the SEC and state securities agencies, no further filing, consent or authorization is required by the Company, its Board of Directors or its stockholders. This Agreement and the other Transaction Documents have been duly executed and delivered by the Company, and constitute the legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies.

(c) Issuance of Securities. The issuance of the Warrant has been duly authorized and, upon issuance, shall be validly issued and free from all preemptive or similar rights, taxes, liens, charges and other encumbrances with respect to the issue thereof. As of the Closing, a number of shares of Common Stock shall have been duly authorized and reserved for issuance which equals or exceeds (the "Required Reserved Amount") the maximum number of Warrant Shares issuable pursuant to the Warrant as of the Trading Day (as defined in the Warrant) immediately preceding the applicable date of determination (without taking into account any limitations on the exercise of the Warrant set forth in the Warrant). Upon exercise of the Warrant in accordance with the Warrant, the Warrant Shares will be validly issued, fully paid and nonassessable and free from all preemptive or similar rights, taxes, liens, charges and other encumbrances with respect to the issue thereof, with the holders being entitled to all rights accorded to a holder of Common Stock. Assuming the accuracy of each of the representations and warranties set forth in Section 2 of this Agreement, the offer and issuance by the Company of the Securities is exempt from registration under the Securities Act.

(d) No Conflicts. The execution, delivery and performance of the Transaction Documents by the Company and the consummation by the Company of the transactions contemplated hereby and thereby (including, without limitation, the issuance of the Warrant and reservation for issuance and issuance of the Warrant Shares) will not (i) result in a violation of the Company's Certificate of Incorporation, as amended and as in effect on the date hereof (the "Certificate of Incorporation"), the Company's Bylaws, as amended and as in effect on the date hereof (the "Bylaws"), or any articles or memorandum of association, certificate of incorporation, certificate of formation, bylaws, certificate of designations or other constituent documents of any member of the Company Group, or (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) in any respect under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which any member of the Company Group is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including other foreign, federal and state securities laws and regulations and the rules and regulations of the Principal Market and including all applicable laws of the State of Delaware and any foreign, federal and state laws, rules and regulations) applicable to any member of the Company Group or by which any property or asset of t any member of the Company Group is bound or affected. As used in this Agreement, "Principal Market" means OTC Pink until the earlier of (i) the Company's readmission to the OTCQB or (ii) the Listing Deadline (as hereinafter defined), thereafter it shall mean OTCQB.

(e) Consents. The Company is not required to obtain any consent, authorization or order of, or make any filing or registration with (other than the filing with the SEC of one or more Registration Statements in accordance with the requirements of the Registration Rights Agreement, a Form D with the SEC and other filings as may be required by state securities agencies), any court, governmental agency or any regulatory or self-regulatory agency or any other Person in order for it to execute, deliver or perform any of its obligations under or contemplated by the Transaction Documents, in each case in accordance with the terms hereof or thereof. All consents, authorizations, orders, filings and registrations which the Company is required to obtain pursuant to the preceding sentence have been obtained or effected on or prior to the Closing Date (or in the case of the filings detailed above, will be made timely after the Closing Date), and the Company is unaware of any facts or circumstances that might prevent the Company from obtaining or effecting any of the registration, application or filings pursuant to the preceding sentence. The Company is not in violation of the listing requirements of the Principal Market and has no knowledge of any facts or circumstances that would reasonably lead to delisting or suspension of the Common Stock in the foreseeable future. The issuance by the Company of the Securities shall not have the effect of delisting or suspending the Common Stock from the Principal Market.

(f) SEC Documents; Financial Statements. Except as disclosed in Schedule 3(f), during the two (2) years prior to the date hereof, the Company has timely filed all reports, schedules, forms, statements and other documents required to be filed by it with the SEC pursuant to the reporting requirements of the Securities Exchange Act or 1934, as amended (the "Exchange Act") (all of the foregoing filed prior to the date hereof or prior to the Closing Date, and all exhibits included therein and financial statements, notes and schedules thereto and documents incorporated by reference therein being hereinafter referred to as the "SEC Documents"). All of the SEC Documents are available on the EDGAR system. As of their respective filing dates, the SEC Documents complied in all material respects with the requirements of the Exchange Act and the rules and regulations of the SEC promulgated thereunder applicable to the SEC Documents, and none of the SEC Documents, at the time they were filed with the SEC, 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. As of their respective filing dates, the financial statements of the Company included in the SEC Documents complied as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto. Such financial statements have been prepared in accordance with generally accepted accounting principles, consistently applied, during the periods involved ("GAAP") (except (i) as may be otherwise indicated in such financial statements or the notes thereto, or (ii) in the case of unaudited interim statements, to the extent they may exclude footnotes or may be condensed or summary statements) and fairly present in all material respects the consolidated financial position of the Company Group as of the dates thereof and the consolidated results of its operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments which will not be material either individually or in the aggregate). No other information provided by or on behalf of the Company to the Investor which is not included in the SEC Documents, including, without limitation, information referred to in Section 2(d) of this Agreement or in the Disclosure Schedules to this Agreement, contains any untrue statement of a material fact or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstance under which they are or were made, not misleading.

(g) Absence of Certain Changes. Except as disclosed in Schedule 3(g), since September 30, 2020, there has been no material adverse change and no material adverse development in the business, assets, liabilities, properties, operations, condition (financial or otherwise), results of operations or prospects of the Company Group. Except as disclosed in Schedule 3(g), since September 30, 2020, no member of the Company Group has (i) declared or paid any dividends, (ii) sold any assets, individually or in the aggregate, in excess of $250,000 outside of the ordinary course of business, or (iii) had capital expenditures, individually or in the aggregate, in excess of $250,000, except for any distributions made by a member of the Company Group to or on behalf of the Company from the proceeds of litigation recoveries received in the ordinary course of its business. No member of the Company Group has taken any steps to seek protection pursuant to any law or statute relating to bankruptcy, insolvency, reorganization, receivership, liquidation or winding up nor does any member of the Company Group have any knowledge or reason to believe that any of its respective creditors intend to initiate involuntary bankruptcy proceedings or any actual knowledge of any fact that would reasonably lead a creditor to do so.

(h) No Undisclosed Events, Liabilities, Developments or Circumstances. No event, liability, development or circumstance has occurred or exists, or is contemplated to occur with respect to any member of the Company Group or their respective business, properties, prospects, operations or financial condition, that would be required to be disclosed by the Company under applicable federal securities laws in a report filed pursuant to the Exchange Act which has not been publicly announced.

(i) Conduct of Business; Regulatory Permits. No member of the Company Group is in violation of any term of or in default under any certificate of designations of any outstanding series of preferred stock of the Company, the Certificate of Incorporation, the Bylaws or any of their respective constituent documents. No member of the Company Group is in violation of any judgment, decree or order or any statute, ordinance, rule or regulation applicable to such member of the Company Group, and no member of the Company Group will conduct its business in violation of any of the foregoing, except for possible violations which could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Without limiting the generality of the foregoing, except as otherwise set forth in Schedule 3(i), the Company is not in violation of any of the rules, regulations or requirements of the Principal Market and has no knowledge of any facts or circumstances that would reasonably lead to delisting or suspension of the Common Stock by the Principal Market in the foreseeable future. Except as set forth in Schedule 3(i), during the two (2) years prior to the Closing Date, the Common Stock has been designated for quotation on the Principal Market. Except as set forth in Schedule 3(i), during the two (2) years prior to the Closing Date, (i) trading in the Common Stock has not been suspended by the SEC or the Principal Market, and (ii) the Company has received no communication, written or oral, from the SEC or the Principal Market regarding the suspension or delisting of the Common Stock from the Principal Market. Each member of the Company Group possess all certificates, authorizations and permits issued by the appropriate federal, state or foreign regulatory authorities necessary to conduct their respective businesses, except where the failure to possess such certificates, authorizations or

permits would not have, individually or in the aggregate, a Material Adverse Effect, and no member of the Company Group has received any notice of proceedings relating to the revocation or modification of any such certificate, authorization or permit.

(j) Foreign Corrupt Practices. No member of the Company Group, nor, to the Company's knowledge, any director, officer, agent, employee or other Person acting on behalf of any member of the Company Group has, in the course of its actions for, or on behalf of, any member of the Company Group (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity, (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds, (iii) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended, or (iv) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any foreign or domestic government official or employee.

(k) Sarbanes-Oxley Act. Except as set forth in Schedule3(k), the Company is in compliance in all material respects with any and all applicable requirements of the Sarbanes-Oxley Act of 2002, as amended ("Sarbanes-Oxley Act"), that are effective as of the date hereof, and any and all applicable rules and regulations promulgated by the SEC thereunder that are effective as of the date hereof.

(l) Transactions with Affiliates. None of the officers, directors or employees of any member of the Company Group is presently a party to any transaction with any member of the Company Group (other than for ordinary course services as employees, officers or directors or pursuant to the Company's 2017 Equity Incentive Plan, as amended as of the date hereof), including any contract, agreement or other arrangement providing for the furnishing of services to or by, providing for rental of real or personal property to or from, or otherwise requiring payments to or from any such officer, director or employee, nor, to the Company's knowledge, any corporation, partnership, trust or other entity in which any such officer, director, or employee has a substantial interest or is an officer, director, employee, trustee or partner.

(m) Equity Capitalization. As of the date hereof, the authorized capital stock of the Company consists of (i) 10,000,000,000 shares of Common Stock, of which, immediately prior to the Closing, 383,038,334 shares are issued and outstanding and 80,000,000 shares are reserved for issuance pursuant to the Company's stock option and purchase plans ("Plan Options"), (ii) 10,000,000 shares of preferred stock, par value $0.00003 per share, of which no shares are issued and outstanding, and (iii) there are 163,294,134 shares of Common Stock held by non-affiliates of the Company. All of such outstanding shares have been, or upon issuance will be, validly issued and are fully paid and nonassessable. None of the Company's capital stock is subject to preemptive rights or any other similar rights or any liens or encumbrances suffered or permitted by the Company. Except as disclosed in Schedule 3(m) or as relates to the Investor or any entity under common control with the Investor: (i) there are no outstanding options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, any shares of capital stock of any member of the Company Group, or contracts, commitments, understandings or arrangements by which any member of the Company Group is or may become bound to issue additional shares of capital stock of a member of the Company Group or options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, any shares of capital stock of a member of the Company Group, (ii) there are no outstanding debt securities, notes, credit agreements, credit facilities or other agreements, documents or instruments evidencing indebtedness of any member of the Company Group or by which any member of the Company Group is or may become bound; (iii) there are no financing statements securing obligations in any material amounts, either singly or in the aggregate, filed in connection with a member of the Company Group; (iv) or pursuant to the Registration Rights Agreement, there are no agreements or arrangements under which any member of the Company Group is obligated to register the sale of any of their securities under the Securities Act; (v) there are no outstanding securities or instruments of any member of the Company Group which contain any redemption or similar provisions, and there are no contracts, commitments, understandings or arrangements by which a member of the Company Group is or may become bound to redeem a security of a member of the Company Group; (vi) there are no securities or instruments containing anti-dilution or similar provisions that will be triggered by the issuance of the Securities; (vii) no member of the Company Group has any stock appreciation rights or "phantom stock" plans or agreements or any similar plan or agreement; and (viii) no member of the Company Group has any material liabilities or obligations required to be disclosed in the SEC Documents but not so disclosed in the SEC Documents, other than those incurred in the ordinary course of the Company Group's business and which, individually or in the aggregate, do not or would not have a Material Adverse Effect. The SEC Documents contain true, correct and complete copies of the Company's Certificate of Incorporation and Bylaws, and the terms of all securities convertible into, or exercisable or exchangeable for shares of Common Stock and the material rights of the holders thereof in respect thereto.

(n) Other Contracts. Except as disclosed in Schedule 3(n), no member of the Company Group is a party to any contract, agreement or instrument, the violation of which, or default under which, by the other party(ies) to such contract, agreement or instrument could reasonably be expected to result in a Material Adverse Effect.

(o) Absence of Litigation. Except as otherwise set forth in Schedule 3(o), there is no action, suit, proceeding, inquiry or investigation before or by the Principal Market, any court, public board, government agency, self-regulatory organization or body pending or, to the Company's knowledge, threatened against or affecting the Common Stock, any member of the Company Group, or any officers or directors of any member of the Company Group, whether of a civil or criminal nature or otherwise, in their capacities as such, except as set forth in Schedule 3(o) and except for claims and counterclaims made in legal proceedings seeking to enforce the Intellectual Property Rights (as hereinafter defined) owned or possessed by any member of the Company Group in the ordinary course of their business. The matters set forth in Schedule 3(o) would not reasonably be expected to have a Material Adverse Effect.

(p) Insurance. Each member of the Company Group is insured against such losses and risks and in such amounts as is set forth on Schedule 3(p). The Company believes that it either will be able to renew its existing insurance coverage as and when such coverage expires or obtain similar coverage from similar insurers, in each case, at a cost that the Company believes would not reasonably be expected to have a Material Adverse Effect.

(q) Employee Relations.

(i) No member of the Company Group is a party to any collective bargaining agreement or employs any member of a union. The members of the Company Group believe that their relations with their respective employees are good. No executive officer has notified any member of the Company Group that such officer intends to leave the Company Group or otherwise terminate such officer's employment with the Company Group. No executive officer, to the Company Group's knowledge, is, or is now expected to be, in violation of any material term of any employment contract, confidentiality, disclosure or proprietary information agreement, non-competition agreement, or any other contract or agreement or any restrictive covenant, and, to the Company Group's knowledge, the continued employment of each such executive officer does not subject the Company Group to any liability with respect to any of the foregoing matters.

(ii) Each member of the Company Group is in compliance with all federal, state, local and foreign laws and regulations respecting labor, employment and employment practices and benefits, terms and conditions of employment and wages and hours, except where failure to be in compliance would not, either individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect.

(r) Title. No member of the Company Group owns any real property and each member of the Company Group has title to all personal property owned by them which is material to the business of such member of the Company Group, in each case free and clear of all liens, encumbrances and defects except such as do not materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company Group. Any real property and facilities held under lease by any member of the Company Group are held by them under valid, subsisting and enforceable leases with such exceptions as are not material and do not interfere with the use made and proposed to be made of such property and buildings by the Company Group.

(s) Intellectual Property Rights. To the Company Group's knowledge, the members of the Company Group own or possess adequate rights or licenses to use all trademarks, trade names, service marks, service mark registrations, service names, original works of authorship, patents, patent rights, copyrights, inventions, licenses, approvals, governmental authorizations, trade secrets and other intellectual property rights and all applications and registrations therefor ("Intellectual Property Rights") necessary to conduct their respective businesses as now conducted and as presently proposed to be conducted. Each of patents owned by the members of the Company Group are listed on Schedule 3(s). Except as set forth in Schedule 3(s), none of the Intellectual Property Rights have expired or terminated or have been abandoned or are expected to expire or terminate or are expected to be abandoned, within three years from the date of this Agreement. The Company does not have any knowledge of any infringement by any member of the Company Group of Intellectual Property Rights of others. There is no claim, action or proceeding being made or brought, or to the Company Group's knowledge, being threatened, against any member of the Company Group regarding its Intellectual Property Rights other than by defendants in actions brought by a member of the Company Group in the ordinary course of its business. No member of the Company Group is aware of any facts or circumstances which might give rise to any of the foregoing infringements or claims, actions or proceedings. The Company Group has taken reasonable security measures to protect the secrecy and confidentiality of all of their Intellectual Property Rights.

(t) Subsidiary Rights. Schedule 3(t) sets forth all members of the Company Group and any corporation, partnership, limited liability company, joint venture, association or other entity in which the Company or any other member of the Company Group owns, directly or indirectly, capital stock or other comparable equity interests as of the date of this Agreement. Except as set forth in Schedule 3(t), the members of the Company Group (i) own such capital stock or other comparable equity interests free and clear of any liens and all of the issued and outstanding shares of capital stock or comparable equity interests are validly issued and are fully paid, non-assessable and free of preemptive and similar rights, and (ii) have the unrestricted right to vote, and (subject to limitations imposed by applicable law) to receive dividends and distributions on, all capital stock or other comparable equity interests owned.

(u) Investment Company Status. No member of the Company Group is, and for so long the Investor holds any Securities will be, an "investment company," a company controlled by an "investment company" or an "affiliated person" of, or "promoter" or "principal underwriter" for, an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended.

(v) Tax Status. Each member of the Company Group (i) has made or filed all U.S. federal, state and foreign income and all other 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, except those being contested in good faith, and (iii) has set aside on its books provision reasonably adequate for the payment of all 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 know of no basis for any such claim.

(w) Internal Accounting and Disclosure Controls. The Company's disclosure controls and procedures and internal controls over financial reporting are not effective. Except as set forth in the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2020 (the "10-Q"), the Company is in material compliance with any and all applicable requirements of the Sarbanes-Oxley Act that are effective as of the date hereof, and any and all applicable rules and regulations promulgated by the SEC thereunder that are effective as of the date hereof. Each member of the Company Group maintains 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 and liability accountability, (iii) access to assets or incurrence of liabilities is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets and liabilities is compared with the existing assets and liabilities at reasonable intervals and appropriate action is taken with respect to any difference. Except as set forth in the Company's 10-Q, each member of the Company Group maintains disclosure controls and procedures (as such term is defined in Rule 13a-15 under the Exchange Act) that are effective in ensuring that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the rules and forms of the SEC, including, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including its principal executive officer or officers and its principal financial officer or officers, as appropriate, to allow timely decisions regarding required disclosure. The Company's certifying officers have evaluated the effectiveness of the disclosure controls and procedures of the Company as of the end of the period covered by the 10-Q. The Company presented in its 10-Q the conclusions of the certifying officers about the effectiveness of the disclosure controls and procedures based on their evaluations as of the date of the 10-Q. Since the date of the 10-Q, there have been no changes in the internal control over financial reporting (as such term is defined in Rule 13a-15 under the Exchange Act) of the Company Group that have materially affected, or is reasonably likely to materially affect, the internal control over financial reporting of the Company Group.

(x) Exchange Act Reporting Requirements. The Company is subject to the Exchange Act reporting requirements pursuant to Section 15(d) of the Exchange Act.

(y) Quotation Requirements. Except as set forth in Schedule 3(y), the Company has not, in the 12 months preceding the date hereof, received notice from the national securities exchange or automated quotation system, if any, upon 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 national securities exchange or automated quotation system.

(z) Off Balance Sheet Arrangements. There is no transaction, arrangement, or other relationship between the Company and an unconsolidated or other off balance sheet entity that is required to be disclosed by the Company in its Exchange Act filings and is not so disclosed or that otherwise would be reasonably likely to have a Material Adverse Effect.

(aa) Eligibility for Registration. As of the date hereof, the Company is eligible to register the Warrant Shares for resale by the Investor using Form S-1 promulgated under the Securities Act.

(bb) Transfer Taxes. On the Closing Date, all stock transfer or other taxes (other than income or similar taxes) which are required to be paid in connection with the sale and transfer of the Securities to be issued to the Investor hereunder will be, or will have been, fully paid or provided for by the Company, and all laws imposing such taxes will be or will have been complied with.

(cc) Manipulation of Price. 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, or that could reasonably be expected to cause or 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 Securities, (ii) sold, bid for, purchased, or paid any compensation for soliciting purchases of, any of the Securities, or (iii) paid or agreed to pay to any Person any compensation for soliciting another to purchase any other securities of the Company.

(dd) Acknowledgement Regarding Investor's Trading Activity. The Company acknowledges and agrees that the Investor has not been asked to agree, nor has the Investor agreed, to desist from purchasing or selling, in conformity with applicable federal and state securities laws, long or short, securities of the Company, or "derivative" securities based on securities issued by the Company or to hold the Securities for any specified term. The Company further understands and acknowledges that the Investor may engage in hedging or trading activities at various times during the period that the Securities are outstanding, and such hedging or trading activities, if any, can reduce the value of the existing stockholders' equity interest in the Company both at and after the time the hedging or trading activities are being conducted. The Company acknowledges that such aforementioned hedging or trading activities do not constitute a breach of this Agreement, the Warrant or any of the documents executed in connection herewith.

(ee) U.S. Real Property Holding Corporation. The Company is not, has never been, and so long as any Securities remain outstanding, shall not become, a U.S. real property holding corporation within the meaning of Section 897 of the Code and the Company shall so certify upon the Investor's request.

(ff) Bank Holding Company Act. No member of the Company Group is subject to the Bank Holding Company Act of 1956, as amended (the "BHCA") and to regulation by the Board of Governors of the Federal Reserve System (the "Federal Reserve"). No member of the Company Group owns or controls,

directly or indirectly, five percent (5%) or more of the outstanding shares of any class of voting securities or twenty-five percent (25%) or more of the total equity of a bank or any entity that is subject to the BHCA and to regulation by the Federal Reserve. No member of the Company Group exercises a controlling influence over the management or policies of a bank or any entity that is subject to the BHCA and to regulation by the Federal Reserve.

(gg) No Additional Agreements. No member of the Company Group has any agreement or understanding with the Investor with respect to the transactions contemplated by the Transaction Documents other than as specified in the Transaction Documents.

(hh) Disclosure. All disclosure provided to the Investor in or pursuant to this Agreement and the other Transaction Documents regarding the Company Group, its businesses and the transactions contemplated hereby and thereby, including the Disclosure Schedules to this Agreement, furnished by or on behalf of the members of the Company Group is true and correct in all material respect and does not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. All of the written information furnished after the date hereof by or on behalf of the Company Group to the Investor pursuant to or in connection with this Agreement and the other Transaction Documents, taken as a whole, will be true and correct in all material respects as of the date on which such information is so provided and will not contain any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements made therein, in the light of the circumstances under which they are made, not misleading. Each press release issued by any member of the Company Group during the twelve (12) months preceding the date of this Agreement did not at the time of release contain any untrue statement of a material fact or omit 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. No event or circumstance has occurred or information exists with respect to the Company Group or its or their business, properties, liabilities, prospects, operations (including results thereof) or conditions (financial or otherwise), which, under applicable law, rule or regulation, requires public disclosure by the Company at or before the date hereof or announcement by the Company but which has not been so publicly announced or disclosed. The Company acknowledges and agrees that the Investor does not make and has not made any representations or warranties with respect to the transactions contemplated hereby other than those specifically set forth in Section 2.

(ii) Shell Company Status. The Company is not, and has never been, an issuer identified in Rule 144(i)(1) of the Securities Act.

(jj) Stock Option Plans. Each stock option granted by the Company was granted (i) in accordance with the terms of the applicable stock option plan of the Company, and (ii) with an exercise price at least equal to the fair market value of the Common Stock on the date such stock option would be considered granted under GAAP and applicable law. No stock option granted under the Company's stock option plan has been backdated. The Company has not knowingly granted, and there is no and has been no policy or practice of the Company to knowingly grant, stock options prior to, or otherwise knowingly coordinate the grant of stock options with, the release or other public announcement of material information regarding any member of the Company Group or their financial results or prospects.

(kk) No Disagreements with Accountants and Lawyers. There are no material disagreements of any kind presently existing, or reasonably anticipated by the Company to arise, between the Company and the accountants and lawyers formerly or presently employed by the Company which could affect the Company's ability to perform any of its obligations under any of the Transaction Documents and, except where subject to a bona fide dispute, the Company is or will be upon completion of the transaction contemplated by the Transaction Documents current with respect to any fees owed to its accountants and lawyers.

(ll) Compliance with Anti-Money Laundering Laws. The operations of the Company Group are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements and all other applicable U.S. and non-U.S. Anti-Money Laundering Laws, and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving any member of the Company Group with respect to the Anti-Money Laundering Laws is pending or, to the Company's knowledge, threatened.

(mm) No Conflicts with Sanctions Laws. No member of the Company Group has made any contribution or other payment to any official of, or candidate for, any federal, state or foreign office in violation of any law which violation is required to be disclosed in a prospectus under the Securities Act. No member of the Company Group, nor, to the Company's knowledge, any director, officer, employee, agent, affiliate or other Person associated with or acting on behalf of any member of the Company Group is, or is directly or indirectly owned or controlled by, a Person that is currently the subject or the target of any sanctions administered or enforced by the U.S. government (including, without limitation, the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Departments of State or Commerce and including, without limitation, the designation as a "specially designated national" or "blocked person"), the United Nations Security Council, the European Union, Her Majesty's Treasury or any other relevant sanctions authority (collectively, the "Sanctions"), nor is any member of the Company Group located, organized or resident in a country or territory that is the subject or target of a comprehensive embargo or Sanctions prohibiting trade with the country or territory (each, a "Sanctioned Country"). No action of any member of the Company Group in connection with (i) the execution, delivery and performance of this Agreement and the other Transaction Documents, (ii) the issuance of the Securities, or (iii) the direct or indirect use of proceeds from the Securities or the consummation of any other transaction contemplated hereby or by the other Transaction Documents or the fulfillment of the terms hereof or thereof, will result in the proceeds of the transactions contemplated hereby and by the other Transaction Documents being used, or loaned, contributed or otherwise made available, directly or indirectly, to any subsidiary, joint venture partner or other Person or entity, for the purpose of (A) unlawfully funding or facilitating any activities of or business with any Person that, at the time of such funding or facilitation, is the subject or target of Sanctions, (B) unlawfully funding or facilitating any activities of or business in any Sanctioned Country or (C) in any other manner that will result in a violation by any Person of Sanctions. For the past five years, no member of the Company Group has knowingly engaged in and are is not now knowingly engaged in any dealings or transactions with any Person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or with any Sanctioned Country.

(nn) Anti-Bribery. No member of the Company Group, nor, to the knowledge of the Company, any director, officer, agent, employee or other Person associated with or acting on behalf of a member of the Company Group, has (i) used any funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity, (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee, to any employee or agent of a private entity with which the Company does or seeks to do business or to foreign or domestic political parties or campaigns from corporate funds, (iii) violated or is in violation of any provision of any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions or any applicable provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended, the U.K Bribery Act 2010, or any other similar law of any other jurisdiction in which the Company operates its business, including, in each case, the rules and regulations thereunder, (iv) taken, is currently taking or will take any action in furtherance of an offer, payment, gift or anything else of value, directly or indirectly, to any Person while knowing that all or some portion of the money or value will be offered, given or promised to anyone to improperly influence official action, to obtain or retain business or otherwise to secure any improper advantage, or (v) otherwise made any bribe, rebate, payoff, influence payment, unlawful kickback or other unlawful payment.

(oo) No Disqualification Events. With respect to Securities to be issued hereunder in reliance on Rule 506(b) under the Securities Act, none of the Company, any of its predecessors, any affiliated issuer, any director, executive officer, other officer of the Company participating in the offering hereunder, any beneficial owner of 20% or more of the Company's outstanding voting equity securities, calculated on the basis of voting power, nor any promoter (as that term is defined in Rule 405 under the Securities Act) connected with the Company in any capacity at the time of sale (each, an "Issuer Covered Person") is subject to any of the "Bad Actor" disqualifications described in Rule 506(d)(1)(i) to (viii) under the Securities Act (a "Disqualification Event"), except for a Disqualification Event covered by Rule 506(d)(2) or (d)(3). The Company has exercised reasonable care to determine whether any Issuer Covered Person is subject to a Disqualification Event. The Company has complied, to the extent applicable, with its disclosure obligations under Rule 506(e), and has furnished to the Investor a copy of any disclosures provided thereunder.

4. Covenants.

(a) Blue Sky. If required by applicable law, the Company shall, in a timely manner, file a Form D with respect to the Securities under Regulation D and take all such other action as the Company shall reasonably determine is necessary in order to obtain an exemption for or to qualify the Securities for sale to the Investor at the Closing pursuant to this Agreement under applicable securities or "Blue Sky" laws of the states of the United States (or to obtain an exemption from such qualification), and, if requested, shall provide evidence of any such action so taken to the Investor. The Company shall make all filings and reports relating to the offer and sale of the Securities required under applicable securities or "Blue Sky" laws of the states of the United States following the Closing Date.

(b) Reporting Status. Until the date on which the Investor shall have sold all of the Securities, the Company shall timely file all reports required to be filed with the SEC pursuant to the Exchange Act, and the Company shall not take any action to terminate its status as an issuer required to file reports under the Exchange Act even if the Exchange Act or the rules and regulations thereunder would no longer require or otherwise permit such termination.

(c) Listing Requirements. The Company shall take all commercially reasonable steps necessary to regain compliance with the OTCQB eligibility standards as soon as practicable, but in no event later than 12 months from the Closing Date (the "Listing Deadline"). Prior to the Listing Deadline, the Company shall use commercially reasonable efforts maintain it qualification for quotation on the Current Information Tier of the OTC Pink use commercially reasonable efforts to have real time market quotes and information available during market hours. On or prior to the Listing Deadline the Company shall promptly secure the listing of all the Registrable Securities, upon each national securities exchange and automated quotation system, if any, upon which the Common Stock is then listed (subject to official notice of issuance) and shall maintain such listing of all Registrable Securities from time to time issuable under the terms of the Transaction Documents. Until the earlier of three (3) years from the date of the Listing Deadline or when Securities are no longer held by the Investor or registered in the name of the Investor on the books and records of the Company, (i) the Company shall maintain the authorization for quotation of the Common Stock on the OTCQB or any other Eligible Market (as defined in the Warrant), and (ii) the Company shall use commercially reasonable efforts to avoid the delisting or suspension of the Common Stock on the Principal Market. The Company shall pay all fees and expenses in connection with satisfying its obligations under this Section 4(c).

(d) Fees. The Company has not engaged any placement agent, financial advisor or broker relating to or arising out of the transactions contemplated hereby. The Company shall pay, and hold the Investor harmless against, any liability, loss or expense (including, without limitation, reasonable attorneys' fees and out-of-pocket expenses) arising in connection with any breach by the Company of this Section 4(d).

(e) Pledge of Securities. The Company acknowledges and agrees that the Securities may, to the extent permitted by law, be pledged by the Investor in connection with a bona fide margin agreement or other loan or financing arrangement that is secured by the Securities. The pledge of Securities shall not be deemed to be a transfer, sale or assignment of the Securities hereunder, and in effecting a pledge of Securities the Investor shall not be required to provide the Company with any notice thereof or otherwise make any delivery to the Company pursuant to this Agreement or any other Transaction Document, including, without limitation, Section 2(f) hereof; provided that the Investor and its pledgee shall be required to comply with the provisions of Section 2(f) hereof in order to effect a sale, transfer or assignment of Securities to such pledgee. The Company hereby agrees to execute and deliver such documentation as a pledgee of the Securities may reasonably request in connection with a pledge of the Securities to such pledgee by the Investor.

(f) Material Information. The Company shall not, and shall not cause any member of the Company Group or any of their respective officers, directors, employees, affiliates and agents, to provide the Investor with any material nonpublic information regarding the Company Group from and after the date hereof and for so long as the Investor beneficially owns the Warrant Shares unless the Company shall clearly identify any such information as material nonpublic information, in writing, and, prior to delivery of any material nonpublic information, request and obtain written confirmation that the Investor wishes to receive nonpublic information notwithstanding that it may constitute material nonpublic information. The Company and the Investor agree to work together in good faith to establish procedures for the handling of information that may constitute material nonpublic information, including procedures that enable the Investor to evaluate from time to time the extent to which the Investor is prepared to receive material nonpublic information from the Company and as to which of such information will be subject to periodic "cleansing disclosure" and/or the establishment of "trading windows." For the avoidance of doubt, subject to the Company not providing the Investor with any information that it is not prepared to disclose to the public without first requesting and obtaining written confirmation that the Investor wishes to receive nonpublic information, the Company shall have no obligation to the Investor to disclose information to the public, whether by press release or filing with the SEC, that it is not otherwise obligated to disclose at such time pursuant to the Exchange Act and the regulations of the SEC promulgated thereunder.

(g) Corporate Existence. So long as the Investor beneficially owns any Securities, the Company shall (i) maintain its corporate existence, and (ii) not be party to any Fundamental Transaction (as defined in the Warrant) unless the Company is in compliance with the applicable provisions governing Fundamental Transactions set forth in the Warrant.

(h) Reservation of Shares. So long as the Investor owns any Securities, the Company shall take all action necessary to at all times have authorized, and reserved for the purpose of issuance, no less than the Required Reserved Amount. If at any time the number of shares of Common Stock authorized and reserved for issuance is not sufficient to meet the Required Reserved Amount, the Company will promptly take all corporate action necessary to authorize and reserve a sufficient number of shares, including, without limitation, calling a special meeting of stockholders to authorize additional shares to meet the Company's obligations under Section 3(c), in the case of an insufficient number of authorized shares, obtain stockholder approval of an increase in such authorized number of shares, and voting the management shares of the Company in favor of an increase in the authorized shares of the Company to provide that the number of authorized shares is sufficient to meet the Required Reserved Amount.

(i) Conduct of Business. The business of the Company Group shall not be conducted in violation of any law, ordinance or regulation of any governmental entity, except where such violations would not result, either individually or in the aggregate, in a Material Adverse Effect.

(j) FAST Compliance. So long as the Investor owns any Securities, the Company shall maintain a transfer agent that participates in the DTC Fast Automated Securities Transfer Program.

(k) Public Information. At any time during the period commencing from the six (6) month anniversary of the Closing Date and ending at such time that all of the Securities, if a registration statement is not available for the resale of all of the Securities, may be sold without restriction or limitation pursuant to Rule 144 and without the requirement to be in compliance with Rule 144(c)(1), if the Company shall (i) fail for any reason to satisfy the requirements of Rule 144(c)(1), including, without limitation, the failure to satisfy the current public information requirement under Rule 144(c), or (ii) if the Company has ever been an issuer described in Rule 144(i)(1)(i) or becomes such an issuer in the future, and the Company shall fail to satisfy any condition set forth in Rule 144(i)(2) (a "Public Information Failure") then, as partial relief for the damages to any holder of Securities by reason of any such delay in or reduction of its ability to sell the Securities (which remedy shall not be exclusive of any other remedies available at law or in equity), the Company shall pay to each such holder an amount in cash equal to one and one-half percent (1.5%) of the aggregate value of such holder's Securities (such value being determined by multiplying the number of such holder's Securities by the Closing Sale Price (as defined in the Warrant) of one share of Common Stock on the Trading Day (as defined in the Warrant) immediately preceding the date of determination) on the day of a Public Information Failure and on every thirtieth day (pro rated for periods totaling less than thirty days) thereafter until the earlier of (x) the date such Public Information Failure is cured, and (y) such time that such Public Information Failure no longer prevents a holder of Securities from selling such Securities pursuant to Rule 144 without any restrictions or limitations. The payments to which a holder shall be entitled pursuant to this Section 4(k) are referred to herein as "Public Information Failure Payments." Public Information Failure Payments shall be paid on the earlier of (A) the last day of the calendar month during which such Public Information Failure Payments are incurred and (B) the third Business Day after the event or failure giving rise to the Public Information

Failure Payments is cured. In the event the Company fails to make Public Information Failure Payments in a timely manner, such Public Information Failure Payments shall bear interest at the rate of one and one-half percent (1.5%) per month (prorated for partial months) until paid in full. As used herein, "Business Day" means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed.

5. Register; Transfer Agent Instructions.

(a) Register. The Company shall maintain at its principal executive offices (or such other office or agency as the Company may designate by notice to each holder of Securities), a register for the Warrant in which the Company shall record the name and address of the Person in whose name the Warrant has been issued (including the name and address of each transferee) and the number of Warrant Shares issuable upon exercise of the Warrant held by such Person. The Company shall keep the register open and available at all times during business hours for inspection of holder or its legal representatives.

(b) Transfer Agent Instructions. The Company shall issue irrevocable instructions to its transfer agent, and any subsequent transfer agent, in the form of Exhibit D attached hereto (the "Irrevocable Transfer Agent Instructions") to issue certificates or credit shares to the applicable balance accounts at DTC, registered in the name of the Investor or its nominee(s), for the Warrant issued at the Closing or pursuant to the Warrant Shares issued pursuant to exercise of the Warrant in such amounts as specified from time to time by the Investor to the Company upon exercise of the Warrant; provided that either (i) the Warrant Shares have been registered for sale pursuant to the Securities Act and the Warrant Shares have been sold pursuant to the registration statement or (ii) the shares may be sold pursuant to Rule 144 without restriction as to volume. The Company warrants that no instruction other than the Irrevocable Transfer Agent Instructions referred to in this Section 5(b), and stop transfer instructions to give effect to Section 2(g) hereof, will be given by the Company to its transfer agent, and that the Securities shall otherwise be freely transferable on the books and records of the Company as and to the extent provided in this Agreement and the other Transaction Documents and subject to the federal securities laws. The Investor shall provide such documentation as the transfer agent may reasonably request to confirm that the Investor has complied with clause (i) or (ii) of this Section 5(b). If the Investor effects a sale, assignment or transfer of the Securities in accordance with Section 2(f), the Company shall permit the transfer and shall promptly instruct its transfer agent to issue one or more certificates or credit shares to the applicable balance accounts at DTC in such name and in such denominations as specified by the Investor to effect such sale, transfer or assignment in accordance with this Section 5(b). In the event that such sale, assignment or transfer involves the Securities sold, assigned or transferred pursuant to an effective registration statement or pursuant to Rule 144 as provided in this Section 5(b), the transfer agent shall issue such Securities to the Investor, assignee or transferee, as the case may be, without any restrictive legend. The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Investor. Accordingly, the Company acknowledges that the remedy at law for a breach of its obligations under this Section 5(b) will be inadequate and agrees, in the event of a breach or threatened breach by the Company of the provisions of this Section 5(b), that the Investor shall be entitled, in addition to all other available remedies, to an order or injunction restraining any breach and requiring immediate issuance and transfer, without the necessity of showing economic loss and without any bond or other security being required.

6. Conditions to Closing.

(a) The obligation of the Company hereunder to issue the Warrant to the Investor at the Closing is subject to the satisfaction, at or before the Closing Date, of each of the following conditions, provided that these conditions are for the Company's sole benefit and may be waived by the Company at any time in its sole discretion by providing the Investor with prior written notice thereof:

(i) The Investor shall have duly executed each of the Transaction Documents to which it is a party and delivered the same to the Company.

(ii) The representations and warranties of the Investor shall be true and correct as of the date when made and as of the Closing Date as though made at that time (except for representations and warranties that speak as of a specific date which shall be true and correct as of such specified date), and the Investor shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Investor at or prior to the Closing Date.

(b) The obligation of the Investor hereunder to acquire the Warrant at the Closing is subject to the satisfaction, at or before the Closing Date, of each of the following conditions, provided that these conditions are for the Investor's sole benefit and may be waived by the Investor at any time in its sole discretion by providing the Company with prior written notice thereof:

(i) The Company shall have duly executed each of the Transaction Documents to which it is a party and delivered the same to the Investor.

(ii) The Company shall have delivered to the Investor a copy of the Irrevocable Transfer Agent Instructions, which instructions shall have been delivered to and acknowledged in writing by the Company's transfer agent.

(iii) The Company shall have delivered to the Investor a certificate evidencing the formation and good standing of (A) the Company in its jurisdiction of formation issued by the Secretary of State of such jurisdiction, as of a date within ten (10) days of the Closing Date, and (B) each member of the Company Group in such entity's jurisdiction of formation issued by the Secretary of State (or comparable office) of such jurisdiction, as of a date within thirty (30) days of the Closing Date.

(iv) The Company shall have delivered to the Investor a certificate, executed by the Secretary of the Company and dated as of the Closing Date, as to (i) the resolutions consistent with Section 3(b) as adopted by the Company's Board of Directors in a form reasonably acceptable to the Investor, (ii) the Certificate of Incorporation of the Company, and (iii) the Bylaws of the Company, each as in effect at the Closing.

(v) The representations and warranties of the Company Group shall be true and correct in all material respects (except for those representations and warranties that are qualified by materiality or Material Adverse Effect, which shall be accurate in all respects) as of the date when made and as of the Closing Date as though made at that time (except for representations and warranties that speak as of a specific date which shall be true and correct as of such specified date) and the Company shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by the Transaction Documents to be performed, satisfied or complied with by the Company at or prior to the Closing Date (except for covenants, agreement and conditions that are qualified by materiality or Material Adverse Effect, which shall be performed, satisfied or complied with, in all respects). The Investor shall have received a certificate, executed by an executive officer of the Company, dated as of the Closing Date, to the foregoing effect and as to such other matters as may be reasonably requested by the Investor.

(vi) The Company shall have delivered to the Investor a letter from the Company's transfer agent certifying the number of shares of Common Stock outstanding as of a date within five (5) business days of the Closing Date.

(vii) The Common Stock (A) shall be designated for quotation or listed on the Principal Market, and (B) shall not have been suspended, as of the Closing Date, by the SEC or the Principal Market from trading on the Principal Market nor shall suspension by the SEC or the Principal Market have been threatened, as of the Closing Date, either (1) in writing by the SEC or the Principal Market, or (2) by falling below the minimum listing maintenance requirements of the Principal Market.

(viii) The Company shall have obtained all governmental, regulatory or third-party consents and approvals, if any, necessary for issuance of the Securities.

(ix) The Company shall have delivered to the Investor such other documents relating to the transactions contemplated by this Agreement

as the Investor or its counsel may reasonably request.

7. Miscellaneous.

(a) Governing Law; Jurisdiction; Jury Trial. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than 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, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of 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 to such party at the address for such 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 manner permitted by law. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.

(b) Counterparts. This Agreement may be executed in two or more identical counterparts, all of which 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; provided that an electronic signature shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original.

(c) Headings. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement.

(d) Severability. If any provision of this Agreement is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Agreement so long as this Agreement as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

(e) Entire Agreement; Amendments. This Agreement and the other Transaction Documents supersede all other prior oral or written agreements between the Investor, the Company, their affiliates and Persons acting on their behalf with respect to the matters discussed herein, and this Agreement, the other Transaction Documents and the instruments referenced herein and therein contain the entire understanding of the parties with respect to the matters covered herein and therein and, except as specifically set forth herein or therein, neither the Company nor the Investor makes any representation, warranty, covenant or undertaking with respect to such matters. Provisions of this Agreement may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and the holders of at least a majority of the aggregate number of shares of Common Stock issued or issuable under the Warrant (without regard to any restriction or limitation on the exercise of the Warrant contained therein) and shall include affiliates of the Investor for so long as the Investor or any of its affiliates holds any Securities (the "Required Holders"); provided, that a waiver need only be signed by the party granting the waiver. Any amendment or waiver effected in accordance with this Section 7(e) shall be binding upon the holder of Securities and the Company. No such amendment shall be effective to the extent that it applies to less than all of the holders of Securities. No consideration shall be offered or paid to any Person to amend or consent to a waiver or modification of any provision of any of the Transaction Documents unless the same consideration (other than the reimbursement of legal fees) also is offered to all of the parties to the Transaction Documents or holders of the Warrant, as the case may be.

(f) Notices. Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement or any of the other Transaction Document's must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon delivery, when sent by electronic mail (provided that the sending party does not receive an automated rejection or out-of-office notice); or (iii) one (1) Business Day after deposit with a nationally recognized overnight delivery service that provides evidence of delivery, in each case properly addressed to the party to receive the same. The addresses and email addresses for such communications shall be:

If to the Company:

Quest Patent Research Corporation
411 Theodore Fremd Avenue, Suite 206S
Rye, New York 10580
Attn.: Jon Scahill
Email: jscahill@qprc.com

With a copy (for informational purposes only) to:

Ellenoff Grossman & Schole, LLP
1345 Avenue of the Americas
New York, NY 10105
Attn.: Asher S. Levitsky P.C.
Email: alevitsky@egsllp.com

If to the Transfer Agent:

Continental Stock Transfer & Trust
1 State Street
30th Floor
Attn.: Isaac Kagan
Email: ikagan@continentalstock.com

If to the Investor: To the address set forth on Schedule I attached hereto.

or such other address and email address to the attention of such other Person as the recipient party has specified by written notice given to each other party five (5)

days prior to the effectiveness of such change. Written confirmation of receipt (A) given by the recipient of such notice, consent, waiver or other communication, (B) mechanically or electronically generated by the sender's email containing the time, date, recipient email address, or (C) provided by a courier or overnight courier service shall be rebuttable evidence of personal service, receipt by email or receipt from a nationally recognized overnight delivery service in accordance with clause (i), (ii) or (iii) above, respectively.

(g) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns, including any purchasers of the Warrant. The Company shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of the Required Holders, including by way of a Fundamental Transaction (as defined in the Warrant). The Investor may assign some or all of its rights hereunder without the consent of the Company.

(h) No Third-Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other Person, except that each Indemnitee (as hereinafter defined) shall have the right to enforce the obligations of the Company with respect to Section 7(k).

(i) Survival. The representations and warranties of the members of the Company Group contained in Sections 3, and the agreements and covenants set forth in Sections 4, 5 and 7 shall survive the Closing.

(j) Further Assurances. Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as any other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

(k) Indemnification. In consideration of the Investor's execution and delivery of the Transaction Documents and acquiring the Securities thereunder and in addition to all of the Company's other obligations under the Transaction Documents, the Company shall defend, protect, indemnify and hold harmless the Investor and each other holder of the Securities and all of their stockholders, partners, members, officers, directors, employees and direct or indirect investors and any of the foregoing Persons' agents or other representatives (including, without limitation, those retained in connection with the transactions contemplated by this Agreement) (collectively, the "Indemnitees") from and against any and all actions, causes of action, suits, claims, losses, costs, penalties, fees, liabilities and damages, and expenses in connection therewith (irrespective of whether any such Indemnitee is a party to the action for which indemnification hereunder is sought), and including reasonable attorneys' fees and disbursements (the "Indemnified Liabilities"), incurred by any Indemnitee as a result of, or arising out of, or relating to (i) any misrepresentation or breach of any representation or warranty made by the any member of the Company Group in the Transaction Documents or any other certificate, instrument or document contemplated hereby or thereby, (ii) any breach of any covenant, agreement or obligation of any member of the Company Group contained in the Transaction Documents or any other certificate, instrument or document contemplated hereby or thereby or (iii) any cause of action, suit or claim brought or made against such Indemnitee by a third party (including for these purposes a derivative action brought on behalf of a member of the Company Group) and arising out of or resulting from (A) the execution, delivery, performance or enforcement of the Transaction Documents or any other certificate, instrument or document contemplated hereby or thereby, or (B) the status of the Investor or holder of the Securities as an investor in the Company pursuant to the transactions contemplated by the Transaction Documents. To the extent that the foregoing undertaking by the Company may be unenforceable for any reason, the Company shall make the maximum contribution to the payment and satisfaction of each of the Indemnified Liabilities that is permissible under applicable law. Except as otherwise set forth herein, the mechanics and procedures with respect to the rights and obligations under this Section 7(k) shall be the same as those set forth in Section 6 of the Registration Rights Agreement. The Company will not be liable to under this Section 7(k) to the extent, but only to the extent, that a claim is attributable to a material breach of any of the representations, warranties, covenants or agreements made by the Investor in this Agreement.

(l) No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party.

(m) Remedies. The Investor and each holder of the Securities shall have all rights and remedies set forth in the Transaction Documents and all rights and remedies which such holders have been granted at any time under any other agreement or contract and all of the rights which such holders have under any law. Any Person having any rights under any provision of this Agreement shall be entitled to enforce such rights specifically (without posting a bond or other security), to recover damages by reason of any breach of any provision of this Agreement and to exercise all other rights granted by law. Furthermore, the Company recognizes that in the event that it fails to perform, observe, or discharge any or all of its obligations under the Transaction Documents, any remedy at law may prove to be inadequate relief to the Investor. The Company therefore agrees that the Investor shall be entitled to seek temporary and permanent injunctive relief in any such case without the necessity of proving actual damages and without posting a bond or other security.

(n) Rescission and Withdrawal Right. Notwithstanding anything to the contrary contained in (and without limiting any similar provisions of) the Transaction Documents, whenever the Investor exercises a right, election, demand or option under a Transaction Document and the Company does not timely perform its related obligations within the periods therein provided, then the Investor may rescind or withdraw, in its sole discretion from time to time upon written notice to the Company, any relevant notice, demand or election in whole or in part without prejudice to its future actions and rights.

(o) Payment Set Aside. To the extent that the Company makes a payment or payments to the Investor hereunder or pursuant to any of the other Transaction Documents or the Investor enforces or exercises its rights hereunder or thereunder, and such payment or payments or the proceeds of such enforcement or exercise or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside, recovered from, disgorged by or are required to be refunded, repaid or otherwise restored to the Company, a trustee, receiver or any other Person under any law (including, without limitation, any bankruptcy law, foreign, state or federal law, common law or equitable cause of action), then to the extent of any such restoration the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or setoff had not occurred.

[*Signature page follows.*]

IN WITNESS WHEREOF, the Investor and the Company have caused their respective signature page to this Warrant Issuance Agreement to be duly executed as of the date first written above.

COMPANY:

QUEST PATENT RESEARCH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

INVESTOR:

QPRC FINANCE LLC

By:
Name:
Title:

SCHEDULE I

EXHIBIT A

FORM OF WARRANT

EXHIBIT B

REGISTRATION RIGHTS AGREEMENT

EXHIBIT C

BOARD OBSERVATION RIGHTS AGREEMENT

[See Exhibit E to Prepaid Forward Purchase Agreement, dated February 19, 2021.]

EXHIBIT D

FORM OF IRREVOCABLE TRANSFER AGENT INSTRUCTIONS

QUEST PATENT RESEARCH CORPORATION

February 19, 2021

Continental Stock Transfer & Trust Company
1 State Street Plaza
30th Floor
New York, NY 10004
Attn: Isaac Kagan

Ladies and Gentlemen:

Reference is made to the Warrant Issuance Agreement, dated as of February 19, 2021 (the "Agreement"), by and between Quest Patent Research Corporation, a Delaware corporation (the "Company"), and QPRC Finance LLC, a Delaware limited liability company (the "Investor"), pursuant to which the Company is issuing to the Investor a warrant (the "Warrant"), which is exercisable to purchase shares of the Company's common stock, par value $0.00003 per share (the "Common Stock").

This letter shall serve as our irrevocable authorization and direction to you (provided that you are the transfer agent of the Company at such time) to issue shares of Common Stock upon exercise of the Warrant (the "Warrant Shares"), promptly upon your receipt of an instruction letter on Company letterhead and signed by a duly authorized officer of the Company, which the Company shall provide to you upon its receipt of a properly completed and duly executed Exercise Notice, in the form attached hereto as Exhibit I. The Company shall instruct you as to whether such Warrant Shares will contain a restrictive legend, and the details of such legends, if applicable.

Subject to compliance with Continental Stock Transfer & Trust Company's issuance, transfer and restricted stock processing requirements, including, but not limited to, documents being submitted in good order, you acknowledge and agree that so long as you have previously received (a) written confirmation from the Company's legal counsel that either (i) a registration statement permitting the issuance of the Warrant Shares to, or resales of the Warrant Shares by the Investor has been declared effective by the U.S. Securities and Exchange Commission (the "SEC") under the Securities Act of 1933, as amended (the "Securities Act"), or (ii) sales of the Warrant Shares may be made in conformity with Rule 144 under the Securities Act ("Rule 144") without volume or manner-of-sale limitations, and (b) if applicable, a copy of such registration statement, then within two (2) business days for routine items of your receipt of a Company issuance instruction, you shall issue the certificates representing the Warrant Shares registered in the names of such transferees, and such certificates shall not bear any legend restricting transfer of the Warrant Shares thereby and should not be subject to any stop-transfer restriction; provided, however, that if the Warrant Shares are not registered for resale under the Securities Act or able to be sold under Rule 144 without volume or manner-of-sale limitations, then the certificates for such Warrant Shares shall bear the following legend:

> NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE EXERCISABLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL SELECTED BY THE HOLDER, IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

A form of written confirmation from the Company's outside legal counsel that a registration statement covering resales of the Warrant Shares has been declared effective by the SEC under the Securities Act is attached hereto as Exhibit II.

The Company issues this instruction in accordance with, and this instruction and your performance hereunder are subject to, the terms of the Transfer Agency and Service Agreement currently in effect between you and the Company.

Please execute this letter in the space indicated to acknowledge your agreement to act in accordance with these instructions. Should you have any questions concerning this matter, please contact me at jscahill@qprc.com.

Very truly yours,

QUEST PATENT RESEARCH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

THE FOREGOING INSTRUCTIONS ARE
ACKNOWLEDGED AND AGREED TO

this [●] day of [●], 2021

CONTINENTAL STOCK TRANSFER & TRUST COMPANY

By: _____
Name:
Title:

Enclosures

EXHIBIT I

EXERCISE NOTICE
TO BE EXECUTED BY THE REGISTERED HOLDER TO EXERCISE THIS
WARRANT TO PURCHASE COMMON STOCK

QUEST PATENT RESEARCH CORPORATION

The undersigned holder hereby exercises the right to purchase _____ of the shares of Common Stock ("Warrant Shares") of Quest Patent Research Corporation, a Delaware corporation (the "Company"), evidenced by the attached Warrant to Purchase Common Stock (the "Warrant"). Capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Warrant.

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

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

_____ a "Cashless Exercise" with respect to _____ Warrant Shares.

2. Payment of Exercise Price. 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 Aggregate Exercise Price in the sum of $_____ to the Company in accordance with the terms of the Warrant.

3. Delivery of Warrant Shares. The Company shall deliver to the holder _____ Warrant Shares in accordance with the terms of the Warrant. Delivery shall be made to Holder, or for its benefit, as follows:

_____ Check here if requesting delivery as a certificate to the following name and to the following address:

Issue to: _____

_____

_____

_____ Check here if requesting delivery by Deposit/Withdrawal at Custodian as follows:

DTC Participant: _____

DTC Number: _____

Account Number: _____

Date: _____ __, _____

_____
Name of Registered Holder

By: _____
Name:
Title

ACKNOWLEDGMENT

The Company hereby acknowledges this Exercise Notice and hereby directs [●] to issue the above indicated number of shares of Common Stock in accordance with the Transfer Agent Instructions dated February 19, 2021, from the Company and acknowledged and agreed to by [●].

QUEST PATENT RESEARCH CORPORATION

By: _____
Name:
Title:

EXHIBIT II

FORM OF NOTICE OF EFFECTIVENESS
OF REGISTRATION STATEMENT

Continental Stock Transfer & Trust Company
1 State Street Plaza
30th Floor
New York, NY 10004
Attn: [●]

Re: Quest Patent Research Corporation

Ladies and Gentlemen:

We are counsel to Quest Patent Research Corporation, a Delaware corporation (the "Company"). As counsel to the Company, we have been requested to render our opinion with respect to the sale by [●] (the "Selling Stockholder") of up to [●] shares (the "Shares") of the Company's common stock, par value $0.00003 per share. The public resale of the Shares by the Selling Stockholder is registered pursuant to the Company's registration statement on Form S-1, File No. 333-[●] (the "Registration Statement").

In connection with the foregoing, we advise you that the Securities and Exchange Commission (the "SEC") has declared the Registration Statement effective under the Securities Act of 1933, as amended (the "Securities Act"), at [ENTER TIME OF EFFECTIVENESS] on [ENTER DATE OF EFFECTIVENESS] and we have no knowledge, after confirmation with the SEC, that any stop order suspending its effectiveness has been issued or that any proceedings for that purpose are pending before, or threatened by, the SEC and the Shares are available for resale under the Securities Act pursuant to the Registration Statement.

As counsel, we examined the originals or copies of the Registration Statement and the prospectus included therein, together with such other documents as we have deemed necessary for purposes hereof. In rendering this opinion, we have assumed: (i) the authenticity of all documents submitted to us as originals, and (ii) the conformity to original documents of all documents submitted to us as being original copies.

Based upon the foregoing, we are of the opinion that you may transfer the Shares without a restrictive stock legend upon your receipt of a letter signed by a compliance officer of the Selling Stockholder's broker in the form of Exhibit A to this opinion.

This opinion is solely for your information and is not to be quoted in whole or in part or otherwise referred to, nor is it to be filed with any governmental agency or other person without our prior written consent. Other than you, no one is entitled to rely on this opinion. This opinion is based on our knowledge of the law and facts as of the date hereof. We assume no duty to communicate with you with respect to any matter that comes to our attention hereafter or to otherwise update the contents of this opinion.

You need not require further letters from us to effect any future legend-free issuance or reissuance of shares of Common Stock to [●] as contemplated by the Company's Transfer Agent Instructions dated [●] [●], 2020, a copy of which has been provided to us.

Very truly yours,

[ISSUER'S COUNSEL]

By: _____
Name:

cc: [Investor]

Exhibit A

Date:

Continental Stock Transfer & Trust Company
1 State Street Plaza
30th Floor
New York, NY 10004
Attn: Isaac Kagen

Re: Quest Patent Research Corporation

Ladies and Gentlemen:

I hereby confirm that this firm acted as broker in connection with the sale by [●]of [●] shares of common stock, par value $0.00003 per share, pursuant to a registration statement on Form S-1, File No. 333-[●] (the "Registration Statement"). Such shares were sold in the manner set forth in the Registration Statement and we satisfied the prospectus delivery requirements.

Very truly yours,

[Name of Broker]

By: _____
Name:
Title: Compliance Officer

EX-99.6 7 ea136324ex99-6_questpatent.htm EX. E TO PURCHASE AGREEMENT - BOARD OBSERVATION RIGHTS AGREEMENT DATED FEBRUARY 19, 2021 AMONG THE COMPANY AND QPRC FINANCE LLC

Exhibit 99.6

BOARD OBSERVATION RIGHTS AGREEMENT

This **BOARD OBSERVATION RIGHTS AGREEMENT**, (this "Agreement"), dated as of February 19, 2021, by and between Quest Patent Research Corporation, a Delaware corporation (the "Company"), and QPRC Finance LLC, a Delaware limited liability company (the "Investor"). Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Warrant Issuance Agreement, dated of even date herewith (the "Warrant Agreement").

WHEREAS, pursuant to, and upon the terms and conditions of, a Prepaid Forward Purchase Agreement, dated of even date herewith (the "Purchase Agreement"), the Investor has agreed to provide financing to the Company for certain operating expenses and for the acquisition of certain mutually agreed upon

patent rights that the Company intends to license, enforce or otherwise monetize;

WHEREAS, to induce the Investor to enter into the Purchase Agreement, the Company has agreed pursuant to, and upon the terms and conditions of, the Warrant Agreement to issue the Investor a warrant (the "Warrant"), representing the right to acquire shares of the Company's common stock, par value $0.00003 per share;

WHEREAS, to induce the Investor to enter into the transactions evidenced by the Purchase Agreement and Warrant Agreement, the Company desires to provide the Investor with certain observation and designation rights in respect of the board of directors of the Company (the "Board"); and

WHEREAS, the Board has determined it to be in the best interests of the Company to provide the Investor with such observation and designation rights in respect of the Board, pursuant to, and upon the terms and conditions of, this Agreement.

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

1. Board Observation Rights.

(a) Beginning on the date of this Agreement and ending on the later of the date on which the Investor or its affiliates (i) have received the entirety of their Investment Return (as defined in Purchase Agreement), and (ii) no longer hold any Securities (the "Observation Rights Termination Date" and such period from the date of this Agreement to the Observation Rights Termination Date, the "Observation Period"), the Company hereby grants the Investor the option and right, exercisable at any time during the Observation Period, to appoint a representative (the "Board Observer"), to attend meetings (including, without limitation, telephonic or other electronic meetings) of the Board or any committee thereof (each, a "Committee"), including executive sessions, in an observer capacity. The Board Observer will not constitute a member of the Board or any Committee and will not be entitled to vote on, or consent to, any matters presented to the Board or any Committee. The Board Observer shall be provided access to all Board and Committee materials and information as provided on the same terms and in the same manner as provided to the other members of the Board or Committee.

(b) The Company shall (i) give the Board Observer notice of the applicable meeting or action taken by written consent at the same time and in the same manner as notice is given to the members of the Board or any Committee, (ii) provide the Board Observer with access to all materials and other information (including, without limitation, access to minutes of meetings or written consents of the Board or any Committee) given to the members of the Board or any Committee in connection with such meetings or actions taken by written consent at the same time and in the same manner such materials and information are furnished to such members of the Board or any Committee, and (iii) provide the Board Observer with all rights to attend (whether in person or by telephone or other means of electronic communication as solely determined by the Board Observer) such meetings as a member of the Board or any Committee. The Board Observer shall agree to maintain the confidentiality of all non-public information and proceedings of the Board and any Committee and, if so requested, to enter into a customary a confidentiality agreement, in a form mutually agreed upon by the Company and the Board Observer (the "Confidentiality Agreement"). Notwithstanding the foregoing, upon request from the Investor, the Board Observer may provide, on a confidential basis, such non-public material and information to the Investor provided the Investor agrees to comply with and be bound by any Confidentiality Agreement. For the avoidance of doubt, the recipient of such confidential information from the Board Observer may further provide such information to any legal counsel, accountant and financial advisor that has been engaged by such recipient to discuss such matters or information; provided that any such recipient is bound by an obligation of confidentiality or agrees to be bound by the provisions of the Confidentiality Agreement.

(c) Without limiting the generality of the Sections 1(a) and 1(b) or the provisions of any Confidentiality Agreement, the Board Observer will not directly or indirectly engage in any transactions in the Company's Common Stock or aid or assist others in engaging in such transactions other than (i) at times when members of the Board are permitted to purchase or sell Company securities (*i.e.*, during "trading windows"), or (ii) in a transaction that a member of the Board would otherwise be permitted to effect pursuant to the Company's policy on securities transactions by members of the Board. Nothing in this Agreement shall be construed to require the Company to disclose, pursuant to a press release or a Form 8-K or otherwise, any material non-public information.

(d) For the avoidance of doubt, the Board Observer in its capacity as a Board Observer shall have (i) no fiduciary duty to the Company, and (ii) no obligations to the Company under this Agreement, except as described in Section 1, or to any stockholder.

2. Reimbursement of Expenses; Insurance; Compensation.

(a) The Company shall reimburse the Board Observer for all reasonable out of pocket expenses incurred in connection with attending meetings of the Board or any Committees.

(b) The Company shall include the Board Observer as an insured party under any of its directors' and officers' liability insurance policies.

(c) The Board Observer shall not be paid any other amounts or compensation in such capacity as a Board Observer.

3. Miscellaneous.

(a) Entire Agreement; Amendments. This Agreement supersede all other prior oral or written agreements between the Investor, the Company, their affiliates and persons acting on their behalf with respect to the matters discussed herein, and this Agreement contains the entire understanding of the parties with respect to the matters covered herein, except as specifically set forth herein. Provisions of this Agreement may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and the Investor.

(b) Notices. All notices and demands provided for in this Agreement shall be in writing and shall be given as provided in the Warrant Agreement.

(c) Governing Law; Jurisdiction; Waiver of Jury Trial. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than 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, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of 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 to such party at the address for such 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 manner permitted by law. TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.

(d) Counterparts. This Agreement may be executed in two or more identical counterparts, all of which 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; provided that an electronic signature shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original.

(e) Headings. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement.

(f) Severability. If any provision of this Agreement is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Agreement so long as this Agreement as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

(g) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. Neither party shall assign this Agreement or any rights or obligations hereunder without the prior written consent of the other party.

(h) Further Assurances. Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as any other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

[*Intentionally left blank.*

Signature page follows.]

IN WITNESS WHEREOF, the Investor and the Company have caused their respective signature page to this Board Observation Rights Agreement to be duly executed as of the date first written above.

COMPANY:

QUEST PATENT RESEARCH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

INVESTOR:

QPRC FINANCE LLC

By:
Name:
Title:

EX-99.7 8 ea136324ex99-7_questpatent.htm REGISTRATION RIGHTS AGREEMENT - DATED FEBRUARY 19, 2021 AMONG THE COMPANY AND QPRC FINANCE LLC

Exhibit 99.7

REGISTRATION RIGHTS AGREEMENT

This **REGISTRATION RIGHTS AGREEMENT** (this "Agreement"), dated as of February 19, 2021, by and among Quest Patent Research Corporation, a Delaware corporation (the "Company"), and QPRC Finance LLC, a Delaware limited liability company (the "Purchaser").

WHEREAS, in connection with the Warrant Issuance Agreement by and among the parties hereto of even date herewith (the "Warrant Issuance Agreement"), the Company has agreed, upon the terms and subject to the conditions of the Warrant Issuance Agreement, to issue to the Purchaser a warrant (the "Warrant") which will be exercisable to purchase shares of the Company's common stock, par value $0.00003 per share (the "Common Stock") (as exercised, collectively, the "Warrant Shares") in accordance with the terms of the Warrant.

WHEREAS, in accordance with the terms of the Warrant Issuance Agreement, the Company has agreed to provide certain registration rights under the Securities Act of 1933, as amended, and the rules and regulations thereunder, or any similar successor statute, and applicable state securities laws.

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

1. Definitions.

Capitalized terms used herein and not otherwise defined herein shall have the respective meanings set forth in the Warrant Issuance Agreement. As used in this Agreement, the following terms shall have the following meanings:

"Additional Effective Date" means the date the Additional Registration Statement is declared effective by the SEC.

"Additional Effectiveness Deadline" means the date which is the earlier of (i) (a) in the event that the Additional Registration Statement is not subject to a full review by the SEC, as soon as practicable but no later than thirty (30) calendar days after the earlier of the Additional Filing Date and the Additional Filing Deadline, or (b) in the event that the Additional Registration Statement is subject to a full review by the SEC, as soon as practicable but no later than one hundred twenty (120) calendar days after the earlier of the Additional Filing Date and the Additional Filing Deadline, and (ii) the fifth (5th) Business Day after the date the Company is notified (orally or in writing, whichever is earlier) by the SEC that such Additional Registration Statement will not be reviewed or will not be subject to further review; provided, however, that if the Additional Effectiveness Deadline falls on a Saturday, Sunday or other day that the SEC is closed for business, the Additional Effectiveness Deadline shall be extended to the next Business Day on which the SEC is open for business; provided, further, that if the Additional

Effectiveness Deadline falls on a date on which the Company's financial statements would be "stale" for purposes of complying with Regulation S-X under the Securities Act, the Additional Effectiveness Deadline shall be extended to thirty (30) calendar days following the earlier of (x) the date on which the Company is next required to file its financial statements on Form 10-K or Form 10-Q under the Exchange Act, and (y) the date on which the Company actually files its financial statements on Form 10-K or Form 10-Q under the Exchange Act, in each case without regard to any extension pursuant to Rule 12b-25 under the Exchange Act.

"Additional Filing Date" means the date on which the Additional Registration Statement is filed with the SEC.

"Additional Filing Deadline" means if Cutback Shares are required to be included in any Additional Registration Statement, as soon as practicable but no later than the date sixty (60) days after the date that the Company receives written notice from any Investor that sixty percent (60%) of the Registrable Securities held by all Investors registered under the immediately preceding Registration Statement have been sold; provided, that, in each case, if the Company's Common Stock is not quoted on an existing trading market for the purpose of conducting an at the market offering under Rule 415, the Additional Filing Deadline shall be no earlier than the third Business Day following the date on which the Investor provides the Company with written information as to the fixed price at which it plans to offer and sell the Additional Registrable Securities pursuant to such Additional Registration Statement; provided, further, that if the Additional Filing Deadline falls on a date on which the Company's financial statements would be "stale" for purposes of complying with Regulation S-X under the Securities Act, the Additional Filing Deadline shall be extended to the second (2nd) Business Day following the earlier of (x) the date on which the Company is next required to file its financial statements on Form 10-K or Form 10-Q under the Exchange Act, and (y) the date on which the Company actually files its financial statements on Form 10-K or Form 10-Q under the Exchange Act, in each case without regard to any extension pursuant to Rule 12b-25 under the Exchange Act.

"Additional Registrable Securities" means, (i) any Cutback Shares not previously included on a Registration Statement and (ii) any capital stock of the Company issued or issuable with respect to the Warrant, Warrant Shares or Cutback Shares, as applicable, as a result of any stock split, stock dividend, recapitalization, exchange or similar event or otherwise, without regard to any limitations on the issuance of shares of Common Stock pursuant to the terms of the Warrant; provided that for so long as the Noteholder Registration Rights remain outstanding the Additional Registrable Securities registrable on any single Additional Registration Statement filed in accordance with this Agreement shall not exceed 50,000,000 shares.

"Additional Registration Statement" means a registration statement or registration statements of the Company filed under the Securities Act covering the resale of any Additional Registrable Securities.

"Additional Required Registration Amount" means any Cutback Shares not previously included on a Registration Statement, all subject to adjustment as provided in Section 2, without regard to any limitations on the issuance of shares of Common Stock pursuant to the terms of the Warrant; provided that for so long as the Noteholder Registration Rights remain outstanding the Additional Required Registration Amount registrable on any single Additional Registration Statement filed in accordance with this Agreement shall not exceed 50,000,000 shares.

"Business Day" means any day, except a Saturday, Sunday or legal holiday, on which banking institutions in the city of New York are authorized or obligated by law or executive order to close.

"Closing Date" shall have the meaning set forth in the Warrant Issuance Agreement.

"Effective Date" means the Initial Effective Date and the Additional Effective Date, as applicable.

"Effectiveness Deadline" means the Initial Effectiveness Deadline and the Additional Effectiveness Deadline, as applicable.

"Eligible Market" means the Principal Market, the NYSE American, the Nasdaq Global Market, the Nasdaq Global Select Market, the Nasdaq Capital Market, the OTCQX, the OTCQB or The New York Stock Exchange, Inc.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, supplemented or restated from time to time, and any successor to such statute, and the rules or regulations promulgated thereunder.

"Filing Date" means the Initial Filing Date or Additional Filing Date, as applicable.

"Filing Deadline" means the Initial Filing Deadline and the Additional Filing Deadline, as applicable.

"Initial Effective Date" means the date that the Initial Registration Statement has been declared effective by the SEC.

"Initial Effectiveness Deadline" means the date which is the earlier of (i) (a) in the event that the Initial Registration Statement is not subject to a full review by the SEC, ninety (90) calendar days after the Closing Date, or (b) in the event that the Initial Registration Statement is subject to a full review by the SEC, one hundred twenty (120) calendar days after the Closing Date, and (ii) the fifth (5th) Business Day after the date the Company is notified (orally or in writing, whichever is earlier) by the SEC that such Initial Registration Statement will not be reviewed or will not be subject to further review; provided, however, that if the Initial Effectiveness Deadline falls on a Saturday, Sunday or other day that the SEC is closed for business, the Initial Effectiveness Deadline shall be extended to the next Business Day on which the SEC is open for business; provided, further, that if the Initial Effectiveness Deadline falls on a date on which the Company's financial statements would be "stale" for purposes of complying with Regulation S-X under the Securities Act, the Initial Effectiveness Deadline shall be extended to thirty (30) calendar days following the earlier of the (x) the date on which the Company is next required to file its financial statements on Form 10-K or Form 10-Q under the Exchange Act, and (y) the date on which the Company actually files its financial statements on Form 10-K or Form 10-Q under the Exchange Act, in each case without regard to any extension pursuant to Rule 12b-25 under the Exchange Act.

"Initial Filing Date" means the date on which the Initial Registration Statement is filed with the SEC.

"Initial Filing Deadline" means the date which is forty (40) calendar days after the Closing Date; provided, that, if the Company's Common Stock is not quoted on an existing trading market for the purpose of conducting an at the market offering under Rule 415, the Initial Filing Deadline shall be no earlier than the second Business Day following the date on which the Investor provides the Company with written information as to the fixed price at which it plans to offer and sell the Registrable Securities pursuant to the Registration Statement; provided, however, that if the Initial Filing Deadline falls on a date on which the Company's financial statements would be "stale" for purposes of complying with Regulation S-X under the Securities Act, the Initial Filing Deadline shall be extended to the second (2nd) Business Day following the earlier of (x) the date on which the Company is next required to file its financial statements on Form 10-K or Form 10-Q under the Exchange Act, and (y) the date on which the Company actually files its financial statements on Form 10-K or Form 10-Q under the Exchange Act, in each case without regard to any extension pursuant to Rule 12b-25 under the Exchange Act.

"Initial Registrable Securities" means the Warrant Shares issued or issuable upon exercise of the Warrant and any capital stock of the Company issued or issuable with respect to the Warrant Shares or the Warrant as a result of any stock split, stock dividend, recapitalization, exchange or similar event or otherwise, in each case without regard to any limitations on the issuance of shares of Common Stock pursuant to the terms of the Warrant.

"Initial Registration Statement" means a registration statement or registration statements of the Company filed under the Securities Act covering the resale of the Initial Registrable Securities.

"Initial Required Registration Amount" means the lesser of 50,000,000 and 100% of the maximum number of Warrant Shares issued and issuable pursuant to the Warrant as of the Trading Day immediately preceding the applicable date of determination and all subject to adjustment as provided in Section 2, without regard to any limitations on the issuance of shares of Common Stock pursuant to the terms of the Warrant.

"Investor" means the Purchaser or any transferee or assignee to whom the Purchaser assigns its rights under this Agreement and who agrees to become bound by the provisions of this Agreement in accordance with Section 9 and any transferee or assignee thereof to whom a transferee or assignee assigns its rights under this Agreement and who agrees to become bound by the provisions of this Agreement in accordance with Section 9.

"Noteholder Investors" means the Persons entitled to Noteholder Registration Rights.

"Noteholder Registrable Securities" means the Company securities subject to Noteholder Registration Rights.

"Noteholder Registration Rights" means those registration rights granted by the Company to Intelligent Partners, LLC, Andrew C. Fitton and Michael Carper pursuant to the terms of an existing registration rights agreement.

"Person" means any individual, sole proprietorship, partnership, limited liability company, corporation, joint venture, trust, unincorporated organization or any other entity and a government or department or agency thereof.

"Principal Market" means the OTC Pink until the earlier of (i) the Company's readmission to the OTCQB, or (ii) the Listing Deadline, thereafter it shall mean an Eligible Market, as defined in the Warrant.

"register," "registered" and "registration" refer to a registration effected by preparing and filing one or more Registration Statements in compliance with the Securities Act and pursuant to Rule 415, and the declaration or ordering of effectiveness of such Registration Statement(s) by the SEC.

"Registrable Securities" means the Initial Registrable Securities and the Additional Registrable Securities.

"Registration Statement" means the Initial Registration Statement and the Additional Registration Statement, as applicable.

"Required Holders" means the holders of at least a majority of the Registrable Securities and shall include the Purchaser or affiliates of the Purchaser for so long as the Purchaser or any of its affiliates holds any Registrable Securities.

"Required Registration Amount" means either the Initial Required Registration Amount or the Additional Required Registration Amount, as applicable.

"Rule 415" means Rule 415 promulgated under the Securities Act or any successor rule providing for offering securities on a continuous or delayed basis.

"SEC" means the U.S. Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended, supplemented or restated from time to time, and any successor to such statute, and the rules or regulations promulgated thereunder.

"Trading Day" means any day on which the Common Stock is traded on the Principal Market, or, if the Principal Market is not the principal trading market for the Common Stock on such day, then on the principal securities exchange or securities market on which the Common Stock is then traded.

2. Registration.

(a) Initial Mandatory Registration. The Company shall prepare, and, as soon as practicable but in no event later than the Initial Filing Deadline, file with the SEC the Initial Registration Statement on Form S-3 covering the resale of all of the Initial Registrable Securities. In the event that Form S-3 is unavailable for such a registration, the Company shall use such other form as is available for such a registration on another appropriate form reasonably acceptable to the Required Holders, subject to the provisions of Section 2(f). The Initial Registration Statement prepared pursuant hereto shall register for resale at least the number of shares of Common Stock equal to the Initial Required Registration Amount determined as of the date the Initial Registration Statement is initially filed with the SEC, subject to adjustment as provided in this Section 2. The Initial Registration Statement shall contain (except if otherwise directed by the Required Holders) the "Plan of Distribution" and "Selling Stockholders" sections in substantially the form attached hereto as Exhibit B. The Company shall use its commercially reasonable efforts to have the Initial Registration Statement declared effective by the SEC as soon as practicable, but in no event later than the Initial Effectiveness Deadline. By 9:30 a.m. New York time on the Business Day following the Initial Effective Date, the Company shall file with the SEC in accordance with Rule 424 under the Securities Act the final prospectus to be used in connection with sales pursuant to such Initial Registration Statement.

(b) Additional Mandatory Registrations. The Company shall prepare, and, as soon as practicable but in no event later than the Additional Filing Deadline, file with the SEC an Additional Registration Statement on Form S-3 covering the resale of all of the Additional Registrable Securities not previously registered on an Additional Registration Statement hereunder. Subject to Section 2(d), to the extent the staff of the SEC does not permit the Additional Required Registration Amount to be registered on an Additional Registration Statement, the Company shall file Additional Registration Statements successively trying to register on each such Additional Registration Statement the maximum number of remaining Additional Registrable Securities until the Additional Required Registration Amount has been registered with the SEC. In the event that Form S-3 is unavailable for such a registration, the Company shall use such other form as is available for such a registration on another appropriate form reasonably acceptable to the Required Holders, subject to the provisions of Section 2(f). Each Additional Registration Statement prepared pursuant hereto shall register for resale at least that number of shares of Common Stock equal to the Additional Required Registration Amount determined as of the date such Additional Registration Statement is initially filed with the SEC, subject to adjustment as provided in Section 2(g). Each Additional Registration Statement shall contain (except if otherwise directed by the Required Holders) the "Plan of Distribution" and "Selling Stockholders" sections in substantially the form attached hereto as Exhibit B. The Company shall use its best efforts to have each Additional Registration Statement declared effective by the SEC as soon as practicable, but in no event later than the Additional Effectiveness Deadline. By 9:30 a.m. New York time on the Business Day following the Additional Effective Date, the Company shall file with the SEC in accordance with Rule 424 under the Securities Act the final prospectus to be used in connection with sales pursuant to such Additional Registration Statement.

(c) Allocation of Registrable Securities. Subject to Section 2(d), the initial number of Registrable Securities included in any Registration Statement and any increase or decrease in the number of Registrable Securities included therein shall be allocated pro rata among the Investors based on the number of Registrable Securities held by each Investor at the time the Registration Statement covering such initial number of Registrable Securities or increase or decrease thereof is declared effective by the SEC. In the event that an Investor sells or otherwise transfers any of such Investor's Registrable Securities, each transferee shall be allocated a pro rata portion of the then remaining number of Registrable Securities included in such Registration Statement for such transferor. Any shares of

Common Stock included in a Registration Statement and which remain allocated to any Person which ceases to hold any Registrable Securities covered by such Registration Statement shall be allocated to the remaining Investors, pro rata based on the number of Registrable Securities then held by such Investors which are covered by such Registration Statement. In no event shall the Company include any securities other than Registrable Securities and Noteholder Registerable Securities on any Registration Statement without the prior written consent of the Required Holders.

(d) Rule 415 Cutback. Notwithstanding the registration obligations set forth in this Section 2, if the SEC informs the Company that all of the Registrable Securities cannot, as a result of the application of Rule 415, be registered for resale as a secondary offering on a single registration statement, then the Company agrees to promptly inform each Investor thereof and file an amendment to the Registration Statement as required by the SEC, covering the maximum number of Registrable Securities permitted to be registered by the SEC; provided, however, that prior to filing any such amendment, the Company shall be obligated to use diligent efforts to advocate for registration of all of the Registrable Securities in accordance with SEC guidance, including without limitation, Compliance and Disclosure Interpretation 612.09. Unless otherwise directed in writing by an Investor or Noteholder Investor as to its Registrable Securities or Noteholder Registrable Securities, as applicable, the number of Registrable Securities and Noteholder Registrable Securities to be registered on such Registration Statement will be reduced as follows (the number any of the Initial Required Registration Amount or Additional Required Registration Amount of Registrable Securities not registered, the "Cutback Shares"):

(i) First, the Company shall reduce or eliminate any securities to be included on such Registration Statement other than Registrable Securities and Noteholder Registrable Securities; and

(ii) Thereafter, the Company shall reduce the number of Registrable Securities and Noteholder Registrable Securities such that each of the Investors, as a group, and the Noteholder Investors, as a group, shall have an equivalent number Registerable Securities and Noteholder Registerable Securities, as applicable, included on such Registration Statement.

(e) Legal Counsel. Subject to Section 5 hereof, the Required Holders shall have the right to select one legal counsel to review and oversee any registration pursuant to this Section 2 on behalf of the Investor ("Legal Counsel"), which shall be Sugar Felsenthal Grais & Helsinger LLP or such other counsel as thereafter designated by the Required Holders. The Company and Legal Counsel shall reasonably cooperate with each other in performing the Company's obligations under this Agreement.

(f) Ineligibility for Form S-3. In the event that Form S-3 is not available for the registration of the resale of Registrable Securities hereunder, the Company shall (i) register the resale of the Registrable Securities on Form S-1 or another appropriate form reasonably acceptable to the Required Holders, and (ii) at the request of the holders of a majority of the Registrable Securities, undertake to register the Registrable Securities on Form S-3 as soon as such form is available, provided that the Company shall maintain the effectiveness of the Registration Statement then in effect until such time as a Registration Statement on Form S-3 covering the Registrable Securities has been declared effective by the SEC.

(g) Sufficient Number of Shares Registered. Subject to Section 2(d), in the event the number of shares available under a Registration Statement filed pursuant to Section 2(a) or Section 2(b) is insufficient to cover the Required Registration Amount of Registrable Securities required to be covered by such Registration Statement or an Investor's allocated portion of the Registrable Securities pursuant to Section 2(c) or Section 2(d), the Company shall amend the applicable Registration Statement, or file a new Registration Statement (on the short form available therefor, if applicable), or both, so as to cover at least the Required Registration Amount as of the Trading Day immediately preceding the date of the filing of such amendment or new Registration Statement, in each case, as soon as practicable, but in any event not later than fifteen (15) days after the date that the Company receives written notice from any Investor that sixty percent (60%) of the Required Registration Amount of Registrable Securities held by all Investors registered under such Registration Statement have been sold. The Company shall use its commercially reasonable efforts to cause such amendment or new Registration Statement to become effective as soon as practicable following the filing thereof. For purposes of the foregoing provision, the number of shares available under a Registration Statement shall be deemed "insufficient to cover all of the Registrable Securities" if at any time the number of shares of Common Stock available for resale under the Registration Statement is less than the Required Registration Amount. The calculation set forth in the foregoing sentence shall be made without regard to any limitations on the issuance of shares of Common Stock pursuant to the terms of the Warrant and such calculation shall assume the Warrant is then exercisable in full into shares of Common Stock at the then prevailing Exercise Price (as defined in the Warrant).

(h) Effect of Failure to File and Obtain and Maintain Effectiveness of Registration Statement. If (i) the Initial Registration Statement when declared effective fails to register the Initial Required Registration Amount of Initial Registrable Securities that may, in accordance with SEC regulations, be included in the Initial Registration Statement (a "Registration Failure"), (ii) a Registration Statement covering all of the Registrable Securities required to be covered thereby and required to be filed by the Company pursuant to this Agreement is (A) not filed with the SEC on or before the applicable Filing Deadline (a "Filing Failure") or (B) not declared effective by the SEC on or before the applicable Effectiveness Deadline, (an "Effectiveness Failure") or (iii) on any day after the applicable Effective Date, sales of all of the Registrable Securities required to be included on such Registration Statement cannot be made (other than during an Allowable Grace Period (as defined in Section 3(r))) pursuant to such Registration Statement or otherwise (including, without limitation, because of the suspension of trading or any other limitation imposed by an Eligible Market, a failure to keep such Registration Statement effective, a failure to disclose such information as is necessary for sales to be made pursuant to such Registration Statement, a failure to register a sufficient number of shares of Common Stock, a failure to maintain qualification for quotation of the Common Stock on the Current Information Tier of the OTC Pink, or a failure, following the Listing Deadline, to maintain the listing of the Common Stock on the OTCQB) (a "Maintenance Failure") then, as partial relief for the damages to any holder by reason of any such delay in or reduction of its ability to sell the underlying shares of Common Stock (which remedy shall not be exclusive of any other remedies available at law or in equity, including, without limitation, specific performance or the additional obligation of the Company to register any Cutback Shares), the Company shall pay to each holder of Registrable Securities relating to such Registration Statement an amount in cash equal to two percent (2.0%) of the aggregate value of such holder's Registrable Securities (such value being determined by multiplying the number of such holder's Registerable Securities by the Closing Sale Price (as defined in the Warrant) of one share of Common Stock on the Trading Day immediately preceding the date of determination), whether or not included in such Registration Statement, on each of the following dates: (i) the day of a Registration Failure, (ii) the day of a Filing Failure; (iii) the day of an Effectiveness Failure; (iv) the initial day of a Maintenance Failure; (v) on the thirtieth (30th) day after the date of a Registration Failure and every thirtieth (30th) day thereafter (prorated for periods totaling less than thirty (30) days) until such Registration Failure is cured; (vi) on the thirtieth (30th) day after the date of a Filing Failure and every thirtieth (30th) day thereafter (prorated for periods totaling less than thirty (30) days) until such Filing Failure is cured; (vii) on the thirtieth (30th) day after the date of an Effectiveness Failure and every thirtieth (30th) day thereafter (prorated for periods totaling less than thirty (30) days) until such Effectiveness Failure is cured; and (viii) on the thirtieth (30th) day after the initial date of a Maintenance Failure and every thirtieth (30th) day thereafter (prorated for periods totaling less than thirty (30) days) until such Maintenance Failure is cured. The payments to which a holder shall be entitled pursuant to this Section 3(h) are referred to herein as "Registration Delay Payments." Registration Delay Payments shall be paid on the earlier of (i) the dates set forth above, and (ii) the third Business Day after the event or failure giving rise to the Registration Delay Payments is cured. In the event the Company fails to make Registration Delay Payments in a timely manner, such Registration Delay Payments shall bear interest at the rate of one and one-half percent (1.5%) per month (prorated for partial months) until paid in full.

3. Related Obligations. At such time as the Company is obligated to file a Registration Statement with the SEC pursuant to Section 2(a), 2(b), 2(f), or 2(g), the Company will use its best efforts to effect the registration of the Registrable Securities in accordance with the intended method of disposition thereof and, pursuant thereto, the Company shall have the following obligations:

(a) The Company shall promptly prepare and file with the SEC a Registration Statement with respect to the Registrable Securities and use its best efforts to cause such Registration Statement relating to the Registrable Securities to become effective as soon as practicable after such filing (but in no event later than the Effectiveness Deadline). The Company shall keep each Registration Statement effective pursuant to Rule 415 at all times until the earlier of (i) the date as of which the Investors may sell all of the Registrable Securities covered by such Registration Statement without restriction or limitation pursuant to Rule 144 and without the requirement to be in compliance with Rule 144(c)(1) (or any successor thereto) promulgated under the Securities Act, or (ii) the date on which the Investors shall have sold all of the Registrable Securities covered by such Registration Statement (the "Registration Period"). The Company shall ensure that each Registration Statement (including any amendments or supplements thereto and prospectuses contained therein) shall not contain any untrue statement of a material

fact or omit to state a material fact required to be stated therein, or necessary to make the statements therein (in the case of prospectuses, in the light of the circumstances in which they were made) not misleading. The term "best efforts" shall mean, among other things, that the Company shall submit to the SEC, within two (2) Business Days after the later of the date that (i) the Company learns that no review of a particular Registration Statement will be made by the staff of the SEC or that the staff has no further comments on a particular Registration Statement, as the case may be, and (ii) the approval of Legal Counsel pursuant to Section 3(c) (which approval is immediately sought), a request for acceleration of effectiveness of such Registration Statement to a time and date not later than two (2) Business Days after the submission of such request. The Company shall respond in writing to comments made by the SEC in respect of a Registration Statement as soon as practicable, but in no event later than fifteen (15) days after the receipt of comments by or notice from the SEC that an amendment is required in order for a Registration Statement to be declared effective.

(b) The Company shall prepare and file with the SEC such amendments (including post-effective amendments) and supplements to a Registration Statement and the prospectus used in connection with such Registration Statement, which prospectus is to be filed pursuant to Rule 424 promulgated under the Securities Act, as may be necessary to keep such Registration Statement effective at all times during the Registration Period, and, during such period, comply with the provisions of the Securities Act with respect to the disposition of all Registrable Securities of the Company covered by such Registration Statement until such time as all of such Registrable Securities shall have been disposed of in accordance with the intended methods of disposition by the seller or sellers thereof as set forth in such Registration Statement. In the case of amendments and supplements to a Registration Statement which are required to be filed pursuant to this Agreement (including pursuant to this Section 3(b)) by reason of the Company filing a report on Form 10-K, Form 10-Q, Form 8-K or any analogous report under the Exchange Act, the Company shall have incorporated such report by reference into such Registration Statement, if applicable, or shall file such amendments or supplements with the SEC on the same day on which the Exchange Act report is filed which created the requirement for the Company to amend or supplement such Registration Statement.

(c) The Company shall (i) permit Legal Counsel to review and comment upon (A) a Registration Statement at least five (5) Business Days prior to its filing with the SEC, and (B) all amendments and supplements to all Registration Statements (except for Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and any similar or successor reports) within a reasonable number of days prior to their filing with the SEC, and (ii) not file any Registration Statement or amendment or supplement thereto in a form to which Legal Counsel reasonably objects. The Company shall not submit a request for acceleration of the effectiveness of a Registration Statement or any amendment or supplement thereto without the prior approval of Legal Counsel, which consent shall not be unreasonably withheld, conditioned or delayed. The Company shall furnish to Legal Counsel, without charge, (i) copies of any correspondence from the SEC or the staff of the SEC to the Company or its representatives relating to any Registration Statement, (ii) promptly after the same is prepared and filed with the SEC, one copy of any Registration Statement and any amendment(s) thereto, including financial statements and schedules, all documents incorporated therein by reference, if requested by an Investor, and all exhibits, and (iii) upon the effectiveness of any Registration Statement, one copy of the prospectus included in such Registration Statement and all amendments and supplements thereto. The Company shall reasonably cooperate with Legal Counsel in performing the Company's obligations pursuant to this Section 3.

(d) Upon request, the Company shall furnish to each Investor whose Registrable Securities are included in any Registration Statement, without charge, (i) promptly after the same is prepared and filed with the SEC, at least one copy of such Registration Statement and any amendment(s) thereto, including financial statements and schedules, all documents incorporated therein by reference, if requested by an Investor, all exhibits and each preliminary prospectus, (ii) upon the effectiveness of any Registration Statement, ten (10) copies of the prospectus included in such Registration Statement and all amendments and supplements thereto (or such other number of copies as such Investor may reasonably request), and (iii) such other documents, including copies of any preliminary or final prospectus, as such Investor may reasonably request from time to time in order to facilitate the disposition of the Registrable Securities owned by such Investor.

(e) The Company shall use its best efforts to (i) register and qualify, unless an exemption from registration and qualification applies, the resale by Investors of the Registrable Securities covered by a Registration Statement under such other securities or "blue sky" laws of all applicable jurisdictions in the United States as are requested by the Holder, (ii) prepare and file in those jurisdictions such amendments (including post-effective amendments) and supplements to such registrations and qualifications as may be necessary to maintain the effectiveness thereof during the Registration Period, (iii) take such other actions as may be necessary to maintain such registrations and qualifications in effect at all times during the Registration Period, and (iv) take all other actions reasonably necessary or advisable to qualify the Registrable Securities for sale in such jurisdictions; provided, however, that the Company shall not be required in connection therewith or as a condition thereto to (x) qualify to do business in any jurisdiction where it would not otherwise be required to qualify but for this Section 3(e), (y) subject itself to general taxation in any such jurisdiction, or (z) file a general consent to service of process in any such jurisdiction. The Company shall promptly notify Legal Counsel and each Investor who holds Registrable Securities of the receipt by the Company of any notification with respect to the suspension of the registration or qualification of any of the Registrable Securities for sale under the securities or "blue sky" laws of any jurisdiction in the United States or its receipt of actual notice of the initiation or threatening of any proceeding for such purpose.

(f) The Company shall notify Legal Counsel and each Investor in writing of the happening of any event, as promptly as practicable after becoming aware of such event, as a result of which the prospectus included in a Registration Statement, as then in effect, includes an untrue statement of a material fact or omission to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (provided that in no event shall such notice contain any material, nonpublic information), and, subject to Section 3(r), promptly prepare a supplement or amendment to such Registration Statement to correct such untrue statement or omission, and, upon request, deliver copies of such supplement or amendment to Legal Counsel and each Investor they may reasonably request. The Company shall also promptly notify Legal Counsel and each Investor in writing (i) when a prospectus or any prospectus supplement or post-effective amendment has been filed, and when a Registration Statement or any post-effective amendment has become effective (notification of such effectiveness shall be delivered to Legal Counsel and each Investor by email on the same day of such effectiveness and by overnight mail), (ii) of any request by the SEC for amendments or supplements to a Registration Statement or related prospectus or related information, and (iii) of the Company's reasonable determination that a post-effective amendment to a Registration Statement would be appropriate. By 9:30 a.m. New York City time on the date following the date any post-effective amendment has become effective, the Company shall file with the SEC in accordance with Rule 424 under the Securities Act the final prospectus to be used in connection with sales pursuant to such Registration Statement.

(g) The Company shall use its best efforts to prevent the issuance of any stop order or other suspension of effectiveness of a Registration Statement, or the suspension of the qualification of any of the Registrable Securities for sale in any jurisdiction and, if such an order or suspension is issued, to obtain the withdrawal of such order or suspension at the earliest possible moment and to notify Legal Counsel and each Investor who holds Registrable Securities being sold of the issuance of such order and the resolution thereof or its receipt of actual notice of the initiation or threat of any proceeding for such purpose.

(h) If any Investor is required under applicable securities laws to be described in the Registration Statement as an underwriter or an Investor believes that it could reasonably be deemed to be an underwriter of Registrable Securities, at the reasonable request of such Investor, the Company shall furnish to such Investor, on the date of the effectiveness of the Registration Statement and thereafter from time to time on such dates as an Investor may reasonably request (i) a letter, dated such date, from the Company's independent certified public accountants in form and substance as is customarily given by independent certified public accountants to underwriters in an underwritten public offering, addressed to the Investors, and (ii) an opinion, dated as of such date, of counsel representing the Company for purposes of such Registration Statement, in form, scope and substance as is customarily given in an underwritten public offering, addressed to the Investors.

(i) If any Investor is required under applicable securities laws to be described in the Registration Statement as an underwriter or an Investor

believes that it could reasonably be deemed to be an underwriter of Registrable Securities, the Company shall make available for inspection by (i) such Investor, (ii) Legal Counsel, and (iii) one firm of accountants or other agents retained by the Investors at their cost and expense (collectively, the "Inspectors"), all pertinent financial and other records, and pertinent corporate documents and properties of the Company (collectively, the "Records"), as shall be reasonably deemed necessary by each Inspector, and cause the Company's officers, directors and employees to supply all information which any Inspector may reasonably request; provided, however, that each Inspector shall agree to hold in strict confidence and shall not make any disclosure (except to an Investor) or use of any Record or other information which the Company determines in good faith to be confidential, and of which determination the Inspectors are so notified, unless (x) the disclosure of such Records is necessary to avoid or correct a misstatement or omission in any Registration Statement or is otherwise required under the Securities Act, (y) the release of such Records is ordered pursuant to a final, non-appealable subpoena or order from a court or government body of competent jurisdiction, or (z) the information in such Records has been made generally available to the public other than by disclosure in violation of this Agreement. Each Investor agrees that it shall, upon learning that disclosure of such Records is sought in or by a court or governmental body of competent jurisdiction or through other means, give prompt notice to the Company and allow the Company, at its expense, to undertake appropriate action to prevent disclosure of, or to obtain a protective order for, the Records deemed confidential. Nothing herein (or in any other confidentiality agreement between the Company and any Investor) shall be deemed to limit the Investors' ability to sell Registrable Securities in a manner which is otherwise consistent with applicable laws and regulations. Language that the selling stockholders and any brokers-dealer or agents that are involved in selling the shares "may be deemed to be underwriters" does not, by itself, trigger this Section 3(i).

(j) The Company shall hold in confidence and not make any disclosure of information concerning an Investor provided to the Company unless (i) disclosure of such information is necessary to comply with federal or state securities laws, (ii) the disclosure of such information is necessary to avoid or correct a misstatement or omission in any Registration Statement, (iii) the release of such information is ordered pursuant to a subpoena or other final, non-appealable order from a court or governmental body of competent jurisdiction, or (iv) such information has been made generally available to the public other than by disclosure in violation of this Agreement or any other agreement. The Company agrees that it shall, upon learning that disclosure of such information concerning an Investor is sought in or by a court or governmental body of competent jurisdiction or through other means, give prompt written notice to such Investor and allow such Investor, at the Investor's expense, to undertake appropriate action to prevent disclosure of, or to obtain a protective order for, such information.

(k) The Company shall use its best efforts either to (i) cause all of the Registrable Securities covered by a Registration Statement to be listed on each securities exchange on which securities of the same class or series issued by the Company are then listed, if any, if the listing of such Registrable Securities is then permitted under the rules of such exchange, or (ii) secure the inclusion for quotation of all of the Registrable Securities on the Principal Market, or (iii) if, despite the Company's best efforts, the Company is unsuccessful in satisfying the preceding clauses (i) and (ii), to secure the inclusion for quotation on another Eligible Market if the Company qualifies for quotation on such Eligible Market for such Registrable Securities. The Company shall pay all fees and expenses in connection with satisfying its obligation under this Section 3(k).

(l) The Company shall cooperate with the Investors who hold Registrable Securities being offered and, to the extent applicable, facilitate the timely preparation and delivery of certificates (not bearing any restrictive legend to the extent that the certificates can be issued without a restrictive legend under applicable federal and state securities laws) representing the Registrable Securities to be offered pursuant to a Registration Statement and enable such certificates to be in such denominations or amounts, as the case may be, as the Investors may reasonably request and registered in such names as the Investors may request.

(m) If requested by an Investor, the Company shall as soon as practicable (i) incorporate in a prospectus supplement or post-effective amendment such information as an Investor reasonably requests to be included therein relating to the sale and distribution of Registrable Securities, including, without limitation, information with respect to the number of Registrable Securities being offered or sold, the purchase price being paid therefor and any other terms of the offering of the Registrable Securities to be sold in such offering, (ii) make all required filings of such prospectus supplement or post-effective amendment after being notified of the matters to be incorporated in such prospectus supplement or post-effective amendment, and (iii) supplement or make amendments to any Registration Statement if reasonably requested by an Investor holding any Registrable Securities.

(n) The Company shall use its best efforts to cause the Registrable Securities covered by a Registration Statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to consummate the disposition of such Registrable Securities.

(o) The Company shall make generally available to its security holders as soon as practical, but not later than ninety (90) days after the close of the period covered thereby, an earnings statement (in form complying with, and in the manner provided by, the provisions of Rule 158 under the Securities Act) covering a twelve-month period beginning not later than the first day of the Company's fiscal quarter next following the applicable Effective Date of a Registration Statement.

(p) The Company shall otherwise use its best efforts to comply with all applicable rules and regulations of the SEC in connection with any registration hereunder.

(q) Within two (2) Business Days after a Registration Statement which covers Registrable Securities is ordered effective by the SEC, the Company shall deliver, and shall cause legal counsel for the Company to deliver, to the transfer agent for such Registrable Securities (with copies to the Investors whose Registrable Securities are included in such Registration Statement) confirmation that such Registration Statement has been declared effective by the SEC in the form attached hereto as Exhibit A.

(r) Notwithstanding anything to the contrary herein, at any time, the Company may delay the disclosure of material, non-public information concerning the Company the disclosure of which at the time is not, in the good faith opinion of the board of directors of the Company and its counsel, in the best interest of the Company and, in the opinion of counsel to the Company, otherwise required (a "Grace Period"); provided, that the Company shall promptly (i) notify the Investors in writing of the existence of material, non-public information giving rise to a Grace Period (provided that in each notice the Company will not disclose the content of such material, non-public information to the Investors) and the date on which the Grace Period will begin, and (ii) notify the Investors in writing of the date on which the Grace Period ends; provided, further, that no Grace Period shall exceed five (5) consecutive Trading Days and during any three hundred sixty five (365) day period such Grace Periods shall not exceed an aggregate of twenty (20) Trading Days and the first day of any Grace Period must be at least five (5) Trading Days after the last day of any prior Grace Period (each, an "Allowable Grace Period"). For purposes of determining the length of a Grace Period above, the Grace Period shall begin on and include the date the Investors receive the notice referred to in clause (i) and shall end on and include the later of the date the Investors receive the notice referred to in clause (ii) and the date referred to in such notice (the "Grace Period Expiration Date"). The provisions of Section 3(f) hereof shall not be applicable during the period of any Allowable Grace Period. Upon expiration of the Grace Period, the Company shall again be bound by the first sentence of Section 3(f) with respect to the information giving rise thereto unless such material, non-public information is no longer applicable. Notwithstanding anything to the contrary, the Company shall cause its transfer agent to deliver unlegended shares of Common Stock to a transferee of an Investor in accordance with the terms of the Warrant Issuance Agreement in connection with any sale of Registrable Securities with respect to which an Investor has entered into a contract for sale, prior to the Investor's receipt of the notice of a Grace Period and for which the Investor has not yet settled. Notwithstanding anything to the contrary, if any Filing Deadline shall occur during a Grace Period such Filing Deadline shall be delayed until the first Business Day following the Grace Period Expiration Date.

(s) Neither the Company nor any Subsidiary or affiliate thereof shall identify any Investor as an underwriter in any public disclosure or filing with the SEC, the Principal Market or any Eligible Market and any Purchaser being deemed an underwriter by the SEC shall not relieve the Company of any obligations it has under this Agreement or any other Transaction Document (as defined in the Warrant Issuance Agreement); provided, however, that the foregoing shall not

prohibit the Company from including the disclosure found in the "Plan of Distribution" section attached hereto as Exhibit B in the Registration Statement.

(t) Except with respect to the Noteholder Registration Rights, neither the Company nor any of its Subsidiaries has entered, as of the date hereof, nor shall the Company or any of its Subsidiaries, on or after the date of this Agreement, enter into any agreement with respect to its securities, that would have the effect of impairing the rights granted to the Purchasers in this Agreement or otherwise conflicts with the provisions hereof.

4. Obligations of the Investors.

(a) At least five (5) Business Days prior to the first anticipated Filing Date of a Registration Statement, the Company shall notify each Investor in writing of the information the Company requires from each such Investor if such Investor elects to have any of such Investor's Registrable Securities included in such Registration Statement. It shall be a condition precedent to the obligations of the Company to complete any registration pursuant to this Agreement with respect to the Registrable Securities of a particular Investor that such Investor shall furnish to the Company such information regarding itself, the Registrable Securities held by it and the intended method of disposition of the Registrable Securities held by it as shall be reasonably required to effect and maintain the effectiveness of the registration of such Registrable Securities and shall execute such documents in connection with such registration as the Company may reasonably request.

(b) Each Investor, by such Investor's acceptance of the Registrable Securities, agrees to cooperate with the Company as reasonably requested by the Company in connection with the preparation and filing of any Registration Statement hereunder, unless such Investor has notified the Company in writing of such Investor's election to exclude all of such Investor's Registrable Securities from such Registration Statement.

(c) Each Investor agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 3(g) or the first sentence of Section 3(f), such Investor will immediately discontinue disposition of Registrable Securities pursuant to any Registration Statement(s) covering such Registrable Securities until such Investor's receipt of copies of the supplemented or amended prospectus as contemplated by Section 3(g) or the first sentence of Section 3(f) or receipt of notice that no supplement or amendment is required. Notwithstanding anything to the contrary, the Company shall cause its transfer agent to deliver unlegended shares of Common Stock to a transferee of an Investor in accordance with the terms of the Warrant Issuance Agreement in connection with any sale of Registrable Securities with respect to which an Investor has entered into a contract for sale prior to the Investor's receipt of a notice from the Company of the happening of any event of the kind described in Section 3(g) or the first sentence of Section 3(f) and for which the Investor has not yet settled.

(d) Each Investor covenants and agrees that it will comply with the prospectus delivery requirements of the Securities Act as applicable to it or an exemption therefrom in connection with sales of Registrable Securities pursuant to the Registration Statement.

(e) In the event that an Investor sells or otherwise transfers any of such Investor's Registrable Securities other than pursuant to a registration statement or Rule 144, the Investor shall, within a reasonable time after such transfer, advise the Company of name and address of such transferee and cause such transferee to execute and deliver to the Company a joinder agreement to this Agreement.

5. Expenses of Registration.

All reasonable expenses, other than underwriting discounts and commissions, incurred in connection with registrations, filings or qualifications pursuant to Section 2 and Section 3, including, without limitation, all registration, listing and qualifications fees, printers and accounting fees, and fees and disbursements of counsel for the Company shall be paid by the Company. The Company shall also reimburse the Investors for the reasonable fees and disbursements of Legal Counsel in connection with registration, filing or qualification pursuant to Section 2 and Section 3 of this Agreement which amount shall not exceed $10,000 for each such registration, filing or qualification.

6. Indemnification.

In the event any Registrable Securities are included in a Registration Statement under this Agreement:

(a) To the fullest extent permitted by law, the Company will, and hereby does, indemnify, hold harmless and defend each Investor, the directors, officers, partners, members, employees, agents, representatives of, and each Person, if any, who controls any Investor within the meaning of the Securities Act or the Exchange Act (each, an "Indemnified Person"), against any losses, claims, damages, liabilities, judgments, fines, penalties, charges, costs, reasonable attorneys' fees, amounts paid in settlement or expenses, joint or several (collectively, "Claims"), incurred in investigating, preparing or defending any action, claim, suit, inquiry, proceeding, investigation or appeal taken from the foregoing by or before any court or governmental, administrative or other regulatory agency, body or the SEC, whether pending or threatened, whether or not an Indemnified Person is or may be a party thereto ("Indemnified Damages"), to which any of them may become subject insofar as such Claims (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon: (i) any untrue statement or alleged untrue statement of a material fact in a Registration Statement or any post-effective amendment thereto or in any filing made in connection with the qualification of the offering under the securities or other "blue sky" laws of any jurisdiction in which Registrable Securities are offered, or the omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) any untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus if used prior to the effective date of such Registration Statement, or contained in the final prospectus (as amended or supplemented, if the Company files any amendment thereof or supplement thereto with the SEC) or the omission or alleged omission to state therein any material fact necessary to make the statements made therein, in light of the circumstances under which the statements therein were made, not misleading, (iii) any violation or alleged violation by the Company of the Securities Act, the Exchange Act, any other law, including, without limitation, any state securities law, or any rule or regulation thereunder relating to the offer or sale of the Registrable Securities pursuant to a Registration Statement or (iv) any violation of this Agreement (the matters in the foregoing clauses (i) through (iv) being, collectively, "Violations"). Subject to Section 6(c), the Company shall reimburse the Indemnified Persons, promptly as such expenses are incurred and are due and payable (upon the presentation of invoices or other reasonably requested documentation), for any legal fees or other reasonable expenses incurred by them in connection with investigating or defending any such Claim. Notwithstanding anything to the contrary contained herein, the indemnification agreement contained in this Section 6(a): (i) shall not apply to a Claim by an Indemnified Person arising out of or based upon a Violation which occurs in reliance upon and in conformity with information furnished in writing to the Company by such Indemnified Person for such Indemnified Person expressly for use in connection with the preparation of the Registration Statement or any such amendment thereof or supplement thereto, if such prospectus was timely made available by the Company pursuant to Section 3(d); and (ii) shall not apply to amounts paid in settlement of any Claim if such settlement is effected without the prior written consent of the Company, which consent shall not be unreasonably withheld, conditioned or delayed. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Indemnified Person and shall survive the transfer of the Registrable Securities by the Investors pursuant to Section 9.

(b) In connection with any Registration Statement in which an Investor is participating, each such Investor agrees to severally and not jointly indemnify, hold harmless and defend, to the same extent and in the same manner as is set forth in Section 6(a), the Company, each of its directors, each of its officers who signs the Registration Statement and each Person, if any, who controls the Company within the meaning of the Securities Act or the Exchange Act (each, an "Indemnified Party"), against any Claim or Indemnified Damages to which any of them may become subject, under the Securities Act, the Exchange Act or otherwise, insofar as such Claim or Indemnified Damages arise out of or are based upon any Violation, in each case to the extent, and only to the extent, that such Violation occurs in reliance upon and in conformity with written information furnished to the Company by such Investor expressly for use in connection with such

Registration Statement, and, subject to Section 6(c), such Investor shall reimburse the Indemnified Party for any legal or other expenses reasonably incurred by an Indemnified Party in connection with investigating or defending any such Claim; provided, however, that the indemnity agreement contained in this Section 6(b) and the agreement with respect to contribution contained in Section 7 shall not apply to amounts paid in settlement of any Claim if such settlement is effected without the prior written consent of such Investor, which consent shall not be unreasonably withheld or delayed; provided, further, however, that the Investor shall be liable under this Section 6(b) for only that amount of a Claim or Indemnified Damages as does not exceed the net proceeds to such Investor as a result of the sale of Registrable Securities pursuant to such Registration Statement. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of such Indemnified Party and shall survive the transfer of the Registrable Securities by the Investors pursuant to Section 9.

(c) Promptly after receipt by an Indemnified Person or Indemnified Party under this Section 6 of notice of the commencement of any action or proceeding (including any governmental action or proceeding) involving a Claim, such Indemnified Person or Indemnified Party shall, if a Claim in respect thereof is to be made against any indemnifying party under this Section 6, deliver to the indemnifying party a written notice of the commencement thereof, and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume control of the defense thereof with counsel mutually satisfactory to the indemnifying party and the Indemnified Person or the Indemnified Party, as the case may be; provided, however, that an Indemnified Person or Indemnified Party shall have the right to retain its own counsel with the fees and expenses of not more than one counsel for all such Indemnified Person or Indemnified Party to be paid by the indemnifying party, if, in the reasonable opinion of counsel retained by the Indemnified Person or Indemnified Party, as applicable, the representation by such counsel of the Indemnified Person or Indemnified Party, as the case may be, and the indemnifying party would be inappropriate due to actual or potential differing interests between such Indemnified Person or Indemnified Party and any other party represented by such counsel in such proceeding. In the case of an Indemnified Person, legal counsel referred to in the immediately preceding sentence shall be selected by the Investors holding at least a majority in interest of the Registrable Securities included in the Registration Statement to which the Claim relates. The Indemnified Party or Indemnified Person shall reasonably cooperate with the indemnifying party in connection with any negotiation or defense of any such action or Claim by the indemnifying party and shall furnish to the indemnifying party all information reasonably available to the Indemnified Party or Indemnified Person which relates to such action or Claim. The indemnifying party shall keep the Indemnified Party or Indemnified Person fully apprised at all times as to the status of the defense or any settlement negotiations with respect thereto. No indemnifying party shall be liable for any settlement of any action, claim or proceeding effected without its prior written consent, provided, however, that the indemnifying party shall not unreasonably withhold, condition or delay its consent. No indemnifying party shall, without the prior written consent of the Indemnified Party or Indemnified Person, consent to entry of any judgment or enter into any settlement or other compromise which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party or Indemnified Person of a release from all liability in respect to such Claim or litigation and such settlement shall not include any admission as to fault on the part of the Indemnified Party. Following indemnification as provided for hereunder, the indemnifying party shall be subrogated to all rights of the Indemnified Party or Indemnified Person with respect to all third parties, firms or corporations relating to the matter for which indemnification has been made. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action shall not relieve such indemnifying party of any liability to the Indemnified Person or Indemnified Party under this Section 6, except to the extent that the indemnifying party is prejudiced in its ability to defend such action.

(d) The indemnification required by this Section 6 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 Indemnified Damages are incurred.

(e) The indemnity agreements contained herein shall be in addition to (i) any cause of action or similar right of the Indemnified Party or Indemnified Person against the indemnifying party or others, and (ii) any liabilities the indemnifying party may be subject to pursuant to the law.

7. Contribution.

To the extent any indemnification by an indemnifying party is prohibited or limited by law, the indemnifying party agrees to make the maximum contribution with respect to any amounts for which it would otherwise be liable under Section 6 to the fullest extent permitted by law; provided, however, that: (i) no Person involved in the sale of Registrable Securities which Person is guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) in connection with such sale shall be entitled to contribution from any Person involved in such sale of Registrable Securities who was not guilty of fraudulent misrepresentation; and (ii) contribution by any seller of Registrable Securities shall be limited in amount to the amount of net proceeds received by such seller from the sale of such Registrable Securities pursuant to such Registration Statement.

8. Reports Under the Exchange Act.

With a view to making available to the Investors the benefits of Rule 144 promulgated under the Securities Act or any other similar rule or regulation of the SEC that may at any time permit the Investors to sell securities of the Company to the public without registration ("Rule 144"), the Company agrees to:

(a) make and keep public information available, as those terms are understood and defined in Rule 144;

(b) file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act so long as the Company remains subject to such requirements and the filing of such reports and other documents is required for the applicable provisions of Rule 144; and

(c) furnish to each Investor so long as such Investor owns Registrable Securities, promptly upon request, (i) a written statement by the Company, if true, that it has complied with the reporting requirements of Rule 144, the Securities Act and the Exchange Act, (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (iii) such other information as may be reasonably requested to permit the Investors to sell such securities pursuant to Rule 144 without registration.

9. Assignment of Registration Rights.

The rights under this Agreement shall be automatically assignable by the Investors to any transferee of all or any portion of such Investor's Registrable Securities if: (i) the Investor agrees in writing with the transferee or assignee to assign such rights, and a copy of such agreement is furnished to the Company within a reasonable time after such assignment; (ii) the Company is, within a reasonable time after such transfer or assignment, furnished with written notice of (a) the name and address of such transferee or assignee, and (b) the securities with respect to which such registration rights are being transferred or assigned; (iii) immediately following such transfer or assignment the further disposition of such securities by the transferee or assignee is restricted under the Securities Act or applicable state securities laws; (iv) at or before the time the Company receives the written notice contemplated by clause (ii) of this sentence the transferee or assignee agrees in writing with the Company to be bound by all of the provisions contained herein; and (v) such transfer shall have been made in accordance with the applicable requirements of the Warrant Issuance Agreement.

10. Amendment of Registration Rights.

Provisions of this Agreement may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and the Required Holders; provided that any such amendment or waiver that complies

with the foregoing but that disproportionately, materially and adversely affects the rights and obligations of any Investor relative to the comparable rights and obligations of the other Investors shall require the prior written consent of such adversely affected Investor. Any amendment or waiver effected in accordance with this Section 10 shall be binding upon each Investor and the Company. No such amendment shall be effective to the extent that it applies to less than all of the holders of the Registrable Securities. No consideration shall be offered or paid to any Person to amend or consent to a waiver or modification of any provision of this Agreement unless the same consideration (other than the reimbursement of legal fees) also is offered to all of the parties to this Agreement.

11. Miscellaneous.

(a) A Person is deemed to be a holder of Registrable Securities whenever such Person owns or is deemed to own of record such Registrable Securities. If the Company receives conflicting instructions, notices or elections from two or more Persons with respect to the same Registrable Securities, the Company shall act upon the basis of instructions, notice or election received from such record owner of such Registrable Securities.

(b) Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon delivery, when sent by electronic mail (provided that the sending party does not receive an automated rejection notice); or (iii) one (1) Business Day after deposit with a nationally recognized overnight delivery service, in each case properly addressed to the party to receive the same. The addresses and email addresses for such communications shall be:

If to the Company:

Quest Patent Research Corporation
411 Theodore Fremd Avenue, Suite 206S
Rye, New York 10580
Attn.: Jon Scahill, CEO
Email: jscahill@qprc.com

With a copy (for informational purposes only) to:

Ellenoff Grossman & Schole, LLP
1345 Avenue of the Americas, Suite 1100
New York, NY 10105
Attn.: Asher S. Levitsky P.C.
Email: alevitsky@egsllp.com

If to the Transfer Agent:

Continental Stock Transfer & Trust
1 State Street
30th Floor
Attn.: Isaac Kagan
Email: ikagan@continentalstock.com

If to the Purchaser: To the address set forth on Schedule I attached hereto.

or such other address and email address to the attention of such other Person as the recipient party has specified by written notice given to each other party five (5) days prior to the effectiveness of such change. Written confirmation of receipt (A) given by the recipient of such notice, consent, waiver or other communication, (B) mechanically or electronically generated by the sender's email containing the time, date, recipient email address, or (C) provided by a courier or overnight courier service shall be rebuttable evidence of personal service, receipt by email or receipt from a nationally recognized overnight delivery service in accordance with clause (i), (ii) or (iii) above, respectively.

(c) Failure of any party to exercise any right or remedy under this Agreement or otherwise, or delay by a party in exercising such right or remedy, shall not operate as a waiver thereof.

(d) All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than 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, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of 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 to such party at the address for such 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 manner permitted by law. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION HEREWITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.

(e) If any provision of this Agreement is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Agreement so long as this Agreement as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

(f) This Agreement, the other Transaction Documents (as defined in the Warrant Issuance Agreement) and the instruments referenced herein and therein constitute the entire agreement among the parties hereto with respect to the subject matter hereof and thereof. There are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein and therein. This Agreement, the other Transaction Documents and the instruments referenced herein and therein supersede all prior agreements and understandings among the parties hereto with respect to the subject matter hereof and thereof.

(g) Subject to the requirements of Section 9, this Agreement shall inure to the benefit of and be binding upon the permitted successors and assigns of each of the parties hereto.

(h) The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

(i) This Agreement may be executed in identical counterparts, each of which shall be deemed an original but all of which shall constitute one and the same agreement. This Agreement, once executed by a party, may be delivered to the other party hereto by electronic transmission of a copy of this Agreement bearing the signature of the party so delivering this Agreement.

(j) Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as any other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

(k) All consents and other determinations required to be made by the Investors pursuant to this Agreement shall be made, unless otherwise specified in this Agreement, by the Required Holders, determined as if all of the outstanding Warrant then held by Investors have been exercised for Registrable Securities without regard to any limitations on exercise of the Warrant.

(l) The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent and no rules of strict construction will be applied against any party.

(m) This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other Person.

(n) The obligations of each Investor hereunder are several and not joint with the obligations of any other Investor, and no provision of this Agreement is intended to confer any obligations on any Investor vis-à-vis any other Investor. Nothing contained herein, and no action taken by any Investor pursuant hereto, shall be deemed to constitute the Investors as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Investors are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated herein.

[*Intentionally left blank.*

Signature page follows.]

IN WITNESS WHEREOF, the Purchaser and the Company have caused their respective signature page to this Registration Rights Agreement to be duly executed as of the date first written above.

COMPANY:

QUEST PATENT RESEARCH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

PURCHASER:

QPRC FINANCE LLC

By: _____
Name:
Title:

SCHEDULE I

EXHIBIT A

FORM OF NOTICE OF EFFECTIVENESS OF REGISTRATION STATEMENT

Continental Stock Transfer & Trust Company
1 State Street Plaza
30th Floor
New York, NY 10004
Attn: Isaac Kagan

Re: Quest Patent Research Corporation

Ladies and Gentlemen:

We are counsel to Quest Patent Research Corporation, a Delaware corporation (the "Company"), and have represented the Company in connection with that certain Warrant Issuance Agreement, dated as of February 19, 2021 (the "Warrant Issuance Agreement"), entered into by and among the Company and the purchaser named therein (the "Purchaser") pursuant to which the Company issued to the Purchaser a warrant (the "Warrant") exercisable for shares of the Company's common stock, par value $0.00003 per share (the "Common Stock"). Pursuant to the Warrant Issuance Agreement, the Company also has entered into a Registration Rights Agreement with the Purchaser (the "Registration Rights Agreement") pursuant to which the Company agreed, among other things, to register the resale of the Registrable Securities (as defined in the Registration Rights Agreement), including the shares of Common Stock issuable upon exercise of the Warrant under the Securities Act of 1933, as amended (the "Securities Act"). In connection with the Company's obligations under the Registration Rights Agreement, on February 19, 2021, the Company filed a Registration Statement on Form S-1 (File No. 333-[●]) (the "Registration Statement") with the U.S. Securities and Exchange Commission (the "SEC") relating to the Registrable Securities which names each of the Investors (as defined in the Registration Rights Agreement) as a selling stockholder thereunder.

In connection with the foregoing, we advise you that the SEC has declared the Registration Statement effective under the Securities Act at [ENTER TIME OF EFFECTIVENESS] on [ENTER DATE OF EFFECTIVENESS] and we have no knowledge, after confirmation with the SEC, that any stop order suspending its effectiveness has been issued or that any proceedings for that purpose are pending before, or threatened by, the SEC and the Registrable Securities are available for resale under the Securities Act pursuant to the Registration Statement.

As counsel, we examined the originals or copies of the Registration Statement and the prospectus included therein, together with such other documents as we have deemed necessary for purposes hereof. In rendering this opinion, we have assumed: (i) the authenticity of all documents submitted to us as originals, and (ii) the conformity to original documents of all documents submitted to us as being original copies.

Based upon the foregoing, we are of the opinion that you may transfer the Registrable Securities without a restrictive stock legend upon your receipt of a letter signed by a compliance officer of the selling stockholder's broker in the form of Exhibit A to this opinion.

This opinion is solely for your information and is not to be quoted in whole or in part or otherwise referred to, nor is it to be filed with any governmental agency or other person without our prior written consent. Other than you, no one is entitled to rely on this opinion. This opinion is based on our knowledge of the law and facts as of the date hereof. We assume no duty to communicate with you with respect to any matter that comes to our attention hereafter or to otherwise update the contents of this opinion.

You need not require further letters from us to effect any future legend-free issuance or reissuance of shares of Common Stock to [●] as contemplated by the Company's Transfer Agent Instructions dated [●] [●], 2021, a copy of which has been provided to us.

Very truly yours,

[ISSUER'S COUNSEL]

By: _____

cc: [Investors]

Exhibit A

Date:

Continental Stock Transfer & Trust Company
1 State Street Plaza
30th Floor
New York, NY 10004
Attn: Isaac Kagen

Re: Quest Patent Research Corporation

Ladies and Gentlemen:

I hereby confirm that this firm acted as broker in connection with the sale by [●] of [●] shares of common stock, par value $0.00003 per share, pursuant to a registration statement on Form S-1, File No. 333-[●] (the "Registration Statement"). Such shares were sold in the manner set forth in the Registration Statement and we satisfied the prospectus delivery requirements.

Very truly yours,

[Name of Broker]

By: _____
Name:

Title: Compliance Officer

EXHIBIT B

[To be provided]

EX-99.8 9 ea136324ex99-8_questpatent.htm FORM OF WARRANT - DATED FEBRUARY 19, 2021 AMONG THE COMPANY AND QPRC FINANCE LLC

Exhibit 99.8

[FORM OF WARRANT]

NEITHER THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE NOR THE SECURITIES INTO WHICH THESE SECURITIES ARE EXERCISABLE HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL SELECTED BY THE HOLDER, IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT. NOTWITHSTANDING THE FOREGOING, THE SECURITIES MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN OR FINANCING ARRANGEMENT SECURED BY THE SECURITIES.

QUEST PATENT RESEARCH CORPORATION

WARRANT TO PURCHASE COMMON STOCK

Warrant No.: [●]
Number of Shares of Common Stock: 96,246,246
Original Issue Date: February 19, 2021 ("Issuance Date")

FOR VALUE RECEIVED, Quest Patent Research Corporation, a Delaware corporation (the "Company"), hereby certifies that QPRC Finance LLC, a Delaware limited liability company, or its registered assigns (the "Holder"), is entitled to purchase from the Company up to 96,246,246 duly authorized, validly issued, fully paid and nonassessable shares of Common Stock (the "Warrant Shares") at the Exercise Price (as hereinafter defined) then in effect, at any time or times on or after the Issuance Date, but not after 11:59 p.m., New York time, on the Expiration Date, (as hereinafter defined), subject to the terms, conditions and adjustments set forth in this Warrant to Purchase Common Stock (including any Warrants to Purchase Common Stock issued in exchange, transfer or replacement hereof, this "Warrant"). This Warrant is issued pursuant to the Warrant Issuance Agreement, dated February 19, 2021 (the "Warrant Issuance Agreement"), by and between the Company and QPRC Finance LLC, a Delaware limited liability company, the initial Holder of this Warrant (the "Initial Holder").

1 Definitions. For purposes of this Warrant, the following terms shall have the respective meanings set forth below:

"Affiliate" means, with respect to any Person, any other Person that directly or indirectly controls, is controlled by, or is under common control with, such Person, it being understood for purposes of this definition that "control" of a Person means the power directly or indirectly either to vote 10% or more of the securities having ordinary voting power for the election of directors of such Person or direct or cause the direction of the management and policies of such Person whether by contract or otherwise. "Affiliates" and "Affiliated" shall have correlative meanings.

"Approved Stock Plan" means any equity incentive benefit plan which is approved by the board of directors of the Company, pursuant to which the Company's securities may be issued to any employee, officer, director or consultant for services provided to the Company.

"Bid Price" means, for any date, the price determined by the first of the following clauses that applies: (i) if the Common Stock is then listed or quoted on an Eligible Market, the bid price of the Common Stock for the time in question (or the nearest preceding date) on the Eligible 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)), (ii) if the Common Stock is not then listed or quoted for trading on OTCQB or OTCQX and if prices for the Common Stock are then reported in the "Pink Sheets" published by OTC Markets Group, 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 (iv) 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 Holder and reasonably acceptable to the Company, the fees and expenses of which shall be paid by the Company.

"Black Scholes Value" means the value of this Warrant based on the Black-Scholes Option Pricing Model obtained from the "OV" function on Bloomberg

determined as of the day immediately following the public announcement of the applicable Change of Control, or, if the Change of Control is not publicly announced, the date the Change of Control is consummated, for pricing purposes and reflecting (i) a risk-free interest rate corresponding to the U.S. Treasury rate for a period equal to the remaining term of this Warrant as of such date of request, (ii) an expected volatility equal to the greater of 100% and the 100 day volatility obtained from the HVT function on Bloomberg as of the day immediately following the public announcement of the applicable Change of Control, or, if the Change of Control is not publicly announced, the date the Change of Control is consummated, (iii) the underlying price per share used in such calculation shall be the greater of (x) the highest Weighted Average Price during the five (5) Trading Days prior to the day the applicable Change of Control is publicly announced, or, if the Change of Control is not publicly announced, such five (5) Trading Day period immediately preceding the date the Change of Control is consummated and (y) the sum of the price per share being offered in cash, if any, plus the value of any non-cash consideration, if any, being offered in the Change of Control, (iv) a zero cost of borrow and (v) a 360 day annualization factor.

"Bloomberg" means Bloomberg Financial Markets.

"Business Day" means any day, except a Saturday, Sunday or legal holiday, on which banking institutions in the city of New York are authorized or obligated by law or executive order to close.

"Change of Control" means any Fundamental Transaction other than (i) any reorganization, recapitalization or reclassification of the Common Stock in which holders of the Company's voting power immediately prior to such reorganization, recapitalization or reclassification continue after such reorganization, recapitalization or reclassification to hold publicly traded securities and, directly or indirectly, are, in all material respect, the holders of the voting power of the surviving entity (or entities with the authority or voting power to elect the members of the board of directors (or their equivalent if other than a corporation) of such entity or entities) after such reorganization, recapitalization or reclassification, (ii) pursuant to a migratory merger effected solely for the purpose of changing the jurisdiction of incorporation of the Company, (iii) a merger in connection with a bona fide acquisition by the Company of any Person in which (a) the gross consideration paid, directly or indirectly, by the Company in such acquisition is not greater than 40% of the Company's market capitalization as calculated on the date of the consummation of such merger and (b) such merger does not contemplate a change to the identity of a majority of the board of directors of the Company, or (iv) a transaction which would otherwise qualify as a Fundamental Transaction, that is approved by the holders of a majority of the Warrants then outstanding including the Initial Holder for so long as the Initial Holder or any of its Affiliates holds any of the Warrants. Notwithstanding anything herein to the contrary, any transaction or series of transaction that, directly or indirectly, results in the Company or the Successor Entity not having Common Stock or common stock, as applicable, registered under the Exchange Act and listed or quoted on an Eligible Market shall be deemed a Change of Control.

"Closing Bid Price" and "Closing Sale Price" means, for any security as of any date, the last closing bid price and last closing trade price, respectively, for such security on the Principal Market, as reported by Bloomberg, or, if the Principal Market begins to operate on an extended hours basis and does not designate the closing bid price or the closing trade price, as the case may be, then the last bid price or the last trade price, respectively, of such security prior to 4:00:00 p.m., New York time, as reported by Bloomberg, or, if the Principal Market is not the principal securities exchange or trading market for such security, the last closing bid price or last trade price, respectively, of such security on the principal securities exchange or trading market where such security is listed or traded as reported by Bloomberg, or if the foregoing do not apply, the last closing bid price or last trade price, respectively, of such security in the over-the-counter market on the electronic bulletin board for such security as reported by Bloomberg, or, if no closing bid price or last trade price, respectively, is reported for such security by Bloomberg, the average of the bid prices, or the ask prices, respectively, of any market makers for such security as reported in the OTC Link or "pink sheets" by OTC Markets Group Inc. (formerly Pink OTC Markets Inc.). If the Closing Bid Price or the Closing Sale Price cannot be calculated for a security on a particular date on any of the foregoing bases, the Closing Bid Price or the Closing Sale Price, as the case may be, of such security on such date shall be the fair market value as mutually determined by the Company and the Holder. If the Company and the Holder are unable to agree upon the fair market value of such security, then such dispute shall be resolved pursuant to Section 13. All such determinations to be appropriately adjusted for any stock dividend, stock split, stock combination, reclassification or other similar transaction during the applicable calculation period.

"Common Stock" means (i) the Company's shares of Common Stock, par value $0.00003 per share, and (ii) any capital stock into which such Common Stock shall have been changed or any capital stock resulting from a reclassification of such Common Stock.

"Common Stock Equivalents" means any securities of the Company or its Subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, right, option, warrant 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" has the meaning set forth in the preamble.

"Convertible Securities" means any stock or securities (other than Options) directly or indirectly convertible into or exercisable or exchangeable for shares of Common Stock.

"Eligible Market" means the Principal Market, the NYSE American, the Nasdaq Global Market, the Nasdaq Global Select Market, the Nasdaq Capital Market, the OTCQX, the OTCQB or The New York Stock Exchange, Inc. or any national securities exchange designated by the SEC that has substantially similar listing standards to the foregoing markets.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, supplemented or restated from time to time, and any successor to such statute, and the rules or regulations promulgated thereunder.

"Exempt Issuance" means any Common Stock issued or issuable: (i) in connection with any Approved Stock Plan; or (ii) upon exercise of any Options or Convertible Securities which are outstanding on the day immediately preceding the Issuance Date; or (iii) pursuant to any of the Transaction Documents (as defined in the Warrant Issuance Agreement); provided that the terms of such Options or Convertible Securities are not amended, modified or changed on or after the Issuance Date other than in accordance with the terms of the Approved Stock Plan or the applicable instruments governing such Convertible Securities or Option; or (iv) upon the prior written consent of the holders of a majority of the Warrants then outstanding including the Initial Holder for so long as the Initial Holder or any of its Affiliates holds any of the Warrants, such consent not to be unreasonably withheld.

"Exercise Date" means, for any given exercise of this Warrant, the date on which the conditions to such exercise as set forth in Section 2 shall have been satisfied at or prior to 11:59 p.m., New York time, on a Business Day.

"Expiration Date" means the date 10 years after the Issuance Date or, if such date falls on a day other than a Business Day or on which trading does not take place on the Principal Market (a "Holiday"), the next day that is not a Holiday.

"Fundamental Transaction" means (i) that the Company shall, directly or indirectly, including through any member of the Company Group (as defined in the Warrant Issuance Agreement) or otherwise, in one or more related transactions, (a) consolidate or merge with or into (whether or not the Company is the surviving corporation) another Subject Entity, or (b) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Company or any of its "significant subsidiaries" (as defined in Rule 1-02 of Regulation S-X under the Exchange Act) to one or more Subject Entities, or (c) make, or allow one or more Subject Entities to make, or allow the Company to be subject to or have its Common Stock be subject to or party to one or more Subject Entities making, a

purchase, tender or exchange offer that is accepted by the holders of at least either (1) 50% of the outstanding shares of Common Stock, (2) 50% of the outstanding shares of Common Stock calculated as if any shares of Common Stock held by all Subject Entities making or party to, or Affiliated with any Subject Entities making or party to, such purchase, tender or exchange offer were not outstanding, or (3) such number of shares of Common Stock such that all Subject Entities making or party to, or Affiliated with any Subject Entity making or party to, such purchase, tender or exchange offer, become collectively the beneficial owners (as defined in Rule 13d-3 under the Exchange Act) of at least 50% of the outstanding shares of Common Stock, or (d) consummate a stock purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with one or more Subject Entities whereby such Subject Entities, individually or in the aggregate, acquire, either (I) at least 50% of the outstanding shares of Common Stock, (II) at least 50% of the outstanding shares of Common Stock calculated as if any shares of Common Stock held by all the Subject Entities making or party to, or Affiliated with any Subject Entity making or party to, such stock purchase agreement or other business combination were not outstanding, or (III) such number of shares of Common Stock such that the Subject Entities become collectively the beneficial owners (as defined in Rule 13d-3 under the Exchange Act) of at least 50% of the outstanding shares of Common Stock, or (e) reorganize, recapitalize or reclassify its Common Stock, (ii) that the Company shall, directly or indirectly, including through any member of the Company Group (as defined in the Warrant Issuance Agreement) or otherwise, in one or more related transactions, allow any Subject Entity individually or the Subject Entities in the aggregate to be or become the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, whether through acquisition, purchase, assignment, conveyance, tender, tender offer, exchange, reduction in outstanding shares of Common Stock, merger, consolidation, business combination, reorganization, recapitalization, spin-off, scheme of arrangement, reorganization, recapitalization or reclassification or otherwise in any manner whatsoever, of either (x) at least 50% of the aggregate ordinary voting power represented by issued and outstanding Common Stock, (y) at least 50% of the aggregate ordinary voting power represented by issued and outstanding Common Stock not held by all such Subject Entities as of the Closing Date (as defined in the Warrant Issuance Agreement) calculated as if any shares of Common Stock held by all such Subject Entities were not outstanding, or (z) a percentage of the aggregate ordinary voting power represented by issued and outstanding shares of Common Stock or other equity securities of the Company sufficient to allow such Subject Entities to effect a statutory short form merger or other transaction requiring other stockholders of the Company to surrender their shares of Common Stock without approval of the stockholders of the Company, or (iii) directly or indirectly, including through any member of the Company Group (as defined in the Warrant Issuance Agreement) or otherwise, in one or more related transactions, the issuance of or the entering into any other instrument or transaction structured in a manner to circumvent, or that circumvents, the intent of this definition in which case this definition shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this definition to the extent necessary to correct this definition or any portion of this definition which may be defective or inconsistent with the intended treatment of such instrument or transaction; provided, however, that a Fundamental Transaction shall not include any transaction approved by the holders of a majority of the Warrants then outstanding including the Initial Holder for so long as the Initial Holder or any of its Affiliates holds any of the Warrants.

"Group" means a "group" as that term is used in Section 13(d) of the Exchange Act and as defined in Rule 13d-5 thereunder.

"Options" means any rights, warrants or options to subscribe for or purchase shares of Common Stock or Convertible Securities.

"Parent Entity" of a Person means an entity that, directly or indirectly, controls the applicable Person, including such entity whose common capital or equivalent equity security is quoted or listed on an Eligible Market (or, if so elected by the Holder, any other market, exchange or quotation system), or, if there is more than one such Person or such entity, the Person or such entity designated by the Holder or in the absence of such designation, such Person or entity with the largest public market capitalization as of the date of consummation of the Fundamental Transaction or Change of Control, as applicable.

"Person" means any individual, sole proprietorship, partnership, limited liability company, corporation, joint venture, trust, unincorporated organization or any other entity and a government or department or agency thereof.

"Principal Market" has the meaning set forth in the Warrant Issuance Agreement.

"SEC" means the U.S. Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended, supplemented or restated from time to time, and any successor to such statute, and the rules or regulations promulgated thereunder.

"Standard Settlement Period" means the standard settlement period, expressed in a number of Trading Days, on the Company's primary trading market with respect to the Common Stock as in effect on the date of delivery of the applicable Exercise Notice.

"Subject Entity" means any Person, Persons or Group or any Affiliate or associate of any such Person, Persons or Group.

"Subsidiary" means with respect to any entity at any date, any direct or indirect Person or other business entity of which (i) more than 50% of (A) the outstanding capital stock having (in the absence of contingencies) ordinary voting power to elect a majority of the board of directors or other managing body of such entity, (B) in the case of a partnership or limited liability company, the interest in the capital or profits of such partnership or limited liability company, or (C) in the case of a trust, estate, association, joint venture or other entity, the beneficial interest in such trust, estate, association or other entity business is, at the time of determination, owned or controlled directly or indirectly through one or more intermediaries, by such entity, or (ii) is under the actual control of the Company.

"Successor Entity" means one or more Person or Persons (or, if so elected by the Holder, the Company or Parent Entity) formed by, resulting from or surviving any Fundamental Transaction or Change of Control, as applicable, or one or more Person or Persons (or, if so elected by the Holder, the Company or the Parent Entity) with which such Fundamental Transaction or Change of Control shall have been entered into.

"Trading Day" means any day on which the Common Stock is traded on the Principal Market, or, if the Principal Market is not the principal trading market for the Common Stock on such day, then on the principal securities exchange or securities market on which the Common Stock is then traded.

"Weighted Average Price" means, for any security as of any date, the dollar volume-weighted average price for such security on the Principal Market during the period beginning at 9:30:01 a.m., New York time (or such other time as the Principal Market publicly announces is the official open of trading), and ending at 4:00:00 p.m., New York time (or such other time as the Principal Market publicly announces is the official close of trading), as reported by Bloomberg through its "Volume at Price" function or, if the foregoing does not apply, the dollar volume-weighted average price of such security in the over-the-counter market on the electronic bulletin board for such security during the period beginning at 9:30:01 a.m., New York time (or such other time as such market publicly announces is the official open of trading), and ending at 4:00:00 p.m., New York time (or such other time as such market publicly announces is the official close of trading), as reported by Bloomberg, or, if no dollar volume-weighted average price is reported for such security by Bloomberg for such hours, the average of the highest Closing Bid Price and the lowest closing ask price of the principal market maker or market makers for such security as reported in the OTC Link or by OTC Markets Group Inc. (formerly Pink OTC Markets Inc.). If the Weighted Average Price cannot be calculated for a security on a particular date on any of the foregoing bases, the Weighted Average Price of such security on such date shall be the fair market value as mutually determined by the Company and the Holder. If the Company and the Holder are unable to agree upon the fair market value of such security, then such dispute shall be resolved pursuant to Section 13 with the term "Weighted Average Price" being substituted for the term "Exercise Price." All such determinations shall be appropriately adjusted for any stock dividend, stock split, stock combination, reclassification or other similar transaction during the applicable calculation period.

2 Exercise of Warrant.

(a) Mechanics of Exercise. Subject to the terms and conditions hereof, this Warrant may be exercised by the Holder at any time or times on or after the Issuance Date, in whole or in part, by (i) delivery of a written notice, in the form attached hereto as Exhibit A (the "Exercise Notice"), of the Holder's election to exercise this Warrant, and (ii) (A) payment to the Company of an amount equal to the applicable Exercise Price multiplied by the number of Warrant Shares as to which this Warrant is being exercised (the "Aggregate Exercise Price") in cash by wire transfer of immediately available funds, or (B) if the provisions of Section 2(d) are applicable, by notifying the Company that this Warrant is being exercised pursuant to a Cashless Exercise (as defined in Section 2(d)). No ink-original Exercise Notice shall be required, nor shall any medallion guarantee (or other type of guarantee or notarization) of any Exercise Notice be required. The Holder shall not be required to deliver the original Warrant in order to effect an exercise hereunder. Execution and delivery of the Exercise Notice with respect to less than all of the Warrant Shares shall have the same effect as cancellation of the original Warrant and issuance of a new Warrant evidencing the right to purchase the remaining number of Warrant Shares. On or before the second (2nd) Trading Day following the date on which the Holder has delivered an Exercise Notice, the Company shall transmit by electronic mail an acknowledgment of confirmation of receipt of the Exercise Notice to the Holder and the Company's transfer agent (the "Transfer Agent"). On or before the earlier of (i) second (2nd) Trading Day, and (ii) the number of Trading Days comprising the Standard Settlement Period, in each case, following the date on which the Holder has delivered the Exercise Notice, so long as the Holder delivers the Aggregate Exercise Price (or notice of a Cashless Exercise) on or prior to the first (1st) Trading Day following the date on which the Holder has delivered the Exercise Notice (a "Share Delivery Date") (provided that if the Aggregate Exercise Price has not been delivered by such date, the applicable Share Delivery Date shall be one (1) Trading Day after the Aggregate Exercise Price (or notice of a Cashless Exercise) is delivered), the Company shall (x) provided that the Transfer Agent is participating in The Depository Trust Company ("DTC") Fast Automated Securities Transfer Program ("FAST Program"), and either (1) there is an effective registration statement permitting the issuance of the Warrant Shares to, or resale of the Warrant Shares, by the Holder, and the Holder has sold the Warrant Shares pursuant to such registration statement or (2) the Warrant Shares are eligible for resale by the Holder without volume or manner-of-sale limitations pursuant to Rule 144, credit such aggregate number of Warrant Shares to which the Holder is entitled pursuant to such exercise to the Holder's or its designee's balance account with DTC through its Deposit/Withdrawal At Custodian ("DWAC") system, or (y) otherwise issue and dispatch by overnight courier to the address as specified in the Exercise Notice, a certificate, registered in the Company's share register in the name of the Holder or its designee, for the number of Warrant Shares to which the Holder is entitled pursuant to such exercise. The Company shall be responsible for all fees and expenses of the Transfer Agent and all fees and expenses with respect to the issuance of Warrant Shares via DTC, if any, including without limitation for same day processing. Upon delivery of the Exercise Notice, the Holder shall be deemed for all corporate purposes to have become the holder of record of the Warrant Shares with respect to which this Warrant has been exercised, irrespective of the date such Warrant Shares are credited to the Holder's DTC account or the date of delivery of the certificates evidencing such Warrant Shares, as the case may be, provided that the Aggregate Exercise Price or notice of cashless exercise is delivered in herein provided. If this Warrant is submitted in connection with any exercise pursuant to this Section 2(a) and the number of Warrant Shares represented by this Warrant submitted for exercise is greater than the number of Warrant Shares being acquired upon an exercise, then the Company shall as soon as practicable and in no event later than five (5) Trading Days after any exercise and at its own expense, issue a new Warrant (in accordance with Section 8(d)) representing the right to purchase the number of Warrant Shares issuable immediately prior to such exercise under this Warrant, less the number of Warrant Shares with respect to which this Warrant is exercised. If this Warrant is not submitted in connection with any exercise pursuant to this Section 2(a), the number of Warrant Shares issuable upon exercise of this Warrant shall, notwithstanding the number of Warrant Shares stated on the first page of this Warrant, be deemed to represent the number of Warrant Shares then issuable upon exercise of this Warrant, and the Holder shall make an appropriate notation on the Warrant. No fractional Warrant Shares are to be issued upon the exercise of this Warrant, but rather the number of Warrant Shares to be issued shall be rounded up to the nearest whole number. The Company shall pay any and all taxes which may be payable with respect to the issuance and delivery of Warrant Shares upon exercise of this Warrant. The Company's obligations to issue and deliver Warrant Shares in accordance with the terms and subject to the conditions 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.

(b) Exercise Price. For purposes of this Warrant, "Exercise Price" means $0.0054, subject to adjustment as provided herein.

(c) Company's Failure to Timely Deliver Securities. If the Company shall fail for any reason or for no reason to issue to the Holder on or prior to the applicable Share Delivery Date either (i) if the Transfer Agent is not participating in DTC FAST Program or the Warrant Shares are not eligible to be credited to the Holder's balance account with DTC through its DWAC system, a certificate for the number of shares of Common Stock to which the Holder is entitled and register such shares of Common Stock on the Company's share register, or if the Transfer Agent is participating in DTC FAST Program, and the Warrant Shares are eligible to be credited to the Holder's balance account with DTC through its DWAC system to credit such balance account with DTC, for such number of shares of Common Stock to which the Holder is entitled upon the Holder's exercise of this Warrant, or (ii) if the Registration Statement (as defined in the Registration Rights Agreement) covering the resale of the Warrant Shares that are the subject of the Exercise Notice (the "Unavailable Warrant Shares") is not available for the resale of such Unavailable Warrant Shares and the Company fails to promptly, but in no event later than as is required pursuant to the Registration Rights Agreement (A) so notify the Holder and (B) (1) if the Warrant Shares are eligible for resale by the Holder without volume or manner-of-sale limitations pursuant to Rule 144, deliver the Warrant Shares electronically without any restrictive legend by crediting such aggregate number of Warrant Shares to which the Holder is entitled pursuant to such exercise to the Holder's or its designee's balance account with DTC through its DWAC system, or (2) otherwise issue and dispatch by overnight courier to the address as specified in the Exercise Notice, a certificate, registered in the Company's share register in the name of the Holder or its designee, for the number of Warrant Shares to which the Holder is entitled (the event described in the immediately foregoing clause (ii) is hereinafter referred as a "Notice Failure" and together with the event described in clause (i) above, an "Exercise Failure"), then, in addition to all other remedies available to the Holder, (x) the Company shall pay in cash to the Holder on each day after the applicable Share Delivery Date and during such Exercise Failure an amount equal to 1.5% of the product of (1) the sum of the number of shares of Common Stock not issued to the Holder on or prior to the Share Delivery Date and to which the Holder is entitled, and (2) any trading price of the Common Stock selected by the Holder in writing as in effect at any time during the period beginning on the applicable Exercise Date and ending on the applicable Share Delivery Date, and (3) the Holder, upon written notice to the Company, may void its Exercise Notice with respect to, and retain or have returned, as the case may be, any portion of this Warrant that has not been exercised pursuant to such Exercise Notice; provided that the voiding of an Exercise Notice shall not affect the Company's obligations to make any payments which have accrued prior to the date of such notice pursuant to this Section 2(c) or otherwise. In addition to the foregoing, if on or prior to the applicable Share Delivery Date either (I) if the Transfer Agent is not participating in the DTC FAST Program, the Company shall fail to issue and deliver a certificate to the Holder and register such shares of Common Stock on the Company's share register or, if the Transfer Agent is participating in the DTC FAST Program, credit the Holder's balance account with DTC for the number of shares of Common Stock to which the Holder is entitled upon the Holder's exercise hereunder or pursuant to the Company's obligation pursuant to clause (ii) below, or (II) a Notice Failure occurs, and if on or after such Trading Day the Holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by the Holder of shares of Common Stock issuable upon such exercise that the Holder anticipated receiving from the Company, then the Company shall, within three (3) Trading Days after the Holder's request and in the Holder's discretion, either (i) pay cash to the Holder in an amount equal to the Holder's total purchase price (including brokerage commissions and other out-of-pocket expenses, if any) for the shares of Common Stock so purchased (the "Buy-In Price"), at which point the Company's obligation to deliver such certificate (and to issue such shares of Common Stock) or credit such Holder's balance account with DTC for such shares of Common Stock shall terminate, or (ii) promptly honor its obligation to deliver to the Holder a certificate or certificates representing such shares of Common Stock or credit such Holder's balance account with DTC, as applicable, and pay cash to the Holder in an amount equal to the excess (if any) of the Buy-In Price over the product of (A) such number of shares of Common Stock, times (B) any trading price of the Common Stock selected by the Holder in writing as in effect at any time during the period beginning on the applicable Exercise Date and ending on the applicable Share Delivery Date. Nothing shall limit the Holder's right to pursue any other remedies available to it hereunder, at law or in equity, including, without limitation, a decree of specific performance or injunctive relief with respect to the Company's failure to timely deliver certificates representing shares of Common Stock (or to electronically deliver such shares of Common Stock) upon the exercise of this Warrant as required pursuant to the terms hereof.

(d) Cashless Exercise. Notwithstanding anything contained herein to the contrary, 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 Aggregate 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"):

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

For purposes of the foregoing formula:

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

B = as applicable: (i) the Weighted Average Price of the Common Stock on the Trading Day immediately preceding the date of the applicable Exercise Notice if such Exercise Notice is (A) both executed and delivered pursuant to Section 2(a) hereof on a day that is not a Trading Day, or (B) both executed and delivered pursuant to Section 2(a) hereof on a Trading Day prior to the opening of "regular trading hours" (as defined in Rule 600(b)(64) of Regulation NMS promulgated under the Exchange Act) on such Trading Day, (ii) at the option of the Holder, either (x) the Weighted Average Price of the Common Stock on the Trading Day immediately preceding the date of the applicable Exercise Notice, or (y) the Bid Price of the Common Stock on the principal trading market as reported by Bloomberg as of the time of the Holder's execution of the applicable Exercise Notice if such Exercise Notice is executed during "regular trading hours" on a Trading Day and is delivered within two (2) hours thereafter (including until two (2) hours after the close of "regular trading hours" on a Trading Day) thereafter pursuant to Section 2(a) hereof or (iii) the Weighted Average Price of the Common Stock on the date of the applicable Exercise Notice if the date of such Exercise Notice is a Trading Day and such Exercise Notice is both executed and delivered pursuant to Section 2(a) hereof after the close of "regular trading hours" on such Trading Day.

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

(e) Rule 144. For purposes of Rule 144(d) promulgated under the Securities Act, as in effect on the date hereof, the Company hereby acknowledges and agrees that the Warrant Shares issued in a Cashless Exercise shall be deemed to have been acquired by the Holder, and the holding period for the Warrant Shares shall be deemed to have commenced, on the Issuance Date; provided that the Holder is not an Affiliate of the Company.

(f) Disputes. In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall promptly issue to the Holder the number of Warrant Shares that are not disputed and resolve such dispute in accordance with Section 13.

(g) Beneficial Ownership Limitation. Notwithstanding anything to the contrary contained herein, the Company shall not effect any exercise of this Warrant, and the Holder shall not have the right to exercise any portion of this Warrant, to the extent that after giving effect to such exercise, the Holder (together with the Holder's Affiliates and any other "person" or "group" (as used for purposes of Sections 13(d) and 14(d) of the Exchange Act and the rules and regulations promulgated thereunder) with the Holder or any of the Holder's Affiliates (collectively, the "Attribution Parties")) would beneficially own in excess of 4.99% (the "Maximum Percentage") of the shares of Common Stock outstanding immediately after giving effect to such exercise. For purposes of the foregoing sentence, the aggregate number of shares of Common Stock beneficially owned by the Holder and its Attribution Parties shall include the number of shares of Common Stock held by the Holder and all other Attribution Parties plus the number of shares of Common Stock issuable upon exercise of this Warrant with respect to which the determination of such exercise is being made, but shall exclude shares of Common Stock which would be issuable upon (i) exercise of the remaining, unexercised portion of this Warrant beneficially owned by the Holder and its Attribution Parties, and (ii) exercise or conversion of the unexercised or unconverted portion of any other securities of the Company beneficially owned by the Holder and its Attribution Parties (including, without limitation, any convertible notes or convertible preferred stock or warrants) subject to a limitation on conversion or exercise analogous to the limitation contained herein. Except as set forth in the preceding sentence, for purposes of this paragraph, beneficial ownership shall be calculated in accordance with Section 13(d) of the Exchange Act. For purposes of this Warrant, in determining the number of outstanding shares of Common Stock, the Holder may rely on the number of outstanding shares of Common Stock as reflected in (x) the Company's most recent Form 10-K, Form 10-Q, Current Report on Form 8-K or other public filing with the SEC, as the case may be, (y) a more recent public announcement by the Company, or (z) any other notice by the Company or the Transfer Agent setting forth the number of shares of Common Stock outstanding. For any reason at any time, upon the written or oral request of the Holder, the Company shall within one (1) Business Day 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 the Warrants, by the Holder and its Attribution Parties since the date as of which such number of outstanding shares of Common Stock was reported. By written notice to the Company, the Holder may from time to time increase or decrease the Maximum Percentage to any other percentage not in excess of 9.99% specified in such notice; provided that (i) any such increase will not be effective until the sixty-first (61st) day after such notice is delivered to the Company, and (ii) any such increase or decrease will apply only to the Holder and its Attribution Parties and not to any other holder of warrants. For the avoidance of doubt, to the extent the limitation set forth in this Section 2(g) applies, the determination (x) of whether the exercise of this Warrant may be effected (vis-a-vis other options or convertible securities owned by the Holder or any of its Attribution Parties) and (y) of which such options or convertible securities shall be convertible, exercisable or exchangeable (as the case may be, as among all such securities owned by the Holder) shall, subject to such Maximum Percentage limitation, be determined on the basis of the first submission to the Company for conversion, exercise or exchange (as the case may be). The provisions of this paragraph shall be construed and implemented in a manner other than in strict conformity with the terms of this Section 2(g) 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. It is the responsibility of the Holder and not the Company to determine whether the Maximum Percentage limit has been reached.

(h) Insufficient Authorized Shares. If at any time while this Warrant remains outstanding the Company does not have a sufficient number of authorized and unreserved shares of Common Stock to satisfy its obligation to reserve for issuance upon exercise of this Warrant at least a number of shares of Common Stock equal to the number of shares of Common Stock as shall from time to time be necessary to effect the exercise of all of the Warrants then outstanding (the "Required Reserve Amount" and the failure to have such sufficient number of authorized and unreserved shares of Common Stock, an "Authorized Share Failure"), then the Company shall immediately take all action necessary to increase the Company's authorized shares of Common Stock to an amount sufficient to allow the Company to reserve the Required Reserve Amount for this Warrant then outstanding. Without limiting the generality of the foregoing sentence, as soon as practicable after the date of the occurrence of an Authorized Share Failure, but in no event later than sixty (60) days after the occurrence of such Authorized Share Failure, the Company shall hold a meeting of its stockholders for the approval of an increase in the number of authorized shares of Common Stock. In connection with such meeting, the Company shall provide each stockholder with a proxy statement and shall use its best efforts to solicit its stockholders' approval of such increase in authorized shares of Common Stock and to cause its board of directors to recommend to the stockholders that they approve such proposal. Notwithstanding the foregoing, if any such time of an Authorized Share Failure, the Company is able to obtain the written consent of a majority of the shares of its issued and outstanding Common Stock to approve the increase in the number of authorized shares of Common Stock, the Company may satisfy this obligation by obtaining such consent and submitting for filing with the SEC an Information Statement on Schedule 14C. In the event that upon any exercise of this Warrant, the Company does not have sufficient authorized shares to deliver in satisfaction of such exercise, then unless the Holder elects to void such attempted exercise, the Holder may require the Company to pay to the Holder within three (3) Trading Days of the applicable exercise, cash in an amount equal to the product of (i) the quotient determined by dividing (A) the number of Warrant Shares that the Company is unable to deliver pursuant to this Section 2(h), by (B) the total number of Warrant Shares issuable upon exercise of this Warrant (without regard to any limitations or restrictions on exercise of this Warrant) and (ii) the Black Scholes Value; provided, that (x) references to "the day immediately following the public announcement of the applicable Change of Control" in the definition of "Black Scholes Value" shall instead refer to "the date the Holder exercises this Warrant and the Company cannot deliver the required number of Warrant Shares because of an Authorized Share Failure" and (y) clause (iii) of the definition of "Black Scholes Value" shall instead refer to "the underlying price per share used in such calculation shall be the highest Weighted Average Price during the period beginning on the date of the applicable date of exercise and the date that the Company makes the applicable cash payment."

3 Adjustment of Exercise Price and Number of Warrant Shares. The Exercise Price and the number of Warrant Shares shall be adjusted from time to time as follows:

(a) Adjustment Upon Issuance of Shares of Common Stock. In addition to the reductions of the Exercise Price described in Section 3(c), if, at any time while this Warrant remains outstanding, the Company or any Subsidiary, as applicable, sells or grants any option to purchase or sells or grants any right to reprice, or otherwise disposes of or issues (or announces any sale, grant or any option to purchase or other disposition), any Common Stock or Common Stock Equivalents entitling any Person to acquire Common Stock at an effective price per share that is lower than the then Exercise Price (such lower price, the "Base Exercise Price" and such issuances, collectively, a "Dilutive Issuance") (if the holder of the Common Stock or Common Stock Equivalents so issued shall at any time, whether by operation of purchase price adjustments, reset provisions, floating conversion, exercise or exchange prices or otherwise, or due to warrants, options or rights per share which are issued in connection with such issuance, be entitled to receive Common Stock at an effective price per share that is lower than the Exercise Price, such issuance shall be deemed to have occurred for less than the Exercise Price on such date of the Dilutive Issuance), then the Exercise Price shall be reduced to equal the Base Exercise Price, subject to adjustment for reverse and forward stock splits and the like. Such adjustment shall be made whenever such Common Stock or Common Stock Equivalents are issued. Notwithstanding the foregoing, no adjustment will be made under this Section 3(a) in respect of an Exempt Issuance. If the Company enters into a Variable Rate Transaction, the Company shall be deemed to have issued Common Stock or Common Stock Equivalents at the lowest possible conversion price at which such securities may be converted or exercised. "Variable Rate Transaction" means a transaction in which the Company (i) issues or sells any debt or equity securities that are convertible into, exchangeable or exercisable for, or include the right to receive, additional shares of Common Stock either (A) at a conversion price, exercise price or exchange rate or other price that is based upon, or varies with, the trading prices of or quotations for the shares of Common Stock at any time after the initial issuance of such debt or equity securities or (B) with a conversion, exercise or exchange price that is subject to being reset at some future date after the initial issuance of such debt or equity security or upon the occurrence of specified or contingent events directly or indirectly related to the business of the Company or the market for the Common Stock, or (ii) enters into any agreement, including, but not limited to, an equity line of credit, whereby the Company may sell securities at a future determined price. The Company shall notify the Holder in writing, no later than the Trading Day following the issuance of any Common Stock or Common Stock Equivalents subject to this Section 3(a), indicating therein the applicable issuance price, or applicable reset price, exchange price, conversion price and other pricing terms (such notice, the "Dilutive Issuance Notice"). For purposes of clarification, whether or not the Company provides a Dilutive Issuance Notice pursuant to this Section 3(a), upon the occurrence of any Dilutive Issuance, the Holder is entitled to receive a number of Warrant Shares based upon the Base Exercise Price on or after the date of such Dilutive Issuance, regardless of whether the Holder accurately refers to the Base Exercise Price in the Notice of Exercise.

(b) No Readjustments. For the avoidance of doubt, in the event the Exercise Price has been adjusted pursuant to Section 3(a) and the Dilutive Issuance that triggered such adjustment does not occur, is not consummated, is unwound or is cancelled after the facts for any reason whatsoever, in no event shall the Base Exercise Price be readjusted to the Exercise Price that would have been in effect if such Dilutive Issuance had not occurred or been consummated.

(c) Adjustment Upon Subdivision or Combination of Shares of Common Stock. If the Company at any time on or after the Issuance Date subdivides (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision will be proportionately reduced and the number of Warrant Shares will be proportionately increased. If the Company at any time on or after the Issuance Date combines (by combination, reverse stock split or otherwise) one or more classes of its outstanding shares of Common Stock into a smaller number of shares, the Exercise Price in effect immediately prior to such combination will be proportionately increased and the number of Warrant Shares will be proportionately decreased. Any adjustment under this Section 3(c) shall become effective at the close of business on the date the subdivision or combination becomes effective.

(d) Voluntary Adjustment by Company. The Company may at any time during the term of this Warrant reduce the then current Exercise Price to any amount and for any period of time deemed appropriate by the board of directors of the Company.

(e) Additional Adjustment to Maintain Minimum Ownership Percentage. Notwithstanding anything herein to the contrary, on the initial Exercise Date the aggregate number of Warrant Shares purchasable upon exercise of this Warrant shall not be less than an amount equal to 10% of the aggregate number of outstanding shares of capital stock of the Company (determined on a fully diluted basis) (the "Minimum Ownership Percentage"). If on the initial Exercise Date the aggregate number of Warrant Shares purchasable upon exercise of: (a) this Warrant and (b) all other Warrants issued pursuant to the Warrant Issuance Agreement, would yield less than the Minimum Ownership Percentage, then the number of Warrant Shares shall be increased to preserve the Minimum Ownership Percentage (an "Ownership Percentage Adjustment"). On or within three (3) Trading Days of the initial Exercise Date, the Company shall notify the Holder of any Ownership Percentage Adjustment, with such notice to serve as an addendum to this Warrant. In the event that more than one Warrant is outstanding, any increase in the number of Warrant Shares as a result of the preceding sentence shall be allocated ratably among the holders of the Warrants. Following the Ownership Percentage Adjustment, if any, there shall be no further adjustments made pursuant to this Section 3(e). However, for the avoidance of doubt, (i) the only adjustment as a result of the implementation of this Section 3(e) shall be an increase in the number of Warrant Shares issuable upon exercise of this Warrant on and as of the Initial Exercise Date the, and (ii) the remaining provisions of this Warrant that impact adjustments shall remain in full force and effect.

(f) Other Events. If any event occurs of the type contemplated by the provisions of this Section 3 but not expressly provided for by such provisions (including, without limitation, the granting of stock appreciation rights, phantom stock rights or other rights with equity features not included in the definition of Exempt Issuance), then the Company's board of directors will make an appropriate adjustment in the Exercise Price and the number of Warrant Shares, as mutually determined by the Company's board of directors and the Holder, so as to protect the rights of the Holder; provided that no such adjustment pursuant to this Section 3(e) will increase the Exercise Price or decrease the number of Warrant Shares as otherwise determined pursuant to this Section 3.

4 Rights upon Distribution of Assets. If the Company shall declare or make any dividend or other distribution of its assets (or rights to acquire its assets) to any or all holders of shares of Common Stock, by way of return of capital or otherwise (including, without limitation, any distribution of cash, stock or other securities, property, options, evidence of indebtedness or any other assets by way of a dividend, spin off, reclassification, corporate rearrangement, scheme of arrangement or other similar transaction) (a "Distribution"), at any time after the issuance of this Warrant, then, in each such case, the Holder shall be entitled, and the Company shall reserve the Holder's pro rata share of the Distribution pending the complete exercise of this Warrant, to participate in such Distribution to the same extent that the Holder would have participated therein if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any limitations or restrictions on exercise of this Warrant) immediately before the date of which a record is taken for such Distribution, or, if no such record is taken, the date as of which the record holders of shares of Common Stock are to be determined for the participation in such Distribution.

5 Purchase Rights; Fundamental Transactions.

(a) Purchase Rights. In addition to any adjustments pursuant to Section 3 above, if at any time on or after the Issuance Date and on or prior to the Expiration Date the Company grants, issues or sells any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property pro rata to the record holders of any class of Common Stock (the "Purchase Rights"), then the Holder will be entitled, and the Company shall reserve the Holder's pro rata share of the Purchase Rights pending the complete exercise of this Warrant, to acquire, upon the terms applicable to such Purchase Rights, the aggregate Purchase Rights which the Holder could have acquired if the Holder had held the number of shares of Common Stock acquirable upon complete exercise of this Warrant (without regard to any limitations or restrictions on exercise of this Warrant) immediately before the date on which a record is taken for the grant, issuance or sale of such Purchase Rights, or, if no such record is taken, the date as of which the record holders of Common Stock are to be determined for the grant, issuance or sale of such Purchase Rights.

(b) Fundamental Transaction. The Company shall not enter into or be party to a Fundamental Transaction unless the Successor Entity assumes in writing all of the obligations of the Company under this Warrant in accordance with the provisions of this Section 5(b), including agreements to deliver to the Holder in exchange for this Warrant a security of the Successor Entity evidenced by a written instrument substantially similar in form and substance to this Warrant, including, without limitation, which is exercisable for a corresponding number of shares of capital stock equivalent to the shares of Common Stock acquirable and receivable upon exercise of this Warrant (without regard to any limitations on the exercise of this Warrant) prior to such Fundamental Transaction, and with an exercise price which applies the exercise price hereunder to such shares of capital stock (but taking into account the relative value of the shares of Common Stock pursuant to such Fundamental Transaction and the value of such shares of capital stock, such adjustments to the number of shares of capital stock and such exercise price being for the purpose of protecting the economic value of this Warrant immediately prior to the consummation of such Fundamental Transaction). Upon the consummation of each Fundamental Transaction, the Successor Entity shall succeed to, and be substituted for the Company (so that from and after the date of the applicable Fundamental Transaction, the provisions of this Warrant and the Registration Rights Agreement referring to the "Company" shall refer instead to the Successor Entity), and may exercise every right and power of the Company and shall assume all of the obligations of the Company under this Warrant with the same effect as if such Successor Entity had been named as the Company herein. Upon consummation of each Fundamental Transaction, the Successor Entity shall deliver to the Holder confirmation that there shall be issued upon exercise of this Warrant at any time after the consummation of the applicable Fundamental Transaction, in lieu of the shares of Common Stock (or other securities, cash, assets or other property (except such items still issuable under Section 4 and Section 5(a), which shall continue to be receivable thereafter)) issuable upon the exercise of this Warrant prior to the applicable Fundamental Transaction, such shares of common stock (or its equivalent) of the Successor Entity (including its Parent Entity) which the Holder would have been entitled to receive upon the happening of the applicable Fundamental Transaction had this Warrant been exercised immediately prior to the applicable Fundamental Transaction (without regard to any limitations or restrictions on the exercise of this Warrant), as adjusted in accordance with the provisions of this Warrant. Notwithstanding the foregoing, the Holder may elect, at its sole option, by delivery of written notice to the Company to waive this Section 5(b) to permit the Fundamental Transaction without the assumption of this Warrant. In addition to and not in substitution for any other rights hereunder, prior to the consummation of each Fundamental Transaction pursuant to which holders of shares of Common Stock are entitled to receive securities or other assets with respect to or in exchange for shares of Common Stock (a "Corporate Event"), the Company shall make appropriate provision to insure that the Holder will, at the election of the Holder, either (x) thereafter have the right to receive upon an exercise of this Warrant at any time after the consummation of the applicable Fundamental Transaction but prior to the Expiration Date, in lieu of the shares of the Common Stock (or other securities, cash, assets or other property (except such items still issuable under Section 4 and Section 5(a), which shall continue to be receivable thereafter)) issuable upon the exercise of the Warrant prior to such Fundamental Transaction, such shares of stock, securities, cash, assets or any other property whatsoever (including warrants or other purchase or subscription rights) which the Holder would have been entitled to receive upon the happening of the applicable Fundamental Transaction had this Warrant been exercised immediately prior to the applicable Fundamental Transaction (without regard to any limitations on the exercise of this Warrant) or (y) treat the Warrant to have been exercised on a cashless basis immediately prior to the effective time of the Fundamental Transaction. The provision made pursuant to the preceding sentence shall be in a form and substance reasonably satisfactory to the Holder. The provisions of this Section 5(b) shall apply similarly and equally to successive Fundamental Transactions and Corporate Events. Notwithstanding the foregoing, in the event of a Change of Control, at the request of the Holder delivered before the 60th day after such Change of Control, the Company (or the Successor Entity) shall purchase this Warrant from the Holder by paying to the Holder, within five (5) Business Days after such request (or, if later, on the effective date of the Change of Control), an amount equal to the Black Scholes Value of the remaining unexercised portion of this Warrant on the effective date of such Change of Control, payable in cash; provided, however, that, if the Change of Control is not within the Company's control, including not approved by the Company's board of directors, Holder shall only be entitled to receive from the Company or any Successor Entity, as of the date of consummation of such Change of Control, the same type or form of consideration (and in the same proportion), at the Black Scholes Value of the unexercised portion of this Warrant, that is being offered and paid to the holders of Common Stock of the Company in connection with the Change of Control, whether that consideration be in the form of cash, stock or any combination thereof, or whether the holders of Common Stock are given the choice to receive from among alternative forms of consideration in connection with the Change of Control.

6 Noncircumvention. The Company hereby covenants and agrees that the Company will not, by amendment of its certificate of incorporation or bylaws, or through any reorganization, transfer of assets, consolidation, merger, scheme of arrangement, 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, and will at all times in good faith carry out all of the provisions of this Warrant and take all action as may be required to protect the rights of the Holder. Without limiting the generality of the foregoing, the Company (i) shall not increase the par value of any shares of Common Stock receivable upon the exercise of this Warrant above the Exercise Price then in effect, (ii) shall take all such actions as may be necessary or appropriate in order that the Company may validly and legally issue fully paid and nonassessable shares of Common Stock upon the exercise of this Warrant (subject to any necessary stockholder approval as provided in Section 2(h)), and (iii) shall, so long as this Warrant remains outstanding, take all action necessary to reserve and keep available out of its authorized and unissued shares of Common Stock, solely for the purpose of effecting the exercise of this Warrant, the number of shares of Common Stock as shall from time to time be necessary to effect the exercise of this Warrant (without regard to any limitations on exercise).

7 Warrant Holder Not Deemed a Stockholder. Except as otherwise specifically provided herein, the Holder, solely in such Person's capacity as a holder of this Warrant, shall not be entitled to vote or receive dividends or be deemed the holder of capital stock of the Company for any purpose, nor shall anything contained in this Warrant be construed to confer upon the Holder, solely in such Person's capacity as the holder of this Warrant, any of the rights of a stockholder of the Company or any right to vote, give or withhold consent to any corporate action (whether any reorganization, issue of stock, reclassification of stock, consolidation, merger, conveyance or otherwise), receive notice of meetings, receive dividends or subscription rights, or otherwise, prior to the issuance to the Holder of the Warrant Shares which such Person is then entitled to receive upon the due exercise of this Warrant. In addition, nothing contained in this Warrant shall be construed as imposing any liabilities on the Holder to purchase any securities (upon exercise of this Warrant or otherwise) or as a stockholder of the Company, whether such liabilities are asserted by the Company or by creditors of the Company. Notwithstanding this Section 7, the Company shall provide the Holder with copies of the same notices and other information given to the stockholders of the Company generally, contemporaneously with the giving thereof to the stockholders; provided, that the Company need not provide the Holder with any material that it files with the SEC on EDGAR.

8 Reissuance of Warrants.

(a) Transfer of Warrant. If this Warrant is to be transferred, the Holder shall surrender this Warrant to the Company, whereupon the Company will forthwith issue and deliver upon the order of the Holder a new Warrant (in accordance with Section 8(d)), registered as the Holder may request, representing the right to purchase the number of Warrant Shares being transferred by the Holder and, if less than the total number of Warrant Shares then underlying this Warrant is being transferred, a new Warrant (in accordance with Section 8(d)) to the Holder representing the right to purchase the number of Warrant Shares not being transferred.

(b) Lost, Stolen or Mutilated Warrant. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant, and, in the case of loss, theft or destruction, of any indemnification undertaking by the Holder to the Company in customary form and, in the case of mutilation, upon surrender and cancellation of this Warrant, the Company shall execute and deliver to the Holder a new Warrant (in accordance with Section 8(d)) representing the right to purchase the Warrant Shares then underlying this Warrant.

(c) Exchangeable for Multiple Warrants. This Warrant is exchangeable, upon the surrender hereof by the Holder at the principal office of the Company, for a new Warrant or Warrants (in accordance with Section 8(d)) representing in the aggregate the right to purchase the number of Warrant Shares then underlying this Warrant, and each such new Warrant will represent the right to purchase such portion of such Warrant Shares as is designated by the Holder at the time of such surrender.

(d) Issuance of New Warrants. Whenever the Company is required to issue a new Warrant pursuant to the terms of this Warrant, such new Warrant (i) shall be of like tenor with this Warrant, (ii) shall represent, as indicated on the face of such new Warrant, the right to purchase the Warrant Shares then underlying this Warrant (or in the case of a new Warrant being issued pursuant to Section 8(a) or Section 8(c), the Warrant Shares designated by the Holder which, when added to the number of shares of Common Stock underlying the other new Warrants issued in connection with such issuance, does not exceed the number of Warrant Shares then underlying this Warrant), (iii) shall have an issuance date, as indicated on the face of such new Warrant which is the same as the Issuance

Date, and (iv) shall have the same rights and conditions as this Warrant.

9 Notices. Whenever notice is required to be given under this Warrant, unless otherwise provided herein, such notice shall be given in accordance with Section 7(f) of the Warrant Issuance Agreement. The Company shall provide the Holder with prompt written notice of all actions taken pursuant to this Warrant, including in reasonable detail a description of such action and the reason therefor. Without limiting the generality of the foregoing, the Company will give written notice to the Holder (i) immediately upon any adjustment of the Exercise Price, setting forth in reasonable detail, and certifying, the calculation of such adjustment and (ii) at least fifteen (15) days prior to the date on which the Company closes its books or takes a record (A) with respect to any dividend or distribution upon the shares of Common Stock, (B) with respect to any grants, issuances or sales of any Options, Convertible Securities or rights to purchase stock, warrants, securities or other property to holders of shares of Common Stock other than Exempt Issuances, for which five (5) days' prior notice shall be given, or (C) for determining rights to vote with respect to any Fundamental Transaction, Change of Control, dissolution or liquidation; provided in each case that such information shall be made known to the public prior to or in conjunction with such notice being provided to the Holder; provided, further, that the Company may delay the disclosure of material non-public information concerning the Company the disclosure of which at the time is not, in the good faith opinion of the board of directors of the Company and its counsel, in the best interest of the Company (a "Disclosure Delay"), in which case the Company will clearly identify any such information as material non-public information in writing, and, prior to delivery of the any notice containing material non-public information, request and obtain written confirmation that the Holder wishes to receive non-public information notwithstanding that it may constitute material non-public information. It is expressly understood and agreed that absent manifest error the time of exercise specified by the Holder in each Exercise Notice shall be definitive and may not be disputed or challenged by the Company.

10 Amendment and Waiver. Any provision of this Warrant may be changed or amended with the prior written consent of the holders of a majority of the Warrants then outstanding including the Initial Holder for so long as the Initial Holder or any of its Affiliates holds any of the Warrants, and the Company, and any provision of this Warrant may be waived with the prior written consent of the Holder.

11 Governing Law; Jurisdiction; Jury Trial. This Warrant shall be governed by and construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation and performance of this Warrant shall be governed by, the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than the State of New York. The Company 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, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of such suit, action or proceeding is improper. The Company 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 by certified mail, return receipt requested, or by delivery to an overnight courier services which provides evidence of delivery, to such party at the address set forth in Section 7(f) of the Warrant Issuance 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 manner permitted by law. Nothing contained herein shall be deemed or operate to preclude the Holder from bringing suit or taking other legal action against the Company in any other jurisdiction to collect on the Company's obligations to the Holder, to realize on any collateral or any other security for such obligations, or to enforce a judgment or other court ruling in favor of the Holder. THE COMPANY HEREBY IRREVOCABLY WAIVES TO THE MAXIMUM EXTENT PROVIDED BY LAW, ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS WARRANT OR ANY TRANSACTION CONTEMPLATED HEREBY.

12 Construction; Headings. This Warrant shall be deemed to be jointly drafted by the Company and the Holder and shall not be construed against any Person as the drafter hereof. The headings of this Warrant are for convenience of reference and shall not form part of, or affect the interpretation of, this Warrant.

13 Dispute Resolution. In the case of a dispute as to the determination of the Exercise Price or the arithmetic calculation of the Warrant Shares, the Company shall submit the disputed determinations or arithmetic calculations via electronic mail within one (1) Business Day of receipt of the Exercise Notice giving rise to such dispute, as the case may be, to the Holder. If the Holder and the Company are unable to agree upon such determination or calculation of the Exercise Price or the Warrant Shares within one (1) Business Day of such disputed determination or arithmetic calculation being submitted to the Holder, then the Company shall, within one (1) Business Day submit via electronic mail (a) the disputed determination of the Exercise Price to an independent, reputable investment bank selected by the Holder and approved by the Company, such approval not to be unreasonably withheld, conditioned or delayed, or (b) the disputed arithmetic calculation of the Warrant Shares to an independent, outside accountant, selected by the Holder and approved by the Company, such approval not to be unreasonably withheld, conditioned or delayed. The Company shall cause at its expense the investment bank or the accountant, as the case may be, to perform the determinations or calculations and notify the Company and the Holder of the results no later than five (5) Business Days from the time it receives the disputed determinations or calculations. Such investment bank's or accountant's determination or calculation, as the case may be, shall be binding upon all parties absent demonstrable error.

14 Remedies, Other Obligations, Breaches And Injunctive Relief. The remedies provided in this Warrant shall be cumulative and in addition to all other remedies available under this Warrant and the other Transaction Documents (as defined in the Warrant Issuance Agreement), at law or in equity (including a decree of specific performance or other injunctive relief), and nothing herein shall limit the right of the Holder to pursue actual damages for any failure by the Company to comply with the terms of this Warrant. The Company acknowledges that a breach by it of its obligations hereunder will cause irreparable harm to the Holder and that the remedy at law for any such breach may be inadequate. The Company therefore agrees that, in the event of any such breach or threatened breach, the holder of this Warrant shall be entitled, in addition to all other available remedies, to an injunction restraining any breach, without the necessity of showing economic loss and without any bond or other security being required.

15 Transfer. This Warrant and the Warrant Shares may be offered for sale, sold, transferred, pledged or assigned without the consent of the Company subject to compliance with applicable federal and state securities laws.

16 Severability. If any provision of this Warrant is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Warrant so long as this Warrant as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

17 Disclosure. Upon receipt or delivery by the Company of any notice in accordance with the terms of this Warrant, subject to any Disclosure Delay, unless the Company has in good faith determined that the matters relating to such notice do not constitute material, nonpublic information relating to the Company or its Subsidiaries, the Company shall within one (1) Business Day after any such receipt or delivery publicly disclose such material, nonpublic information on a Current Report on Form 8-K or otherwise.

[*Intentionally left blank*

Signature page follows.]

IN WITNESS WHEREOF, the Company has caused this Warrant to Purchase Common Stock to be duly executed as of the Issuance Date set forth above.

QUEST PATENT RESEARCH CORPORATION

By: /s/ Jon S. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

EXHIBIT A

EXERCISE NOTICE
TO BE EXECUTED BY THE REGISTERED HOLDER TO EXERCISE THIS
WARRANT TO PURCHASE COMMON STOCK

QUEST PATENT RESEARCH CORPORATION

The undersigned holder hereby exercises the right to purchase _____ of the shares of Common Stock ("Warrant Shares") of Quest Patent Research Corporation, a Delaware corporation (the "Company"), evidenced by the attached Warrant to Purchase Common Stock (the "Warrant"). Capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in the Warrant.

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

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

_____ a "Cashless Exercise" with respect to _____ Warrant Shares.

2. Payment of Exercise Price. 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 Aggregate Exercise Price in the sum of $_____ to the Company in accordance with the terms of the Warrant.

3. Delivery of Warrant Shares. The Company shall deliver to the holder _____ Warrant Shares in accordance with the terms of the Warrant. Delivery shall be made to Holder, or for its benefit, as follows:

_____ Check here if requesting delivery as a certificate to the following name and to the following address:

Issue to: _____

_____

_____

_____ Check here if requesting delivery by Deposit/Withdrawal at Custodian as follows:

DTC Participant: _____

DTC Number: _____

Account Number: _____

Date: _____ __, _____

_____
Name of Registered Holder

By: _____
Name:
Title

ACKNOWLEDGMENT

The Company hereby acknowledges this Exercise Notice and hereby directs [●] to issue the above indicated number of shares of Common Stock in accordance with the Transfer Agent Instructions dated [●] [●], 2021, from the Company and acknowledged and agreed to by Continental Stock Transfer and Trust Company.

QUEST PATENT RESEARCH CORPORATION

By: _____
Name: [●]
Title: [●]

Exhibit 99.9

Restructure Agreement Final Clean

RESTRUCTURE AGREEMENT

RESTRUCTURE AGREEMENT (the "**Agreement**"), dated as of February 19, 2021, by and among Quest Patent Research Corporation, a Delaware corporation, ("**Quest**" or "**Company**"), Quest Licensing Corporation, a Delaware corporation ("**QLC**"), Mariner IC Inc., a Texas corporation ("**Mariner**"), Semcon IP Inc., a Texas corporation ("**Semcon**"), IC Kinetics Inc., a Texas corporation ("**IC**"), Quest NetTech Corporation, a Texas corporation (as successor to Wynn Technologies Inc.) ("**NetTech**"), CXT Systems, Inc., a Texas corporation ("**CXT**"), M-Red Inc., a Texas Corporation ("**MRED**"), Audio Messaging Inc., a Texas corporation ("**AMI**"), Intelligent Partners LLC, as transferee of United Wireless Holdings, Inc., a Delaware limited liability (the "**Holder**"), Andrew C. Fitton ("**Fitton**") and Michael Carper ("**Carper**"). QLC, Mariner, Semcon, IC, NetTech, CXT, MRED and AMI are subsidiaries of the Company and are referred to collectively as the "**Restructure Subsidiaries**." (Holder and the Company are collectively referred to herein as the "**Parties**" and each individually as a "**Party**.").

WHEREAS:

A. The Company, together with certain of its subsidiaries, and United Wireless Holdings, Inc. ("**United**"), entered into a Securities Purchase Agreement dated October 22, 2015 (the "**SPA**") pursuant to which the Company sold 50,000,000 shares (the "**Shares**") of the Company's common stock, par value $0.00003 per share (the "**Common Stock**") at a price of $0.005 per share, and granted United an option (the "**2015 Purchase Option**") to purchase up to an additional 50,000,000 shares of Common Stock in three tranches at the prices as set forth therein. The 2015 Purchase Option expired unexercised on September 30, 2020.

B. Contemporaneously with the execution and delivery of the SPA, the Company authorized the issuance of its 10% secured convertible notes (the "**Notes**"), due and payable in full on September 30, 2020 (the "**Maturity Date**"), as of the Maturity Date the Company had issued Notes in the aggregate principal amount of $4,672,810 ("**Principal**") and did not make payment on the Maturity Date and the Principal amount of the Notes remains outstanding. As of the date hereof, Holder transferred to Andrew Fitton ("**Fitton**") and Michael Carper ("**Carper**", and together with Fitton, the "**Purchasers**" and each, individually a "**Purchaser**") $250,000 principal amount of the Notes held by Holder, thereby reducing the principal amount of the Notes held by Holder to $4,422,810, the transferred note being referred to as the "**Transferred Note**"; and

C. Contemporaneously with the execution and delivery of the SPA, the Company and United entered into a Monetization Proceeds Agreements dated October 22, 2015 ("**2015 MPA-CP**"), pursuant to which the Company granted a Net Proceeds Percentage interest in Net Proceeds, as defined therein; a Patent Proceeds Security Interest Agreement dated October 19, 2015 (the "**2015 Patent Proceeds Security Agreement**") pursuant to which the Company and the SPA Subsidiaries granted a security interest in certain Patent Collateral of the SPA Subsidiaries, as defined therein; a Pledge and Security Agreement dated October 22, 2015 (the "**2015 Pledge Agreement**") pursuant to which the Company and the Pledged Subsidiaries pledged certain Collateral (as defined in the 2015 Pledge Agreement) as security pursuant to the 2015 Pledge Agreement; and a Registration Rights Agreement, (the "**2015 Registration Rights Agreement**"), pursuant to which the Company agreed to provide to Holder certain registration rights with respect to the registration under the 1933 Act of the Registrable Securities (as defined in the 2015 Registration Rights Agreement).

D. Pursuant to a monetization proceeds agreement dated July 31, 2017 ("**2017 MPA-CXT**"), CXT Systems Inc., a wholly owned subsidiary of the Company, granted United a Net Proceeds Percentage interest in Net Proceeds in the Patents, as defined therein, secured by the security interest addendum dated August 4, 2017 and attached as an exhibit to the 2017 MPA-CXT (the "**2017 Securities Interest Addendum**").

E. United's rights and obligations to and under the SPA Transaction Documents (as defined below) and the 2017 MPA-CXT and the 2017 Securities Interest Addendum, have been transferred to Holder and the Shares have been transferred to the members of Holder.

F. The Company and Holder agree, upon the terms and conditions stated in this Agreement, to terminate or amend and restate the SPA Transaction Documents, the 2017 MPA-CXT and the 2017 Securities Interest Addendum; and

G. In conjunction with the execution and delivery of this Agreement, the Company is entering into a Prepaid Forward Purchase Agreement (as such agreement may be amended from time to time, the "**Purchase Agreement**") and other Investment Documents, as such term is defined in the Purchase Agreement (the "**Investment Documents**"), with QPRC Finance LLC ("**QFL**") and it is a condition precedent to QFL entering into the Purchase Agreement and the Investment Documents that Holder execute the QFL Release (as defined below); and

H. To induce Holder to enter into the QFL Release and this Agreement and the transactions contemplated herein, the Company has agreed, pursuant to, and upon the terms and conditions of this Agreement, to:

(i) pay Holder $1,750,000 in cash against the outstanding Principal amount of the Note ("**Cash Payment**"),

(ii) issue, upon the terms and conditions stated in the Stock Purchase Agreement (as defined below), 46,296,296 shares (the "**Conversion Shares**") of the Company's restricted Common Stock upon conversion of the Transferred Note,

(iii) grant the Holder a Restructure Option (as defined below) to purchase the Option Shares (as defined below) pursuant to an Option Grant (as defined below) at the price as set forth therein,

(iv) amend and restate the 2015 Pledge Agreement to be consistent with this Agreement,

(v) amend and restate the 2015 Registration Rights Agreement to be consistent with this Agreement,

(vi) agree that, for so long as the Total Monetization Proceeds Obligation, as defined herein, is outstanding, any New Assets, as defined herein, shall, upon acquisition or assignment, be subject to the MP-NA (as defined below) and the MPA-NA Security Interest Agreement (as defined below) with Holder, with such agreements to terminate upon satisfaction of the Total Monetization Proceeds Obligation,

(vii) agree that for so long as the Total Monetization Proceeds Obligation, as defined herein, is outstanding, Holder shall have certain observation rights in respect of the board of directors of the Company (the "**Board**"), pursuant to, and upon the terms and conditions of, the Board Observation Agreement, as defined below,

I. To induce Holder to enter into the QFL Release and this Agreement, pursuant to and upon the terms herein, the Company, QLC, Mariner, Semcon, IC and NetTech have agreed, pursuant to, and upon the terms and conditions of this Agreement, to amend and restate the 2015 MPA-CP in its entirety,

J. To induce Holder to enter into the QFL Release and this Agreement, pursuant to and upon the terms herein, CXT has agreed, pursuant to, and upon the terms and conditions of this Agreement, to amend and restate the 2017 MPA-CXT in its entirety,

K. To induce Holder to enter into the QFL Release and this Agreement, pursuant to and upon the terms herein, MRED and AMI have agreed, pursuant to, and upon the terms and conditions of this Agreement, to enter into new monetization proceeds agreement with respect to MRED and AMI,

L. To secure their obligations to Holder under this Agreement and the other Restructure Documents, as defined below, pursuant to and upon the terms herein, the Company, QLC, Mariner, Semcon, IC, NetTech, CXT, MRED and AMI have agreed, to amend and restate the 2015 Patent Proceeds Security Agreement to be consistent with this Agreement,

NOW, THEREFORE, in consideration of the promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company, the Restructure Subsidiaries and Holder hereby agree as follows:

1. DEFINITIONS

"**Affiliates**" means, with respect to any Person, any other Person that directly or indirectly controls, is controlled by, or is under common control with, such Person, it being understood for purposes of this definition that "**control**" of a Person means the power directly or indirectly either to vote 50% or more of the stock having ordinary voting power for the election of directors of such Person or direct or cause the direction of the management and policies of such Person whether by contract or otherwise.

"**Business Day**" means any day other than Saturday, Sunday or other day on which commercial banks in The City of New York are authorized or required by law to remain closed.

"**Change of Control**" means any Fundamental Transaction other than (i) any reorganization, recapitalization or reclassification of the Common Stock in which holders of the Company's voting power immediately prior to such reorganization, recapitalization or reclassification continue after such reorganization, recapitalization or reclassification to hold publicly traded securities and, directly or indirectly, are, in all material respect, the holders of the voting power of the surviving entity (or entities with the authority or voting power to elect the members of the board of directors (or their equivalent if other than a corporation) of such entity or entities) after such reorganization, recapitalization or reclassification or (ii) pursuant to a migratory merger effected solely for the purpose of changing the jurisdiction of incorporation of the Company or (iii) any transaction which has been approved by the Holder or (iv) any transaction or series of transactions whereby the Holder or any of Holder's Affiliates acquire a beneficial ownership interest of 35% or more of the Company's voting stock.

"**Closing Date**" has the meaning given to that term in Section 2(e).

"**Event of Default**" means (i) a Change of Control (ii) any uncured payment default in an amount totaling in excess of $275,000, which is not the subject of a Dispute or other formal dispute resolution proceeding initiated in good faith pursuant to this Agreement or other Restructure Documents (iii) the filing of a voluntary petition for relief under the United States Bankruptcy Code by Company or any of its material subsidiaries, (iv) the filing of an involuntary petition for relief under the United States Bankruptcy Code against the Company, which is not stayed or dismissed within sixty (60) days of such filing, except for an involuntary petition for relief filed solely by Holder, or any Affiliate or member of Holder, or (v) acceleration of an obligation in excess of $1 million dollars to another provider of financing following a final determination by arbitration or other judicial proceeding that such obligation is due and owing.

"**Exercise Price**" has the meaning given to that term in the Option Grant.

"**Fundamental Transaction**" means that (A) the Company shall, directly or indirectly, in one or more related transactions, (i) consolidate or merge with or into (whether or not the Company is the surviving corporation) another Person or Persons, or (ii) sell, assign, transfer, convey or otherwise dispose of all or substantially all of the properties or assets of the Company to another Person, or (iii) allow another Person to make a purchase, tender or exchange offer that is accepted by the holders of more than the 50% of the outstanding shares of Voting Stock (not including any shares of Voting Stock held by the Person or Persons making or party to, or associated or Affiliated with the Persons making or party to, such purchase, tender or exchange offer), or (iv) consummate a stock purchase agreement or other business combination (including, without limitation, a reorganization, recapitalization, spin-off or scheme of arrangement) with another Person whereby such other Person acquires more than the 50% of the outstanding shares of Voting Stock (not including any shares of Voting Stock held by the other Person or other Persons making or party to, or associated or Affiliated with the other Persons making or party to, such stock purchase agreement or other business combination), or (B) any "**Person**" or "**group**" (as these terms are used for purposes of Sections 14(d) and 15(d) of the Exchange Act) is or shall become the "**beneficial owner**" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of 50% of the aggregate ordinary voting power represented by issued and outstanding Common Stock.

"**GAAP**" means United States generally accepted accounting principles, consistently applied.

"**Gross Monetization Proceeds**" has the meaning, with respect to a Restructure MPA, given to that term in the relevant Restructure MPA.

"**Initial TMPO**" has the meaning given to that term in Section 4(a).

"**Late Payment Charge**" means a late charge on any overdue amounts under any Restructure Document, calculated at the rate of one percent (1%) per month, accrued daily from the date due until paid.

"**Litigation Financing**" means capital provided to the Company or any Affiliate by a Litigation Funder for the purpose of achieving Gross Monetization Proceeds or NA Gross Monetization Proceeds.

"**Litigation Funder**" means any Person providing Litigation Financing to the Company or any Affiliate.

"**Material Adverse Effect**" means any material adverse effect on the business, properties, assets, liabilities, operations, results of operations, condition (financial or otherwise) or prospects of the Company individually, or the Company and its Affiliates taken as a whole, or on the transactions contemplated hereby or in the other Restructure Documents or by the agreements and instruments to be entered into in connection herewith or therewith, or on the authority or ability of the Company to perform any of its material obligations under any of the Restructure Documents.

"**Monetization**" means to sell, license, enforce or otherwise monetize the intellectual property rights of the Company and its Affiliates.

"**MPA-AMI**" has the meaning given to that term in Section 2(b).

"**MPA-CP**" has the meaning given to that term in Section 2(b).

"**MPA-CXT**" has the meaning given to that term in Section 2(b).

"**MPA-MR**" has the meaning given to that term in Section 2(b).

"**MPA-NA**" has the meaning given to that term in Section 2(c).

"**MPA-NA Security Interest Agreement**" has the meaning given to that term in Section 2(c).

"**NA Documents**" has the meaning given to that term in Section 2(c).

"**NA Calculation Quarter**" has the meaning given to that term in Section 4(f).

"**NA Company Net Proceeds**" has the meaning given to that term in Section 4(f).

"**NA Gross Monetization Proceeds**" has the meaning given to that term in the MPA-NA.

"**NA Net Proceeds**" has the meaning given to that term in the MPA-NA.

"**NA Net Proceeds Percentage**" has the meaning given to that term in Section 4(f).

"**Net Proceeds**" has the meaning, with respect to a Restructure MPA, given to that term in the relevant Restructure MPA.

"**Net Proceeds Payments**" means any payment made to Holder after the Restructure Date solely as a result of Gross Monetization Proceeds and payable pursuant to this Agreement, the MPA-NA or the Restructure MPAs but excluding payment to Holder pursuant to any Restructure Document of any (i) Late Payment Charge, (ii) reimbursement for the cost of inspection, or (iii) attorney fees.

"**New Assets**" means any and all patents or other intellectual property rights acquired by the Company, or its Affiliates after the Date of Restructure but prior to the TMPO Extinguishment Date.

"**Option Grant**" has the meaning given to that term in Section 2(a).

"**Option Shares**" has the meaning given to that term in Section 2(a).

"**Other Closing Documents**" has the meaning given to that term in Section 2(d).

"**Patent Owner's Attorney**" means any legal counsel engaged to represent the Company or any Affiliate with respect to any of its or their intellectual property rights.

"**QFL**" is defined in Recital F.

"**QFL Release**" has the meaning given to that term in Section 2(d).

"**QFL Subordination Agreement**" has the meaning given to that term in Section 2(d).

"**Representatives**" means any legal counsel, accountant and financial advisor that has been engaged by Holder to discuss matters or information pertaining to, involving or otherwise relating to this Agreement, the MPA-NA or the Restructure Documents.

"**Restructure Date**" has the meaning given to that term in Section 3(a).

"**Restructure Document**" has the meaning given to that term in Section 2(b).

"**Restructure MPAs**" mean together, the MPA-AMI, the MPA-CP, the MPA-CXT and the MPA-MR and each being a "**Restructure MPA**". For the avoidance of doubt, the MPA-NA shall not constitute a Restructure MPA.

"**Restructure Option**" has the meaning given to that term in Section 2(a).

"**Restructure Subsidiaries**" has the meaning given to that term in the lead in to this Agreement.

"**SPA Transaction Documents**" means the documents defined as the Transaction Documents in the SPA.

"**Stock Purchase Agreement**" has the meaning given to that term in Section 2(a).

"**Total Monetization Proceeds Obligation** or **TMPO**" means as of the Restructure Date, the Initial TMPO, and thereafter shall mean the then outstanding amount after reduction in accordance with Section 4(b) hereof. The TMPO may be prepaid by the Company at any time without penalty.

"**TMPO Extinguishment Date**" has the meaning given to that term in Section 4(b).

"**Transfer Agent**" means Continental Stock Transfer & Trust Co.

2. CLOSING DATE.

(a) Conversion Shares and Restructure Option. On the Closing Date the Company shall:

(i) Conversion Shares. Issue to Purchasers and Purchasers agree to accept, in full satisfaction of the principal and accrued interest on the Transferred Note, from the Company, 46,296,296 Shares of the Company's restricted Common Stock (the "**Conversion Shares**") pursuant to the Stock Issuance Agreement attached hereto as ***Exhibit A*** (the "**Stock Purchase Agreement**"),

1. Company shall deliver to Purchasers the Conversion Shares, duly executed on behalf of the Company and its Transfer Agent and registered in the name of Purchasers or their designee(s), provided, however, that in the event the Company is unable to deliver a certificate for the Conversion Shares on the Closing Date, the Company shall provide to Purchasers evidence that (x) it has delivered

irrevocable instructions to its Transfer Agent as to the issuance of the Conversion Shares and (y) the Transfer Agent shall have confirmed that the Conversion Shares will be issued and delivered directly to Purchasers within five business days; and

(ii) Restructure Option. Grant to the Holder an option (the "**Restructure Option**") to purchase up to 50,000,000 shares of Common Stock (the "**Option Shares**") pursuant to an option instrument at the prices as set forth therein, attached hereto as ***Exhibit B*** (the "**Option Grant**"),

the issue of the Conversion Shares and the grant of the Option Grant, together the "**Company Closing Obligations**".

(b) Restructure Documents. On the Closing Date, Holder, Company, and the Restructure Subsidiaries, as applicable, shall each execute and deliver:

(i) the Stock Purchase Agreement;

(ii) the Option Grant;

(iii) the Amended and Restated Pledge Agreement, attached hereto as ***Exhibit C*** (the "**Pledge Agreement**");

(iv) the Amended and Restated Registration Rights Agreement, attached hereto as ***Exhibit D*** (the "**Registration Rights Agreement**");

(v) the Board Observation Agreement, attached hereto as ***Exhibit E*** (the "**Board Observation Agreement**")

(vi) the Amended and Restated MPA-CP, attached hereto as ***Exhibit F*** (the "**MPA-CP**");

(vii) the Amended and Restated MPA-CXT, attached hereto as ***Exhibit G*** (the "**MPA-CXT**");

(viii) the M-Red Inc. monetization proceeds agreement, attached hereto as ***Exhibit H*** (the "**MPA-MR**")

(ix) the Audio Messaging Inc. monetization proceeds agreement, attached hereto as ***Exhibit I*** (the "**MPA-AMI**")

(x) the Amended and Restated 2015 Patent Proceeds Security Agreement, attached hereto as ***Exhibit J*** (the "**Patent Proceeds Security Agreement**"),

each of the foregoing documents at sub-clauses (i) through (x) a "**Restructure Document**" and collectively the "**Restructure Documents**".

(c) New Asset Documents. On the Closing Date, Holder and Company shall each execute and deliver:

(i) the MPA-NA attached hereto as ***Exhibit K*** (the "**MPA-NA**"), and

(ii) the MPA-NA Security Interest Agreement attached hereto as ***Exhibit L*** (the "**MPA-NA Security Interest Agreement**"),

each of the foregoing documents at sub-clauses (i) and (ii) a "**NA Document**" and collectively the "**NA Documents**".

(d) Other Closing Documents. On the Closing Date, Company shall deliver to Holder the Purchase Agreement and all Investment Documents in the form they will be executed by QFL and Company and Holder and QFL shall each execute and deliver:

(i) the Mutual Release and Covenant Not to Sue, attached hereto as ***Exhibit M*** ("**QFL Release**"); and

(ii) the Subordination Agreement attached hereto as ***Exhibit N*** (the "**QFL Subordination Agreement**") (the QFL Subordination Agreement and the QFL Release, together the "**Other Closing Documents**").

(e) Cash Payment. Upon receipt by QFL of the fully executed Restructure Documents, NA Documents and Other Closing Documents, Company shall pay or cause to be paid $1,750,000 to Holder in accordance with the payment instructions herein ("**Cash Payment**").

(f) Closing Date. The date and time of the closing (the "**Closing Date**") shall be 10:00 a.m., New York City time, on the date of this Agreement (or such other date and time as is mutually agreed to by the Company, the Restructure Subsidiaries and the Holder) and shall be undertaken remotely by electronic transfer of closing documents.

3. RESTRUCTURE DATE

(a) Conditions to Restructure Date. The "**Restructure Date**" shall occur on the date that the Company notifies Holder in writing that all of the following conditions precedent have been satisfied:

(i) performance by the Company of the Company Closing Obligations;

(ii) the execution and delivery by the Holder, Company, and the Restructure Subsidiaries, as applicable of each Restructure Document required to be executed and delivered by each of them;

(iii) the execution and delivery by Company and Holder of the NA Documents;

(iv) the execution and delivery by Holder and QFL of the Other Closing Documents;

(v) the execution and delivery of the Purchase Agreement and all Investment Documents by the Company and QFL in the form delivered to Holder on the Closing Date in all material respects with delivery of a copy of all such executed documents to Holder, and

(vi) the payment by or on behalf of the Company of the Cash Payment.

(b) Note Extinguishment; Transferred Note Extinguishment, Termination or Amendment and Restatement of SPA Transaction Documents. On the Restructure Date, the Note shall be extinguished and terminated as if paid in full on the Maturity Date (as defined therein), the Transferred Note shall be extinguished and terminated as if paid in full on the Maturity Date (as defined therein) and the SPA Transaction Documents and 2017 MPA-CXT, including all

exhibits thereto, shall be terminated or amended and restated as agreed by the Parties in this Agreement and the Restructure Documents. For the avoidance of doubt, any SPA Transaction Document not expressly amended and restated pursuant to this Agreement or other Restructure Documents shall terminate as of the Restructure Date and be of no further force and effect;

(i) contemporaneously with the execution of this Agreement, Holder shall mark the Note "cancelled" and Purchasers shall mark the Transferred Note "cancelled", in each case to reflect the full and final extinguishment of the Note and Transferred Note effective as of the Restructure Date and return the marked Note and marked Transferred Note to the Company; provided, however, that, subject to performance by the Company of the Company Closing Obligations, the failure to so mark and return the Note and/or the Transferred Note, shall not affect in any manner the full and final satisfaction of the Note and/or Transferred Note (as the case may be) pursuant to this Agreement effective as of the Restructure Date.

(c) Mutual Release. Effective as of the Restructure Date:

(i) Holder releases all of Holder's interest in any Gross Monetization Proceeds held in escrow on or prior to the Restructure Date; and

(ii) Company and Holder, on behalf of themselves and of their respective successors, permitted assigns, and past, present and future members, shareholders, employees, officers, directors, subsidiaries, parent entities, attorneys, principals, trustees, representatives, agents, partners, affiliates, partnerships, divisions, insurers, reinsurers, heirs, executors, associates, and administrators release the other Parties hereto from any and all claims, suits, obligations, costs, damages, losses, claims for sums of money, contract, controversies, agreements, judgments, and demands whatsoever, debts, liabilities, actions, and causes of action of any nature, known or unknown, suspected or unsuspected, at law or in equity, fixed or contingent, which they have, may claim to have, or may claim to have had as of the Restructure Date arising out of, based upon, attributable to, or in connection with the Transaction Documents (as defined in the SPA) and 2017 MPA-CXT including all exhibits thereto. Nothing in this release shall be interpreted as releasing either Party from their respective obligations as set forth in this Agreement or other Restructure Document, or from claims or causes of action arising out of any breach upon or after the Restructure Date of the obligations set forth in the Restructure Documents or this Agreement or any new agreement entered into implementing this Agreement. For the avoidance of doubt, nothing in this release shall be interpreted to release Company or any of the Restructure Subsidiaries from their respective obligations as set forth in this Agreement or other Restructure Document upon or after the Restructure Date.

4. FURTHER CONSIDERATION; TMPO; NET PROCEEDS

(a) Initial TMPO. As of and effective the Restructure Date, the "**Initial TMPO**" shall be a total monetization proceeds obligation of $2,805,000.

(b) TMPO Reduction; TMPO Extinguishment. From and after the Restructure Date, the TMPO shall be reduced on a dollar for dollar basis (each such reduction in the TMPO, a "**TMPO Reduction**") by:

(i) any payment to Holder contemplated hereunder, in the Restructure MPAs and the MPA-NA solely as a result of Gross Monetization Proceeds and payable pursuant to this Agreement, the MPA-NA or the Restructure MPAs but excluding payment to Holder pursuant to any Restructure Document of any (i) Late Payment Charge, (ii) reimbursement for the cost of inspection, or (iii) attorney fees; and

(ii) any election by the Holder to pay the Exercise Price of Holder's Option Grant, in whole or part, by means of a reduction in the then outstanding TMPO, whereby the Exercise Price shall be deemed satisfied on a dollar for dollar basis by a corresponding reduction in the outstanding TMPO; and

the date that the TMPO is repaid in full being the "**TMPO Extinguishment Date**".

(c) TMPO Acceleration. If an Event of Default shall occur and be continuing, the then outstanding TMPO shall become immediately due and payable.

(d) New Assets; Reduction of TMPO. The Company and Holder agree that for any New Asset acquired from the Restructure Date until the TMPO Extinguishment Date, the MPA-NA and MPA-NA Security Interest Agreement shall be deemed updated to include any such New Asset as a Patent (as defined in the MPA-NA).

(e) Holder herby acknowledges and agrees that, in addition to any Senior Liens, as defined in the MPA-NA, any security interest in NA Company Net Proceeds (as defined below) from New Assets granted to Holder pursuant to the MPA-NA, is expressly subordinated in right of payment to (a) QFL in accordance with the terms of the Purchase Agreement and other Investment Documents, (b) Patent Owner's Attorney for Fees and Costs (as defined in MPA-NA) and (c) any Litigation Funder and patent acquisition finance providers (including any seller's deferred payments) for Fees and Costs (as defined in MPA-NA).

(f) NA Net Proceeds Percentage. During the period from the Restructure Date to the TMPO Extinguishment Date:

(i) where NA Net Proceeds (as defined in the MPA-NA) are due to Company from New Assets (such NA Net Proceeds due to Company from New Assets, the "**NA Company Net Proceeds**"), the net proceeds percentage (each the relevant "**NA Net Proceeds Percentage**") of such NA Company Net Proceeds payable to Holder pursuant to the MPA-NA, shall be as follows:

1. in any NA Calculation Quarter (as defined below) where NA Company Net Proceeds are in an aggregate amount between $0 and $1,000,000, the NA Net Proceeds Percentage shall be ten percent (10%) for such NA Company Net Proceeds;

2. in any NA Calculation Quarter where NA Company Net Proceeds are in an aggregate amount between $1,000,001 to $3,000,000, (i) the NA Net Proceeds Percentage shall be thirty percent (30%) for that portion of NA Company Net Proceeds that are in excess of $1,000,001, and (ii) the NA Net Proceeds Percentage shall be ten percent (10%) for the portion of NA Company Net Proceeds between $0 and $1,000,000; and

3. in any NA Calculation Quarter where NA Company Net Proceeds are in an aggregate amount in excess of $3,000,000, (i) the NA Net Proceeds Percentage shall be fifty percent (50%) for that portion of NA Company Net Proceeds that are in excess of $3,000,001, (ii) the NA Net Proceeds Percentage shall be thirty percent (30%) for the portion of NA Company Net Proceeds between $1,000,001 and $3,000,000; and (iii) the NA Net Proceeds Percentage shall be ten percent (10%) for the portion of NA Company Net Proceeds that is between $0 and $1,000,000,

where "**NA Calculation Quarter**" means, in each calendar year, the four periods from (a) January 1 to March 31, (b) April 1 to June 30, (c) July 1 to September 30 and (d) October 1 to December 31 respectively.

(ii) the calculation of NA Company Net Proceeds shall be made on a separate per NA Calculation Quarter basis and for the purposes of the calculation of the aggregate amount of NA Company Net Proceeds in any NA Calculation Quarter used to the determine the NA Net Proceeds Percentage for that particular NA Calculation Quarter, the amount of NA Company Net Proceeds shall reset to zero on the first day of such NA Calculation Quarter,

(iii) The Company may prepay the TMPO at any time without penalty,

(iv) on the TMPO Extinguishment Date, this Section 4(f) shall be of no further force and effect and Holder shall not be entitled to any payments from any New Assets,

(v) receipt and recognition of NA Gross Monetization Proceeds shall be in accordance with GAAP, and

(vi) the Company shall not delay or structure the payment of any NA Gross Monetization Proceeds so as to provide that monetization events involving multiple payments and other non-cash or structured arrangements that involve NA Company Net Proceeds would circumvent the intention of Section 4(f)(i) above.

(g) Audit. In addition to any access and audit rights held by Holder pursuant to the Restructure Documents and the NA Documents, in any NA Calculation Quarter during which the consolidated financial statements filed by the Company on Form 10-K or Form 10-Q with the SEC report Revenues in excess of $1,000,000, within 30 days of such filing and upon at least five (5) business days prior written notice to the Company, the Company shall make such books and records related to the calculation of NA Net Proceeds Percentage payments made during the NA Calculation Quarter available at reasonable times during regular business hours for inspection by Holder, or their designated representatives, and supply Holder with the details and supporting data necessary to verify the distribution reports provided pursuant to the MPA-NA and NA Net Proceeds Percentage payments made during the NA Calculation Quarter. In the event any such inspection shows an underpayment to Holder of the NA Net Proceeds Percentage by Company or one of its Affiliates for any NA Calculation Quarter period, Company shall promptly pay to Holder any such amounts plus a Late Payment Charge on such amounts. Furthermore, if such underpayment is more than the greater of (A) 5% of the total royalties due for the period audited or (B) $10,000, or if the audit shows that any under-reporting was willful, Company shall reimburse Holder for the cost of the inspection within thirty (30) days after any such finding of underpayment.

(h) Satisfaction of TMPO. On the TMPO Extinguishment Date:

(i) the MPA-NA and MPA-NA Security Interest Agreement shall terminate and any security interest granted pursuant to the MPA-NA Security Interest Agreement shall be released;

(ii) Section 4(d)of this Agreement shall be of no further force and effect;

(iii) Section 4(f) of this Agreement shall be of no further force and effect;

(iv) Holder's rights of Audit set out in Section 4(g) of this Agreement shall terminate and be of no further force and effect; and

(v) Holder shall not be entitled to any payments from any New Assets on or following the TMPO Extinguishment Date irrespective of the date that any New Asset was purchased by the relevant Patent Owner or any NA Gross Monetization Proceeds are received by the relevant Patent Owner.

5. HOLDER AND PURCHSAERS' REPRESENTATIONS AND WARRANTIES. Holder represents and warrants that:

(a) Note Ownership. Holder owns 100% of the Notes;

(b) Organization. Holder is a limited liability company duly formed, validly existing, and in good standing under the laws of the jurisdiction of its formation;

(c) Authorization, Approvals and Consents. Holder has all requisite power and authority and has obtained any and all authorizations, approvals and consents necessary to enter into, execute, and deliver this Agreement and all other documents contemplated herein and to perform fully its obligations hereunder and thereunder; and

(d) Validity; Enforcement. This Agreement, the Restructure Documents, the Other Closing Documents and the NA Documents have been duly and validly authorized, executed and delivered on behalf of Holder and shall constitute the legal, valid and binding obligations of Holder enforceable against Holder in accordance with their respective terms, except as such enforceability may be limited by general principles of equity or to applicable bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies.

Purchasers represent and warrant that Purchasers own 100% of the Transferred Note.

6. REPRESENTATIONS AND WARRANTIES OF THE COMPANY AND THE RESTRUCTURE SUBSIDIARIES. The Company and the Restructure Subsidiaries represent and warrant to the Holder that:

(a) Organization. The Company and each Restructure Subsidiary is a corporation duly formed, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation and have the corporate power and authority to carry on their business as it is now being conducted;

(b) Authorization, Approvals and Consents. The Company and each Restructure Subsidiary, as applicable, has the power and authority and has obtained any and all authorizations, approvals and consents necessary to enter into and perform their respective obligations under this Agreement, the Restructure Documents and, in the case of the Company only, the NA Documents.

(c) Validity; Enforcement. As of the Restructure Date, this Agreement, the Restructure Documents, and the NA Documents, have been duly and validly authorized, executed and delivered on behalf of the Company and each Restructure Subsidiary, as applicable, and shall constitute the legal, valid and binding obligations of the Company and each Restructure Subsidiary, as applicable, enforceable against the Company and each Restructure Subsidiary, as applicable, in accordance with their respective terms, except as such enforceability may be limited by general principles of equity or to applicable bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies.

7. COVENANTS.

(a) Corporate Existence. So long as the TMPO is outstanding, the Company shall maintain its corporate existence and shall not be party to any Fundamental Transaction unless the Company is in compliance with the applicable provisions governing Fundamental Transactions set forth in the Restructure Documents.

(b) Conduct of Business. The business of the Company and the Restructure Subsidiaries shall not be conducted in violation of any law, ordinance or regulation of any governmental entity, except where such violations would not result, either individually or in the aggregate, in a Material Adverse Effect.

(c) Other Restrictions. The Holder shall not sell or otherwise engage in transactions in the Company's Common Stock or assist or advise others in selling or otherwise engaging in transactions in the Company's Common Stock at any time when the Holder is in possession of material non-public information concerning the Company. For the avoidance of doubt, any information provided to Holder's Board Observer or Representative, as defined in the Board Observation Agreement, shall be deemed to have been provided to Holder.

(d) Voting in Favor of Reverse Split of Common Stock. While Holder owns any Common Stock of the Company, Holder shall, and shall cause each Affiliate and each transferee, nominee or designee (other than a transferee resulting from a sale or other transfer pursuant to a registration statement or pursuant to a sale pursuant to Rule 144, 144A) of Shares, the Conversion Shares, Option Shares or shares purchased on the public market to vote such shares in favor of any reverse split of the Common Stock for such purpose which is submitted to stockholders for their vote at a meeting or their written consent provided, however, that such proposed reverse split of the Common Stock treats all holders of Common Stock equally and without preference. The Company shall have the discretion as to whether any change in authorized Common Stock be effected through a reverse split.

8. CONFIDENTIALITY

(a) Confidential Information. The Company and Holder have entered into a confidentiality agreement pursuant to which the Parties shall limit the distribution and disclosure of Confidential Information (as defined therein) to their Representatives who have a "need to know" to such information. The Party disclosing the Confidential Information to its Representatives shall ensure that such Representatives adhere to, and comply with, all terms and obligations of confidentiality, use and protection of the Confidential Information as accepted by the Parties under this Agreement.

(b) Limitations on Disclosure of Confidential Information. The Parties and their Representatives shall not disclose Confidential Information, or the fact that the Parties entered into this Agreement, unless: (i) the Parties agree in writing that such disclosure is acceptable, (ii) such disclosure is required in connection with the enforcement or protection of a Party's rights with respect to this Agreement, or (iii) such disclosure is required by law or regulation, governmental or regulatory authority, court order or judicial process; provided, that each Party agrees to give the other Party (to the extent not prohibited by applicable law, regulation, governmental or regulatory authority, court order or judicial process) written notice of any required disclosure and cooperate in obtaining a protective order or similar protection to preserve the confidential nature of the Confidential Information.

(c) Information; Disclosure. From the Restructure Date until the TMPO Extinguishment Date, while any Monetization is ongoing, the Company agrees to keep Holder reasonably informed of the progress of such Monetization, including prompt notice of all events giving rise to Gross Monetization Proceeds, and simultaneous provision to Holder of any notice of settlement or proposed distribution notice provided to any other Person. The obligations of the Company and its Affiliate's pursuant to this Section 8(c) shall terminate upon full payment of the TMPO. For the avoidance of doubt, nothing in this Agreement shall be construed to require public disclosure of material non-public information and the Company shall not be required to provide copies of documents filed on EDGAR, with the PTO, available on PACER or otherwise available to the public.

(d) Privileged Information. Holder will not request from the Company, and Company is not required to provide to Holder, documents and information protected by the attorney-client privilege at any time for any purpose provided, however, that this Section 8(d) shall not prevent the Board Observer (as defined in the Board Observation Agreement), subject to the terms and conditions of the Board Observation Agreement, from receiving notice of, attending and monitoring all meetings of the Company's Board or any committees thereof. Company understands and acknowledges that in the event its agents or representatives provide privileged information to Holder, such disclosure may be deemed waiver of the applicable privilege. In the event that the Company inadvertently provides privileged information to Holder, Holder will return such information to Company without reviewing the information

9. GOVERNING LAW; DISPUTES

(a) Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be governed by the laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule, and shall be construed and enforced in accordance with the law.

(b) Arbitrable Claims. Provided no Event of Default shall have occurred, all actions, disputes, claims and controversies under common law, statutory law, rules of professional ethics, or in equity of any type or nature whatsoever, whether arising before or after the date of this Agreement, and directly relating to: (i) this Agreement or any amendments and addenda hereto, or the breach, invalidity or termination hereof; (ii) any previous or subsequent agreement between Holder and Company related to the subject matter hereof to the extent set forth in Section 10(d); (iii) any act or omission committed by Holder or its Representatives with respect to this Agreement, or by any member, employee, agent, or lawyer of Holder with respect to this Agreement, whether or not arising within the scope and course of employment or other contractual representation of Holder (provided that such act arises under a relationship, transaction or dealing between Holder and Company); or (iv) any act or omission committed by Company with respect to this Agreement, or by any employee, agent, partner or lawyer of Company with respect to this Agreement whether or not arising within the scope and course of employment or other contractual representation of Company (provided that such act arises under a relationship, transaction or dealing between Holder and Company) (collectively, the "**Disputes**"), will be subject to and resolved by binding arbitration under this Section 9(b) and Section 9(c) below provided however, that nothing in this Section 9 shall limit the rights, if any, of Holder to commence or maintain judicial proceedings pursuant to the other Restructure Documents. The Parties agree that the arbitrators have exclusive jurisdiction, to the exclusion of any court (except as specifically provided with regard to prejudgment, provisional, or enforcement proceedings in Section 9(d)), to decide all Disputes. For the avoidance of doubt, Eligible Judicial Proceedings shall not be Disputes.

(c) Administrative Body; Situs. Any Dispute arising out of or relating to this Agreement, including the breach, termination, enforcement, interpretation or validity thereof, or the determination of the scope or applicability of this Agreement to arbitrate, shall be determined by arbitration in New York, New York, before a single arbitrator. The arbitration shall be administered using the arbitration rules of the American Arbitration Association ("**AAA**") current at the time the Dispute is brought, which rules are deemed to be incorporated herein by reference. Each Party shall, upon written request, promptly provide the other Party with copies of all information on which the producing party may rely in support of or in opposition to any claim or defense and a report of any expert whom the producing Party may call as a witness in the arbitration hearing.

(d) Eligible Judicial Proceedings; Prejudgment and Provisional Remedies. Either Party may commence judicial proceedings only for the purpose(s) of: (i) enforcement of the arbitration provisions; (ii) obtaining appointment of arbitrator(s); (iii) preserving the status quo of the Parties pending arbitration as contemplated herein; (iv) preventing the disbursement by any Person of disputed funds; (v) preserving and protecting the rights of either Party pending the outcome of the arbitration, (vi) preserving, protecting, or enforcing the rights of either Party if an Event of Default has occurred or (vii) seeking injunctive relief for breach of the confidentiality provisions contained in Section 8 (each of (i) through (vii) above, an "**Eligible Judicial Proceeding**"). Any such action or remedy will not waive a Party's right to compel arbitration of any Dispute, and any Party may also file court proceedings to have judgment entered on the arbitration award. In any action for prejudgment or provisional relief, any court in which such relief is sought shall determine the availability of such relief without regard to any defenses that may be asserted by the other Party, and any such defenses shall be referred to the exclusive jurisdiction of the arbitrators under Section 9(b). The Parties further agree that a court shall not defer or delay granting prejudgment or provisional relief while any such arbitration takes place. **EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

(e) Eligible Judicial Proceeding Consent to Jurisdiction and Service. In the case of any Eligible Judicial Proceeding only, 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, and hereby irrevocably waives, and agrees not to assert in any Eligible Judicial Proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such Eligible Judicial Proceeding is brought in an inconvenient forum or that the venue of such Eligible Judicial Proceeding is improper. Each Party hereby irrevocably waives personal service of process in respect of any Eligible Judicial Proceeding and consents to process being served in any such Eligible Judicial Proceeding by delivery of a copy thereof to such Party at the address for such notices to it under this Agreement by personal delivery or by overnight courier services that provides evidence of delivery 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.

(f) Attorneys' Fees. If Company or Holder brings any other action for judicial relief with respect to any Dispute (other than an Eligible Judicial Proceeding), the Party bringing such action will be liable for and immediately pay all of the other Party's costs and expenses (including attorneys' fees) incurred to stay or dismiss such action and remove or refer such Dispute to arbitration. If Company or Holder brings or appeals an action to vacate or modify an arbitration award and such Party does not prevail, such Party will pay all costs and expenses, including attorneys' fees, incurred by the other Party in defending such action.

(g) Enforcement. Any award rendered under this Section shall not be subject to appeal and shall be enforceable in any and all jurisdictions.

(h) Confidentiality of Awards. All arbitration proceedings, including testimony or evidence at hearings, will be kept confidential, although any award or order rendered by the arbitrator(s) pursuant to the terms of this Agreement may be confirmed as a judgment or order in any state or federal or other national court of competent jurisdiction where proceedings are necessary or appropriate to enforce any award or order. This Agreement concerns transactions involving commerce among several state and foreign countries. Nothing in this Agreement shall be construed to prohibit any disclosure required by law.

10. MISCELLANEOUS.

(a) Counterparts. This Agreement may be executed in counterparts which, when read together, shall constitute a single instrument, and this has the same effect as if the signatures on the counterparts were on a single copy hereof. A composite copy of this Agreement may be compiled comprising a single copy of the text of this Agreement and one or more copies of the signature pages containing collectively the signatures of all Parties. A facsimile or an electronic mail signature shall be considered due execution and shall be binding upon the signatories hereto with the same force and effect as if the signature were an original, not a facsimile signature.

(b) Headings. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement.

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

(d) Entire Agreement; Amendments. This Agreement, the Restructure Documents, the Other Closing Documents and the NA Documents supersede all other prior oral or written agreements, including the SPA Transaction Documents, between the Holder, the Company, their Affiliates and Persons acting on their behalf with respect to the matters discussed herein, and this Agreement, the Restructure Documents, the Other Closing Documents and the NA Documents contain the entire understanding of the parties with respect to the matters covered herein. No provision of this Agreement, the Restructure Documents, the Other Closing Documents or the NA Documents may be amended other than by an instrument in writing signed by the parties thereto and consented to by QFL. No provision hereof or thereof may be waived other than by an instrument in writing signed by the party against whom enforcement is sought and consented to by QFL. No provision of the Investment Documents shall be amended in any way that may have an adverse impact on the rights or remedies of Holder as set forth in the Restructure Documents and the QFL Subordination Agreement without the prior written consent of Holder.

(e) Notices. Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement the Restructure Documents, the Other Closing Documents or the NA Documents must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon receipt, when sent by facsimile or e-mail (provided confirmation of receipt is provided by the recipient); or (iii) upon delivery after deposit with an overnight courier service that provides evidence of delivery, in each case properly addressed to the party to receive the same. The addresses, e-mail addresses and facsimile numbers for such communications shall be:

If to the Company and the Restructure Subsidiaries:

Quest Patent Research Corporation
411 Theodore Fremd Avenue, Suite 206S
Rye, New York, 10580
Telephone: (888) 743-7577
E-mail: jscahill@qprc.com
Attention: Jon Scahill, CEO

With a copy to:

Ellenoff Grossman & Schole LLP
1345 Avenue of the Americas; Suite 1100
New York, NY 10105-0302
Telephone: (917) 930-0991
E-mail: alevitsky@egsllp.com
Attention: Asher S. Levitsky P.C

If to Holder:

Intelligent Partners LLC
PO Box 190
Austin, TX 78767
E-mail: Andrew.fitton@acfitton.com and mike.carper@unitedwirelessholdings.com
Attention: Mike Carper

with a copy (for informational purposes only) to:

Potomac Law Group
1300 Pennsylvania Avenue NW, Suite 700

Washington, DC 20004
Telephone: (703) 675-6204
E-mail: ggiammittorio@potomaclaw.com
Attention: Greg Giammittorio

or to such other address and/or facsimile number and/or to the attention of such other Person as the recipient party has specified by written notice given to each other party five (5) days prior to the effectiveness of such change. Written confirmation of receipt (A) given by the recipient of such notice, consent, waiver or other communication, or (B) provided by an overnight courier service shall be rebuttable evidence of personal service, receipt by facsimile or receipt from an overnight courier service in accordance with clause (i), (ii) or (iii) above, respectively.

(f) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns provided, however, that the Company shall not assign this Agreement or any rights or obligations hereunder prior to the TMPO Extinguishment Date without the prior written consent of Holder. Holder may assign some or all of its rights and obligations hereunder without the consent of the Company, in which event such assignee shall be deemed to be a Holder hereunder with respect to such assigned rights and obligations; provided, that Holder shall not assign any Shares, Conversion Shares, or Option Shares to any person who is either a competitor of the Company or any subsidiary of a competitor of the Company or who has or may have an interest which is adverse to the Company.

(g) Third-Party Beneficiaries. This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and QFL and is not for the benefit of, nor may any provision hereof be enforced by, any other Person. QFL is an intended third party beneficiary of this Agreement.

(h) Survival. The provisions of Sections 1 (with respect to applicable defined terms), 3(b), 3(c), 6, 7, 8 and 9 shall survive the termination of this Agreement.

(i) Further Assurances. Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as any other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

(j) Costs and Expenses. Holder agrees and acknowledges that $77,190 of the TMPO represents the Company's full reimbursement to Holder of its transaction and legal costs associated with the modification, creation, execution and delivery of this Agreement, the Restructure Documents and the actions and transactions contemplated herein and therein. Other than the above reimbursement by Company of $77,190, the Parties shall be solely responsible for and bear the costs and expenses, including attorneys' fees, expenses of accountants, brokers, financial advisors, and other representatives and advisors, each incurs at any time in connection with pursuing, or consummating the transaction contemplated by this Agreement.

(k) No Strict Construction. The language used in this Agreement will be deemed to be the language chosen by the Parties to express their mutual intent, and no rules of strict construction will be applied against any Party.

[*Signature Page Follows*]

IN WITNESS WHEREOF, Holder and the Company have caused their respective signature page to this Restructure Agreement to be duly executed as of the date first written above.

COMPANY:

QUEST PATENT RESEARCH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: CEO

RESTRUCTURE SUBSIDIARIES:

QUEST LICENSING CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: CEO

QUEST NETTECH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: CEO

MARINER IC INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: CEO

SEMCON IP INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: CEO

IC KINETICS INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: CEO

M-RED INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: CEO

CXT SYSTEMS, INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: CEO

AUDIO MESSAGING INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: CEO

HOLDER:

INTELLIGENT PARTNERS LLC

By: /s/ Andrew C. Fitton
Name: Andrew C. Fitton
Title: Manager

PURCHASERS:

MICHAEL CARPER

By: /s/ Michael Carper
Name: Michael Carper

ANDREW FITTON

By: /s/ Andrew C. Fitton
Name: Andrew C. Fitton

EXHIBITS

Exhibit A	Stock Purchase Agreement
Exhibit B	Option Grant
Exhibit C	Amended and Restated Pledge Agreement
Exhibit D	Amended and Restated Registration Rights Agreement
Exhibit E	Board Observation Agreement
Exhibit F	Amended and Restated MPA-CP
Exhibit G	Amended and Restated MPA-CXT
Exhibit H	M-Red Inc. monetization proceeds agreement
Exhibit I	Audio Messaging Inc. monetization proceeds agreement
Exhibit J	Amended and Restated 2015 Patent Proceeds Security Agreement
Exhibit K	MPA-NA
Exhibit L	MPA-NA Security Interest Agreement
Exhibit M	Mutual Release and Covenant Not to Sue
Exhibit N	QFL Subordination Agreement

EX-99.10 11 ea136324ex99-10_questpatent.htm EX. A TO RESTRUCTURE AGREEMENT - STOCK PURCHASE AGREEMENT DATED FEBRUARY 19, 2021 AMONG THE COMPANY, INTELLIGENT PARTNERS LLC, ANDREW FITTON AND MICHAEL CARPER

Exhibit 99.10

Ex. A – Stock Purchase Agreement

STOCK PURCHASE AGREEMENT

This STOCK PURCHASE AGREEMENT (this "**Agreement**") is dated as of February 19, 2021, and is being executed in connection with a restructure agreement (the "**Restructure Agreement**") dated on or about the date of this Agreement among Quest Patent Research Corporation, a Delaware corporation (the "**Company**"), Intelligent Partners, LLC ("**IPLLC**"), Andrew Fitton ("**Fitton**") and Michael Carper ("**Carper**", and together with Fitton, the "**Purchasers**" and each, individually a "**Purchaser**"), IPPLC, the Purchasers and the Company being collectively referred to as the "**Parties**" and each, individually, as a "**Party**").

WHEREAS, it is a condition precedent to the effectiveness of the Restructure Agreement that the Company execute and deliver to the Purchaser this Agreement; and

WHEREAS, on or prior to the date of this Agreement, IPLLC transferred to Purchasers $250,000 of the Notes (the "**Transferred Note**"), thereby reducing the principal amount of the Notes held by IPLLC to $4,422,810; and

WHEREAS, the Conversion Shares are being issued to the Purchasers in full satisfaction of the principal and accrued interest on the Transferred Note to be effective on the Restructure Date.

NOW THEREFORE, in consideration of the promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

1. Defined terms used herein shall have the meaning given to them in the Restructure Agreement.

2. The Purchasers hereby agree to convert principal and interest on the Transferred Note into 46,296,296 shares (the "**Conversion Shares**") of the Company's restricted common stock, par value $0.00003 per share ("**Common Stock**"), at a conversion price of $0.0054 per share effective on the Restructure Date, with the result that the Transferred Note shall be cancelled and the Conversion Shares shall be issued to Purchasers in the following amounts: 32,407,407 Conversion Shares to be issued to Fitton and 13,888,889 Conversion Shares to be issued to Carper.

3. The Company represents and warrants to the Purchasers as follows:

(a) The Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware with full corporate power and authority to carry on its business as now conducted and as proposed to be conducted.

(b) The Company has the power and authority to execute and deliver this Agreement and to carry out its obligations hereunder. The execution, delivery and performance by the Company of this Agreement has been duly authorized by all necessary corporate action on the part of the Company, and this Agreement constitutes the valid and legally binding obligation of the Company enforceable against the Company in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization or other laws affecting the enforcement of creditors' rights generally now or hereafter in effect and subject to the application of equitable principles and the availability of equitable remedies.

(c) The issuance of the Conversion Shares has been authorized by the Company and the Conversion Shares, when issued pursuant to this Agreement, will be validly issued, fully paid and non-assessable and free from all pre-emptive or similar rights, taxes, liens and charges with respect to the issuance thereof (other than liens incurred by either Purchaser or IPLLC), with the Purchasers and any subsequent holders being entitled to all rights afforded to a holder of Common Stock. Assuming the accuracy of each of the representations and warranties set forth in Section 4 of this Agreement, the offer and issuance by the Company of the Conversion Shares is exempt from Registration under the 1933 Act.

(d) The execution, delivery and performance of this Agreement do not and will not with or without the giving of notice or the passage of time or both, violate or conflict with or result in a breach or termination of any provision of, or constitute a default under, the Articles of Incorporation or the By-Laws of the Company or any material order, judgment, decree, statute, regulation, contract, agreement or any other restriction of any kind or description to which the Company is bound.

(e) The Company acknowledges that the Purchaser is not acting as a financial advisor or fiduciary of the Company or any of its Restructure Subsidiaries (or in any similar capacity) with respect to the transactions contemplated hereby, and any advice given by a Purchaser or any of its representatives or agents in connection with the same agreement and documents and the transactions contemplated hereby and thereby is merely incidental to Purchaser's purchase of the Conversion Shares. The Company further represents to Purchaser that the Company's decision to enter into the Restructure Agreement, the Restructure Documents, the NA Documents, the Purchase Agreement and Investment Documents (as defined in the Purchase Agreement) has been based solely on the independent evaluation of the same agreement and documents by the Company and its representatives.

(f) Neither the Company, nor any of its affiliates, nor any Person acting on its or their behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with the offer or sale of the Conversion Shares. No placement agent's fees, financial advisory fees, or brokers' commissions relating to or arising out of the transactions contemplated hereby are payable in connection with the sale of the Conversion Shares. The Company shall pay, and hold the Purchaser harmless against, any liability, loss or expense (including, without limitation, attorney's fees and out-of-pocket expenses) arising in connection with any such claim.

(g) Neither the Company, nor any of its affiliates, nor any Person acting on its or their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would require registration of any of the Conversion Shares under the 1933 Act, whether through integration with prior offerings or otherwise, or cause this offering of the Conversion Shares to require approval of stockholders of the Company for purposes of the 1933 Act or any applicable stockholder approval provisions.

(h) As of their respective filing dates, the Company's filings with the Securities and Exchange Commission filed subsequent to December 31, 2019 (the "**SEC Reports**") complied in all material respects with the requirements of the 1934 Act and the rules and regulations of the SEC promulgated thereunder applicable to the SEC Reports (other than the date on which such documents were required to be filed), and none of the SEC Reports, at the time they were filed with the SEC, 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. As of their respective filing dates, the financial statements of the Company included in the SEC Reports complied as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto. Such financial statements have been prepared in accordance with generally accepted accounting principles, consistently applied, during the periods involved (except (i) as may be otherwise indicated in such financial statements or the notes thereto, or (ii) in the case of unaudited interim statements, to the extent they may exclude footnotes or other disclosure or may be condensed or summary statements as permitted by the instructions to Form 10-Q and Article 10 of Regulation S-X) and fairly present in accordance with generally accepted accounting principles consistently applied, except as disclosed in the financial statements, the financial position of the Company as of the dates thereof and the results of its operations and cash flows for the periods then ended.

(i) Foreign Corrupt Practices. Neither the Company, nor any of its Restructure Subsidiaries, nor any director, officer, agent, employee or other Person acting on behalf of the Company or any of its Restructure Subsidiaries has, in the course of its actions for, or on behalf of, the Company or any of its Restructure Subsidiaries (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expenses relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (iii) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as amended; or (iv) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment to any foreign or domestic government official or employee.

(j) To the knowledge of the Company, there is no action, suit, proceeding, inquiry or investigation before or by the Principal Market, any court,

public board, government agency, self-regulatory organization or body pending or threatened against or affecting the Company or any of its Restructure Subsidiaries, the Common Stock or any of the Company's Restructure Subsidiaries stock, or any of the Company's or its Restructure Subsidiaries' officers or directors, whether of a civil or criminal nature or otherwise, in their capacities as such.

(k) There is no transaction, arrangement, or other relationship between the Company and an unconsolidated or other off balance sheet entity that is required to be disclosed by the Company in its 1934 Act filings and is not so disclosed.

(l) The Company has not, and to its knowledge no one acting on its behalf has, sold, bid for, purchased, or paid any compensation for soliciting purchases of, any of the Conversion Shares, or (ii) paid or agreed to pay to any person any compensation for soliciting another to purchase any other securities of the Company.

(m) The Company understands and acknowledges that Purchaser (except as otherwise provided in this Agreement) may engage in hedging and/or trading activities at various times during the period that the Conversion Shares are outstanding, and (b) such hedging and/or trading activities, if any, can reduce the value of the existing stockholders' equity interest in the Company both at and after the time the hedging and/or trading activities are being conducted. The Company acknowledges to the extent that such hedging and/or trading activities are not prohibited such hedging and/or trading activities do not constitute a breach of this Agreement, or any of the documents executed in connection herewith as long as such activities are not in violation of any federal, state or foreign securities or other laws.

4. The Purchasers and IPLLC hereby jointly and severally represent and warrant as follows:

(a) The Purchasers understand that the offer, sale and issuance of the Conversion Shares is being made only by means of this Agreement.

(b) The Transferred Note has been validly transferred by IPLLC to Purchasers, and Purchasers own the Transferred Note, free from all liens, encumbrances, securities, options, rights of first refusal or other claims of any kind and description. No person other than Purchasers have any right, title or interest, directly or indirectly, in or to the Transferred Note.

(c) The Purchaser is aware that the purchase of the Conversion Shares involves a high degree of risk and that the Purchaser may sustain, and has the financial ability to sustain, the loss of his entire investment. The Purchaser has read the SEC Reports and acknowledges that the Company has incurred, and is continuing to incur losses from its operation and that the Company is in default under the Notes to IPLLC (including the Transferred Note), which are being extinguished as part of the Restructure Agreement. The Purchaser understands that the Company has not authorized the use of, and the Purchaser confirms that he is not relying upon, any other information, written or oral, other than material contained in this Agreement and the SEC Reports.

(d) The Purchaser further represents that he has such knowledge and experience in financial and business matters as to enable the Purchaser to understand the nature and extent of the risks involved in purchasing the Conversion Shares, which are not limited to those risks identified in Section 2(b) of this Agreement and the risks disclosed in the SEC Reports. The Purchaser is fully aware that such investments can and sometimes do result in the loss of the entire investment. The Purchaser is an accredited investor, as defined in Rule 502(a) of the SEC and meets the test for an accredited investor set forth on Exhibit A to the Agreement. Purchaser has engaged his own counsel, accountants and investment advisors to the extent that he deems it necessary.

(e) The Purchaser is acquiring the Conversion Shares pursuant to this Agreement for investment and not with a view to the sale or distribution thereof, for the Purchaser's own account and not on behalf of others; has not granted any other person any interest or participation in or right or option to purchase all or any portion of the Conversion Shares; is aware that the Conversion Shares are restricted securities within the meaning of Rule 144 of the SEC under the Securities Act of 1933, as amended (the "**Securities Act**"), and may not be sold or otherwise transferred other than pursuant to an effective registration statement or an exemption from registration; and understands and agrees that the certificates for the Conversion Shares shall bear the Company's standard investment legend. The Purchaser understands the meaning of these restrictions and understands that he may have to hold the Conversion Shares indefinitely. The Purchaser has registration rights with respect to the Conversion Shares as are provided in the Restructure Agreement.

(f) The Purchaser will not transfer any Conversion Shares except in compliance with all applicable federal and state securities laws and regulations, and, in such connection, the Company may request an opinion of counsel reasonably acceptable to the Company as to the availability of any exemption.

(g) If the Purchaser is a citizen or resident of a country other than the United States, the Purchaser has taken such steps as it deems necessary to satisfy itself that the acquisition of the Conversion Shares by the Purchaser pursuant to this Agreement is not in violation of the laws of the country in which the Purchaser is a citizen or resident.

(h) The Purchaser represents and warrants that no broker or finder was involved directly or indirectly in connection with the Purchaser's purchase of the Conversion Shares pursuant to this Agreement. The Purchaser shall indemnify the Company and hold it harmless from and against any manner of loss, liability, damage or expense, including fees and expenses of counsel, resulting from a breach of the Purchaser's warranty contained in this Section 2(h).

(i) The operations of the Purchaser are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements and all other applicable U.S. and non-U.S. anti-money laundering laws and regulations, including, but not limited to, those of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the USA Patriot Act of 2001 and the applicable money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "**Anti-Money Laundering Laws**"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving Purchaser with respect to the Anti-Money Laundering Laws is pending or, to the Purchaser's knowledge, threatened.

(j) To the best of the Purchaser's knowledge, none of: (i) the Purchaser; (ii) any person controlling or controlled by the Purchaser; (iii) any person having a beneficial interest in the Purchaser; or (iv) any person for whom the Purchaser is acting as agent or nominee in connection with the purchase of the Conversion Shares:

(i) is a country, territory, individual or entity named on an OFAC list, or a person or entity prohibited under the OFAC Programs. The Purchaser agrees to promptly notify the Company should the Purchaser become aware of any change in the information set forth in these representations; or

(ii) is a senior foreign political figure[1], or any immediate family[2] member or close associate[3] of a senior foreign political figure, as such terms are defined in the footnotes below.

(k) The Purchaser is not affiliated with a non-U.S. banking corporation.

(l) The Purchaser's address set forth on the signature page is the Purchaser's true and correct address.

(m) Purchaser understands that the Company is relying upon the truth and accuracy of, and the Purchaser's compliance with, the representations,

warranties and agreements of the Purchaser set forth herein, and the Purchaser acknowledges that he is not relying on any representation or warranty by the Company except as expressly set forth in this Agreement

5. The Company hereby covenants and agrees as follows:

(a) If the Common Stock is listed on a stock exchange or market, the Company shall promptly secure the listing of all of the Registrable Securities (as defined in the Registration Rights Agreement) upon each national securities exchange and automated quotation system, if any, upon which the Common Stock is then listed (subject to official notice of issuance) and shall maintain such listing of all Registrable Securities.

1 A "senior foreign political figure" is defined as a senior official in the executive, legislative, administrative, military or judicial branches of a foreign government (whether elected or not), a senior official of a major foreign political party, or a senior executive of a foreign government-owned corporation. In addition, a "senior foreign political figure" includes any corporation, business or other entity that has been formed by, or for the benefit of, a senior foreign political figure.

2 The "immediate family" of a senior foreign political figure typically includes the figure's parents, siblings, spouse, children and in-laws.

3 A "close associate" of a senior foreign political figure is a person who is widely and publicly known to maintain an unusually close relationship with the senior foreign political figure, and includes a person who is in a position to conduct substantial domestic and international financial transactions on behalf of the senior foreign political figure.

(b) The Company shall maintain at its principal executive offices (or such other office or agency of the Company as it may designate by notice to each holder of the Conversion Shares), a register for the Shares, the Conversion Shares, and the Option Shares in which the Company shall record the name and address of the Person in whose name the Shares, the Conversion Shares, and the Option Shares have been issued (including the name and address of each transferee) and the number of Option Shares then issuable upon exercise of Option Grant, if any. The Company shall keep the register open and available at all times during business hours for inspection by Purchaser or its legal representatives and shall, with respect to the stock register, which is maintained by the Company's transfer agent, request the transfer agent to provide Purchaser with information reasonably requested by Purchaser. The register for the Common Stock shall be maintained by the Company's transfer agent. Neither Purchaser nor any transferee of Purchaser shall sell, transfer or pledge any Conversion Shares to any person who is an adverse party to the Company or any Restructure Subsidiary in connection with any litigation pending or planned by the Company or any affiliate of any such person.

6. This Agreement constitutes the entire agreement between the Parties relating to the subject matter hereof, superseding any and all prior or contemporaneous oral and written agreements, understandings and letters of intent. This Agreement may not be modified or amended nor may any right be waived except by a writing which expressly refers to this Agreement, states that it is a modification, amendment or waiver and is signed by all Parties with respect to a modification or amendment or the party granting the waiver with respect to a waiver. No course of conduct or dealing and no trade custom or usage shall modify any provisions of this Agreement.

7. All notices provided for in this Agreement shall be made as set forth in the Restructure Agreement.

8. GOVERNING LAW; DISPUTES

(a) Governing Law. This Agreement and the rights and obligations of the Parties hereunder shall be governed by the laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule, and shall be construed and enforced in accordance with the law.

(b) Arbitrable Claims. All actions, disputes, claims and controversies under common law, statutory law, rules of professional ethics, or in equity of any type or nature whatsoever, whether arising before or after the date of this Agreement, and directly relating to: (a) this Agreement or any amendments and addenda hereto, or the breach, invalidity or termination hereof; (b) any previous or subsequent agreement between the Parties related to the subject matter hereof to the extent set forth in Section 6; (c) any act or omission committed by Purchaser or its Representatives with respect to this Agreement, or by any member, employee, agent, or lawyer of Purchaser or IPLLC with respect to this Agreement, whether or not arising within the scope and course of employment or other contractual representation of Purchaser or IPLLC (provided that such act arises under a relationship, transaction or dealing between the Parties); or (d) any act or omission committed by the Company with respect to this Agreement, or by any employee, agent, partner or lawyer of the Company with respect to this Agreement whether or not arising within the scope and course of employment or other contractual representation of the Company (provided that such act arises under a relationship, transaction or dealing between the Parties) (collectively, the "**Disputes**"), will be subject to and resolved by binding arbitration under this Section (b) and Section (c) below, provided however, that nothing in this Section 8 shall limit the rights, if any, of IPLLC to commence or maintain judicial proceedings pursuant to the Restructure Agreement and other Restructure Documents. The Parties agree that the arbitrators have exclusive jurisdiction, to the exclusion of any court (except as specifically provided with regard to prejudgment, provisional, or enforcement proceedings in Section (d), to decide all Disputes.

(c) Administrative Body; Situs. Any Dispute arising out of or relating to this Agreement, including the breach, termination, enforcement, interpretation or validity thereof, or the determination of the scope or applicability of this Agreement to arbitrate, shall be determined by arbitration in New York, New York, before a single arbitrator. The arbitration shall be administered using the arbitration rules of the American Arbitration Association ("**AAA**") current at the time the Dispute is brought, which rules are deemed to be incorporated herein by reference. Each Party shall, upon written request, promptly provide the other Party with copies of all information on which the producing party may rely in support of or in opposition to any claim or defense and a report of any expert whom the producing Party may call as a witness in the arbitration hearing.

(d) Prejudgment and Provisional Remedies. Either Party may commence judicial proceedings under this Agreement only for the purpose(s) of: (i) enforcement of the arbitration provisions; (ii) obtaining appointment of arbitrator(s); (iii) preserving the status quo of the Parties pending arbitration as contemplated herein; or (iv) preserving and protecting the rights of either Party pending the outcome of the arbitration. Any such action or remedy will not waive a Party's right to compel arbitration of any Dispute, and any Party may also file court proceedings to have judgment entered on the arbitration award. In any action for prejudgment or provisional relief, any court in which such relief is sought shall determine the availability of such relief without regard to any defenses that may be asserted by the other Party, and any such defenses shall be referred to the exclusive jurisdiction of the arbitrators under Section (b). The Parties further agree that a court shall not defer or delay granting prejudgment or provisional relief while any such arbitration takes place. **EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

(e) Attorneys' Fees. If the Company, Purchaser or IPLLC brings any other action for judicial relief with respect to any Dispute (other than those precisely described in Section (d)), the Party bringing such action will be liable for and immediately pay all of the other Party's costs and expenses (including attorneys' fees) incurred to stay or dismiss such action and remove or refer such Dispute to arbitration. If the Company, Purchaser or IPLLC brings or appeals an action to vacate or modify an arbitration award and such Party does not prevail, such Party will pay all costs and expenses, including attorneys' fees, incurred by the other Party in defending such action.

(f) Enforcement. Any award rendered under this Section 8 shall not be subject to appeal and shall be enforceable in any and all jurisdictions, including the State of Texas and the State of New York.

(g) Confidentiality of Awards. All arbitration proceedings, including testimony or evidence at hearings, will be kept confidential, although any award or order rendered by the arbitrator(s) pursuant to the terms of this Agreement may be confirmed as a judgment or order in any state or federal or other national court of competent jurisdiction where proceedings are necessary or appropriate to enforce any award or order. This Agreement concerns transactions involving commerce among several state and foreign countries. Nothing in this Agreement shall be construed to prohibit any disclosure required by law.

9. This Agreement shall be binding upon and inure to the benefit of the Parties hereto, and their respective successors and permitted assigns.

10. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document.

11. Words importing the singular number only shall include the plural and vice versa, words importing the masculine, feminine or neuter gender shall include the other genders.

12. The representations, warranties and covenants set forth in this Agreement or in any other writing delivered in connection with this Agreement and the purchase the Conversion Shares shall survive the issuance of the Conversion Shares.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties have executed this Stock Purchase Agreement on the date first written above.

COMPANY:

QUEST PATENT RESEARCH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

PURCHASERS:

INTELLIGENT PARTNERS, LLC

By: /s/ Andrew C. Fitton
Name: Andrew Fitton
Title: Manager
PO Box 190
Austin, TX 78767

ANDREW C. FITTON

By: /s/ Andrew C. Fitton

MICHAEL R. CARPER

By: /s/ Michael Carper

[Signature Page to Stock Purchase Agreement]

Exhibit A

Accredited Investor Questionnaire

The following are tests for an accredited investor. Please initial which tests are applicable. Please initial all that apply.

A natural person whose individual net worth or joint net worth with Lender's spouse, at the time of this purchase exceeds $1,000,000 (PLEASE NOTE: In calculating net worth, you include all of your assets (other than your primary residence), whether liquid or illiquid, such as cash, stock, securities, personal property and real estate based on the fair market value of such property MINUS all debts and liabilities (other than indebtedness secured by your primary residence, up to the estimated fair market value of the primary residence, unless the borrowing occurs in the 60 days preceding the purchase of the Units and is not in connection with the acquisition of the primary residence. In such cases, the debt secured by the primary residence must be treated as a liability in the net worth calculation.). In the event any incremental mortgage or other indebtedness secured by your primary residence occurs in the 60 days preceding the date of the purchase of the Units, the incremental borrowing must be treated as a liability and deducted from your net worth even though the value of your primary residence will not be included as an asset. Further, the amount of any mortgage or other indebtedness secured by your primary residence that exceeds the fair market value of the residence should also be deducted from your net worth);

_____ A natural person who had an individual income in excess of $200,000 in each of the two most recent years or joint income with Lender's spouse in excess of $300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

_____ A director or executive officer of the Company.

_____ Any bank as defined in section 3(a)(2) of the Securities Act or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Securities Act whether acting in its individual or fiduciary capacity.

_____ Any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934.

_____ Insurance company as defined in section 2(13) of the Securities Act.

_____ Investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act.

_____ Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958.

_____ Employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of $5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors.

_____ Any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940.

_____ Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of $5,000,000.

_____ Any trust, with total assets in excess of $5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii) of the Commission under the Securities Act.

_____ Any entity in which all of the equity owners are accredited investors (i.e., all of the equity owners meet one of the tests for an accredited investor#*).

_____ Any Individual Retirement Account (IRA) for the benefit of an accredited investor*.

Each equity owner should complete a separate accredited investor questionnaire and should provide a copy of his passport, license or other government issued identification.
* The tests for an accredited investor who is an individual are the first three tests on this Exhibit A.

EX-99.11 12 ea136324ex99-11_questpatent.htm EX. B TO RESTRUCTURE AGREEMENT - OPTION GRANT DATED FEBRUARY 19, 2021 AMONG THE COMPANY AND INTELLIGENT PARTNERS LLC

Exhibit 99.11

Ex. B – Option Grant

Option to Purchase
** 50,000,000**
Shares of Common Stock

NEITHER THIS OPTION NOR THE SHARES OF COMMON STOCK ISSUABLE UPON EXERCISE OF THIS OPTION HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND NEITHER THIS OPTION NOR SUCH SHARES MAY BE SOLD, ENCUMBERED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT OR AN EXEMPTION FROM SUCH REGISTRATION REQUIREMENT, AND, IF AN EXEMPTION SHALL BE APPLICABLE, THE HOLDER SHALL HAVE DELIVERED AN OPINION OF COUNSEL ACCEPTABLE TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

OPTION TO PURCHASE COMMON STOCK

OF

QUEST PATENT RESEARCH CORPORATION.

Initial Issuance Date: February 19, 2021

This is to certify that, FOR VALUE RECEIVED, Intelligent Partners LLC, a Delaware limited liability company or registered assigns ("**Holder**"), is entitled to purchase, on the terms and subject to the provisions of this Option, from Quest Patent Research Corporation., a Delaware corporation (the "**Company**"), fifty million (50,000,000) shares of the common stock, par value $0.00003 per share ("**Common Stock**"), of the Company at an exercise price per share of $0.0054 per share (the "**Exercise Price**"), subject to adjustment as hereinafter provided, during the period (the "**Exercise Period**") commencing on the Restructure Date (as defined in the Restructure Agreement) and ending at 5:30 P.M. New York City time, on September 30, 2025; provided, however, that if such date is a day on which banking institutions in the State of New York are authorized by law to close, then on the next succeeding day on which such banks are not authorized to be closed. The shares of Common Stock issued or issuable upon exercise of this Option are referred to as "**Option Shares**."

This Option is being executed in connection with a restructure agreement (the "**Restructure Agreement**") dated on or about the date of this Option among Company, Holder and the Restructure Subsidiaries (as defined in the Restructure Agreement).

(a) Exercise of Option. This Option may be exercised in whole at any time or in part from time to time during the Exercise Period by presentation and surrender hereof to the Company at its principal office, or at the office of its stock transfer agent, if any, with the Purchase Form annexed hereto duly executed and accompanied by payment of the Exercise Price for the number of Option Shares specified in such form. Payment of the Exercise Price may be made either by check (subject to collection) or by wire transfer in accordance with instructions from the Company. If this Option is exercised in part only, the Company shall, upon surrender of this Option for cancellation, execute and deliver a new Option evidencing the rights of the Holder hereof to purchase the balance of the shares of Common Stock purchasable hereunder; provided, however, that with respect to any partial exercise, the Holder shall not be required to deliver this Option but shall make a notation as to the number of shares of Common Stock as to which this Option remains exercisable. Upon receipt by the Company of this Option at its office, or by the stock transfer agent of the Company at its office, of the Purchase Form and the purchase price, the Holder shall be deemed to be the holder of record of the shares of Common Stock issuable upon such exercise, notwithstanding that the stock transfer books of the Company shall then be closed or that certificates representing such shares of Common Stock shall not then be actually delivered to the Holder; provided, however, that if the Holder pays the purchase price other than by wire transfer of immediately available funds, the Holder shall not become a stockholder of record until the Company has been advised by its bank that payment has cleared. The Holder may pay the Exercise Price, in whole or part, by means of a reduction in the then outstanding Total Monetization Proceeds Obligation, if any, as defined in the Restructure Agreement whereby the Exercise Price shall be deemed satisfied on a dollar for dollar basis by a corresponding reduction in the outstanding Total Monetization Proceeds Obligation. For the avoidance of doubt, in the event the Exercise Price exceeds the amount of the then outstanding Total Monetization Proceeds Obligation, the portion of the Exercise Price not satisfied by the dollar for dollar reduction in the Total Monetization

Proceeds Obligation may be made either by check (subject to collection) or by wire transfer in accordance with instructions from the Company.

(b) Reservation of Shares. The Company hereby agrees that at all times there shall be reserved for issuance and/or delivery upon exercise of this Option such number of shares of Common Stock as shall be required for issuance and delivery upon exercise of this Option and that it shall not increase the par value of the Common Stock during the Exercise Period.

(c) Fractional Shares. No fractional shares or script representing fractional shares shall be issued upon the exercise of this Option. With respect to any fractional shares which would otherwise be issued upon exercise, the Company shall at its election, either pay a cash adjustment in respect of such final fraction in an amount equal to such fraction multiplied by the market price of the Common Stock on the date of exercise or round up to the next whole share.

(d) Exchange, Transfer, Assignment or Loss of Option. This Option is exchangeable, without expense, at the option of the Holder, upon presentation and surrender hereof to the Company or at the office of its stock transfer agent, if any, for other Options of different denominations entitling the holder thereof to purchase in the aggregate the same number of shares of Common Stock purchasable hereunder. Subject to the provisions of Section (j) of this Option, upon surrender of this Option to the Company or at the office of its stock transfer agent, if any, with the Assignment Form annexed hereto duly executed and funds sufficient to pay any transfer tax, the Company shall, without charge, execute and deliver a new Option in the name of the assignee named in such instrument of assignment and this Option shall promptly be canceled. This Option may be divided or combined with other Options which carry the same rights upon presentation hereof at the office of the Company or at the office of its stock transfer agent, if any, together with a written notice specifying the names and denominations in which new Options are to be issued and signed by the Holder hereof. The term "Option" as used herein includes any Options into which this Option may be divided or exchanged. Upon receipt by the Company of evidence satisfactory to it of the loss, theft, destruction or mutilation of this Option, and (in the case of loss, theft or destruction) of reasonably satisfactory indemnification, and upon surrender and cancellation of this Option, if mutilated, the Company will execute and deliver a new Option of like tenor. Any such new Option executed and delivered shall constitute an additional contractual obligation on the part of the Company, whether or not this Option so lost, stolen, destroyed, or mutilated shall be at any time enforceable by anyone.

(e) No Rights as a Stockholder. The Holder shall not, by virtue of this Option, be entitled to any rights of a stockholder in the Company, either at law or equity, and the rights of the Holder are limited to those expressed in the Option and are not enforceable against the Company except to the extent set forth in this Option.

(f) Adjustments to the Exercise Price.

(1) If the Company shall, during the Exercise Period, (i) pay a dividend or make a distribution on its shares of Common Stock in shares of Common Stock, (ii) subdivide or reclassify outstanding Common Stock into a greater number of shares or otherwise effect a stock split or distribution, or (iii) combine or reclassify its outstanding Common Stock into a smaller number of shares or otherwise effect a reverse split, or (iv) effect a recapitalization pursuant to which shares of Common Stock become or are converted into shares of Common Stock and/or other equity securities, the Exercise Price in effect at the time of the record date for such dividend or distribution or of the effective date of such subdivision, combination or reclassification shall be proportionately adjusted so that the Holder of this Option exercised after such date shall be entitled to receive the aggregate number and kind of shares or other securities which, if this Option had been exercised immediately prior to such time, the Holder would have owned upon such exercise and been entitled to receive upon such dividend, subdivision, combination, reclassification or recapitalization. Such adjustment shall be made successively whenever any event listed in this Section (f)(1) shall occur.

(2) Whenever the Exercise Price payable upon exercise of each Option is adjusted pursuant to this Section (f), the number of shares of Common Stock issuable upon exercise or conversion of this Option shall simultaneously be adjusted by multiplying the number of shares of Common Stock issuable upon exercise of each Option in effect immediately prior to the adjustment by the Exercise Price then in effect and dividing the product so obtained by the Exercise Price, as adjusted. In no event shall the Exercise Price per share be less than the par value per share, and, if any adjustment made pursuant to this Section (f) would result in an Exercise Price which would be less than the par value per share, then, in such event, the Exercise Price per share shall be the par value per share; provided, however, that the limitation contained in this sentence shall not affect the number of shares of Common Stock issuable upon exercise or conversion of this Option which shall be based on the adjusted Exercise Price without giving effect to this limitation set forth in this sentence.

(3) In the event that at any time, as a result of an adjustment made pursuant to this Section (f), the Holder of any Option thereafter shall become entitled to receive any shares of the Company other than Common Stock, thereafter the number of such other shares so receivable upon exercise of any Option shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to the Common Stock contained in this Sections (f).

(4) Irrespective of any adjustments in the Exercise Price or the number or kind of shares purchasable upon exercise of Options, Options theretofore or thereafter issued may continue to express the same price and number and kind of shares as are stated in this and similar Options initially issued by the Company.

(g) Officer's Certificate. Whenever the Exercise Price shall be adjusted as required by the provisions of Section (f) of this Option, the Company shall forthwith file in the custody of its Secretary or an Assistant Secretary at its principal office and with its stock transfer agent, if any, an officer's certificate showing the adjusted Exercise Price and the adjusted number of shares of Common Stock issuable upon exercise of each Option, determined as herein provided, setting forth in reasonable detail the facts requiring such adjustment. Each such officer's certificate shall be made available at all reasonable times for inspection by the Holder, and the Company shall, forthwith after each such adjustment, mail, by first class mail, a copy of such certificate to the Holder at the Holder's address set forth in the Company's Option Register.

(h) Notices to Option Holders. So long as this Option shall be outstanding, (1) if the Company shall pay any dividend or make any distribution upon Common Stock (other than a cash dividend payable out of retained earnings) or (2) if the Company shall offer to the holders of Common Stock for subscription or purchase by them any share of any class or any other rights or (3) if any capital reorganization of the Company, reclassification of the capital stock of the Company, consolidation or merger of the Company with or into another corporation, sale, lease or transfer of all or substantially all of the property and assets of the Company to another corporation, or voluntary or involuntary dissolution, liquidation or winding up of the Company shall be effected, then in any such case, the Company shall cause to be mailed by certified mail, return receipt requested, to the Holder, at least ten days prior to the date specified in the following clauses (i) and (ii), as the case may be, of this Section (h) a notice containing a brief description of the proposed action and stating the date on which (i) a record is to be taken for the purpose of such dividend, distribution or rights, or (ii) such reclassification, reorganization, consolidation, merger, conveyance, lease, dissolution, liquidation or winding up is to take place and the date, if any is to be fixed, as of which the holders of Common Stock or other securities shall receive cash or other property deliverable upon such reclassification, reorganization, consolidation, merger, conveyance, dissolution, liquidation or winding up.

(i) Reclassification, Reorganization or Merger.

(1) In case of any reclassification, capital reorganization or other change of outstanding shares of Common Stock of the Company, or in case of any consolidation or merger of the Company with or into another corporation (other than a merger in which the Company is the continuing corporation and which does not result in any reclassification, capital reorganization or other change of outstanding shares of Common Stock of the class issuable upon exercise of this Option) or in case of any sale, lease or conveyance to another corporation of the property of the Company as an entirety, the Company shall, as a condition precedent to such transaction, cause effective provisions to be made so that the Holder shall have the right thereafter by exercising this Option, to purchase the kind and amount of shares of stock and other securities and property receivable upon such reclassification, capital reorganization and other change, consolidation, merger, sale or conveyance by a holder of the number of shares of Common Stock which might have been purchased upon exercise of this Option immediately prior to such reclassification, change, consolidation, merger, sale or conveyance. Any such provision shall include provision for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Option. The foregoing provisions of this Section (i)(1) shall similarly apply to successive reclassifications, capital reorganizations and changes of shares of Common Stock and to successive consolidations, mergers, sales or conveyances.

(2) Notwithstanding the provisions of Section (i)(1) of this Option, in the event of a Specified Merger, as hereinafter defined, this Option, if not exercised prior to the effective time of the Specified Merger, shall, at the effective time of the Specified Merger, without any action on the part of the Holder, become and be converted into the right to receive cash or securities equal to the amount determined by multiplying the number of Option Shares issuable upon exercise of this Option by the amount by which (x) the consideration payable with respect to one share of Common Stock in the Specified Merger exceeds (y) the Exercise Price. A Specified Merger shall mean the merger or consolidation of the Company into another corporation or entity or the sale by the Company of all or substantially all of its business and assets in a transaction in which the net proceeds or other consideration from such sale are distributed to the Company's stockholders in liquidation of their shares of Common Stock, if, and only if, the sole consideration to be received by the holders of the Common Stock is cash, including any contingent cash, and/or securities all of which are listed on the New York Stock Exchange, the Nasdaq Stock Market or the OTCQX or OTCQB Market or another United States, Canadian or foreign stock exchange or market designated by the Company's board of directors and the shares are issuable pursuant to a registration statement on Form S-4 or other applicable form of registration statement ("**Specified Merger**"). Securities issued in the Specified Merger shall be valued at the average closing price thereof on the principal stock exchange or market on which the securities are listed for the five-day period ending the day prior to the effective date of the Specified Merger unless the agreement relating to the Specified Merger provides another method of determining the value thereof, in which event the valuation determined by such agreement shall prevail. Payment to the Holder of this Option with respect to any such securities shall be payable in either cash or in such securities (valued as herein provided), as the Company shall determine. If, in a Specified Merger, the value of the consideration payable with respect to one share of Common Stock is equal to or less than the Exercise Price, no payment shall be made to the Holder of this Option, and (i) if the sole consideration to be received by the holders of the Common Stock is cash this Option shall terminate or (ii) if the consideration to be received by the holders of Common Stock is not exclusively cash, this Option shall be assumed by the surviving entity of such Specified Merger for the remainder of the Exercise Period and the securities issuable upon exercise shall be such consideration per share subject to the Option as each holder of common stock receives in the Specified Merger, with the exercise price being adjusted based on the conversion or exchange ratio set forth in the agreement relating to the Specified Merger or as otherwise reflected in the Company's financial statements, provided, however, that Holder may be required to exercise this Option (or any remaining portion hereof) for cash following payment in full of the TMPO amount as set forth in the Restructure Agreement.

(j) Transfer to Comply with the Securities Act. This Option or the Option Shares or any other security issued or issuable upon exercise of this Option may not be sold or otherwise disposed of except as follows:

(1) To a person who, in the opinion of counsel for the Holder and which opinion is acceptable to counsel of the Company, is a person to whom this Option or Option Shares may legally be transferred without registration and without the delivery of a current prospectus under the Securities Act and in compliance with applicable state securities laws with respect thereto and then only against receipt of an agreement of such person to comply with the provisions of this Section (j) with respect to any resale or other disposition of such securities which agreement shall be satisfactory in form and substance to the Company and its counsel; or

(2) To any person upon delivery of a prospectus then meeting the requirements of the Securities Act and state securities laws relating to such securities and the offering thereof for such sale or disposition.

Dated as of February 19, 2021

QUEST PATENT RESEARCH CORPORATION.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

PURCHASE FORM

Dated: , 20

The undersigned hereby irrevocably exercises this Option to the extent of purchasing _____ shares of Common Stock and hereby makes payment of $_____ in payment of the Exercise Price therefor. In exercising this Option, the undersigned represents and Options to the Company that the representations and Warranties made by the undersigned in the Agreement pursuant to which this Option was issued, are true and correct on the date of exercise with the same force and effect as if made on such date.

INSTRUCTIONS FOR REGISTRATION OF STOCK

Name:_____
(Please typewrite or print in block letters)

Signature:_____

Social Security or Employer Identification No._____

ASSIGNMENT FORM

FOR VALUE RECEIVED,_____
hereby sells, assigns and transfer unto
Name_____

(Please typewrite or print in block letters)

Address_____

Social Security or Employer Identification No._____

The right to purchase Common Stock represented by this Option to the extent of _____shares as to which such right is exercisable and does hereby irrevocably constitute and appoint _____ attorney to transfer the same on the books of the Company with full power of substitution.

Dated: , 202_

Signature_____

Signature Medallion Guaranteed:

_____

Note: Any transferee will have to satisfy the Company that such transferee is an accredited investor as defined in Rule 501 of the Securities and Exchange Commission pursuant to the Securities Act of 1933, as amended.

EX-99.12 13 ea136324ex99-12_questpatent.htm EX. C TO RESTRUCTURE AGREEMENT - AMENDED AND RESTATED PLEDGE AGREEMENT DATED FEBRUARY 19, 2021 AMONG THE COMPANY AND INTELLIGENT PARTNERS LLC

Exhibit 99.12

Ex. C - AR PLEDGE

AMENDED AND RESTATED PLEDGE AND SECURITY AGREEMENT

THIS AMENDED AND RESTATED PLEDGE AND SECURITY AGREEMENT (this "**Pledge Agreement**"), dated as of February 19, 2021, made by **Quest Patent Research Corporation,** a Delaware corporation ("**Grantor**"), in favor of **Intelligent Partners LLC,** a Delaware limited liability company ("**Holder**"), and is effective as of the Restructure Date, as defined in the Restructure Agreement, and amends and restates in its entirety the Pledge and Security Agreement entered into by and between Grantor and Holder (as transferee of United Wireless Holdings LLC), effective as of October 22, 2015.

W I T N E S S E T H:

WHEREAS, the Grantor and the Holder are parties to that certain Restructure Agreement dated as of the Restructure Date, as defined therein (the "**Restructure Agreement**"); and

WHEREAS, it is a condition precedent to the effectiveness of the Restructure Agreement that Grantor execute and deliver to the Holder a pledge agreement in substantially the form hereof pledging certain collateral to secure the obligations of Grantor and Patent Owner (as defined in the MPA-CP) pursuant to the MPA-CP; and

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

ARTICLE I DEFINITIONS

SECTION 1.1 Certain Terms. The following terms (whether or not underscored) when used in this Pledge Agreement, including its preamble and recitals, shall have the following meanings (such definitions to be equally applicable to the singular and plural forms thereof):

"**Collateral**" is defined in Section 2.1

"**Distributions**" is defined in Section 2.1(c).

"**Grantor**" is defined in the preamble.

"**Indemnified Parties**" is defined in Section 6.2(a).

"**Investment Property**" means "investment property" as defined in the UCC, including, without limitation, all securities, as defined in Article 8-102 of the UCC (whether certificated or uncertificated), security entitlements, securities accounts, commodity contracts, and commodity accounts.

"**Holder**" is defined in the first recital.

"**MPA-CP**" has the meaning ascribed thereto in the Restructure Agreement.

"**Pledge Agreement**" is defined in the preamble.

"**Pledge Agreement Document**" means this Pledge Agreement and the MPA-CP, each a "**Pledge Agreement Document**" and together the "**Pledge Agreement Documents**".

"**Pledge Agreement Obligor**" means each of Grantor and each Patent Owner (as defined in the MPA-CP) that is party to the Pledge Agreement Document.

"**Pledged Interests**" is defined in Section 2.1(a).

"**Pledged Property**" is defined in Section 2.1(b).

"**Pledged Subsidiaries**" is defined in Section 2.1(a).

"**Proceeds**" means all proceeds (as defined in the UCC) of any or all of the Collateral, including without limitation (i) any and all proceeds of, all claims for, and all rights of each Grantor to receive the return of any premiums for, any insurance, indemnity, warranty or guaranty payable from time to time with respect to any of the Collateral, (ii) any and all payments (in any form whatsoever) made or due and payable from time to time in connection with any requisition, confiscation,

condemnation, seizure or forfeiture of all or any part of the Collateral by any governmental authority (or any person acting under color of any governmental authority), (iii) all proceeds received or receivable when any or all of the Collateral is sold, exchanged or otherwise disposed, whether voluntarily, involuntarily, in foreclosure or otherwise, (iv) all claims of each Grantor for damages arising out of, or for breach of or default under, any Collateral, (v) all rights of each Grantor to terminate, amend, supplement, modify or waive performance under any contracts, to perform thereunder and to compel performance and otherwise exercise all remedies thereunder, and (vi) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral.

"**Restructure Agreement**" is defined in the first recital.

"**Secured Obligations**" is defined in Section 2.2.

"**UCC**" means the Uniform Commercial Code, as in effect in the State of New York, as the same shall be amended from time to time; provided, however, in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or 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, the term "UCC" shall mean the Uniform Commercial Code as in effect in such other jurisdiction solely for purposes of the provisions hereof relating to such attachment, perfection or priority and for purposes of definitions related to such provisions.

SECTION 1.2 Restructure Agreement Definitions. Unless otherwise defined herein or the context otherwise requires, capitalized terms used in this Pledge Agreement, including its preamble and recitals, not otherwise defined have the meanings provided in the Restructure Agreement.

SECTION 1.3 UCC Definitions. Unless otherwise defined herein or the context otherwise requires, terms for which meanings are provided in the UCC are used in this Pledge Agreement, including its preamble and recitals, with such meanings.

ARTICLE II SECURITY INTEREST

SECTION 2.1 Grant of Security. Grantor hereby pledges, hypothecates, assigns, charges, mortgages, delivers and transfers to Holder for its benefit, and hereby grants to Holder for its benefit, a continuing security interest in all of such Grantor's right, title and interest, whether now existing or hereafter arising or acquired, in and to the following property (the "**Collateral**"):

(a) all shares of capital stock of each of Mariner IC Inc., Semcon IP Inc., and IC Kinetics Inc., each a Texas corporation (the "**Pledged Subsidiaries**"), representing one hundred percent (100%) of all outstanding equity interests therein; all registrations, certificates, agreements or documents governing or representing any such interests; all options and other rights, contractual or otherwise, at any time existing with respect to such interests, as such interests are amended, modified, or supplemented from time to time, any interests in the Pledged Subsidiaries, taken in extension or renewal thereof or substitution therefor (the "**Pledged Interests**"), whether or not now or hereafter delivered to Holder in connection with this Pledge Agreement;

(b) all assignments of any amounts due or to become due with respect to the Pledged Interests, all other instruments which are now being delivered by Grantor to Holder or may from time to time hereafter be delivered by Grantor to Holder for the purpose of pledge under the Pledge Agreement Documents, and all Proceeds of any of the foregoing (collectively, together with the Pledged Interests, the "**Pledged Property**"), and all interest, and other payments and rights with respect to any Pledged Property;

(c) all cash dividends, disbursements or distributions, equity dividends, disbursements or distributions, other distributions, liquidating dividends or distributions, equity interests resulting from (or in connection with the exercise of) stock splits, reclassifications, warrants, options, non-cash dividends or distributions, mergers, consolidations, and all other distributions or payments (whether similar or dissimilar to the foregoing) on or with respect to, or on account of, any Pledged Interest or other rights or interests constituting Collateral (collectively, "**Distributions**");

(d) all present and future rights, claims, remedies and privileges of Grantor pertaining to any of the foregoing; and

(e) all Proceeds, products and profits of any of the foregoing, in each case whether now existing or hereafter arising or acquired.

For the avoidance of doubt, Collateral pledged pursuant to this Agreement does not include (i) any of the foregoing (a)-(e) with respect to Grantor, CXT Systems Inc., M-RED Inc., Audio Messaging Inc. and any subsidiary of the Grantor now or hereinafter created other than the Pledged Subsidiaries or (ii) Gross Monetization Proceeds pursuant to any Restructure MPA.

SECTION 2.2 Security for Obligations. This Pledge Agreement secures the indefeasible payment in full and performance of all obligations, now or hereafter existing, of Grantor and each other Pledge Agreement Obligor to Holder under the Pledge Agreement Documents, including, without limitation, proceeds, payments, costs, fees, expenses or otherwise, howsoever created, arising or evidenced, whether in connection with the Restructure Agreement, whether direct or indirect, primary or secondary, fixed or absolute or contingent, joint or several, now or hereinafter existing or due or to become due, including all renewals, rearrangements, increases, extensions for any period, substitutions, modifications, amendments or supplements in whole or in part of any of the above documents, agreements or obligations (all such obligations of Grantor and each other Pledge Agreement Obligor being the "**Secured Obligations**").

SECTION 2.3 Continuing Security Interest. This Pledge Agreement shall create a continuing security interest in the Collateral and shall: (a) remain in full force and effect until the date that is 15 days after the indefeasible payment in full in cash or performance of all Secured Obligations; (b) be binding upon Grantor and its successors, transferees and assigns; and (c) inure, together with the rights and remedies of Holder and its respective successors, transferees and assigns. On the date that is 15 days after the indefeasible payment in full in cash of all Secured Obligations, the security interest granted herein shall terminate and all rights to the Collateral shall revert to Grantor. Upon any such payment and termination or expiration, Holder will, at Grantor's sole expense, deliver to Grantor, without any representations, warranties or recourse of any kind whatsoever other than representations relating to the absence of any action on the part of Holder to impair, encumber or otherwise affect the ownership of or rights in the Collateral, all Collateral held by Holder hereunder, and execute and deliver to Grantor such documents as Grantor shall reasonably request to evidence such termination. If at any time all or any part of any payment theretofore applied by Holder to any of the Secured Obligations is or must be rescinded or returned by Holder for any reason whatsoever (including, without limitation, the insolvency, bankruptcy, reorganization or other similar proceeding of Grantor or any other Person), such Secured Obligations shall, for purposes of this Pledge Agreement, to the extent that such payment is or must be rescinded or returned, be deemed to have continued to be in existence, notwithstanding any application by Holder or any termination agreement or release provided to Grantor, and this Pledge Agreement shall continue to be effective or reinstated, as the case may be, as to such Secured Obligations, all as though such application by Holder had not been made.

SECTION 2.4 Grantor Remains Liable. Anything herein to the contrary notwithstanding (a) Grantor shall remain liable under the contracts and agreements included in the Collateral to the extent set forth therein, and shall perform all of its duties and obligations under such contracts and agreements, to the same extent as if this Pledge Agreement had not been executed; (b) the exercise by Holder of any of its rights hereunder shall not release Grantor from any of its duties or obligations under any contracts and agreements included in the Collateral; and (c) Holder shall not have any obligation or liability under any such contracts or agreements included in the Collateral by reason of this Pledge Agreement, nor shall Holder be obligated to perform any of the obligations or duties of Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

SECTION 2.5 Delivery of Pledged Property.

(a) All certificates or instruments representing or evidencing any Collateral, including all Pledged Interests which are certificated, shall be delivered to and held by or on behalf of Holder pursuant hereto, shall be in suitable form for transfer by delivery, and shall be accompanied by all necessary indorsements or instruments of transfer or assignment, duly executed in blank.

(b) To the extent any of the Collateral constitutes an "uncertificated security" (as defined in Section 8-102(a)(18) of the UCC) or a "security entitlement" (as defined in Section 8-102(a)(l7) of the UCC), Grantor shall take and cause the appropriate Person (including any issuer, entitlement holder or securities intermediary thereof) to take all actions necessary to grant "control" (as defined in 8-106 of the UCC) to Holder over such Collateral.

SECTION 2.6 Distributions on Pledged Interests. In the event that any Distribution with respect to any Pledged Interests pledged hereunder is permitted to be paid (in accordance with the Pledge Agreement Documents), such Distribution or payment may be paid directly to Grantor if and for so long as no Event of Default has occurred and is continuing, all such payment may be made to Grantor, except as provided in the second sentence of Section 4.10(e). If any Distribution is made in contravention of the Pledge Agreement Documents, Grantor shall hold the same segregated and in trust for Holder until paid to Holder in accordance with the Pledge Agreement Documents.

SECTION 2.7 Security Interest Absolute. All rights of Holder and the security interests granted to Holder hereunder, and all obligations of Grantor hereunder, shall be absolute and unconditional, irrespective of: (a) any lack of validity or enforceability of the Restructure Agreement, or any other Pledge Agreement Document; (b) the failure of Holder (i) to assert any claim or demand or to enforce any right or remedy against Grantor, any Pledged Subsidiary or any other Person under the provisions of the Restructure Agreement, any other Pledge Agreement Document or otherwise, or (ii) to exercise any right or remedy against any other guarantor of, or Collateral securing, any Secured Obligations of Grantor or any Pledged Subsidiary; (c) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations or any other extension, compromise or renewal of any Secured Obligation of Grantor or any Pledged Subsidiary; (d) any reduction, limitation, impairment or termination of any Secured Obligations of Grantor or any Pledged Subsidiary for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to (and Grantor hereby waives, to the extent permitted by law, any right to or claim of) any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality, non-genuineness, irregularity, compromise, unenforceability of, or any other event or occurrence affecting, any Secured Obligations of Grantor, any Pledged Subsidiary or otherwise; (e) any amendment to, rescission, waiver, or other modification of, or any consent to departure from, any of the terms of the Restructure Agreement, or any other Pledge Agreement Document; (f) any addition, exchange, release, surrender or non-perfection of any Collateral (including the Collateral), or any amendment to or waiver or release of or addition to or consent to departure from any guaranty, for any of the Secured Obligations; or (g) any other circumstances which might otherwise constitute a defense available to, or a legal or equitable discharge of, Grantor, any Pledged Subsidiary, any surety or any guarantor.

ARTICLE III REPRESENTATIONS AND WARRANTIES

Grantor represents and warrants unto Holder as set forth in this Article.

SECTION 3.1 Principal Place of Business: Name. The place of business of Grantor or, if Grantor has more than one place of business, the office where Grantor keeps its records is 411 Theodore Fremd Ave., Suite 206S, Rye, NY 10580. Since June 7, 2007, Grantor has not been known by any legal name different from the one set forth on the signature page hereto, nor has Grantor been the subject of any merger or other corporate reorganization.

SECTION 3.2 Authority. Grantor has the power and authority and the legal right to execute and deliver, to perform its obligations under, and to grant the liens on the Collateral pursuant to this Pledge Agreement and has taken all necessary action to authorize its execution, delivery and performance of, and grant of the liens on the Collateral pursuant to, this Pledge Agreement;

SECTION 3.3 Enforceability. This Agreement constitutes a legal, valid and binding obligation of Grantor, enforceable against Grantor in accordance with its terms, subject to the effect of any applicable bankruptcy, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally and subject, and subject to any remedies in the nature of equitable relief being in the discretion of the court.

SECTION 3.4 Consents. No approval, consent, compliance, exemption, authorization or other action by or notice to, or filing with, any governmental authority or any other person, and no lapse of a waiting period under any requirement of law, is necessary or required in connection with the execution, delivery, performance, validity or enforceability (including the grant of the liens on the Collateral) of this Pledge Agreement except to the extent that a filing under the UCC may be required to perfect the lien granted pursuant to this Pledge Agreement.

SECTION 3.5 Ownership. Grantor is the legal and beneficial owner of, and has good and valid title to (and has full right and authority to assign and pledge) the Pledged Interests and the other Collateral free and clear of any lien, security interest, charge or encumbrance except for the security interest created by this Pledge Agreement.

SECTION 3.6 Senior Liens; No Other Liens. The security interest in the Collateral created hereby will be junior and subordinate to Senior Liens (as defined in the Patent Proceeds Security Agreement as defined in the MPA-CP). Other than the Senior Liens referred to in the immediately preceding sentence, no security agreement, financing statement or continuation statement covering all or part of the Collateral is on file or record in any public office where filing would be appropriate under the UCC, except such as may have been or will be filed in favor of Holder pursuant to this Pledge Agreement. As of the date of this Pledge Agreement, upon the delivery of certificates representing the Pledged Interests, the lien granted pursuant to this Pledge Agreement in the Collateral will constitute a valid, perfected lien on the Collateral, prior to all other liens except Senior Liens, which will be enforceable as such as against all creditors of Grantor and any persons purporting to purchase any Collateral from Grantor, subject to the effect of any applicable bankruptcy, reorganization, insolvency, moratorium or similar laws affecting creditors' rights generally. All action necessary or desirable to perfect such lien in each item of the Collateral requested by Holder has been or will be duly taken.

SECTION 3.7 As to the Pledged Interests.

(a) With respect to the Pledged Interests, all such Pledged Interests are duly authorized and validly issued, fully paid and non-assessable, and all certificates evidencing such Pledged Interests have been duly and validly issued.

(b) Grantor has delivered all Certificated Securities constituting Collateral held by Grantor on the date hereof to Holder, together with duly executed undated blank stock powers.

(c) The percentage of the issued and outstanding Pledged Interests of the Pledged Subsidiary pledged by Grantor hereunder is one hundred percent (100%) of the total equity capital of the Pledged Subsidiary, and there are no other equity holders of the Pledged Subsidiary other than Grantor.

(d) No Pledged Subsidiary has any outstanding rights, rights to subscribe, options, warrants or convertible securities outstanding or any other rights outstanding whereby any Person would be entitled to acquire shares of stock or other equity interests in the Pledged Subsidiary.

(e) Grantor has delivered to Holder complete and correct copies of the organizational documents of the Pledged Subsidiary since inception to date. There are no restrictions on transfer in the organizational documents of the Pledged Subsidiary governing any Pledged Interests or any other agreement related to the Collateral which would limit or restrict (i) the grant of a security interest in the Pledged Interests, (ii) the perfection of such security interest, (iii) the exercise of remedies in respect of such perfected security interest in the Pledged Interests, or (iv) the transfer of the Pledged Interests as contemplated by this Pledge Agreement.

ARTICLE IV COVENANTS

SECTION 4.1 A deviation from the provisions of this Article IV shall not constitute a Default under this Pledge Agreement if such deviation is consented to in writing (in the manner provided in the Pledge Agreement Documents) in advance by Holder. Debtor will at all times comply in all material respects with the covenants contained in this Article IV, from the date hereof and for so long as any part of the Secured Obligations are outstanding.

SECTION 4.2 Further Assurances.

(a) Grantor agrees that from time to time, at its sole cost and expense, Grantor will promptly execute and deliver all instruments and documents, and take all further action, that may be reasonably necessary or desirable, or that Holder may reasonably request, in order to perfect, maintain and protect any pledge, assignment, or security interest granted, intended or purported to be granted hereby or to enable Holder to exercise and enforce its rights and remedies hereunder with respect to any Collateral. Without limiting the generality of the foregoing, Grantor (A) at the request of Holder, shall execute such instruments, endorsements or notices, as may be reasonably necessary or desirable or as Holder may reasonably request, in order to perfect and preserve the assignments and security interests granted or purported to be granted hereby, (B) shall, at the reasonable request of Holder during the existence of an Event of Default, mark conspicuously each material document included in the Collateral, each chattel paper included in the accounts, and each of its records pertaining to the Collateral with a legend, in form and substance satisfactory to Holder, including that such document, chattel paper, or record is subject to the pledge, assignment, and security interest granted hereby, (C) shall, if any Collateral shall be evidenced by a promissory note, negotiable instrument or other instrument or chattel paper, deliver and pledge to Holder hereunder such note or instrument or chattel paper duly endorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance satisfactory to Holder, (D) shall, at Holder's reasonable request, take any actions reasonably requested by Holder to enable Holder (to the extent applicable law permits the same) to obtain "control" (within the meaning of Section 9-104, 9-105, 9-106, or 9-107, as applicable, of the UCC) with respect to any Collateral with any applicable control agreement or arrangement to be in form and substance satisfactory to Holder, and (E) until such time as an Event of Default shall have occurred and be continuing and Holder shall have notified Grantor of the revocation of such power and authority, Grantor (i) will, to the extent commercially reasonable in light of its financial condition at the time, at its own expense, endeavor to collect, as and when due, all amounts due with respect to any of the Collateral, including the taking of such action with respect to such collection as Holder may reasonably request or, in the absence of such request, as Grantor may deem advisable, and (ii) may grant, in the ordinary course of business, to any party obligated on any of the Collateral, any rebate, refund or allowance to which such party may be lawfully entitled, and may accept, in connection therewith, the return of goods, the sale or lease of which shall have given rise to such Collateral. Holder may, at any time after an Event of Default has occurred and for so long as the Event of Default is continuing, (i) notify any parties obligated on any of the Collateral to make payment to Holder of any amounts due or to become due thereunder and (ii) enforce collection of any of the Collateral by suit or otherwise and surrender, release, or exchange all or any part thereof, or compromise or extend or renew for any period (whether or not longer than the original period) any indebtedness thereunder or evidenced thereby; (F) after the occurrence and during the continuation of an Event of Default, Holder is authorized to endorse, in the name of Grantor, any item, howsoever received by Holder, representing any payment on or other proceeds of any of the Collateral; and (G) file such financing or continuation statements, or amendments thereto, and such other instruments or notices (including without limitation, any assignment of claim form under or pursuant to the federal assignment of claims statute, U.S.C. §3726, any successor or amended version thereof or any regulation promulgated under or pursuant to any version thereof), as may be necessary or prudent, or as Holder may reasonably request, in order to perfect and preserve the security interests and other rights granted or purported to be granted hereby; (H) furnish to Holder, from time to time at Holder's reasonable request, statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as Holder may reasonably request, all in reasonable detail; and (I) upon the acquisition after the date hereof by Grantor of any Collateral, with respect to which the security interest granted hereunder is not perfected automatically upon such acquisition, take such actions with respect to such Collateral or any part thereof as may be required to grant or perfect a security interest therein to Holder.

(b) Grantor shall pay all filing, registration and recording fees and all refiling, re-registration and re-recording fees, and all other reasonable expenses incident to the execution and acknowledgment of this Pledge Agreement, and all federal, state, county and municipal stamp taxes and other taxes, duties, imports, assessments and charges arising out of or in connection with the execution and delivery of this Pledge Agreement, any agreement supplemental hereto, any financing statements, and any instruments of further assurance.

(c) Grantor shall promptly provide to Holder all information and evidence Holder may reasonably request concerning the Collateral to enable Holder to enforce the provisions of this Pledge Agreement.

SECTION 4.3 Change of Name; Jurisdiction of Formation. Grantor shall give Holder at least 30 days' prior written notice before it (i) changes the location of its jurisdiction of formation or organization or (ii) uses a trade name other than its current name used on the date hereof. Other than as permitted by the Pledge Agreement Documents, Grantor shall not amend, supplement, modify or restate its articles or certificate of incorporation, bylaws, or other equivalent organizational documents, nor amend its name without the prior written consent of Holder.

SECTION 4.4 Right of Inspection. Grantor shall hold and preserve, at its own cost and expense, satisfactory and complete records of the Collateral and will permit representatives of Holder, upon reasonable advance notice, at any time during normal business hours to inspect and copy them. At Holder's request to Grantor, Grantor shall promptly deliver copies of any and all such records to Holder.

SECTION 4.5 Negotiable Instruments. If Grantor shall at any time hold or acquire any negotiable instruments that are part of the Collateral, including promissory notes, Grantor shall forthwith endorse, assign and deliver the same to Holder, accompanied by such instruments of transfer or assignment duly executed in blank as Holder may from time to time reasonably request. Notwithstanding the foregoing, as long no Event of Default has occurred and is continuing, any and all payments made with respect to such negotiable instruments shall be paid to Grantor.

SECTION 4.6 Other Covenants of Grantor. Grantor agrees that (i) any action or proceeding to enforce Holder's rights against the Collateral pursuant to this Pledge Agreement may be taken by Holder either in such Grantor's name or in Holder's name, as Holder may deem necessary, and (ii) Grantor will, until the indefeasible payment in full in cash of the Secured Obligations and the termination of the Pledge Agreement Documents, warrant and defend its title to the Collateral pledged by it hereunder, and the interest of Holder in the Collateral against any claim or demand of any persons which could reasonably be expected to materially adversely affect Grantor's title to, or Holder's right or interest in, such Collateral.

SECTION 4.7 Transfers and Other Liens. Grantor shall not: (a) sell, assign (by operation of law or otherwise) or otherwise dispose of any of the Collateral; or (b) create or suffer to exist any lien or other charge or encumbrance upon or with respect to any of the Collateral to secure indebtedness of any Person or entity, except for the security interest created by this Pledge Agreement.

SECTION 4.8 Compromise of Collateral. Grantor will not adjust, settle or compromise any claim relating to the Collateral or Grantor's title therein without the prior written consent of Holder.

SECTION 4.9 Expenses. Except as provided in the Restructure Agreement, Grantor agrees to pay to Holder all advances, charges, costs and expenses (including reasonable attorneys' fees and legal expenses) incurred by Holder in connection with the transaction which gives rise to this Pledge Agreement, in connection with confirming, perfecting and preserving the security interest created under this Pledge Agreement, in connection with protecting Holders against the claims or interests of any Person against the Collateral, and in exercising any right, power or remedy conferred by this Pledge Agreement or by law or in equity (including, but not limited to, reasonable attorneys' fees and legal expenses incurred by Holder in the collection of instruments deposited with or purchased by Holder and amounts incurred in connection with the operation, maintenance or foreclosure of any or all of the Collateral). The amount of all such advances, charges, costs and expenses shall be due and payable by Grantor to Holder thirty (30) days after invoice or demand by Holder at a monthly compounding rate per annum equal to the applicable pre-judgment interest rate pursuant to *CPLR § 5004*.

SECTION 4.10 As to Investment Property. Grantor hereby covenants and agrees as follows:

(a) Organizational Documents of Pledged Subsidiary. Grantor will not vote or take any other action (as stockholder or otherwise) to amend or terminate any organizational document of the Pledged Subsidiary in any way that (i) changes the rights of Grantor with respect to any Pledged Property or other Collateral or (ii) adversely affects the validity, perfection or priority of Holder's security interest.

(b) Ownership of the Pledged Subsidiary. Grantor shall not allow or permit the Pledged Subsidiary to issue any stock or other equity interest in addition to or in substitution for the Pledged Interests pledged hereunder, except for additional stock issued to Grantor; provided that (i) such stock is immediately pledged and delivered to Holder, together with stock powers duly endorsed in blank, with Medallion program signature guaranties, and (ii) Grantor delivers a supplement or amendment to this Pledge Agreement identifying such stock as Pledged Property. Grantor shall not permit the Pledged Subsidiary to issue any stock, warrants, options, contracts or other commitments or other securities that are convertible to any of the foregoing or that entitle any person to purchase any of the foregoing, and except for this Pledge Agreement or any other Pledge Agreement Document shall not, and shall not permit the Pledged Subsidiary to, enter into any agreement creating any restriction or condition upon the transfer, voting or control of any Pledged Property.

(c) Certificated Securities (Stock Powers). Grantor agrees that all Certificated Securities constituting Collateral) delivered by Grantor pursuant to this Pledge Agreement will be accompanied by duly endorsed undated blank stock powers, with Medallion program signature guaranties, or other equivalent instruments of transfer acceptable to Holder. Grantor will, from time to time upon the request of Holder, promptly deliver to Holder such stock powers, instruments and similar documents, satisfactory in form and substance to Holder, with respect to the Collateral as Holder may reasonably request. Upon the occurrence of an Event of Default, Holder will have the right, without notice to Grantor, to transfer all or any portion of the Collateral to its name or the name of its nominee or agent solely for the purpose of enforcing its rights set forth in this Agreement.

(d) Continuous Pledge. Subject to Section 4.10(e), if Grantor shall, as a result of its ownership of the Collateral, become entitled to receive or shall receive any Pledged Property, Distributions, or Proceeds in respect of any of the foregoing Collateral, Grantor shall accept the same as Holder's agent, hold the same in trust for Holder and, unless permitted to be distributed to Grantor pursuant to the Pledge Agreement Documents, deliver the same forthwith to Holder in the exact form received. In case any distribution of capital shall be made on or in respect of the Collateral or any property shall be distributed upon or with respect to the Collateral pursuant to the recapitalization or reclassification of the capital of the Pledged Subsidiary, or pursuant to the reorganization of the Pledged Subsidiary, the property so distributed shall be delivered to Holder to be held by it as additional Collateral securing the Secured Obligations subject to the terms hereof.

(e) Voting Rights; Dividends. etc.

(i) So long as no Event of Default has occurred and is continuing:

(A) Except as otherwise provided in the Pledge Agreement Documents, Grantor will be entitled to exercise or refrain from exercising any and all voting and other consensual rights (whether as a stockholder or otherwise) pertaining to the Pledged Property and all other incidental rights of ownership with respect to the Collateral for any purpose not inconsistent with the terms of the Pledge Agreement Documents or materially and adversely affecting the rights inuring to a holder of the Collateral or the rights and remedies of Holder under this Pledge Agreement or any other Pledge Agreement Document or Holder's ability to exercise the same;

(B) If requested by Grantor, Holder will execute and deliver to Grantor all proxies and other instruments as Grantor may from time to time reasonably request to enable Grantor to exercise the voting and other consensual rights (whether as a stockholder or otherwise) pertaining to the Pledged Property and all other incidental rights of ownership with respect to the Collateral when and to the extent that it is entitled to exercise the same under clause (A) above or to receive the cash Distributions that it is entitled to receive pursuant to clause (C) below; and

(C) Grantor will be entitled to receive, retain and/or expend, dividend or distribute any and all cash Distributions paid on the Pledged Property to the extent and only to the extent that such cash Distributions are not expressly prohibited by, and are otherwise paid in accordance with, the terms and conditions of the Pledge Agreement Documents and applicable laws. All non-cash Distributions and all Distributions paid or payable in cash or otherwise in connection with a partial or total liquidation or dissolution, or resulting from a subdivision, combination or reclassification of the Pledged Interests of the Pledged Subsidiary or received in exchange for Pledged Property or any part thereof, or in redemption thereof, or as part of any merger, consolidation, acquisition or other exchange of assets to which the Pledged Subsidiary may be a party or otherwise, will be and become additional Collateral securing the Secured Obligations subject to the terms hereof.

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

(A) All rights of Grantor to exercise or refrain from exercising the voting and other consensual rights (whether as a stockholder or otherwise) pertaining to the Pledged Property and all other incidental rights of ownership with respect to the Collateral that Grantor would otherwise be entitled to exercise pursuant hereto will cease and all such rights will thereupon become vested in Holder who will thereupon have the sole right to exercise such voting and other consensual rights (whether as a as a stockholder or otherwise);

(B) In order to facilitate Holder's exercise of the voting and other consensual rights that it may be entitled to exercise hereunder and to receive all Distributions, **GRANTOR HEREBY GRANTS HOLDER AN IRREVOCABLE PROXY (WHICH IRREVOCABLE PROXY SHALL CONTINUE IN EFFECT UNTIL THE TERMINATION DATE OF THIS PLEDGE AGREEMENT) EXERCISABLE DURING THE CONTINUATION OF AN EVENT OF DEFAULT, TO VOTE THE PLEDGED INTERESTS, AND SUCH OTHER COLLATERAL; AND** Grantor will promptly execute and deliver all proxies, payment orders or other instruments as Holder may

reasonably request and Grantor acknowledges that Holder may utilize the power of attorney set forth herein; and

(C) All rights of Grantor to Distributions that Grantor is authorized to receive pursuant to Section 4.10(e)(i)(C) above will cease, and all such rights will thereupon become vested in Holder, which will have the sole and exclusive right and authority to receive and retain such Distributions.

ARTICLE V RIGHTS, REMEDIES AND DEFAULT

SECTION 5.1 Events of Default. An **"Event of Default"** under this Pledge Agreement shall occur upon (a) any breach of Section 3.5, Sections 3.7(d), Section 3.7(e), Section 4.7 or Section 4.10 of this Pledge Agreement, which breach remains uncured after 7 days written notice to Grantor setting forth in reasonable detail the nature of the breach (provided, that no such cure period or a shorter cure period elected by Holder shall apply upon the occurrence of any such breach which materially impairs Holder's security interest in the Collateral and/or is not curable or reasonably likely to be cured within such cure period); (b) any other breach of this Pledge Agreement, which breach remains uncured after 30 days written notice to Grantor setting forth the nature of the breach; and (c) the occurrence of any Event of Default as defined in the Restructure Agreement, subject to any notice and cure provisions contained therein.

SECTION 5.2 With Respect to Collateral. Holder is hereby fully authorized and empowered (without the necessity of any further consent or authorization from Grantor) and the right is expressly granted to Holder, and Grantor hereby constitutes, appoints and makes Holder as Grantor's true and lawful attorney-in-fact and agent for Grantor and in Grantor's name, place and stead with full power of substitution, in Holder's name or Grantor's name or otherwise, for Holder's sole use and benefit, but at Grantor's cost and expense, to exercise, without notice, all or any of the following powers at any time following the occurrence and during the continuation of an Event of Default hereunder, in addition to the rights set forth in Section 4.8(e)(ii) above and any other rights and remedies of Holder, with respect to all or any of the Collateral:

(a) notify obligors on the Collateral to make and deliver payment to Holder;

(b) to demand, sue for, collect, receive and give acquittance for any and all monies due or to become due with respect to the Collateral and otherwise deal with Proceeds;

(c) to receive, take, endorse, assign and deliver any and all checks, notes, drafts, documents and other negotiable and non-negotiable instruments and chattel paper taken or received by Holder in connection therewith, in Grantor's name or its own name or otherwise;

(d) to file any claim or to take other action or proceeding in any court of law or equity or otherwise, or settle, compromise, compound, prosecute or defend any action or proceeding with respect thereto;

(e) to sell, transfer, assign or otherwise deal in or with the same or the proceeds or avails thereof or the relative goods, as fully and effectively as if Holder were the absolute owner thereof;

(f) to extend the time of payment of any or all thereof and to grant waivers and make any allowance or other adjustment with reference thereto; and

(g) to act as the sole stockholder of the Pledged Subsidiary and to take all of the foregoing actions with respect to the Pledged Subsidiary with respect to any and all assets, claims, rights and other properties of the Pledged Subsidiary;

provided, however, that Holder shall be accountable only for amounts it actually receives as a result of the exercise of such powers and Holder shall be under no obligation or duty to exercise any of the powers hereby conferred upon it and shall be without liability for any act or failure to act in connection with the collection of, or the preservation of any rights under, any Collateral.

SECTION 5.3 Certain Remedies. If, and for as long as, any Event of Default shall have occurred and be continuing:

(a) Holder may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party on default under the UCC and also may (i) require Grantor to, and Grantor hereby agrees that it will, at its expense and upon reasonable request of Holder forthwith, assemble all or part of the Collateral as directed by Holder and make it available to Holder at a place to be designated by Holder that is reasonably convenient to both parties and (ii) without notice except as specified below or, if notice cannot be waived under the UCC, as required to be provided by the UCC, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any of Holder's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as Holder may deem commercially reasonable; provided, that any sale of Collateral which constitutes securities, as defined by the federal securities laws, shall be made in compliance with applicable federal and state securities laws. Grantor agrees that, to the extent notice of sale or disposition shall be required by law, at least ten (10) days' prior notice to Grantor of the time and place of any public sale or disposition or the time after which any private sale or disposition is to be made shall constitute reasonable notification; provided, however, that with respect to Collateral that is (A) perishable or threatens to decline speedily in value, or (B) is of a type customarily sold on a recognized market (including but not limited to, Investment Property), no notice of sale or disposition need be given. For purposes of this Article V, notice of any intended sale or disposition of any Collateral may be given by in the manner set forth in the Restructure Agreement. Holder shall not be obligated to make any sale of Collateral regardless of notice of sale or disposition having been given. Holder may adjourn any public or private sale or disposition from time to time by announcement at the time and place fixed therefore, and such sale or disposition may, without further notice, be made at the time and place to which it was so adjourned.

(b) Grantor recognizes that Holder may be unable to effect a public sale of the Pledged Interests by reason of certain prohibitions contained in the United States federal securities laws and applicable state securities laws or otherwise, and may be compelled to resort to one or more private sales thereof to a restricted group of purchases which will be obliged to agree, among other things, to acquire such securities for their own account for investment and not with a view to the distribution or resale thereof. Grantor acknowledges and agrees that any such private sale may result in prices and other terms less favorable to Grantor than if such sale were a public sale and agrees that such circumstances shall not, in and of themselves result in a determination that such sale was not made in a commercially reasonable manner. Holder shall be under no obligation to delay a sale of any of the Pledged Interests for the time period necessary to permit the Pledged Subsidiary to register such securities for public sale under applicable securities laws, even if the Pledged Subsidiary agreed to do so. Grantor further agrees to use its reasonable efforts to do or cause to be done all such other acts as may be necessary to make any sale or sales of all or a portion of the Pledged Interests pursuant to this Pledge Agreement valid and binding and in compliance with the organizational documents of the Pledged Subsidiary and any other applicable law, statute, rule or regulation or other determination of any court, board, commission, agency or instrumentality of the federal or state government or of any municipality or any agency.

(c) All amounts received as a result of the exercise of remedies under this Pledge Agreement or under applicable law shall be applied upon receipt to the Secured Obligations as set forth in the Pledge Agreement Documents.

(d) Holder may do any or all of the following: (i) transfer all or any part of the Collateral into the name of Holder or its nominee, with or without disclosing that such Collateral is subject to the Lien hereunder, (ii) notify the parties obligated on any of the Collateral to make payment to Holder of any amount due or to become due thereunder, (iii) enforce collection of any of the Collateral by suit or otherwise, and surrender, release or exchange all or any part thereof, or compromise or extend or renew for any period (whether or not longer than the original period) any obligations of any nature of any party with respect thereto, (iv) endorse any checks, drafts, or other writings in Grantor's name to allow collection of the Collateral, (v) take control of any Proceeds of the Collateral, (vi) execute (in the name, place and stead of Grantor) endorsements, assignments, stock powers and other instruments of conveyance or transfer with respect to all or any of the Collateral, or (vii) act as the sole stockholder of the Pledged Subsidiary and to take all of the foregoing actions with respect to the Pledged Subsidiary with respect to any and all assets, claims, rights and other properties of the Pledged Subsidiary

SECTION 5.4 Indemnity and Expenses.

(a) Grantor indemnifies and holds harmless Holder and each of its respective officers, directors, employees and agents (the **"Indemnified Parties")** from and against any and all claims, losses and liabilities arising out of or resulting from the Pledge Agreement Documents (including, without limitation, enforcement of this Pledge Agreement), except claims, losses or liabilities resulting from any Indemnified Party's bad faith, gross negligence, willful misconduct or unlawful acts. If and to the extent that the foregoing undertaking may be unenforceable for any reason, Grantor hereby agrees to make the maximum contribution to the payment and satisfaction of each of the foregoing which is permissible under applicable law.

(b) Grantor will upon demand pay to Holder and any local counsel (which shall be limited to one firm in any jurisdiction) the amount of any and all reasonable expenses, including the reasonable fees and disbursements of its counsel and of any experts and agents, which Holder and any local counsel may incur in connection herewith, including without limitation in connection with (i) the administration of this Pledge Agreement, (ii) the custody, preservation, use or operation of, or the sale of, collection from, or other realization upon, any of the Collateral, (iii) the exercise or enforcement of any of the rights of Holder and any local counsel or any of Indemnified Parties hereunder or (iv) the failure by Grantor to perform or observe any of the provisions hereof.

SECTION 5.5 Warranties. Holder may sell the Collateral without giving any warranties or representations as to the Collateral. Holder may disclaim 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.

ARTICLE VI MISCELLANEOUS PROVISIONS

SECTION 6.1 Amendments; Releases; etc. No amendment to or waiver of any provision of this Pledge Agreement nor consent to any departure by Grantor herefrom, shall in any event be effective unless the same shall be in writing and signed by Grantor and Holder and consented to by QFL, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

SECTION 6.2 Notices. shall be made as set forth in the Restructure Agreement.

SECTION 6.3 Headings. Article and Section headings used herein are for convenience of reference only, are not part of this Pledge Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Pledge Agreement.

SECTION 6.4 Severability. Any provision of this Pledge Agreement to which Grantor is a party that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions thereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 6.5 Execution in Counterparts, Effectiveness, etc. This Pledge Agreement may be transmitted and/or signed by facsimile or other electronic transmission. The effectiveness of any such documents and signatures shall, subject to applicable law, have the same force and effect as manually-signed originals and shall be binding on all Parties. Holder may also require that any such documents and signatures be confirmed by a manually-signed original thereof; provided, however, that the failure to request or deliver the same shall not limit the effectiveness of any facsimile or electronically transmitted document or signature. This Pledge Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Pledge Agreement shall become effective when counterparts hereof executed on behalf of Grantor and Holder shall have been received by Holder or its representative.

SECTION 6.6 Governing Law, Entire Agreement. This Pledge Agreement shall be governed by and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed entirely within such state (without giving effect to the principles thereof relating to conflict of law), except to the extent that the validity or perfection of the security interest hereunder, or remedies hereunder, in respect of any particular collateral are governed by the laws of a jurisdiction other than the State of New York. This Pledge Agreement constitutes the entire understanding among the parties hereto with respect to the subject matter hereof and supersede any prior agreements, written or oral, with respect thereto.

SECTION 6.7 Forum Selection and Consent to Jurisdiction. ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS PLEDGE AGREEMENT, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF HOLDER OR GRANTOR SHALL BE BROUGHT AND MAINTAINED IN THE COURTS OF THE STATE OF NEW YORK SITTING IN THE BOROUGH OF MANHATTAN, CITY OF NEW YORK, OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK; PROVIDED, HOWEVER, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY PROPERTY MAY BE BROUGHT, AT HOLDER'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE SUCH PROPERTY MAY BE FOUND. GRANTOR HEREBY EXPRESSLY AND IRREVOCABLY SUBMITS TO THE NON-EXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF NEW YORK SITTING IN THE BOROUGH OF MANHATTAN, CITY OF NEW YORK, AND THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK FOR THE PURPOSE OF ANY SUCH LITIGATION AS SET FORTH ABOVE AND IRREVOCABLY AGREES TO BE BOUND BY ANY JUDGMENT RENDERED THEREBY IN CONNECTION WITH SUCH LITIGATION. GRANTOR FURTHER IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS BY REGISTERED MAIL, POSTAGE PREPAID, OR BY PERSONAL SERVICE WITHIN OR OUTSIDE OF THE STATE OF NEW YORK. GRANTOR HEREBY EXPRESSLY AND IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY HAVE OR HEREAFTER MAY HAVE TO THE LAYING OF VENUE OF ANY SUCH LITIGATION BROUGHT IN ANY SUCH COURT REFERRED TO ABOVE AND ANY CLAIM THAT ANY SUCH LITIGATION HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. TO THE EXTENT THAT GRANTOR HAS OR HEREAFTER MAY ACQUIRE ANY IMMUNITY FROM JURISDICTION OF ANY COURT OR FROM ANY LEGAL PROCESS (WHETHER THROUGH SERVICE OR NOTICE, ATTACHMENT PRIOR TO JUDGMENT, ATTACHMENT IN AID OF EXECUTION OR OTHERWISE) WITH RESPECT TO ITSELF OR ITS PROPERTY, GRANTOR HEREBY IRREVOCABLY WAIVES SUCH IMMUNITY IN RESPECT OF ITS OBLIGATIONS UNDER THIS PLEDGE AGREEMENT.

SECTION 6.8 Filing as a Financing Statement. At the option of Holder, this Pledge Agreement, or a carbon, photographic or other reproduction of this Pledge

Agreement or of any Uniform Commercial Code financing statement, continuations and amendments thereto, covering all of the Collateral or any portion thereof shall be sufficient as a Uniform Commercial Code financing statement and may be filed as such without the signature of Grantor where and to the full extent permitted by applicable law.

[SIGNATURES PAGE FOLLOWS IMMEDIATELY]

IN WITNESS WHEREOF, the parties hereto have caused this Pledge Agreement to be duly executed and delivered by its officer thereunto duly authorized as of the Restructure Date.

GRANTOR:

Quest Patent Research Corporation,
a Delaware corporation

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

HOLDER:

Intelligent Partners LLC
a Delaware limited liability company

By: /s/ Andrew C. Fitton
Name: Andrew C. Fitton
Title: Manager

EX-99.13 14 ea136324ex99-13_questpatent.htm EX. D TO RESTRUCTURE AGREEMENT - AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT DATED FEBRUARY 19, 2021 AMONG THE COMPANY, INTELLIGENT PARTNERS LLC, ANDREW FITTON AND MICHAEL CARPER

Exhibit 99.13

Ex. D – Amended & Restated Registration Rights Agreement

RESTATED REGISTRATION RIGHTS AGREEMENT

RESTATED REGISTRATION RIGHTS AGREEMENT (this "**Agreement**"), dated as of February 19, 2021, by and among Quest Patent Research Corporation, a Delaware corporation, (the "**Company**"), and Intelligent Partners LLC, a Delaware limited liability company ("**IPLLC**"), Andrew C. Fitton ("**Fitton**:") and Michael Carper ("**Carper**", and, together with IPLLC and Fitton, collectively the "**Stockholders**" and each, a "**Stockholder**," and the Stockholders, together with the Company are collectively referred to as the "**Parties**" and each a "**Party**").

WHEREAS:

A. Fitton and Carper are the owners of 50,000,000 shares (the "**Initial Shares**") of the Company's common stock, par value $0.00003 per share (the "**Common Stock**"), which shares were issued pursuant to the Securities Purchase Agreement dated October 22, 2015 among the Company, certain of its subsidiaries and United Wireless Holdings, Inc. ("**United**"), which shares were transferred to Fitton and Carper, as transferee of United, and IPLLC was the holder of an option to purchase up to 50,000,000 shares of Common Stock at varying exercise prices through September 30, 2020, which option has expired without being exercised.

B. In connection with that certain Restructure Agreement dated the date of this Agreement, (as amended and in effect from time to time, the "**Restructure Agreement**") the Company has agreed to issue and sell to Fitton and Carper a total of 46,296,296 shares ("**Conversion Shares**") of Common Stock pursuant to the Stock Purchase Agreement, as defined in the Restructure Agreement and dated the date of this Agreement and (ii) to grant to IPLLC an Option (the "**Restructure Option**") to purchase up to 50,000,000 additional shares of Common Stock (the "**Option Shares**") in accordance with the terms of the Option Grant, as defined in the Restructure Agreement, and dated the date of this Agreement.

C. In accordance with the terms of the Restructure Agreement, the Company has agreed to provide certain registration rights under the Securities Act of 1933, as amended, and the rules and regulations thereunder, or any similar successor statute (collectively, the "**1933 Act**"), and applicable state securities laws.

D. The Company and IPLLC are parties to the 2015 Registration Rights Agreement, as defined in the Restructure Agreement, and the rights of United pursuant to such agreement are held by Fitton and Carper with respect to the Initial Shares.

E. The Parties desire to restate and amend the 2015 Registration Rights Agreement in its entirety to provide for the registration of the Registrable Securities, as hereinafter defined, as set forth in this Agreement.

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

1) **DEFINITIONS.** Capitalized terms used herein and not otherwise defined herein shall have the respective meanings set forth in the Restructure Agreement. As used in this Agreement, the following terms shall have the following meanings:

a) "**Additional Effective Date**" means the date the Additional Registration Statement is declared effective by the SEC.

b) "**Additional Effectiveness Deadline**" means the date which is the earlier of (i) (a) in the event that the Additional Registration Statement is not subject to a full review by the SEC, as soon as practicable but no later than thirty (30) calendar days after the earlier of the Additional Filing Date and the

Additional Filing Deadline, or (b) in the event that the Additional Registration Statement is subject to a full review by the SEC, as soon as practicable but no later than one hundred twenty (120) calendar days after the earlier of the Additional Filing Date and the Additional Filing Deadline; provided, however, that if the Additional Effectiveness Deadline falls on a Saturday, Sunday or other day that the SEC is closed for business, the Additional Effectiveness Deadline shall be extended to the next Business Day on which the SEC is open for business provided, further, that if the Additional Effectiveness Deadline falls on a date on which the Company's financial statements would be "stale" for purposes of complying with Regulation S-X under the Securities Act, the Additional Effectiveness Deadline shall be extended to the earlier of thirty (30) calendar days following the earlier of the date on which the Company (x) is next required to file its financial statements on Form 10-K or Form 10-Q under the Exchange Act, and (y) actually files its financial statements on Form 10-K or Form 10-Q under the Exchange Act, in each case without regard to any extension pursuant to Rule 12b-25 under the Exchange Act.

c) "**Additional Filing Date**" means the date on which the Additional Registration Statement is filed with the SEC.

d) "**Additional Filing Deadline**" means if any Registrable Securities are required to be included in any Additional Registration Statement, the later of (i) as soon as practicable but no later than the date that is sixty (60) days after the date that the Holders advise the Company that sixty percent (60%) of the Registrable Securities registered under the immediately preceding Registration Statement have been sold pursuant to such Registration Statement and (ii) the date six (6) months from the Initial Effective Date or the Effective Date of the most recently filed Registration Statement, as applicable; provided, that, in each case, if the Company's Common Stock is not quoted on an existing trading market for the purpose of conducting an at the market offering under Rule 415, the Additional Filing Deadline shall be no earlier than the third Business Day following the date on which the Stockholders provide the Company with written information as to the fixed price at which they plan to offer and sell the Additional Registrable Securities pursuant to such Additional Registration Statement; provided, further, that if the Additional Filing Deadline falls on a date on which the Company's financial statements would be "stale" for purposes of complying with Regulation S-X under the Securities Act, the Additional Filing Deadline shall be extended to the earlier of thirty (30) calendar days following the earlier of the date on which the Company (x) is next required to file its financial statements on Form 10-K or Form 10-Q under the Exchange Act, and (y) actually files its financial statements on Form 10-K or Form 10-Q under the Exchange Act, in each case without regard to any extension pursuant to Rule 12b-25 under the Exchange Act.

e) "**Additional Registrable Securities**" means, any Registrable Securities not previously included on a Registration Statement up to a maximum of 50,000,000 shares in any Additional Registration Statement, and any capital stock of the Company issued or issuable with respect to the such shares as a result of any stock split, stock dividend, recapitalization, exchange or similar event or otherwise pursuant to Rule 416 of the SEC pursuant to the 1933 Act

f) "**Additional Registration Statement**" means a registration statement or registration statements of the Company filed under the 1933 Act covering any Additional Registrable Securities.

g) "**Additional Required Registration Amount**" means up to 50,000,000 Registrable Securities not previously included on a Registration Statement, and any capital stock of the Company issued or issuable with respect to the such shares as a result of any stock split, stock dividend, recapitalization, exchange or similar event or otherwise pursuant to Rule 416 of the SEC pursuant to the 1933 Act.

h) "**Business Day**" means any day other than Saturday, Sunday or any other day on which either commercial banks in the City of New York are authorized or required by law to remain closed or the New York Stock Exchange, Inc. is not open for a full business day.

i) **"Closing Date**" shall have the meaning set forth in the Restructure Agreement

j) "**Effective Date**" means the Initial Effective Date and the Additional Effective Date, as applicable.

k) "**Effectiveness Deadline**" means the Initial Effectiveness Deadline and the Additional Effectiveness Deadline, as applicable.

l) "**Eligible Market**" means the Principal Market, or any exchange or market that is operated by The New York Stock Exchange, Inc., NASDAQ, or OTC Markets or other similar over-the-counter markets.

m) "**Filing Deadline**" means the Initial Filing Deadline and the Additional Filing Deadline, as applicable.

n) "**Holder**" means any Stockholder or and any transferees or assignees thereof to whom a Stockholder Holder assigns all or part of its rights under this Agreement and who agrees to become bound by the provisions of this Agreement in accordance with Section 9 and any transferees or assignees thereof to whom a transferee or assignee assigns its rights under this Agreement and who agrees to become bound by the provisions of this Agreement in accordance with Section 9.

o) "**Initial Effective Date**" means the date that the Initial Registration Statement has been declared effective by the SEC.

p) "**Initial Effectiveness Deadline**" means the date which is (i) in the event that the Initial Registration Statement is not subject to a full review by the SEC, one hundred twenty (120) calendar days after the Initial Closing Date or (ii) in the event that the Initial Registration Statement is subject to a full review by the SEC, one hundred eighty (180) calendar days after the Initial Closing Date; provided, further, that if the Initial Effectiveness Deadline falls on a date on which the Company's financial statements would be "stale" for purposes of complying with Regulation S-X under the Securities Act, the Initial Effectiveness Deadline shall be extended to the earlier of thirty (30) calendar days following the earlier of the date on which the Company (x) is next required to file its financial statements on Form 10-K or Form 10-Q under the Exchange Act, and (y) actually files its financial statements on Form 10-K or Form 10-Q under the Exchange Act, in each case without regard to any extension pursuant to Rule 12b-25 under the Exchange Act.. A review by the SEC shall be deemed to be a full review unless the SEC expressly advised the Company or its counsel that the review is less than a full review.

q) "**Initial Filing Date**" means the date on which the Initial Registration Statement is filed with the SEC.

r) "**Initial Filing Deadline**" means the date which is sixty (60) calendar days after the Closing Date; provided, that, if the Company's Common Stock is not quoted on an existing trading market for the purpose of conducting an at the market offering under Rule 415, the Initial Filing Deadline shall be no earlier than the second Business Day following the date on which the Holder provides the Company with written information as to the fixed price at which it plans to offer and sell the Registrable Securities pursuant to the Registration Statement; provided, however, that if the Initial Filing Deadline falls on a date on which the Company's financial statements would be "stale" for purposes of complying with Regulation S-X under the Securities Act, the Initial Filing Deadline shall be extended to the earlier of the second (2nd) Business Day following the date on which the Company (x) is next required to file its financial statements on Form 10-K or Form 10-Q under the Exchange Act, and (y) actually files its financial statements on Form 10-K or Form 10-Q under the Exchange Act, in each case without regard to any extension pursuant to Rule 12b-25 under the Exchange Act.

s) "**Initial Registrable Securities**" means up to a maximum of 50,000,000 of (i) the Initial Shares, (ii) the Conversion Shares and (iii) the Option Shares and any capital stock of the Company issued or issuable with respect to the Initial Shares, Conversion Shares or the Option Shares, as a result of any stock split, stock dividend, recapitalization, exchange or similar event or otherwise, pursuant to Rule 416 of the SEC pursuant to the 1933 Act.

t) "**Initial Registration Statement**" means a registration statement or registration statements of the Company filed under the 1933 Act covering the Initial Registrable Securities.

u) "**Person**" means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization and a government or any department or agency thereof.

v) "**Principal Market**" means the principal stock exchange or market on which the Company's Common Stock is traded (or if not trading, the principal stock exchange or market on which listed or quoted), including any market operated by OTC Markets or any other stock exchange or market. As of the Initial Closing Date, the Principal Market is the OTC Pink Market.

w) "**register**," "**registered**," and "**registration**" refer to a registration effected by preparing and filing one or more Registration Statements (as defined below) in compliance with the 1933 Act and pursuant to Rule 415, and the declaration or ordering of effectiveness of such Registration Statement(s) by the SEC.

x) **"Registrable Securities**" means the Initial Shares, the Conversion Shares and the Option Shares.

y) "**Registration Statement**" means the Initial Registration Statement and the Additional Registration Statement, as applicable.

z) "**Required Holders**" means the holders of at least a majority of the Registrable Securities after giving effect to the exercise of the Option in full.

aa) "**Required Registration Amount**" means either the Initial Required Registration Amount or the Additional Required Registration Amount, as applicable.

bb) "**Rule 415**" means Rule 415 promulgated under the 1933 Act or any successor rule providing for offering securities on a continuous or delayed basis.

cc) "**SEC**" means the United States Securities and Exchange Commission.

dd) "**Trading Day**" means any day on which the Common Stock is traded on the Principal Market; provided that "Trading Day" shall not include any day on which the Common Stock is scheduled to trade on such exchange or market for less than 4.5 hours or any day that the Common Stock is suspended from trading during the final hour of trading on such exchange or market (or if such exchange or market does not designate in advance the closing time of trading on such exchange or market, then during the hour ending at 4:00:00 p.m., New York time).

2) **REGISTRATION.**

a) **Initial Mandatory Registration**. The Company shall prepare, and, as soon as practicable but in no event later than the Initial Filing Deadline, file with the SEC the Initial Registration Statement on Form S-1 covering the resale of all of the Initial Registrable Securities. The Initial Registration Statement prepared pursuant hereto shall register for resale at least the number of shares of Common Stock equal to the Initial Required Registration Amount determined as of the date the Initial Registration Statement is initially filed with the SEC, subject to adjustment as provided in Section 2(e). The Company shall use its best efforts to have the Initial Registration Statement declared effective by the SEC as soon as practicable, but in no event later than the Initial Effectiveness Deadline. By 9:30 a.m. New York time on the second Business Day following the Initial Effective Date, the Company shall file with the SEC in accordance with Rule 424 under the 1933 Act the final prospectus to be used in connection with sales pursuant to such Initial Registration Statement.

b) **Additional Mandatory Registrations**. The Company shall prepare, and, as soon as practicable but in no event later than the Additional Filing Deadline, file with the SEC an Additional Registration Statement on Form S-1 covering the resale of all of the Additional Registrable Securities not previously registered on an Additional Registration Statement hereunder. To the extent the staff of the SEC does not permit the Additional Required Registration Amount to be registered on an Additional Registration Statement, the Company shall file Additional Registration Statements successively trying to register on each such Additional Registration Statement the maximum number of remaining Additional Registrable Securities until the Additional Required Registration Amount has been registered with the SEC. Each Additional Registration Statement prepared pursuant hereto shall register for resale at least that number of shares of Common Stock equal to the Additional Required Registration Amount determined as of the date such Additional Registration Statement is initially filed with the SEC, subject to adjustment as provided in Section 2(e). The Company shall use its best efforts to have each Additional Registration Statement declared effective by the SEC as soon as practicable, but in no event later than the Additional Effectiveness Deadline. By 9:30 a.m. New York time on the second Business Day following the Additional Effective Date, the Company shall file with the SEC in accordance with Rule 424 under the 1933 Act the final prospectus to be used in connection with sales pursuant to such Additional Registration Statement.

c) **Allocation of Registrable Securities.** The initial number of Registrable Securities included in any Registration Statement and any increase or decrease in the number of Registrable Securities included therein shall be allocated pro rata among the Holders based on the number of Registrable Securities held by each Holder at the time the Registration Statement covering such initial number of Registrable Securities or increase or decrease thereof is declared effective by the SEC or in such other manner as the Holders shall advise the Company. In the event that a Holder sells or otherwise transfers any of such Holder's Registrable Securities, each transferee shall be allocated a pro rata portion of the then remaining number of Registrable Securities included in such Registration Statement for such transferor. Any shares of Common Stock included in a Registration Statement and which remain allocated to any Person which ceases to hold any Registrable Securities covered by such Registration Statement shall be allocated to the remaining Holders, pro rata based on the number of Registrable Securities then held by such Holders which are covered by such Registration Statement. Except as permitted under this Agreement, the Company shall not include any securities other than Registrable Securities on any Registration Statement without the prior written consent of the Required Holders.

d) **Legal Counsel.** Subject to Section 5 hereof, the Required Holders shall have the right, at their expense, to select one legal counsel to review any registration pursuant to this Section 2 on behalf of the Holders ("**Legal Counsel**") as designated by the Required Holders. The Company, its legal counsel, the Required Holders and Legal Counsel shall reasonably cooperate with each other in performing the Parties' obligations under this Agreement.

e) **Sufficient Number of Shares Registered.** In the event that the number of shares available under the Registration Statement filed pursuant to Section 2(a) or Section 2(b) is insufficient to cover the Required Registration Amount of Registrable Securities required to be covered by such Registration Statement or a Holder's allocated portion of the Registrable Securities pursuant to Section 2(c), the Company shall amend the applicable Registration Statement, or file a new Registration Statement, or both, so as to cover at least the Required Registration Amount as of the Trading Day immediately preceding the date of the filing of such amendment or new Registration Statement, in each case, as soon as practicable, but in any event not later than fifteen (15) days after the necessity therefor arises. The Company shall use its commercially reasonable efforts to cause such amendment and/or new Registration Statement to become effective as soon as practicable following the filing thereof. Notwithstanding the foregoing, if the number of shares available under the Registration Statement is sufficient to cover the sale of the Initial Shares, Conversion Shares and the shares issuable upon exercise of the Option, the shares not included in the Registration Statement shall be included in an Additional Registration Statement to be filed by the Additional Filing Deadline. For purposes of the foregoing provision, the number of shares available under a Registration Statement shall be deemed

"insufficient to cover all of the Registrable Securities" if at any time the number of shares of Common Stock available for resale under the Registration Statement is less than the total of the Initial Shares, plus the Conversion Shares, plus the Option Shares included in the Registration Statement. The calculation set forth in the foregoing sentence shall be made without regard to any limitations on the exercise of the Option.

f) **Effect of Failure to File and Obtain and Maintain Effectiveness of Registration Statement.** If (i) the Initial Registration Statement when declared effective fails to register the Initial Registration Amount of Initial Registrable Securities, (ii) a Registration Statement covering all of the Registrable Securities required to be covered thereby and required to be filed by the Company pursuant to this Agreement is (A) not filed with the SEC on or before the applicable Filing Deadline (a "**Filing Failure**") or (B) not declared effective by the SEC on or before the applicable Effectiveness Deadline, (an "**Effectiveness Failure**") or (iii) on any day after the applicable Effective Date sales of all of the Registrable Securities required to be included on such Registration Statement cannot be made (other than during an Allowable Grace Period (as defined in Section 3(r)) pursuant to such Registration Statement or otherwise (including, without limitation, because of the suspension of trading or any other limitation imposed by an Eligible Market but excluding suspensions affecting the market generally, a failure to keep such Registration Statement effective, a failure to disclose such information as is necessary for sales to be made pursuant to such Registration Statement, a failure to register a sufficient number of shares of Common Stock or a failure to maintain the listing of the Common Stock) (a "**Maintenance Failure**") then, as partial relief for the damages to any holder by reason of any such delay in or reduction of its ability to sell the underlying shares of Common Stock (which remedy shall not be exclusive of any other remedies available at law or in equity, including, without limitation, specific performance), (A) the Company shall pay to each holder of Registrable Securities relating to such Registration Statement an amount in cash equal to one and one-half percent (1.5%) of the aggregate purchase price paid for such Holder's Registrable Securities included in such Registration Statement thirty days after each of the following dates: (i) the day of a Filing Failure; (ii) the day of an Effectiveness Failure; (iii) the initial day of a Maintenance Failure; (iv) on the thirtieth day after the date of a Filing Failure and every thirtieth day thereafter (pro rated for periods totaling less than thirty days) until such Filing Failure is cured; (v) on the thirtieth day after the date of an Effectiveness Failure and every thirtieth day thereafter (pro rated for periods totaling less than thirty days) until such Effectiveness Failure is cured; and (vi) on the thirtieth day after the date of a Maintenance Failure and every thirtieth day thereafter (pro rated for periods totaling less than thirty days) until such Maintenance Failure is cured. The payments to which a holder shall be entitled pursuant to this Section 2(f) are referred to herein as "**Registration Delay Payments**." Registration Delay Payments shall be paid on the earlier of (I) the dates set forth above and (II) the third Business Day after the event or failure giving rise to the Registration Delay Payments is cured. In the event the Company fails to make Registration Delay Payments in a timely manner, such Registration Delay Payments shall bear interest at the rate of one and one-half percent (1.5%) per month (prorated for partial months) until paid in full. Notwithstanding the foregoing, no Registration Delay Payment shall be payable with respect to a Filing Failure if the Registration Statement is declared effective by the Required Effective Date.

3) **RELATED OBLIGATIONS.**

At such time as the Company is obligated to file a Registration Statement with the SEC pursuant to Section 2(a), 2(b) or 2(e), the Company will use its commercially reasonable efforts to effect the registration of the Registrable Securities in accordance with the intended method of disposition thereof and, pursuant thereto, the Company shall have the following obligations:

a) The Company shall promptly prepare and file with the SEC a Registration Statement with respect to the Registrable Securities and use its commercially reasonable efforts to cause such Registration Statement relating to the Registrable Securities to become effective as soon as practicable after such filing (but in no event later than the Effectiveness Deadline). The Company shall keep each Registration Statement effective pursuant to Rule 415 at all times until the earlier of (i) the date as of which the Holders may sell all of the Registrable Securities covered by such Registration Statement without restriction or limitation pursuant to Rule 144 and without the requirement to be in compliance with Rule 144(c)(1) (or any successor thereto) promulgated under the 1933 Act or (ii) the date on which the Holders shall have sold all of the Registrable Securities covered by such Registration Statement (the "**Registration Period**"). Each Registration Statement (including any amendments or supplements thereto and prospectuses contained therein) shall not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein, or necessary to make the statements therein (in the case of prospectuses, in the light of the circumstances in which they were made) not misleading. The Company shall submit to the SEC, within two (2) Business Days after the later of the date that (i) the Company is advised by the SEC examiner that no review of a particular Registration Statement will be made by the staff of the SEC or that the staff has no further comments on a particular Registration Statement, as the case may be, and (ii) the approval of Legal Counsel pursuant to Section 3(c) (which approval is immediately sought), a request for acceleration of effectiveness of such Registration Statement to a time and date not later than two (2) Business Days after the submission of such request, subject to the proviso in the definition of the Effectiveness Deadlines. The Company shall respond in writing to comments made by the SEC in respect of a Registration Statement as soon as practicable, but in no event later than fifteen (15) days after the receipt of comments by or notice from the SEC that an amendment is required in order for a Registration Statement to be declared effective, except to the extent that SEC comments require updated financial statements in which case Company shall use its commercially reasonable efforts to respond as soon as practicable.

b) The Company shall prepare and file with the SEC such amendments (including post-effective amendments) and supplements to a Registration Statement and the prospectus used in connection with such Registration Statement, which prospectus is to be filed pursuant to Rule 424 promulgated under the 1933 Act, as may be necessary to keep such Registration Statement effective at all times during the Registration Period, and, during such period, comply with the provisions of the 1933 Act with respect to the disposition of all Registrable Securities of the Company covered by such Registration Statement until such time as all of such Registrable Securities shall have been disposed of in accordance with the intended methods of disposition by the seller or sellers thereof as set forth in such Registration Statement. If amendments and supplements to a Registration Statement are required to be filed pursuant to this Agreement (including pursuant to this Section 3(b)) by reason of the Company filing a report on Form 10-Q, Form 10-K or any analogous report under the Securities Exchange Act of 1934, as amended (the "**1934 Act**"), the Company shall have incorporated such report by reference into such Registration Statement, if applicable, or shall file such amendments or supplements with the SEC on the same day on which the 1934 Act report is filed which created the requirement for the Company to amend or supplement such Registration Statement.

c) The Company shall (A) permit Legal Counsel to review and comment upon (i) a Registration Statement at least three (3) Business Days prior to its filing with the SEC and (ii) all amendments and supplements to all Registration Statements (except for Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and any similar or successor reports) within a reasonable number of days prior to their filing with the SEC, and (B) not file any Registration Statement or amendment or supplement thereto in a form to which Legal Counsel reasonably objects. Notwithstanding any other provision of this Agreement, the Company shall not submit a request for acceleration of the effectiveness of a Registration Statement or any amendment or supplement thereto without the prior approval of Legal Counsel. The Company shall furnish to Legal Counsel, without charge, copies of any correspondence from the SEC or the staff of the SEC to the Company or its representatives relating to any Registration Statement and any documents relating to the Registration Statement which are not filed on EDGAR; provided, that the Company shall not be required to provide Legal Counsel with the non-redacted copy of any exhibit for which confidential treatment has been requested or obtained.). The Company shall reasonably cooperate with Legal Counsel in performing the Company's obligations pursuant to this Section 3.

d) The Company shall use its best efforts to (i) register and qualify, unless an exemption from registration and qualification applies, the resale by Holder of the Registrable Securities covered by a Registration Statement under such other securities or "blue sky" laws of such jurisdictions in the United States as the Holders may reasonably request, (ii) prepare and file in those jurisdictions such amendments (including post-effective amendments) and supplements to such registrations and qualifications as may be necessary to maintain the effectiveness thereof during the Registration Period, (iii) take

such other actions as may be necessary to maintain such registrations and qualifications in effect at all times during the Registration Period, and (iv) take all other actions reasonably necessary or advisable to qualify the Registrable Securities for sale in such jurisdictions; provided, however, that the Company shall not be required in connection therewith or as a condition thereto to (x) qualify to do business in any jurisdiction where it would not otherwise be required to qualify but for this Section 3(e), (y) subject itself to general taxation in any such jurisdiction, or (z) file a general consent to service of process in any such jurisdiction. The Company shall promptly notify Legal Counsel and each Holder who holds Registrable Securities of the receipt by the Company of any notification with respect to the suspension of the registration or qualification of any of the Registrable Securities for sale under the securities or "blue sky" laws of any jurisdiction in the United States or its receipt of actual notice of the initiation or threatening of any proceeding for such purpose.

e) The Company shall notify Legal Counsel and each Holder in writing of the happening of any event, as promptly as practicable after becoming aware of such event, as a result of which the prospectus included in a Registration Statement, as then in effect, includes an untrue statement of a material fact or omission to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (provided that in no event shall such notice contain any material, nonpublic information), and, subject to Section 3(r), promptly prepare a supplement or amendment to such Registration Statement to correct such untrue statement or omission, and deliver as many copies of such supplement or amendment to Legal Counsel and each Holder as such Persons may reasonably request. The Company shall also promptly notify Legal Counsel in writing (i) when a prospectus or any prospectus supplement or post-effective amendment has been filed, and when a Registration Statement or any post-effective amendment has become effective (notification of such effectiveness shall be delivered to Legal Counsel by email on the same day of such effectiveness and by overnight mail), (ii) of any request by the SEC for amendments or supplements to a Registration Statement or related prospectus or related information, and (iii) of the Company's reasonable determination that a post-effective amendment to a Registration Statement would be appropriate. By 9:30 a.m. New York City time on the second date following the date any post-effective amendment has become effective, the Company shall file with the SEC in accordance with Rule 424 under the 1933 Act the final prospectus to be used in connection with sales pursuant to such Registration Statement.

f) The Company shall use its commercially reasonable efforts to prevent the issuance of any stop order or other suspension of effectiveness of a Registration Statement, or the suspension of the qualification of any of the Registrable Securities for sale in any jurisdiction and, if such an order or suspension is issued, to obtain the withdrawal of such order or suspension at the earliest possible moment and to notify Legal Counsel who holds Registrable Securities being sold of the issuance of such order and the resolution thereof or its receipt of actual notice of the initiation or threat of any proceeding for such purpose.

g) If any Holder is required under applicable securities laws to be described in the Registration Statement as an underwriter or a Holder believes that it could reasonably be deemed to be an underwriter of Registrable Securities, the Company shall cooperate with such Holder to provide any information reasonably required as a result of such determination to (i) such Holder, (ii) Legal Counsel and (iii) one firm of accountants or other agents retained by the Holders (collectively, the "**Inspectors**"). Each Inspector shall agree to hold in strict confidence and shall not make any disclosure (except to a Holder) or use of any information which the Company determines in good faith to be confidential, and of which determination the Inspectors are so notified, unless (a) the disclosure of such information is necessary to avoid or correct a misstatement or omission in any Registration Statement or is otherwise required under the 1933 Act; provided, however, that the Holder shall not sell Securities pursuant to the Registration Statement or otherwise engage in transactions in the Company's securities until the Company makes such disclosure in an amendment or supplement to the Registration Statement, which the Company shall make as promptly as commercially reasonable consistent with its obligations under the Purchase Agreement, (b) the release of such information is ordered pursuant to a final, non-appealable subpoena or order from a court or government body of competent jurisdiction, or (c) the information has been made generally available to the public other than by disclosure in violation of this Agreement. Each Holder agrees that it shall, upon learning that disclosure of such information is sought in or by a court or governmental body of competent jurisdiction or through other means, give prompt notice to the Company and allow the Company, at its expense, to undertake appropriate action to prevent disclosure of, or to obtain a protective order for, the information deemed confidential. Nothing herein (or in any other confidentiality agreement between the Company and any Holder) shall be deemed to limit the Holders' ability to sell Registrable Securities in a manner which is otherwise consistent with applicable laws and regulations and the Holders' agreements with the Company.

h) The Company shall hold in confidence and not make any disclosure of information concerning a Holder provided to the Company unless (i) disclosure of such information is necessary to comply with federal or state securities laws, (ii) the disclosure of such information is necessary to avoid or correct a misstatement or omission in any Registration Statement, (iii) the release of such information is ordered pursuant to a subpoena or other final, non-appealable order from a court or governmental body of competent jurisdiction, or (iv) such information has been made generally available to the public other than by disclosure in violation of this Agreement. The Company agrees that it shall, upon learning that disclosure of such information concerning a Holder is sought in or by a court or governmental body of competent jurisdiction or through other means, give prompt written notice to such Holder and allow such Holder, at the Holder's expense, to undertake appropriate action to prevent disclosure of, or to obtain a protective order for, such information.

i) The Company shall use its best efforts either to (i) cause all of the Registrable Securities covered by a Registration Statement to be listed on each securities exchange on which securities of the same class or series issued by the Company are then listed, if any, if the listing of such Registrable Securities is then permitted under the rules of such exchange or (ii) secure the inclusion for quotation of all of the Registrable Securities on the OTC Markets. The Company shall pay all fees and expenses in connection with satisfying its obligation under this Section 3(i).

j) The Company shall cooperate with the Holders who hold Registrable Securities being offered and, to the extent applicable, facilitate the timely preparation and delivery of certificates (not bearing any restrictive legend if such shares are sold pursuant to the registration statement to a person who is not an affiliate of the Company) representing the Registrable Securities to be offered pursuant to a Registration Statement and enable such certificates to be in such denominations or amounts, as the case may be, as the Holders may reasonably request and registered in such names as the Holders may request provided that such shares have been sold pursuant to the Registration Statement or pursuant to Rule 144.

k) If requested by a Holder, the Company shall as soon as practicable (i) incorporate in a prospectus supplement or post-effective amendment such information as a Holder reasonably requests to be included therein relating to the sale and distribution of Registrable Securities, including, without limitation, information with respect to the number of Registrable Securities being offered or sold, the purchase price being paid therefor and any other terms of the offering of the Registrable Securities to be sold in such offering; (ii) make all required filings of such prospectus supplement or post-effective amendment after being notified of the matters to be incorporated in such prospectus supplement or post-effective amendment; and (iii) supplement or make amendments to any Registration Statement if reasonably requested by a Holder holding any Registrable Securities.

l) The Company shall use its commercially reasonable efforts to cause the Registrable Securities covered by a Registration Statement to be registered with or approved by such other governmental agencies or authorities as may be necessary to consummate the disposition of such Registrable Securities.

m) The Company shall otherwise use its best efforts to comply with all applicable rules and regulations of the SEC in connection with any registration hereunder.

n) Notwithstanding anything to the contrary herein, at any time, if (i) there is material non-public information regarding the Company which the Company's Board of Directors (the "**Board**") determines not to be in the Company's best interest to disclose and which the Company is not otherwise required to disclose, (ii) there is a significant business opportunity (including, but not limited to, the acquisition or disposition of assets (other than in the ordinary course of business) or any merger, consolidation, tender offer or other similar transaction) available to the Company which the Board determines not to be in the Company's best interest to disclose and the Company is not otherwise required to disclose, or (iii) the Company is required to file a post-effective amendment to the Registration Statement to incorporate the Company's quarterly and annual reports and audited financial statements on Forms 10-Q and 10-K, then the Company may suspend effectiveness of a registration statement for a period ("**Grace Period**"); provided that the Company may not suspend effectiveness of a registration statement under this Section 3(o) for more than twenty (20) consecutive days or for more than sixty (60) days in the aggregate during any three hundred sixty-five (365) day period and the first day of any Grace Period must be at least five (5) Trading Days after the last day of any prior Grace Period; provided, further, that no such suspension shall be permitted arising out of the same set of facts, circumstances or transactions; and provided, further, that the Company shall promptly notify the Holders in writing of (x) the date on which the Grace Period will begin and (y) the date on which the Grace Period ends (each, an "**Allowable Grace Period**"). For purposes of determining the length of a Grace Period above, the Grace Period shall begin on and include the date the Holder receives the notice referred to in clause (x) of the last proviso of the preceding sentence and shall end on and include the later of the date the Holder receives the notice referred to in clause (y) of the last proviso of the preceding sentence and the date referred to in such notice. The provisions of Section 3(g) hereof shall not be applicable during the period of any Allowable Grace Period. Upon expiration of the Grace Period, the Company shall again be bound by the first sentence of Section 3(f) with respect to the information giving rise thereto unless such information is no longer applicable. Notwithstanding anything to the contrary, the Company shall cause its transfer agent to deliver unlegended shares of Common Stock to a transferee of a Holder in connection with any sale of Registrable Securities with respect to which a Holder has entered into a contract for sale, prior to the Holder's receipt of the notice of a Grace Period and for which the Holder has not yet settled if such shares have been sold pursuant to a Registration Statement or pursuant to Rule 144. If an event described in this Section 3(n) shall have occurred prior to the effectiveness of the Registration Statement the Required Filing Date and Required Effective Date shall be adjusted in the manner set forth in this Section 3(n).

o) Unless otherwise required by law, neither the Company nor any Subsidiary or affiliate thereof shall identify any Holder as an underwriter in any public disclosure or filing with the SEC, the Principal Market or any Eligible Market and any Holder being deemed an underwriter by the SEC shall not relieve the Company of any obligations it has under this Agreement or any other Restructure Document (as defined in the Restructure Agreement) without the prior approval of such Holder. A statement in the Registration Statement to the effect that a seller may be deemed to be an underwriter shall not be deemed to be a violation of this Section 3(p).

p) Except as may be permitted by the Restructure Agreement, the Company shall not file any other registration statements until, or grant registration rights to any Person that can be exercised prior to the time that, all Registrable Securities are registered pursuant to a Registration Statement that is declared effective by the SEC, provided that this Section 3(q) shall not prohibit the Company from filing amendments (pre-effective and post-effective) to registration statements filed prior to the date of this Agreement; provided that no such amendment shall increase the number of securities registered on a registration statement. Neither the Company nor any of its Subsidiaries has entered, as of the date hereof, nor shall the Company or any of its Subsidiaries, on or after the date of this Agreement, enter into any agreement with respect to its securities, that would have the effect of impairing the rights granted to the Holder in this Agreement or otherwise conflicts with the provisions hereof. The filing of a registration statement on Form S-8 shall not be deemed a violation of this Section 3(q). The Stockholders acknowledge that the Company has granted registration rights to QPRC Finance LLC ("**QFL**") and shares of Common Stock held by or issuable to QFL, or QFL's permitted transferees, may be included in the same registration statement as the Stockholders' shares. At such time as QFL, or QFL's permitted transferees, no longer hold any shares of Common Stock which are or may be subject to registration rights, the 50,000,000 limitation in the number of shares which the Holders may include in any Registration Statement as set forth in the definitions of Initial Registrable Securities, Additional Registrable Securities and Additional Required Registration Amount shall be terminated and such definitions shall cease to refer to 50,000,000 shares.

4) **OBLIGATIONS OF THE HOLDER.**

a) At least three (3) Business Days prior to the first anticipated Filing Date of a Registration Statement, the Company shall notify each Holder in writing of the information the Company requires from each such Holder if such Holder elects to have any of such Holder's Registrable Securities included in such Registration Statement. It shall be a condition precedent to the obligations of the Company to complete any registration pursuant to this Agreement with respect to the Registrable Securities of a particular Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it and the intended method of disposition of the Registrable Securities held by it and any relationship between such Holder and the Company as shall be reasonably required to effect and maintain the effectiveness of the registration of such Registrable Securities and shall execute such documents in connection with such registration as the Company may reasonably request.

b) Each Holder, by such Holder's acceptance of the Registrable Securities, agrees to cooperate with the Company as reasonably requested by the Company in connection with the preparation and filing of any Registration Statement hereunder, unless such Holder has notified the Company in writing of such Holder's election to exclude all of such Holder's Registrable Securities from such Registration Statement.

c) Each Holder agrees that, upon receipt of any notice from the Company of the happening of any event of the kind described in Section 3(g) or the first sentence of 3(f), such Holder will immediately discontinue disposition of Registrable Securities pursuant to any Registration Statement(s) covering such Registrable Securities until such Holder's receipt of copies of the supplemented or amended prospectus as contemplated by Section 3(g) or the first sentence of 3(f) or receipt of notice that no supplement or amendment is required. Notwithstanding anything to the contrary, the Company shall cause its transfer agent to deliver unlegended shares of Common Stock to a transferee of a Holder in connection with any sale of Registrable Securities with respect to which a Holder has entered into a contract for sale prior to the Holder's receipt of a notice from the Company of the happening of any event of the kind described in Section 3(g) or the first sentence of 3(f) and for which the Holder has not yet settled if the Registrable Securities were sold pursuant to the Registration Statement or Rule 144. Each Holder shall also comply with all lock-up restrictions to which any Registrable Securities are subject.

d) Each Holder covenants and agrees that it will comply with the prospectus delivery requirements of the 1933 Act as applicable to it or an exemption therefrom in connection with sales of Registrable Securities pursuant to the Registration Statement. If the Company's transfer agent requires that the Company's counsel render an opinion in connection with any sale pursuant to a Registration Statement, the Holder shall provide the Company's transfer agent and the Company's counsel with such information regarding such sale as shall be reasonably required by the Company's counsel to verify that the shares were sold pursuant to the Registration Statement and the prospectus delivery requirements were complied with.

5) **EXPENSES OF REGISTRATION.**

All reasonable expenses, other than underwriting discounts and commissions, incurred in connection with registrations, filings or qualifications pursuant to Sections 2 and 3, including, without limitation, all registration, listing and qualifications fees, printers and accounting fees, and fees and disbursements of counsel for the Company shall be paid by the Company.

6) **INDEMNIFICATION.**

In the event any Registrable Securities are included in a Registration Statement under this Agreement:

a) To the fullest extent permitted by law, the Company will, and hereby does, indemnify, hold harmless and defend each Holder, the directors, officers, partners, members, employees, agents, representatives of, and each Person, if any, who controls any Holder within the meaning of the 1933 Act or the 1934 Act (each, an "**Indemnified Person**"), against any losses, claims, damages, liabilities, judgments, fines, penalties, charges, costs, reasonable attorneys' fees, amounts paid in settlement or expenses, joint or several (collectively, "**Claims**"), incurred in investigating, preparing or defending any action, claim, suit, inquiry, proceeding, investigation or appeal taken from the foregoing by or before any court or governmental, administrative or other regulatory agency, body or the SEC, whether pending or threatened, whether or not an indemnified party is or may be a party thereto ("**Indemnified Damages**"), to which any of them may become subject insofar as such Claims (or actions or proceedings, whether commenced or threatened, in respect thereof) arise out of or are based upon: (i) any untrue statement or alleged untrue statement of a material fact in a Registration Statement or any post-effective amendment thereto or in any filing made in connection with the qualification of the offering under the securities or other "blue sky" laws of any jurisdiction in which Registrable Securities are offered ("**Blue Sky Filing**"), or the omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) any untrue statement or alleged untrue statement of a material fact contained in any preliminary prospectus if used prior to the effective date of such Registration Statement, or contained in the final prospectus (as amended or supplemented, if the Company files any amendment thereof or supplement thereto with the SEC) or the omission or alleged omission to state therein any material fact necessary to make the statements made therein, in light of the circumstances under which the statements therein were made, not misleading, (iii) any violation or alleged violation by the Company of the 1933 Act, the 1934 Act, any other law, including, without limitation, any state securities law, or any rule or regulation thereunder relating to the offer or sale of the Registrable Securities pursuant to a Registration Statement or (iv) any violation of this Agreement (the matters in the foregoing clauses (i) through (iv) being, collectively, "**Violations**"). Subject to Section 6(c), the Company shall reimburse the Indemnified Persons, promptly as such expenses are incurred and are due and payable, for any legal fees or other reasonable expenses incurred by them in connection with investigating or defending any such Claim as provided in Section 6(b). Notwithstanding anything to the contrary contained herein, the indemnification agreement contained in this Section 6(a): (i) shall not apply to a Claim by an Indemnified Person arising out of or based upon a Violation which occurs in reliance upon and in conformity with information furnished in writing to the Company by such Indemnified Person for such Indemnified Person expressly for use in connection with the preparation of the Registration Statement or any such amendment thereof or supplement thereto, if such prospectus was timely made available by the Company pursuant to Section 3(d); (ii) shall not apply to expenses or damages which arise out of an Indemnified Person's failure to send or give a copy of the final prospectus, as the same may be then supplemented or amended, within the time required by the 1933 Act to the Person asserting the existence of an untrue statement or alleged untrue statement or omission or alleged omission at or prior to the written confirmation of the sale of Registrable Securities to such Person if such statement or omission was corrected in such final prospectus or an amendment or supplement thereto; and (iii) shall not apply to amounts paid in settlement of any Claim if such settlement is effected without the prior written consent of the Company, which consent shall not be unreasonably withheld or delayed. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of the Indemnified Person and shall survive the transfer of the Registrable Securities by the Holder pursuant to Section 9.

b) In connection with any Registration Statement in which a Holder is participating, each such Holder agrees to severally and not jointly indemnify, hold harmless and defend, to the same extent and in the same manner as is set forth in Section 6(a), the Company, each of its directors, each of its officers who signs the Registration Statement and each Person, if any, who controls the Company within the meaning of the 1933 Act or the 1934 Act (each, an "**Indemnified Party**"), against any Claim or Indemnified Damages to which any of them may become subject, under the 1933 Act, the 1934 Act or otherwise, insofar as such Claim or Indemnified Damages arise out of or are based upon any Violation, in each case to the extent, and only to the extent, that such Violation occurs in reliance upon and in conformity with written information furnished to the Company by such Holder expressly for use in connection with such Registration Statement; and, subject to Section 6(c), such Holder shall reimburse the Indemnified Party for any legal or other expenses reasonably incurred by an Indemnified Party in connection with investigating or defending any such Claim; provided, however, that the indemnity agreement contained in this Section 6(b) and the agreement with respect to contribution contained in Section 7 shall not apply to amounts paid in settlement of any Claim if such settlement is effected without the prior written consent of such Holder, which consent shall not be unreasonably withheld or delayed; provided, further, however, that the Holder shall be liable under this Section 6(b) for only that amount of a Claim or Indemnified Damages as does not exceed the net proceeds to such Holder as a result of the sale of Registrable Securities pursuant to such Registration Statement. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of such Indemnified Party and shall survive the transfer of the Registrable Securities by the Holder pursuant to Section 9.

c) Promptly after receipt by an Indemnified Person or Indemnified Party under this Section 6 of notice of the commencement of any action or proceeding (including any governmental action or proceeding) involving a Claim, such Indemnified Person or Indemnified Party shall, if a Claim in respect thereof is to be made against any indemnifying party under this Section 6, deliver to the indemnifying party a written notice of the commencement thereof, and the indemnifying party shall have the right to participate in, and, to the extent the indemnifying party so desires, jointly with any other indemnifying party similarly noticed, to assume control of the defense thereof with counsel mutually satisfactory to the indemnifying party and the Indemnified Person or the Indemnified Party, as the case may be; provided, however, that an Indemnified Person or Indemnified Party shall have the right to retain its own counsel with the fees and expenses of not more than one counsel for all such Indemnified Person or Indemnified Party to be paid by the indemnifying party, if, in the reasonable opinion of counsel retained by the Indemnified Person or Indemnified Party, as applicable, the representation by such counsel of the Indemnified Person or Indemnified Party and the indemnifying party would be inappropriate due to actual or potential differing interests between such Indemnified Person or Indemnified Party and any other party represented by such counsel in such proceeding. In the case of an Indemnified Person, legal counsel referred to in the immediately preceding sentence shall be selected by the Holders holding at least a majority in interest of the Registrable Securities included in the Registration Statement to which the Claim relates. The Indemnified Party or Indemnified Person shall cooperate reasonably with the indemnifying party in connection with any negotiation or defense of any such action or Claim by the indemnifying party and shall furnish to the indemnifying party all information reasonably available to the Indemnified Party or Indemnified Person which relates to such action or Claim. The indemnifying party shall keep the Indemnified Party or Indemnified Person fully apprised at all times as to the status of the defense or any settlement negotiations with respect thereto. No indemnifying party shall be liable for any settlement of any action, claim or proceeding effected without its prior written consent, provided, however, that the indemnifying party shall not unreasonably withhold, delay or condition its consent. No indemnifying party shall, without the prior written consent of the Indemnified Party or Indemnified Person, consent to entry of any judgment or enter into any settlement or other compromise which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such Indemnified Party or Indemnified Person of a release from all liability in respect to such Claim or litigation and such settlement shall not include any admission as to fault on the part of the Indemnified Party. Following indemnification as provided for hereunder, the indemnifying party shall be subrogated to all rights of the Indemnified Party or Indemnified Person with respect to all third parties, firms or corporations relating to the matter for which indemnification has been made. The failure to deliver written notice to the indemnifying party within a reasonable time of the commencement of any such action shall not relieve such indemnifying party of any liability to the Indemnified Person or Indemnified Party under this Section 6, except to the extent that the indemnifying party is prejudiced in its ability to defend such action.

d) The indemnification required by this Section 6 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 Indemnified Damages are incurred.

e) The indemnity agreements contained herein shall be in addition to (i) any cause of action or similar right of the Indemnified Party or Indemnified Person against the indemnifying party or others, and (ii) any liabilities the indemnifying party may be subject to pursuant to the law.

7) **CONTRIBUTION.**

To the extent any indemnification by an indemnifying party is prohibited or limited by law, the indemnifying party agrees to make the maximum contribution with respect to any amounts for which it would otherwise be liable under Section 6 to the fullest extent permitted by law; provided, however, that: (i) no Person involved in the sale of Registrable Securities which Person is guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) in connection with such sale shall be entitled to contribution from any Person involved in such sale of Registrable Securities who was not guilty of fraudulent misrepresentation; and (ii) contribution by any seller of Registrable Securities shall be limited in amount to the amount of net proceeds received by such seller from the sale of such Registrable Securities pursuant to such Registration Statement.

8) **REPORTS UNDER THE 1934 ACT.**

With a view to making available to the Holder the benefits of Rule 144 promulgated under the 1933 Act or any other similar rule or regulation of the SEC that may at any time permit the Holder to sell securities of the Company to the public without registration ("**Rule 144**"), the Company agrees to:

a) make and keep public information available, as those terms are understood and defined in Rule 144;

b) file with the SEC in a timely manner all reports and other documents required of the Company under the 1933 Act and the 1934 Act including those reports and documents that would be required to be filed by the Company if its common stock were registered under Section 12 of the 1934 Act ; and

c) furnish to each Holder so long as such Holder owns Registrable Securities, promptly upon request, (i) a written statement by the Company, if true, that it has complied with the reporting requirements of Rule 144, the 1933 Act and the 1934 Act, (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company, and (iii) such other information as may be reasonably requested to permit the Holders to sell such securities pursuant to Rule 144 without registration.

9) **ASSIGNMENT OF REGISTRATION RIGHTS.**

The rights under this Agreement shall be automatically assignable by the Holders to any transferee of all or any portion of such Holder's Registrable Securities if: (i) the Holder agrees in writing with the transferee or assignee to assign such rights, and a copy of such agreement is furnished to the Company within a reasonable time after such assignment; (ii) the Company is, within a reasonable time after such transfer or assignment, furnished with written notice of (a) the name and address of such transferee or assignee, and (b) the securities with respect to which such registration rights are being transferred or assigned and (c) any other information which the Company requests in order to reflect such transferee as a selling stockholder in the Registration Statement; (iii) immediately following such transfer or assignment the further disposition of such securities by the transferee or assignee is restricted under the 1933 Act or applicable state securities laws; (iv) at or before the time the Company receives the written notice contemplated by clause (ii) of this sentence the transferee or assignee agrees in writing with the Company to be bound by all of the provisions contained herein; and (v) such transfer shall have been made in accordance with the applicable requirements of applicable law and the Restructure Documents.

10) **AMENDMENT OF REGISTRATION RIGHTS.**

Provisions of this Agreement may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and the Required Holders; provided that any such amendment or waiver that complies with the foregoing but that disproportionately, materially and adversely affects the rights and obligations of any Holder relative to the comparable rights and obligations of the other Holders shall require the prior written consent of such adversely affected Holder. Any amendment or waiver effected in accordance with this Section 10 shall be binding upon each Holder and the Company. No such amendment shall be effective to the extent that it applies to less than all of the holders of the Registrable Securities as of the date of such amendment. No consideration shall be offered or paid to any Person to amend or consent to a waiver or modification of any provision of this Agreement unless the same consideration (other than the reimbursement of legal fees) also is offered to all of the parties to this Agreement.

11) **GOVERNING LAW; DISPUTES**

a) Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be governed by the laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule, and shall be construed and enforced in accordance with the law.

b) Arbitrable Claims. All actions, disputes, claims and controversies under common law, statutory law, rules of professional ethics, or in equity of any type or nature whatsoever, whether arising before or after the date of this Agreement, and directly relating to: (i) this Agreement or any amendments and addenda hereto, or the breach, invalidity or termination hereof; (ii) any previous or subsequent agreement between Holder and Company related to the subject matter hereof to the extent set forth in Section 12)e); (iii) any act or omission committed by Holder or its Representatives with respect to this Agreement, or by any member, employee, agent, or lawyer of Holder with respect to this Agreement, whether or not arising within the scope and course of employment or other contractual representation of Holder (provided that such act arises under a relationship, transaction or dealing between Holder and Company); or (iv) any act or omission committed by Company with respect to this Agreement, or by any employee, agent, partner or lawyer of Company with respect to this Agreement whether or not arising within the scope and course of employment or other contractual representation of Company (provided that such act arises under a relationship, transaction or dealing between Holder and Company) (collectively, the "**Disputes**"), will be subject to and resolved by binding arbitration under this Section 11(b) and Section 11(c) below, provided however, that nothing in this Section 11 shall limit the rights, if any, of Holder to commence or maintain judicial proceedings pursuant to the Restructure Agreement and other Restructure Documents.. The Parties agree that the arbitrators have exclusive jurisdiction, to the exclusion of any court (except as specifically provided with regard to prejudgment, provisional, or enforcement proceedings in Section 11(d), to decide all Disputes.

c) Administrative Body; Situs. Any Dispute arising out of or relating to this Agreement, including the breach, termination, enforcement, interpretation or validity thereof, or the determination of the scope or applicability of this Agreement to arbitrate, shall be determined by arbitration in New York, New York, before a single arbitrator. The arbitration shall be administered using the arbitration rules of the American Arbitration Association ("**AAA**") current at the time the Dispute is brought, which rules are deemed to be incorporated herein by reference. Each Party shall, upon written request, promptly provide the other Party with copies of all information on which the producing party may rely in support of or in opposition to any claim or defense and a report of any expert whom the producing Party may call as a witness in the arbitration hearing.

d) Prejudgment and Provisional Remedies. Either Party may commence judicial proceedings only for the purpose(s) of: (i) enforcement of the arbitration provisions; (ii) obtaining appointment of arbitrator(s); (iii) preserving the status quo of the Parties pending arbitration as contemplated herein; (iv) preventing the disbursement by any Person of disputed funds, or (v) preserving and protecting the rights of either Party pending the outcome of the arbitration. Any such action or remedy will not waive a Party's right to compel arbitration of any Dispute, and any Party may also file court proceedings to

have judgment entered on the arbitration award. In any action for prejudgment or provisional relief, any court in which such relief is sought shall determine the availability of such relief without regard to any defenses that may be asserted by the other Party, and any such defenses shall be referred to the exclusive jurisdiction of the arbitrators under Section **Error! Reference source not found.**. The Parties further agree that a court shall not defer or delay granting prejudgment or provisional relief while any such arbitration takes place. **EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

e) Attorneys' Fees. If Company or Holder brings any other action for judicial relief with respect to any Dispute (other than those precisely described in Section 11)d)), the Party bringing such action will be liable for and immediately pay all of the other Party's costs and expenses (including attorneys' fees) incurred to stay or dismiss such action and remove or refer such Dispute to arbitration. If Company or Holder brings or appeals an action to vacate or modify an arbitration award and such Party does not prevail, such Party will pay all costs and expenses, including attorneys' fees, incurred by the other Party in defending such action.

f) Enforcement. Any award rendered under this Section shall not be subject to appeal and shall be enforceable in any and all jurisdictions.

g) Confidentiality of Awards. All arbitration proceedings, including testimony or evidence at hearings, will be kept confidential, although any award or order rendered by the arbitrator(s) pursuant to the terms of this Agreement may be confirmed as a judgment or order in any state or federal or other national court of competent jurisdiction where proceedings are necessary or appropriate to enforce any award or order. This Agreement concerns transactions involving commerce among several state and foreign countries. Nothing in this Agreement shall be construed to prohibit any disclosure required by law.

12) **MISCELLANEOUS.**

a) A Person is deemed to be a holder of Registrable Securities whenever such Person owns or is deemed to own of record such Registrable Securities. If the Company receives conflicting instructions, notices or elections from two or more Persons with respect to the same Registrable Securities, the Company shall act upon the basis of instructions, notice or election received from such record owner of such Registrable Securities.

b) Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement must be in writing and delivered in accordance with the Restructure Agreement.

c) Failure of any party to exercise any right or remedy under this Agreement or otherwise, or delay by a party in exercising such right or remedy, shall not operate as a waiver thereof.

d) If any provision of this Agreement is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Agreement so long as this Agreement as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

e) This Agreement, the other Restructure Documents (as defined in the Restructure Agreement) and the instruments referenced herein and therein constitute the entire agreement among the parties hereto with respect to the subject matter hereof. There are no restrictions, promises, warranties or undertakings, other than those set forth or referred to herein and therein. This Agreement, the other Restructure Documents and the instruments referenced herein and therein supersede all prior agreements and understandings among the parties hereto with respect to the subject matter hereof.

f) Subject to the requirements of Section 9, this Agreement shall inure to the benefit of and be binding upon the permitted successors and assigns of each of the parties hereto.

g) The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning hereof.

h) This Agreement may be executed in identical counterparts, each of which shall be deemed an original but all of which shall constitute one and the same agreement. This Agreement, once executed by a party, may be delivered to the other party hereto by facsimile transmission of a copy of this Agreement bearing the signature of the party so delivering this Agreement.

i) Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as any other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

j) All consents and other determinations required to be made by the Holders pursuant to this Agreement shall be made, unless otherwise specified in this Agreement, by the Required Holders, determined as if the outstanding Options then held by Holders have been exercised for Registrable Securities without regard to any limitations on exercise of the Options.

k) The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent and no rules of strict construction will be applied against any party.

l) This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other Person.

m) The obligations of each Holder hereunder are several and not joint with the obligations of any other Holder, and no provision of this Agreement is intended to confer any obligations on any Holder vis-à-vis any other Holder. Nothing contained herein, and no action taken by any Holder pursuant hereto, shall be deemed to constitute the Holders as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Holders are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated herein.

[***Signature Page Follows***]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first written above.

COMPANY:

QUEST PATENT RESEARCH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

INTELLIGENT PARTNERS, LLC

By: /s/ Andrew C. Fitton
Name: Andrew C. Fitton
Title: Manager

STOCKHOLDERS

/s/ Andrew C. Fitton
Andrew C. Fitton

/s/ Michael Carper
Michael Carper

EX-99.14 15 ea136324ex99-14_questpatent.htm EX. E TO RESTRUCTURE AGREEMENT - BOARD OBSERVATION AGREEMENT DATED FEBRUARY 19, 2021 AMONG THE COMPANY AND INTELLIGENT PARTNERS LLC

Exhibit 99.14

Ex. E – Board Observation Rights Agreement

BOARD OBSERVATION RIGHTS AGREEMENT

This **BOARD OBSERVATION RIGHTS AGREEMENT**, (this "Agreement"), dated as of February 19, 2021, by and between Quest Patent Research Corporation, a Delaware corporation (the "Company"), and Intelligent Partners LLC, a Delaware limited liability company (the "Holder") and is effective as of the Restructure Date, as defined in the Restructure Agreement dated on or about the date of this Agreement among Company, Holder and the Restructure Subsidiaries (as defined in the Restructure Agreement) (the "Restructure Agreement"). Capitalized terms used but not defined herein shall have the meaning ascribed to them in the Restructure Agreement.

WHEREAS, the Company and the Holder are parties to that certain Holder Confidentiality Agreement dated September 2, 2015 (the "Holder Confidentiality Agreement");

WHEREAS, the Company and the Holder are parties to that certain Restructure Agreement;

WHEREAS, to induce the Holder to enter into the transactions evidenced by the Restructure Agreement and Restructure Documents, as defined therein, the Company desires to provide the Holder with certain observation and rights in respect of the board of directors of the Company (the "Board"); and

WHEREAS, the Board has determined it to be in the best interests of the Company to provide the Holder with such observation and designation rights in respect of the Board, pursuant to, and upon the terms and conditions of, this Agreement.

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

1. Board Observation Rights; Confidentiality Obligations.

(a) Beginning on the Restructure Date and ending on the TMPO Extinguishment Date (such period from the date of this Agreement to the TMPO Extinguishment Date, the "Observation Period"), the Company hereby grants the Holder the right, exercisable at any time during the Observation Period, to appoint a representative of its choosing (the "Board Observer"), to receive notice of, attend and observe meetings (including, without limitation, telephonic or other electronic meetings) of the Board or any committee thereof (each, a "Committee"), including executive sessions, in an observer capacity. The Board Observer will not constitute a member of the Board or any Committee and will not be entitled to vote on, veto, or consent to, any matters presented to the Board or any Committee.

(b) During the Observation Period, the Company shall (i) give the Board Observer notice of the applicable meeting or action taken by written consent at the same time and in the same manner as notice is given to the members of the Board or any Committee, (ii) provide the Board Observer with access to all materials and other information given to the members of the Board or any Committee in connection with such meetings or actions taken by written consent at the same time and in the same manner such materials and information are furnished to such members of the Board or any Committee, and (iii) provide the Board Observer with all rights to attend (whether in person or by telephone or other means of electronic communication as solely determined by the Board Observer) such meetings as a member of the Board or any Committee.

(c) The Board Observer agrees not to disclose any non-public material and information and proceedings of the Board and any Committee, except to Holder and only to Holder.

(d) The Board Observer agrees, if so requested, to enter into a confidentiality agreement, setting for the non-disclosure obligation in 1(c) above (the "Confidentiality Agreement").

(e) Any non-public material and information provided to the Board Observer shall be deemed to have been provided to the Holder, and Holder hereby acknowledges and agrees to maintain the confidentiality of such non-public material and information pursuant to the Holder Confidentiality Agreement. Pursuant to the Holder Confidentiality Agreement, the Holder, may provide such information to any legal counsel, accountant and financial advisor that has been engaged by such Holder to discuss such matters or information (each a "Representative"); provided that any such Representative is bound by an obligation of confidentiality and provided further that Holder shall be responsible for any breach of this confidentiality obligation by any of its Representatives.

(f) Holder hereby agrees to indemnify the Company for, and to hold the Company harmless against, any and all liabilities, costs, expenses, losses, damages and claims arising out of or resulting from any breach by the Board Observer or Holder or by any of Holder's Representatives of this Agreement, the Holder Confidentiality Agreement and any Confidentiality Agreement.

(g) The Holder or its Representatives and the Board Observer will not directly or indirectly engage in any transactions in the Company's Common Stock or aid or assist others in engaging in such transactions other than (i) at times when members of the Board are permitted to purchase or sell Company securities (*i.e.*, during "trading windows"), or (ii) in a transaction that a member of the Board would otherwise be permitted to effect pursuant to the Company's policy on securities transactions by members of the Board; provided, that nothing in this Section 1(g) shall be construed to permit the Holder, the Board Observer or any Representative from engaging in any transactions or assisting others in engaging in transaction in the Company's securities while in possession of material non-public information, and Holder hereby agrees to indemnify the Company for, and to hold the Company harmless against, any and all liabilities, costs, expenses, losses, damages and claims arising out of or resulting from any breach by the Board Observer or Holder or any of its Representatives.

(h) Holder, Board Observer and any Representative agree not to violate any federal, state or foreign securities laws or SEC rule or regulation when engaging in any transactions in the Company's Common Stock and Holder agrees to indemnify the Company for, and to hold the Company harmless against, any and all liabilities, costs, expenses, losses, damages and claims arising out of or resulting from any breach of this Section 1(h) by the Board Observer or Holder or any of its Representatives.

2. Reimbursement of Expenses; Insurance; Compensation.

(a) The Company shall reimburse the Board Observer for all reasonable out of pocket expenses incurred in connection with attending meetings of the Board or any Committees.

(b) The Board Observer shall not be paid any compensation or other amounts in such capacity as a Board Observer.

3. Miscellaneous.

(a) Entire Agreement; Amendments. This Agreement supersede all other prior oral or written agreements between the Holder, the Company, their affiliates and persons acting on their behalf with respect to the matters discussed herein, and this Agreement contains the entire understanding of the parties with respect to the matters covered herein, except as specifically set forth herein. Provisions of this Agreement may be amended and the observance thereof may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and the Holder.

(b) Material Non-public Information. Nothing in this Agreement shall be construed to require the Company to disclose, pursuant to a press release or a Form 8-K or otherwise, any material non-public information.

(c) Notices. All notices and demands provided for in this Agreement shall be in writing and shall be given as provided in the Restructure Agreement.

(d) Governing Law; Jurisdiction; Waiver of Jury Trial. All questions concerning the construction, validity, enforcement and interpretation of this Agreement shall be governed by the internal laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of New York or any other jurisdictions) that would cause the application of the laws of any jurisdictions other than 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, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is brought in an inconvenient forum or that the venue of 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 to such party at the address for such 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 manner permitted by law. TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.

(e) Counterparts. This Agreement may be executed in two or more identical counterparts, all of which 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; provided that an electronic signature shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original.

(f) Headings. The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement.

(g) Severability. If any provision of this Agreement is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Agreement so long as this Agreement as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof and the prohibited nature, invalidity or unenforceability of the provision(s) in question does not substantially impair the respective expectations or reciprocal obligations of the parties or the practical realization of the benefits that would otherwise be conferred upon the parties. The parties will endeavor in good faith negotiations to replace the prohibited, invalid or unenforceable provision(s) with a valid provision(s), the effect of which comes as close as possible to that of the prohibited, invalid or unenforceable provision(s).

(h) Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. Neither party shall assign this Agreement or any rights or obligations hereunder without the prior written consent of the other party

(i) Survival After Termination. The provisions of Sections 1(c), 1(e), 1(f), 1(g) and 1(h), shall survive the termination of this Agreement.

(j) Further Assurances. Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as any other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

[Signature page follows]

IN WITNESS WHEREOF, the Holder and the Company have caused this Board Observation Rights Agreement to be duly executed as of the date first

written above.

COMPANY:

QUEST PATENT RESEARCH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

HOLDER:

INTELLIGENT PARTNERS LLC

By: /s/ Andrew C. Fitton
Name: Andrew Fitton
Title: Manager

ACKNOWLEDGMENT OF RECEIPT AND REVIEW

I, _____, acknowledge that I have received and read a copy of the Board Observation Rights Agreement dated February 9, 2021 ("BORA"). I understand the terms thereof and agree to be bound by its terms. I have had the opportunity to consult and have consulted with independent legal counsel in connection with this Acknowledgment of Receipt and Review and have signed below voluntarily.

_____

[NAME]

_____

[PRINTED NAME]

_____

[DATE]

EX-99.15 16 ea136324ex99-15_questpatent.htm EX. F TO RESTRUCTURE AGREEMENT - AMENDED AND RESTATED MPA-CP DATED FEBRUARY 19, 2021 AMONG THE COMPANY, QUEST LICENSING CORPORATION, MARINER IC INC., SEMCON IP INC., IC KINETICS INC., QUEST NETTECH CORPORATION AND INTELLIGENT PARTNERS LLC

Exhibit 99.15

Ex. F - Amended & Restated MPA-CP

AMENDED AND RESTATED MONETIZATION PROCEEDS AGREEMENT

This Amended and Restated Monetization Proceeds Agreement, dated as of February 19, 2021, is entered into by and between **Intelligent Partners, LLC** (as transferee of United Wireless Holdings, Inc.) ("**IPLLC**"), a Delaware limited liability corporation, on the one hand, and **Quest Patent Research Corporation** ("**QPRC**"), a Delaware corporation, and its subsidiaries, **Quest Licensing Corporation**, a Delaware corporation, **Quest NetTech Corporation**, a Texas corporation, as successor to Wynn Technologies Inc., **Mariner IC Inc.**, a Texas corporation, **Semcon IP Inc.**, a Texas corporation, and **IC Kinetics Inc.**, a Texas corporation, each such subsidiary a "**Patent Owner**" and collectively "**Patent Owners**") and is effective as of the Restructure Date (as defined below). (IPLLC, QPRC and the Patent Owners are collectively referred to herein as the "**Parties**" and each individually as a "**Party**.")

RECITALS

WHEREAS, Patent Owners, are the owner of all right, title and interest to the United States patents and patent applications identified on Schedule A-1 and A-2 attached hereto and possesses or may possess certain Claims for which it intends to seek redress; and

WHEREAS, QPRC, the Patent Owners and IPLLC are parties to that certain Restructure Agreement dated as of the Restructure Date as defined therein (the "**Restructure Agreement**"); and

WHEREAS, it is a condition precedent to IPLLC's entering into the Restructure Agreement that QPRC and the Patent Owners execute and deliver to IPLLC an agreement in substantially the form hereof;

NOW, THEREFORE, in consideration for the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. CONSTRUCTION

1.1. For purposes of this Agreement, defined terms shall have the meanings set forth in Section 2 below. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Restructure Agreement.

1.2. Headings are for information only and do not form part of the operative provisions of this Agreement.

1.3. References to this Agreement include references to the Recitals.

1.4. In this Agreement, unless a clear contrary intention appears: (a) words denoting the singular include the plural and vice versa; (b) words denoting any gender include all genders; (c) all references to"$" or dollars shall mean U.S. Dollars; (d) the word "or" shall include both the adjunctive and the disjunctive meaning thereof; and (e) the words "include," "includes," and "including" shall be deemed to be followed by the phrase "without limitation."

1.5. The terms of this Agreement have been negotiated between the Parties in an arm's length transaction, and shall not be construed for or against either Party by reason of the drafting or preparation hereof.

2. DEFINITIONS The following terms shall have the meanings given below:

2.1 "**Adverse Claim**" means any claim, cause of action, suit, or demand, including any counterclaim or third-party claim that is adverse to QPRC, Patent Owner, Patent Owner's Affiliates, Patent Owner's Attorneys, IPLLC, any IPLLC Affiliate or IPLLC' s interests pursuant to this Agreement; provided that "Adverse Claim" shall not include any non-monetary counterclaim relating directly to the Claims brought by a Defendant, including allegations regarding the invalidity, non-infringement, or unenforceability of any of the Patents, except to the extent that any such non-monetary counterclaim is in connection with, arises out of, or is otherwise related to any breach (or is based on or relates to facts or circumstances the existence of which would constitute a breach) of any representations or warranties or covenants made by Patent Owner in this Agreement or any other Restructure Document.

2.2 "**Agreement**" means, collectively, this Agreement, together with all exhibits, schedules and amendments hereto, including all documents expressly incorporated herein by reference.

2.3 "**Affiliate**" means as to any Person (i) any other Person that directly or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person or its respective successors or (ii) if such Person is an individual, a spouse, parent, sibling, or descendant of such Person, or a trust over which such Person has sole investment and dispositive power for the benefit of such Person, spouse, parent, sibling, or descendant. The term "control" including the terms "controlling," "controlled by," and "under common control with" means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting shares, by contract, or otherwise. Affiliates includes such entities whether now existing or later established by investment, merger, or otherwise, including the successors and assigns of such Person. In the case of the United States Government, Affiliates also includes departments or agencies of the United States Government.

2.4 "**Attorneys' Fees**" means the fees, hourly, contingent or otherwise, charged by Patent Owner's Attorneys to maintain and prosecute the Patents and prosecute the Claims to completion, including pre-trial, trial, and collections of any settlements, judgments, and awards, and to defend any non-monetary counterclaims brought against the Patent Owner by any of the Defendants relating directly to the Claims, including allegations regarding invalidity, non-infringement, or unenforceability of the Patents.

2.5 "**Claims**" means all threatened or actual legal claims, actions, suits, arbitrations, causes of action, or proceedings before any supranational, national, state, municipal, or local entity or governmental authority, whether located within or without the United States, including any U.S. District Court, and demands asserted by Patent Owner or its Affiliates against one or more of the Defendants or against any other parties threatened with or added to a claim, action, suit, arbitration, cause of action, or proceeding brought against any of the Defendants relating to claims of patent infringement of any of the Patents that are or may be included by or on behalf of Patent Owner against the accused parties or included in any settlement or resolution of that Claim.

2.6 "**Confidential Information**" means all documents and information (whether written or oral), including all communications, contracts, and agreements, exchanged by the Parties related to the Parties' relationship, or the Claims. The term Confidential Information does not include information that: (i) becomes generally available to the public other than as a result of a breach by a Party of this Agreement, (ii) is already in the receiving Party's possession, provided that such information is not known by the receiving Party to be subject to a contractual or legal obligation of confidentiality to the disclosing Party, or (iii) becomes available to the receiving Party on a non-confidential basis from a source other than the disclosing Party, provided that such source is not known by the receiving Party to be bound by a contractual or legal obligation of confidentiality to the disclosing Party.

2.7 "**Defendants**" means any Persons against which Claims are threatened, alleged, or asserted by any Patent Owner under this Agreement.

2.8 "**Disputes**" has the meaning set forth in Section 6.3.

2.9 "**Escrow Agent**" means Fabricant LLP, as escrow agent under the Escrow Agreement.

2.10 "**Escrow Agreement**" means the Escrow Agreement executed contemporaneously with this Agreement between each Patent Owner, IPLLC and the Escrow Agent.

2.11 "**Gross Monetization Proceeds**" means any and all gross, pre-Tax monetary recovery (but excluding the amount of any unavoidable foreign taxes for which the Patent Owner is legally liable, provided that the Patent Owner uses commercially reasonable efforts to minimize any such taxes) or the value of any other non-cash consideration received, or to be received, directly or indirectly, by QPRC or any other Patent Owner, its Affiliates, related Persons, or any of their permitted assigns as a direct or indirect result of, part of, in connection with, relating to, or arising from the Patents, including any sale, licensing, exchange or other realization of value from any Patent, any Royalties (including the Value of Royalties), monies, lump-sum payments, up-front payments, settlement amounts, distribution of property, securities, judgments, settlements, injunctions, contracts and contract rights, licenses or other cash and non-cash amounts paid, received, or to be received by (which shall include amounts being set off against or otherwise reducing any obligation of QPRC or any other Patent Owner or any of their Affiliates), transferred to, owed by, or inuring, directly or indirectly, to QPRC or any other Patent Owner or any of their Affiliates or related Persons, including, without limitation, any of the foregoing as a direct or indirect result of, as part of, arising from, in connection with, or relating to, (x) awards or payments of attorneys' fees, costs and expenses, settlement (reached before and after the initiation of litigation, arbitration, mediation, or a complaint, but after the execution of this Agreement), voluntary dismissals, and awards of sanctions (as permitted by applicable law), license, judgment, order, voluntary dismissals, including any award of sanctions, as permitted by applicable law, or any resolution of the Claims (or any part of the Claims); or (y) contracts, licensing agreements, or royalty agreements from Defendants or from any other parties added to the same action against Defendants, and (z) interest received in connection therewith agreed in a settlement or awarded in a judgment. For the avoidance of doubt, Gross Monetization Proceeds shall be determined prior to deducting (and shall be gross of) any portion thereof that may be payable by QPRC or Patent Owner to any other party for any reason.

2.12 "**Inter Partes Review Expenses**" means attorneys' fees and out-of-pocket expenses actually incurred by Patent Owner or Patent Owner's Attorneys in connection with the defense of an inter partes review, covered business method patent review, post grant review or ex-parte reexamination of the Patents.

2.13 "**Litigation Funder**" means any Person providing Litigation Financing to QPRC or another Patent Owner.

2.14 "**Litigation Financing**" means capital provided to QPRC or another Patent Owner by a Litigation Funder for the sole purpose of funding the prosecution of one or more Claims.

2.15 "**Monetization**" means to sell, license, enforce or otherwise monetize the Patents.

2.16 "**Monetization Expenses**" means reasonable out-of-pocket expenses actually incurred by Patent Owner or Patent Owner's Attorneys in connection with realization of Gross Monetization Proceeds, including the prosecution of Claims and defending any nonmonetary counterclaims brought against the Patent Owner by any of the Defendants relating directly to the Claims, including allegations regarding invalidity, non-infringement, or unenforceability of the Patents. The reasonableness of expenses incurred by Patent Owner's Attorneys will be determined in accordance with the commercially reasonable costs typically charged for such expenses. Monetization Expenses include reasonable and documented expert and consulting fees; local counsel fees; e-discovery vendors; litigation support services for audio and visual presentations; jury consultants; focus groups; photocopying; postage and delivery; computer-assisted research; filing fees; court reporters and other transcription services; and reasonable travel expenses. Monetization Expenses do not include Attorneys' Fees, Inter Partes Review Expenses, or

any fees or expenses relating to costs or damages awards against Patent Owner resulting from any Adverse Claim.

2.17 "**Net Proceeds**" means Gross Monetization Proceeds minus the sum of Monetization Expenses and Other Expenses.

2.18 "**Net Proceeds Percentage**" means sixty percent (60%); provided, however, that in the event any single transaction yields in excess of $3,000,000 in Net Proceeds due to the Patent Owner, the Net Proceeds Percentage shall increase to eighty percent (80%) on the portion of such single transaction's Net Proceeds in excess of $3,000,000.

2.19 "**Other Expenses**" means (a) attorneys' fees and out-of-pocket expenses such as patent maintenance fees actually and reasonably incurred by QPRC or a Patent Owner in respect of the maintenance of the Patent(s) or related to the realization of Gross Monetization Proceeds, including Inter Partes Review Expenses, Attorney Fees and any payments to a Litigation Funder in connection with a Litigation Financing, in each case to the extent not included in Monetization Expenses (and for the avoidance of doubt, not including (without limitation) any salaries, bonuses, employee benefits, consultant fees, accountant fees, general corporate expenses, regulatory fees or filing costs, or other overhead, or any acquisition costs, or any other debt service).

2.20 "**Patent Owner's Attorneys**" means any legal counsel engaged to represent any Patent Owner in connection with any Claim.

2.21 "**Patents**" means the United States patents and patent applications identified on Schedule A-1 and A-2 attached hereto and all patents and patent applications related thereto, and all patents and patent applications claiming benefit, in whole or in part, of any of their filing dates including, but not limited to, extensions, divisionals, continuations, continuations-in-part, reissues, reexaminations, substitutions and foreign counterparts of any of the foregoing, the inventions disclosed or claimed therein, including the right to make, use, practice and/or sell (or license or otherwise transfer or dispose of) the inventions disclosed or claimed therein, and the right (but not the obligation) to make and prosecute applications for such patents.

2.22 "**Person**" means any individual, firm, company, corporation, partnership, limited liability company, government, state, or agency, or subdivision of a state (or governmental entity), or any association, trust, joint venture, or consortium (whether or not having separate legal personality).

2.23 "**Representative**" means the employees, officers, directors, partners, members, shareholders (other than shareholders of QPRC solely in their capacity as such), co-investors, potential co-investors, agents, advisors, consultants, accountants, attorneys, trustees, or authorized representatives of a Party.

2.24 "**Restructure Date**" shall have the meaning ascribed thereto in the Restructure Agreement.

2.25 "**Restructure Document**" has the meaning given to that term in the Restructure Agreement.

2.26 "**Rights**" means all rights, titles, claims, options, powers, privileges, and interests.

2.27 "**Royalties**" means any monies or cash payable, owed to, or inuring to Patent Owner, its Affiliates, or related Persons, or any of their permissible assigns, as a result of a settlement, license, royalties, or other resolution of the Claims, whether voluntary or ordered or adjudicated by the court or a jury, where such monies or cash are payable over a period greater than one year.

2.28 "**Security**" means a mortgage, charge, pledge, lien, or other security interest securing any obligation of any Person or any other agreement or arrangement having a similar effect.

2.29 "**Patent Proceeds Security Agreement**" has the meaning given to that term in the Restructure Agreement.

2.30 "**Senior Liens**" means (a) any Security in the Collateral, as defined in the Patent Proceeds Security Agreement, granted to QLF pursuant to the Purchase Agreement and Investment Documents, and; (b) any Security in the Collateral that Patent Owner may in the future grant to a Litigation Funder or Patent Owner's Attorney in conjunction with funding or representation relating to Monetization efforts, limited to the amount of the Patent Owner's obligations under the related litigation financing or retainer agreements.

2.31 "**Taxes**" means any non-U.S., U.S. federal, state, local, municipal, or other governmental taxes, duties, levies, fees, excises, or tariffs, arising as a result of or in connection with any amounts of property received or paid under this Agreement, including: (i) any state or local sales or use taxes; (ii) any import, value-added, consumption, or similar tax; (iii) any business transfer tax; (iv) any taxes imposed or based on or with respect to or measured by any net or gross income or receipts of any of the Parties; (v) any withholding or franchise taxes, taxes on doing business, gross receipts taxes or capital stock or property taxes; or (vi) any other tax now or hereafter imposed by any governmental or taxing authority on any aspect of this Agreement, the Gross Monetization Proceeds or the Net Proceeds Percentage, and "pre-Tax" shall mean before deduction of any of the foregoing except for unavoidable foreign taxes for which a Patent Owner is legally liable, provided that the Patent Owner uses commercially reasonable efforts to minimize any such taxes.

2.32 "**Total Monetization Proceeds Obligation**" has the meaning ascribed thereto in the Restructure Agreement.

2.33 "**Value of Royalties**" shall mean the following: (a) The total cash value of the sum of all monies or cash payable to QPRC or Patent Owner, its Affiliates or related Persons or their assigns during the entire term of any settlement agreement or license agreement, to the extent IPLLC determines that it can reasonably calculate the cash value with certainty as of the effective date of such settlement agreement or license agreement; or (b) to the extent IPLLC determines that it cannot reasonably calculate such cash value with certainty as of the date of such settlement agreement or license agreement, the total cash value shall be calculated as the greater of five percent (5%) and the royalty rate specified in the settlement agreement, license agreement or as adjudicated by the court or jury (or if multiple royalty rates apply, the blended rate as determined by IPLLC); multiplied by the average of total net sales of the products, services or methods covered by the settlement agreement or the license agreement (the "**Licensed Products**") for the three-year period preceding the effective date of such settlement agreement and/or license agreement; multiplied by the term of the settlement agreement or license agreement, expressed in years or fractional years; multiplied by a projected growth rate determined by IPLLC and based on sales of the Licensed Products over that three year period. If less than three years of data is available, IPLLC may calculate the average sales and the projected growth rate based on the available data. To the extent the settlement agreement or license agreement grants a term license with a right of renewal entitling Patent Owner, its Affiliates or related Persons or their assigns to additional Royalties, any subsequent renewals, including license re-negotiations if any, shall be subject to this Section for determining the Value of Royalties and Gross Monetization Proceeds owed to IPLLC under this Agreement.

3. PROCEEDS.

3.1 Assignment of an Interest in the Net Proceeds. QPRC and each Patent Owner hereby irrevocably assigns to IPLLC the Net Proceeds Percentage of the Net Proceeds in perpetuity.

3.2 Payment of Net Proceeds Percentage; Reduction of Total Monetization Proceeds Obligation. IPLLC shall be entitled to receive an amount equal to the Net Proceeds Percentage of all Net Proceeds, payable out of all Gross Monetization Proceeds received or entitled to be received by or transferred, paid or inuring to QPRC and any Patent Owner (or for their benefit), from whatever source ("**Received Proceeds**"), with the amount of any payment to IPLLC of the Net Proceeds

Percentage of Net Proceeds made pursuant to this Agreement being applied against and reducing on a dollar for dollar basis the then outstanding Total Monetization Proceeds Obligation, as defined in the Restructure Agreement, if any, as of the date of any such payment to IPLLC of the Net Proceeds Percentage of Net Proceeds.

3.3 Disbursement of Net Proceeds. (a) QPRC (i) shall cause its and any Patent Owner's Attorneys, escrow agent, financing party or other Person holding any and all cash Received Proceeds payable or inuring to QPRC or any other Patent Owner to deliver such amounts directly to the Escrow Agent at the time otherwise required to be delivered to QPRC or any other Patent Owner, and (ii) shall deliver or cause any other Patent Owner or their Affiliates or Representatives to deliver all cash Received Proceeds received by any of them notwithstanding the preceding clause (i), immediately upon receipt, to the Escrow Agent, in each case pursuant to the Escrow Agreement, and such Received Proceeds shall be held and distributed in accordance with the Escrow Agreement.

(b) QPRC shall provide written notice to IPLLC (the "**Received Proceeds Disbursement Notice**") within five (5) Business Days of receipt of any Received Proceeds by the Escrow Agent, QPRC, any other Patent Owner or Affiliates or Representatives, which Received Proceeds Disbursement Notice will include the following:

(i) The amount of the Received Proceeds;

(ii) The sum of all Monetization Expenses and Other Expenses related to the Patent or Patents underlying the Received Proceeds;

(iii) The amounts required to be paid to all Persons from Gross Monetization Proceeds from which the received Proceeds are derived, including Litigation Funders, Patent Owner's Attorneys and any other party or payee;

(iv) The then outstanding Total Monetization Proceeds Obligation as of the date the Received Proceeds were received,

(v) The Net Proceeds Percentage of Net Proceeds to be paid to IPLLC under this Agreement.

(c) IPLLC shall have five (5) Business Days from receipt of a Received Proceeds Disbursement Notice to review and approve the calculations and proposed disbursements set forth therein.

(i) If IPLLC approves the proposed disbursements set forth in a Received Proceeds Disbursement Notice, IPLLC and QPRC shall jointly instruct the Escrow Agent in writing, in accordance with the terms of the Escrow Agreement, to disburse the Received Proceeds in accordance with the proposed disbursements set forth in the Received Proceeds Disbursement Notice.

(ii) If IPLLC objects to any calculation or proposed disbursement set forth in a Received Proceeds Disbursement Notice, IPLLC shall notify QPRC, in writing (an "**Objection Notice**"), within five (5) Business Days from receipt of the Received Proceeds Disbursement Notice, specifying in detail its objections to the calculations. The parties shall work together in good faith to resolve any objections set forth in the Objection Notice, and if the parties are able to agree on a resolution of any such objections within ten (10) Business Days from the delivery of the Objection Notice, they shall jointly instruct the Escrow Agent in writing, in accordance with the terms of the Escrow Agreement, to disburse the Received Proceeds (or any portion thereof) as so agreed; if they are not able to so agree (or with respect to any portion of Received Proceeds not so agreed), the parties shall submit the dispute to arbitration in accordance with Sections 6.3 and 6.4 hereof.

3.4 Non-Cash Net Proceeds. (a) Any Received Proceeds that do not consist of cash shall be received by QPRC, any other Patent Owner and their Affiliates and Representatives and held by them in trust for the benefit of IPLLC until disbursed or distributed upon written notice from IPLLC to liquidate, disburse or distribute the non-cash Received Proceeds. For purposes of calculating Net Proceeds: any Received Proceeds consisting of securities listed on an exchange or traded in an over-the-counter market shall be valued at last sale price or closing bid price, respectively, for such security on the principal exchange or market on which the security is listed or traded on the date of any written notice from IPLLC to liquidate, disburse or distribute the non-cash Received Proceeds, or, if no last sale price or closing bid price, respectively, is reported for such security, the average of the ask prices, or the bid prices, respectively, of any market makers for such security on such day; any Received Proceeds consisting of other assets with a readily determinable market value shall be valued at such market value as of the date of any written notice from IPLLC to liquidate, disburse or distribute the non-cash Received Proceeds; any other Received Proceeds that do not consist of cash shall be valued at the fair market value as mutually determined by IPLLC and QPRC; if IPLLC and QPRC are unable to agree upon the fair market value of such security, then such dispute shall be resolved pursuant to Sections 6.3 and 6.4 hereof.

(b) Promptly after the determination as provided above of the value of any Received Proceeds that do not consist of cash, QPRC shall deliver or cause any other Patent Owner or their Affiliates or Representatives in possession thereof to deliver to IPLLC the portion of such assets representing the Net Proceeds Percentage of the Net Proceeds.

3.5 Access. Each Patent Owner shall maintain true and complete books and records pertaining to Monetization of the Patents in sufficient detail to enable the amounts payable to IPLLC to be accurately determined. In addition, without limiting any access or audit rights of IPLLC provided for in the Restructure Agreement, no more than once each year and upon at least five (5) business days prior written notice to Patent Owner, Patent Owner shall make such books and records related to this Agreement available at reasonable times during regular business hours for inspection and copying by IPLLC, or their designated representatives, and supply IPLLC with the details and supporting data necessary to verify the reports and payments required by this Agreement. Patent Owner and such Affiliates shall maintain such books and records related to this Agreement for at least five (5) years after the end of the calendar year to which they pertain. In the event any such inspection shows an underpayment of Net Proceeds Percentage payments by Patent Owner or one of its Affiliates for any calendar-quarter period, Patent Owner shall promptly pay to IPLLC any such amounts plus a Late Payment Charge, as defined in the Restructure Agreement. Furthermore, if such underpayment is more than the greater of (A) 5% of the total amount of Net Proceeds Percentage payments due for the period audited or (B) $10,000, or if the audit shows that any under-reporting was willful, Patent Owner or such Affiliates shall reimburse IPLLC for the cost of the inspection within thirty (30) days after any such finding of underpayment.

3.6 Matter Monitoring. During any active prosecution of the Claims or other Monetization, each Patent Owner shall keep IPLLC reasonably informed of the progress of the prosecution of the Claims, including prompt notice of events giving rise to Gross Monetization Proceeds, and simultaneously provide to IPLLC all information and documentation provided to any Litigation Funder related to the prosecution of the applicable Claims. In no event shall Patent Owner be obligated to disclose any privileged information related to the prosecution of the Claims at any time or for any purpose and the Company shall not be required to provide notice or copies of documents filed on EDGAR, with the PTO, available on PACER or otherwise available to the public. All information provided by Patent Owner shall be in consultation with its counsel, and all such information shall be true and accurate in all material respects as of the date provided.

3.7 Information; Disclosure. The information access and disclosure obligations pursuant to Sections 3.5 and 3.6 shall terminate upon full satisfaction of the Total Monetization Proceeds Obligation. For the avoidance of doubt, nothing in this Agreement shall be construed to require the Company to publicly disclose material non-public information not required to be publicly disclosed pursuant to the Restructure Agreement or another Restructure Document.

3.8 Security. Each Patent Owner's obligation to pay the Net Proceeds Percentage to IPLLC shall be secured under the terms of the Patent Proceeds Security

Agreement, and if requested by the Patent Owner, IPLLC agrees to execute a subordination agreement with respect to the security interest created thereby with any Senior Lien holder, in form reasonably acceptable to IPLLC and the Senior Lien holder.

4. REPRESENTATIONS AND WARRANTIES

4.1. Patent Owners' Representations and Warranties. Each Patent Owner makes the representations, warranties, and Covenants set out in this Section as of the date of this Agreement, the Closing Date and for the duration of this Agreement, except as may be disclosed in writing to IPLLC for events that arise subsequent to the date of this Agreement:

(a) Patent Owner is a corporation duly formed, validly existing, and in good standing under the laws of the jurisdiction of its formation;

(b) Patent Owner has all requisite power and authority to enter into, execute, and deliver this Agreement and to perform fully its obligations hereunder;

(c) The Patents are exclusively owned by QPRC or the Patent Owners and no third party has the right to grant any licenses in and to any of the Patents;

(d) To Patent Owner's knowledge, there are no inventorship challenges, opposition, reexamination, or nullity proceedings or interferences declared, commenced or provoked, or to the knowledge the Patent Owner, threatened, with respect to any Patents. The Patent Owner has no knowledge of any information that would preclude Patent Owner from having clear title to the Patents or affecting their patentability, validity, or enforceability.

5. ADDITIONAL COVENANTS AND TAXES

5.1. Covenants. During the Term (as defined below) of this Agreement, QPRC and each Patent Owner shall (unless it has obtained prior written consent from IPLLC to the contrary), at its sole cost and expense:

(a) not, except as permitted under the other Restructure Documents, grant or create or allow any other Person other than IPLLC and the holders of the Senior Liens to hold any Security or Adverse Claim over the Patents, the Claims, or the Gross Monetization Proceeds, or any rights thereto.

(b) not transfer, sell, assign, or otherwise dispose of any of the Patents, except as permitted under the Purchase Agreement and Investment Documents.

5.2. Taxes. All Taxes shall be the financial responsibility of the Party obligated to pay such Taxes as determined by applicable law and neither Party is or shall be liable at any time for any of the other Party's Taxes incurred in connection with or related to amounts paid under this Agreement. Except for unavoidable foreign taxes for which the Patent Owner is legally liable, provided that the Patent Owner uses commercially reasonable efforts to minimize any such taxes, no Tax shall be withheld on any Gross Monetization Proceeds or other amounts payable to IPLLC hereunder unless required by law. If , other than unavoidable foreign taxes, any applicable law requires the deduction or withholding of any tax from any such payment to IPLLC, then the Patent Owner shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant taxing authority in accordance with applicable law and the sum payable to IPLLC shall be increased as necessary so that, after such deduction or withholding has been made, IPLLC receives an amount equal to the sum it would have received had no such deduction or withholding been made. Each Party shall indemnify, defend and hold the other Party harmless from and against any Taxes owed by or assessed against the other Party that are the obligations of such Party and from any claims, causes of action, costs, expenses, reasonable attorneys' fees, penalties, assessments and any other liabilities of any nature whatsoever related to such Taxes.

6. GOVERNING LAW; WAIVER OF SPECIFIC DEFENSES; DISPUTES

6.1. Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be governed by the laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule, and shall be construed and enforced in accordance with the law.

6.2. Specific Waivers. To the greatest extent permissible by law, each Patent Owner irrevocably waives and forever and unconditionally releases, discharges and quitclaims any claims, counterclaims, defenses, causes of action, remedies, or rights it or its successors in interest has or may in the future have arising from any doctrine, rule, or principle of law or equity that this Agreement, or the relationships or transactions contemplated by this Agreement (i) are against the public policy of any jurisdiction with which Patent Owner has a connection, or (ii) are unconscionable, or (iii) constitute champerty, maintenance, barratry, or any impermissible transfers, assignments or splitting of property, fees or causes of action.

6.3. Arbitrable Claims. All actions, disputes, claims and controversies under common law, statutory law, rules of professional ethics, or in equity of any type or nature whatsoever, whether arising before or after the date of this Agreement, and directly relating to: (a) this Agreement or any amendments and addenda hereto, or the breach, invalidity or termination hereof; (b) any previous or subsequent agreement between IPLLC and QPRC or a Patent Owner related to the subject matter hereof to the extent set forth in Section 8.2; (c) any act or omission committed by IPLLC or its Representatives with respect to this Agreement, or by any member, employee, agent, or lawyer of IPLLC with respect to this Agreement, whether or not arising within the scope and course of employment or other contractual representation of IPLLC (provided that such act arises under a relationship, transaction or dealing between IPLLC and QPRC or a Patent Owner); or (d) any act or omission committed by QPRC or a Patent Owner with respect to this Agreement, or by any employee, agent, partner or lawyer of QPRC or a Patent Owner with respect to this Agreement whether or not arising within the scope and course of employment or other contractual representation of QPRC or a Patent Owner (provided that such act arises under a relationship, transaction or dealing between IPLLC and QPRC or a Patent Owner) (collectively, the "**Disputes**"), will be subject to and resolved by binding arbitration under this Section 6.3 and Section 6.4 below, provided however, that nothing in this Section 6 shall limit the rights, if any, of IPLLC to commence or maintain judicial proceedings pursuant to the Restructure Agreement and other Restructure Documents. The Parties agree that the arbitrators have exclusive jurisdiction, to the exclusion of any court (except as specifically provided with regard to prejudgment, provisional, or enforcement proceedings in Section 6.5), to decide all Disputes.

6.4. Administrative Body; Situs. Any Dispute arising out of or relating to this Agreement, including the breach, termination, enforcement, interpretation or validity thereof, or the determination of the scope or applicability of this Agreement to arbitrate, shall be determined by arbitration in Austin, Texas, before a panel of three arbitrators. The arbitration shall be administered using the arbitration rules of the American Arbitration Association ("**AAA**") current at the time the Dispute is brought, which rules are deemed to be incorporated herein by reference. Each Party shall, upon written request, promptly provide the other Party with copies of all information on which the producing party may rely in support of or in opposition to any claim or defense and a report of any expert whom the producing Party may call as a witness in the arbitration hearing. Moreover, in the event of a Dispute, Patent Owner waives any objection to the production of privileged information relating to the underlying litigation and the Claims, with any material non-public information to be delivered pursuant to a non-disclosure agreement.

6.5. Prejudgment and Provisional Remedies. Either Party may commence judicial proceedings under this Agreement only for the purpose(s) of: (i) enforcement of the arbitration provisions; (ii) obtaining appointment of arbitrator(s); (iii) preserving the status quo of the Parties pending arbitration as contemplated herein; (iv) preventing the disbursement by any Person of disputed funds; (v) preserving and protecting the rights of either Party pending the

outcome of the arbitration, or (vi) seeking injunctive relief for breach of the confidentiality provisions contained in Section 7. Any such action or remedy will not waive a Party's right to compel arbitration of any Dispute, and any Party may also file court proceedings to have judgment entered on the arbitration award. In any action for prejudgment or provisional relief, any court in which such relief is sought shall determine the availability of such relief without regard to any defenses that may be asserted by the other Party, and any such defenses shall be referred to the exclusive jurisdiction of the arbitrators under Section 6.3. The Parties further agree that a court shall not defer or delay granting prejudgment or provisional relief while any such arbitration takes place. **EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

6.6. Attorneys' Fees. If any of QPRC, any Patent Owner or IPLLC brings any other action for judicial relief with respect to any Dispute (other than those precisely described in Section 6.5), the Party bringing such action will be liable for and immediately pay all of the other Party's costs and expenses (including attorneys' fees) incurred to stay or dismiss such action and remove or refer such Dispute to arbitration. If any of QPRC, any Patent Owner or IPLLC brings or appeals an action to vacate or modify an arbitration award and such Party does not prevail, such Party will pay all costs and expenses, including attorneys' fees, incurred by the other Party in defending such action.

6.7. Enforcement. Any award rendered under this Section shall not be subject to appeal and shall be enforceable in any and all jurisdictions, including the State of Texas and the State of New York.

6.8. Confidentiality of Awards. All arbitration proceedings, including testimony or evidence at hearings, will be kept confidential, although any award or order rendered by the arbitrator(s) pursuant to the terms of this Agreement may be confirmed as a judgment or order in any state or federal or other national court of competent jurisdiction where proceedings are necessary or appropriate to enforce any award or order. This Agreement concerns transactions involving commerce among several state and foreign countries.

6.9. Indemnification. QPRC and each Patent Owner agrees to indemnify, defend, and hold harmless, IPLLC, its Affiliates and their respective Representatives from and against all claims by third parties relating to, or arising out of, this Agreement including, without limitation, all claims threatened, alleged or asserted by QPRC or Patent Owner's Attorneys. For the avoidance of any doubt, QPRC and each Patent Owner agrees to advance to IPLLC its Affiliates and their respective Representatives all defense costs, including attorneys' fees and expenses, for any third-party claim relating to, or arising out of, this Agreement or any related Restructure Documents.

7. CONFIDENTIALITY

7.1. Confidential Information. The Parties shall limit the distribution and disclosure of Confidential Information to their Representatives who have a "need to know" to such information. The Party disclosing the Confidential Information to its Representatives shall ensure that such Representatives adhere to, and comply with, all terms and obligations of confidentiality, use and protection of the Confidential Information as accepted by the Parties under this Agreement.

7.2. Limitations on Disclosure of Confidential Information. The Parties and their Representatives shall not disclose Confidential Information, or the fact that the Parties entered into this Agreement, unless: (i) the Parties agree in writing that such disclosure is acceptable, (ii) such disclosure is required in connection with the enforcement or protection of a Party's rights with respect to this Agreement, or (iii) such disclosure is required by law or regulation, governmental or regulatory authority, court order or judicial process; provided, that each Party agrees to give the other Party (to the extent not prohibited by applicable law, regulation, governmental or regulatory authority, court order or judicial process) written notice of any required disclosure and cooperate in obtaining a protective order or similar protection to preserve the confidential nature of the Confidential Information.

7.3. Public Disclosure. Neither IPLLC nor QPRC or any Patent Owner shall issue any press release or make any public statement with respect to the existence of this Agreement or the transaction contemplated hereby, except as may be required by applicable law, regulation, governmental, or regulatory authority, judicial process, or court order (in which case the party seeking to issue such press release or make such public statement will, to the extent not prohibited by applicable law, regulation, governmental or regulatory authority, court order, or judicial process, consult the other and obtain the other's approval, which shall not be unreasonably withheld, before issuing any such press release or otherwise making any such public statement). QPRC and each Patent Owner shall keep this Agreement confidential and not disclose it, or any part of it, or any drafts of it, to third parties, except as may be required by applicable law, regulation, governmental or regulatory authority, judicial process, or court order.

8. MISCELLANEOUS

8.1. Privileged Information. IPLLC will not request from QPRC or any Patent Owner, and they are not required to provide to IPLLC, documents or information protected by the attorney-client privilege. QPRC and each Patent Owner understands and acknowledges that in the event its Representatives provide privileged information to IPLLC, such disclosure may be deemed waiver of the applicable privilege. In the event that QPRC or any Patent Owner inadvertently provides privileged information to IPLLC, IPLLC will return such information to QPRC or such Patent Owner without reviewing the information.

8.2. Entire Agreement and Amendments. This Agreement and the Restructure Documents constitute the entire agreement between the Parties with respect to the matters covered herein and supersede all prior agreements, promises, representations, warranties, statements, and understandings with respect to the subject matter hereof as between QPRC, the Patent Owners and IPLLC. This Agreement may not be amended, altered, or modified except by an amendment or supplement to this Agreement executed by all Parties hereto and consented to by QFL.

8.3. Partial Invalidity; Severability. If, at any time, any provision of this Agreement or of the other Restructure Documents is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provisions under the law of any other jurisdiction shall in any way be affected or impaired.

8.4. Remedies and Waivers. No failure to exercise, nor any delay in exercising, on the part of IPLLC, QPRC or any Patent Owner, of any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law. No provision of this Agreement may be waived except in writing signed by the party granting such waiver.

8.5. Assignment. This Agreement shall inure to the benefit of, and be binding upon the respective successors and assigns of the Parties. Neither QPRC nor any Patent Owner shall assign or delegate its rights or obligations under this Agreement without the prior written consent of IPLLC, which shall not be unreasonably withheld.

8.6. Notices. All notices, reports and other communications required or permitted under this Agreement shall be as provided in the Restructure Agreement.

8.7. Term, Termination and Survival. This Agreement shall terminate at the earlier of (i) with respect to each Patent Owner, six years after the last to expire of the Patents owned by that Patent Owner or (ii) mutual written agreement of the Parties (the period from the Restructure Date to the date of such termination, the "**Term**"). The provisions of Sections 1, 2 (with respect to applicable defined terms), Section 3.2 through **Error! Reference source not found.**, 6, 7, and 8 shall survive the termination of this Agreement.

8.8. Costs and Expenses. The Parties shall be solely responsible for and bear the costs and expenses, including attorneys' fees, expenses of accountants, brokers, financial advisors, and other representatives and advisors, each incurs at any time in connection with pursuing, or consummating the transaction contemplated by, this Agreement.

8.9. No Presumption against Drafter. This Agreement has been negotiated by the Parties and their respective counsel and will be fairly interpreted in accordance with its terms and without any strict construction in favor of or against a Party.

8.10. Counterparts. This Agreement may be executed in counterparts which, when read together, shall constitute a single instrument, and this has the same effect as if the signatures on the counterparts were on a single copy hereof. A composite copy of this Agreement may be compiled comprising a single copy of the text of this Agreement and one or more copies of the signature pages containing collectively the signatures of all Parties. A facsimile or an electronic mail signature shall be considered due execution and shall be binding upon the signatories hereto with the same force and effect as if the signature were an original, not a facsimile signature.

8.11. Third-Party Beneficiaries. Except as otherwise set forth in Section 6.9, this Agreement is for the sole benefit of the parties hereto, their respective successors and permitted assigns and QFL and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement, it being acknowledged and agreed, for the avoidance of doubt, that Patent Owner's Attorneys are not third-party beneficiaries of this Agreement and QFL is an intended third party beneficiary of this Agreement.

[Signature pages follow]

IN WITNESS WHEREOF, the Parties execute this Agreement effective as of the date first set forth above.

QUEST PATENT RESEARCH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

QUEST LICENSING CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

QUEST NETTECH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

MARINER IC INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

SEMCON IP INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

IC KINETICS INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

INTELLIGENT PARTNERS, LLC

By: /s/ Andrew C. Fitton
Name: Andrew C. Fitton
Title: Manager

[Signature Page to Amended and Restated MPA-CP]

SCHEDULE A-1

Segment	Type	Number
Power Management	US Patent	7,100,061
Power Management	US Patent	7,596,708
Power Management	US Patent	8,566,627
Power Management	US Patent	8,806,247

Power Management	US Patent	7,100,061C1
Power Management	PCT	PCT/US2001/001684
Anchor	US Patent	5,650,666
Anchor	US Patent	5,846,874
Bus Controller	US Patent	5,978,876
Diode on Chip	US Patent	7,118,273
Diode on Chip	US Patent	7,108,420
Diode on Chip	US Patent	9,222,843
Diode on Chip	US Patent Application	16/011324

SCHEDULE A-2

Segment	Type	Number
Financial Data	US Patent	RE38,137
Mobile Data	US Patent	7,194,468
Mobile Data	US Patent	9,288,605
Mobile Data	US Patent	9,913,068
Mobile Data	US Patent Application	15/877,820

EX-99.16 17 ea136324ex99-16_questpatent.htm EX. G TO RESTRUCTURE AGREEMENT - AMENDED AND RESTATED MPA-CXT DATED FEBRUARY 19, 2021 AMONG CXT SYSTEMS, INC. AND INTELLIGENT PARTNERS LLC

Exhibit 99.16

Ex. G - Amended & Restated MPA-CXT

AMENDED AND RESTATED MONETIZATION PROCEEDS AGREEMENT

This Amended and Restated Monetization Proceeds Agreement (the "**Agreement**") dated as of February 19, 2021, is entered into by and between Intelligent Partners LLC, a Delaware limited liability company (as transferee of United Wireless Holdings, Inc.) ("**IPLLC")**, and CXT Systems, Inc. ("**CXT**" or "**Patent Owner**"), a Texas corporation, and is effective as of the Restructure Date (as defined below) and amends and restates in its entirety the Monetization Proceeds Agreement, dated July 31, 2017 and entered into by and between United Wireless Holdings, Inc. ("**United**"), a Delaware corporation and CXT (the "**2017 MPA-CXT**"). (IPLLC and the Patent Owner are collectively referred to herein as the "Parties" and each individually as a "Party.")

RECITALS

A. CXT is party to a patent sale agreement dated July 28, 2017 by and between CXT, Intellectual Ventures 37 LLC and Intellectual Ventures Assets 34 LLC (the "**IV 34/37 Agreement**") pursuant to which CXT acquired all right, title and interest to the United States patents and related assets identified on ***Exhibit A*** attached hereto; and

B. CXT is party to a patent sale agreement dated January 26, 2018 by and between CXT, Intellectual Ventures 71 LLC and Intellectual Ventures Assets 62 LLC (the "**IV 71/62 Agreement**") pursuant to which CXT acquired all right, title and interest to the United States patents and related assets identified on ***Exhibit B*** attached hereto (the IV 34/37 Agreement and the IV 71/62 Agreement collectively referred to herein as the "**IV Agreements**"); and

C. CXT is a wholly owned subsidiary of Quest Patent Research Corporation, a Delaware corporation (the "**Company**"); and

D. Company, Patent Owner and IPLLC are parties to that certain Restructure Agreement dated as even date hereof ("**Restructure Agreement**"): and

E. To induce IPLLC to enter into the Restructure Agreement, and, pursuant to and upon the terms of the Restructure Agreement, the Parties, agree to amend and restate the 2017 MPA-CXT in its entirety.

NOW, THEREFORE, in consideration for the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. CONSTRUCTION

1.1. For purposes of this Agreement, defined terms shall have the meanings set forth in Section 2 below. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Restructure Agreement.

1.2. Headings are for information only and do not form part of the operative provisions of this Agreement.

1.3. References to this Agreement include references to the Recitals.

1.4. In this Agreement, unless a clear contrary intention appears: (a) words denoting the singular include the plural and vice versa; (b) words denoting any gender include all genders; (c) all references to "$" or dollars shall mean U.S. Dollars; (d) the word "or" shall include both the adjunctive and the disjunctive meaning thereof; and (e) the words "include," "includes," and "including" shall be deemed to be followed by the phrase "without limitation."

1.5. The terms of this Agreement have been negotiated between the Parties in an arm's length transaction, and shall not be construed for or against either

Party by reason of the drafting or preparation hereof.

2. DEFINITIONS The following terms shall have the meanings given below:

2.1 "**Acceleration Event**" means: (a) the sale, transfer, assignment or other conveyance of more than fifty percent (50%) of the Patents to an entity other than an Affiliate of Patent Owner; (b) the sale of all or substantially all of the outstanding capital stock or operating assets (other than cash) of Patent Owner; or (c) a material breach (including non-payment) by Patent Owner under this Agreement that is not cured within thirty (30) days after written notice thereof from IPLLC to Patent Owner.

2.2 "**Affiliate**" means, with respect to any Person, any Entity in whatever country organized, that Controls, is Controlled by or is under common Control with such Person.

2.3 "**Confidential Information**" means all documents and information (whether written or oral), including all communications, contracts, and agreements, exchanged by the Parties related to the Parties' relationship, or the Patents. The term Confidential Information does not include information that: (i) becomes generally available to the public other than as a result of a breach by a Party of this Agreement, (ii) is already in the receiving Party's possession, provided that such information is not known by the receiving Party to be subject to a contractual or legal obligation of confidentiality to the disclosing Party, or (iii) becomes available to the receiving Party on a non-confidential basis from a source other than the disclosing Party, provided that such source is not known by the receiving Party to be bound by a contractual or legal obligation of confidentiality to the disclosing Party.

2.4 "**Control**" (or such other conjugations) for the purpose of this Agreement means the direct or indirect ownership of more than fifty percent (50%) of the shares or similar equity interests or voting power of the outstanding voting securities of such Entity that represent the power to direct the management and policies of such Entity.

2.5 "**Costs**" means, excluding Fees, the actual and reasonable out-of-pocket costs incurred by or for Patent Owner and paid to a non-Affiliate third party for:

(a) Any payment of the Purchase Price pursuant to the IV 34/37 Agreement and IV 71/62 Agreement after the date hereof; and,

(b) any required patent maintenance fees, patent prosecution costs, whether for administrative proceedings, re-examinations, re-issues, continuations, and the like; and

(c) enforcement costs (including but not limited to, filing fees, translation costs, testifying and non-testifying experts, visual aids, court costs, deposition fees, document reproduction costs, discovery costs, on-line research costs),

all in connection with the effort to license, sell, or otherwise monetize the Patents. For the avoidance of doubt, (i) Patent Owner and its Affiliates' or law firm's operating, administrative, personnel and similar costs and (ii) financing premiums, interest, and any amounts over and above the actual out-of-pocket amounts advanced are not included in the definition of "Costs."

2.6 "**Disputes**" has the meaning set forth in Section 6.3.

2.7 "**Entity**" means any corporation, partnership, limited liability company, association, joint stock company, trust, joint venture, unincorporated organization, governmental entity (or any department, agency, or political subdivision thereof) or any other legal entity.

2.8 "**Fees**" means the reasonable amount of fees (excluding Costs) payable to third party attorneys, law firms, Litigation Funders, consultants and/or licensing professionals as compensation, contingent or otherwise, for achieving any Gross Monetization Proceeds. Such fee arrangements shall be reasonable and in accordance with market rates for such financing and/or legal services, as the case may be.

2.9 "**Gross Monetization Proceeds**" means Patent Owner and its Affiliates' gross revenue and/or other consideration from the sale, licensing and/or other monetization activities related to the Patents after the Restructure Date. Patent Owner and its Affiliates' gross revenue shall be as determined according to United States generally accepted accounting principles (U.S. GAAP) or an international equivalent.

2.10 "**Litigation Financing**" means capital provided to Patent Owner by a Litigation Funder for the purpose of achieving any Gross Monetization Proceeds.

2.11 "**Litigation Funder**" means any Person providing Litigation Financing to Patent Owner.

2.12 "**Monetization**" means the sale, licensure, enforcement or otherwise monetize the Patents.

2.13 "**Net Proceeds**" means Gross Monetization Proceeds minus the sum of Costs and Fees.

2.14 "**Net Proceeds Percentage**" means sixty percent (60%) of any Net Proceeds derived from the Patents, provided that in the event any single transaction yields in excess of $3,000,000 in Net Proceeds due to the Patent Owner, the Net Proceeds Percentage shall increase to eighty percent (80%) on the portion of such single transaction's Net Proceeds in excess of $3,000,000.

2.15 "**Patents**" means the patents and related assets identified on ***Exhibit A*** and ***Exhibit B*** attached hereto and all patents and patent applications related thereto, and all patents and patent applications claiming benefit, in whole or in part, of any of their filing dates including, but not limited to, extensions, divisionals, continuations, continuations-in-part, reissues, reexaminations, substitutions and foreign counterparts of any of the foregoing, the inventions disclosed or claimed therein, including the right to make, use, practice and/or sell (or license or otherwise transfer or dispose of) the inventions disclosed or claimed therein, and the right (but not the obligation) to make and prosecute applications for such patents.

2.16 "**Patent Owner's Attorney**" means any legal counsel engaged to represent any Patent Owner in connection with Monetization.

2.17 "**Patent Proceeds Security Agreement**" has the meaning given to that term in the Restructure Agreement.

2.18 "**Person**" means any individual, firm, company, corporation, partnership, limited liability company, government, state, or agency, or subdivision of a state (or governmental entity), or any association, trust, joint venture, or consortium (whether or not having separate legal personality).

2.19 "**Representative**" means the employees, officers, directors, partners, members, shareholders (other than shareholders of QPRC solely in their capacity as such), co-investors, potential co-investors, agents, advisors, consultants, accountants, attorneys, trustees, or authorized representatives of a Party.

2.20 "**Restructure Date**" shall have the meaning ascribed thereto in the Restructure Agreement.

2.21 "**Rights**" means all rights, titles, claims, options, powers, privileges, and interests.

2.22 "**Security**" means a mortgage, charge, pledge, lien, or other security interest securing any obligation of any Person or any other agreement or arrangement having a similar effect.

2.23 "**Senior Liens**" means any Security in the Collateral, as defined in the Patent Proceeds Security Agreement, granted to: (a) Intellectual Ventures Assets 37, LLC pursuant to the Security Interest Addendum dated August 4, 2017 (b) Intellectual Ventures Assets 71, LLC pursuant to the Security Interest Addendum dated September 29, 2018 (c) Intellectual Ventures Assets 62, LLC pursuant to the Security Interest Addendum dated September 29, 2018 (d) QPRC Finance, LLC pursuant to the Purchase Agreement and Investment Documents (as defined in the Restructure Agreement), and; (e) any Security in the Collateral that Patent Owner may in the future grant to a Litigation Funder or Patent Owner's Attorney in conjunction with funding or representation relating to Monetization efforts, limited to the amount of the Patent Owner's obligations under the related litigation financing or retainer agreements.

2.24 "**Taxes**" means any non-U.S., U.S. federal, state, local, municipal, or other governmental taxes, duties, levies, fees, excises, or tariffs, arising as a result of or in connection with any amounts of property received or paid under this Agreement, including: (i) any state or local sales or use taxes; (ii) any import, value-added, consumption, or similar tax; (iii) any business transfer tax; (iv) any taxes imposed or based on or with respect to or measured by any net or gross income or receipts of any of the Parties; (v) any withholding or franchise taxes, taxes on doing business, gross receipts taxes or capital stock or property taxes; or (vi) any other tax now or hereafter imposed by any governmental or taxing authority on any aspect of this Agreement, the Gross Monetization Proceeds, or the Net Proceeds, and "pre-Tax" shall mean before deduction of any of the foregoing except for unavoidable foreign taxes for which the Patent Owner is legally liable, provided that the Patent Owner uses commercially reasonable efforts to minimize any such taxes.

2.25 "**Total Monetization Proceeds Obligation**" has the meaning ascribed thereto in the Restructure Agreement

3. PROCEEDS.

3.1 Assignment of the Net Proceeds Percentage. Patent Owner hereby irrevocably assigns to IPLLC the Net Proceeds Percentage of the Net Proceeds in perpetuity.

3.2 Payment of the Net Proceeds Percentage; Reduction of Total Monetization Proceeds Obligation. IPLLC shall be entitled to receive an amount equal to the Net Proceeds Percentage of all Net Proceeds, payable out of all Net Proceeds received or entitled to be received by or transferred, paid or inuring to Patent Owner, from whatever source ("**IPLLC Proceeds Payments**"), and all IPLLC Proceeds Payments made pursuant to this Agreement shall be applied against and reduce the then outstanding Total Monetization Proceeds Obligation on a dollar for dollar basis, if any, as of the date of any such IPLLC Proceeds Payment.

3.3 Disbursement of Net Proceeds. Patent Owner shall calculate and provide a written report to IPLLC (as set forth in Section 3.5 below) of the amount of Net Proceeds due to Patent Owner and IPLLC at the same time any disbursement notice documentation is provided to attorneys, law firms, QFL, litigation funding sources, patent sellers/prior owners, licensing professionals/consultants or other Persons entitled to payment upon receipt of Gross Monetization Proceeds and then shall pay or cause IPLLC to be paid the IPLLC Proceeds Payment pursuant to this Section 3.3 at the same time as the Patent Owner receives any Net Proceeds.

3.4 Acceleration; Guarantee. All outstanding IPLLC Proceeds Payments under this Agreement shall become due and payable upon the occurrence of an Acceleration Event, in addition to any other remedies IPLLC may have at law or in equity. In the event any Gross Monetization Proceeds are received by an Affiliate or Affiliates of Patent Owner, Patent Owner and each such Affiliate will be jointly and severally responsible for the payment and reporting to IPLLC of the IPLLC Proceeds Payments owed pursuant to Sections 3.2, 3.3, 3.4 and 3.5 of this Agreement. For the avoidance of doubt and subject to the provisions of Section 5.1(c) below, no Affiliate of Patent Owner makes any guarantee of Patent Owner's payment obligations under this Agreement.

3.5 Reporting. All reports shall be in the English Language and in sufficient detail such that IPLLC can reasonably verify the IPLLC Proceeds Payments due to IPLLC**.** Each report shall be certified in advance by an officer of Patent Owner or by a designee of such officer to be correct to the best knowledge and information of Patent Owner. Reports shall be sent to IPLLC by electronic mail to andrew.fitton@unitedwirelessholdings.com and mike.carper@unitedwirelessholdings.com, or as IPLLC otherwise directs from time to time in a written notice to Patent Owner.

3.6 Access; Audit. Patent Owner and each of its Affiliates that receive any Gross Monetization Proceeds shall keep and maintain true and complete books and records pertaining to monetization of the Patents in sufficient detail to enable the amounts payable to IPLLC to be accurately determined. In addition, without limiting any access or audit rights of IPLLC provided for in the Restructure Agreement, no more than once each year and upon at least five (5) business days prior written notice to Patent Owner, Patent Owner shall make such books and records related to this Agreement available at reasonable times during regular business hours for inspection and copying by IPLLC, or their designated representatives, and supply IPLLC with the details and supporting data necessary to verify the reports and payments required by this Agreement. Patent Owner and such Affiliates shall maintain such books and records related to this Agreement for at least five (5) years after the end of the calendar year to which they pertain. In the event any such inspection shows an underpayment of IPLLC Proceeds Payments by Patent Owner or one of its Affiliates for any calendar-quarter period, Patent Owner shall promptly pay to IPLLC any such amounts plus a Late Payment Charge, as defined in the Restructure Agreement. Furthermore, if such underpayment is more than the greater of (A) 5% of the total IPLLC Proceeds Payments due for the period audited or (B) $10,000, or if the audit shows that any under-reporting was willful, Patent Owner or such Affiliates shall reimburse IPLLC for the cost of the inspection within thirty (30) days after any such finding of underpayment.

3.7 Security. Patent Owner's obligation to pay the IPLLC Proceeds Payments shall be secured under the terms of the Patent Proceeds Security Agreement, and if requested by the Patent Owner, IPLLC agrees to execute a subordination agreement with respect to the security interest created thereby with any Senior Lien holder, in form reasonably acceptable to IPLLC and the Senior Lien holder. For the avoidance of doubt, neither this Agreement nor the Patent Proceeds Security Agreement is a guarantee by any Affiliate of Patent Owner of Patent Owner's payment obligations under this Agreement.

4. REPRESENTATIONS AND WARRANTIES

4.1. Patent Owners' Representations and Warranties. Patent Owner makes the representations, warranties, and Covenants set out in this Section as of the date of this Agreement and for the duration of this Agreement, except as may be disclosed in writing to IPLLC for events that arise subsequent to the date of this Agreement:

(a) Patent Owner is a corporation duly formed, validly existing, and in good standing under the laws of the jurisdiction of its formation;

(b) Patent Owner has all requisite power and authority to enter into, execute, and deliver this Agreement and to perform fully its obligations hereunder;

(c) The Patents are exclusively owned by the Patent Owner;

(d) To Patent Owner's knowledge, no third party of has the right to grant any licenses in and to any of the Patents; and

(e) To Patent Owner's knowledge, there are no inventorship challenges, opposition, reexamination, or nullity proceedings or interferences declared, commenced or provoked, or to the knowledge the Patent Owner, threatened, with respect to any Patents. The Patent Owner has no knowledge of any information that would preclude Patent Owner from having clear title to the Patents or affecting their patentability, validity, or enforceability.

4.2. IPLLC Representations and Warranties. IPLLC makes the representations, warranties, and Covenants set out in this Section as of the date of this Agreement and for the duration of this Agreement, except as may be disclosed in writing to Patent Owner for events that arise subsequent to the date of this Agreement:

(a) IPLLC is a corporation duly formed, validly existing, and in good standing under the laws of the jurisdiction of its formation;

(b) IPLLC has all requisite power and authority to enter into, execute, and deliver this Agreement and to perform fully its obligations hereunder;

5. ADDITIONAL COVENANTS AND TAXES

5.1. Covenants. For so long as the Patent Owner holds the Patents, any amount is outstanding, or obligation of Patent Owner is remaining under this Agreement, Patent Owner shall (unless it has obtained prior written consent from IPLLC to the contrary), at its sole cost and expense:

(a) not, except for the Senior Liens, grant or create or allow any other Person other than IPLLC to hold any superior Security over the Patents or the Gross Monetization Proceeds, or any rights thereto;

(b) not, except as permitted under the IV Agreements, the Purchase Agreement, the Investment Documents or any Litigation Funding agreement, transfer, sell, assign, or otherwise dispose of any of its Rights in or under any of the contracts or agreements relating to the Gross Monetization Proceeds; and

(c) not transfer, sell, assign, or otherwise dispose of any of the Patents, except as permitted under the IV Agreements and provided any such future assignee or transferee of the Patents agree in writing to be bound to all payment, reporting and audit obligations of Patent Owner as set forth in this Agreement.

5.2. Taxes. All Taxes shall be the financial responsibility of the Party obligated to pay such Taxes as determined by applicable law and neither Party is or shall be liable at any time for any of the other Party's Taxes incurred in connection with or related to amounts paid under this Agreement. Except for unavoidable foreign taxes for which the Patent Owner is legally liable, provided that the Patent Owner uses commercially reasonable efforts to minimize any such taxes, no Tax shall be withheld on any Gross Monetization Proceeds or other amounts payable to IPLLC hereunder unless required by law. If any applicable law requires the deduction or withholding of any tax from any such payment to IPLLC, then the Patent Owner shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant taxing authority in accordance with applicable law and the sum payable to IPLLC shall be increased as necessary so that, after such deduction or withholding has been made, IPLLC receives an amount equal to the sum it would have received had no such deduction or withholding been made. Each Party shall indemnify, defend and hold the other Party harmless from and against any Taxes owed by or assessed against the other Party that are the obligations of such Party and from any claims, causes of action, costs, expenses, reasonable attorneys' fees, penalties, assessments and any other liabilities of any nature whatsoever related to such Taxes.

6. GOVERNING LAW; WAIVER OF SPECIFIC DEFENSES; DISPUTES

6.1. Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be governed by the laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule, and shall be construed and enforced in accordance with the law.

6.2. Specific Waivers. To the greatest extent permissible by law, Patent Owner irrevocably waives and forever and unconditionally releases, discharges and quitclaims any claims, counterclaims, defenses, causes of action, remedies, or rights it or its successors in interest has or may in the future have arising from any doctrine, rule, or principle of law or equity that this Agreement, or the relationships or transactions contemplated by this Agreement (i) are against the public policy of any jurisdiction with which Patent Owner has a connection, or (ii) are unconscionable, or (iii) constitute champerty, maintenance, barratry, or any impermissible transfers, assignments or splitting of property, fees or causes of action.

6.3. Arbitrable Claims. All actions, disputes, claims and controversies under common law, statutory law, rules of professional ethics, or in equity of any type or nature whatsoever, whether arising before or after the date of this Agreement, and directly relating to: (a) this Agreement or any amendments and addenda hereto, or the breach, invalidity or termination hereof; (b) any previous or subsequent agreement between IPLLC and Patent Owner related to the subject matter hereof to the extent set forth in Section 8.2; (c) any act or omission committed by IPLLC or its Representatives with respect to this Agreement, or by any member, employee, agent, or lawyer of IPLLC with respect to this Agreement, whether or not arising within the scope and course of employment or other contractual representation of IPLLC (provided that such act arises under a relationship, transaction or dealing between IPLLC and Patent Owner); or (d) any act or omission committed by Patent Owner with respect to this Agreement, or by any employee, agent, partner or lawyer of Patent Owner with respect to this Agreement whether or not arising within the scope and course of employment or other contractual representation of Patent Owner (provided that such act arises under a relationship, transaction or dealing between IPLLC and Patent Owner) (collectively, the "**Disputes**"), will be subject to and resolved by binding arbitration under this Section 6.3 and Section 6.4 below, provided however, that nothing in this Section 6 shall limit the rights, if any, of IPLLC to commence or maintain judicial proceedings pursuant to the Restructure Agreement and other Restructure Documents. The Parties agree that the arbitrators have exclusive jurisdiction, to the exclusion of any court (except as specifically provided with regard to prejudgment, provisional, or enforcement proceedings in Section 6.5), to decide all Disputes.

6.4. Administrative Body; Situs. Any Dispute arising out of or relating to this Agreement, including the breach, termination, enforcement, interpretation or validity thereof, or the determination of the scope or applicability of this Agreement to arbitrate, shall be determined by arbitration in New York, New York, before a single arbitrator. The arbitration shall be administered using the arbitration rules of the American Arbitration Association ("**AAA**") current at the time the Dispute is brought, which rules are deemed to be incorporated herein by reference. Each Party shall, upon written request, promptly provide the other Party with copies of all information on which the producing party may rely in support of or in opposition to any claim or defense and a report of any expert whom the producing Party may call as a witness in the arbitration hearing.

6.5. Prejudgment and Provisional Remedies. Either Party may commence judicial proceedings under this Agreement only for the purpose(s) of: (i) enforcement of the arbitration provisions; (ii) obtaining appointment of arbitrator(s); (iii) preserving the status quo of the Parties pending arbitration as contemplated herein; (iv) preventing the disbursement by any Person of disputed funds; (v) preserving and protecting the rights of either Party pending the outcome of the arbitration, or (vi) seeking injunctive relief for breach of the confidentiality provisions contained in Section 7. Any such action or remedy will not waive a Party's right to compel arbitration of any Dispute, and any Party may also file court proceedings to have judgment entered on the arbitration award. In any action for prejudgment or provisional relief, any court in which such relief is sought shall determine the availability of such relief without regard to any defenses that may be asserted by the other Party, and any such defenses shall be referred to the exclusive jurisdiction of the arbitrators under Section 6.3. The Parties further agree that a court shall not defer or delay granting prejudgment or provisional relief while any such arbitration takes place. **EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

6.6. Attorneys' Fees. If Patent Owner or IPLLC brings any other action for judicial relief with respect to any Dispute (other than those precisely described in Section 6.5), the Party bringing such action will be liable for and immediately pay all of the other Party's costs and expenses (including attorneys' fees) incurred to

stay or dismiss such action and remove or refer such Dispute to arbitration. If Patent Owner or IPLLC brings or appeals an action to vacate or modify an arbitration award and such Party does not prevail, such Party will pay all costs and expenses, including attorneys' fees, incurred by the other Party in defending such action.

6.7. Enforcement. Any award rendered under this Section shall not be subject to appeal and shall be enforceable in any and all jurisdictions, including the State of Texas and the State of New York.

6.8. Confidentiality of Awards. All arbitration proceedings, including testimony or evidence at hearings, will be kept confidential, although any award or order rendered by the arbitrator(s) pursuant to the terms of this Agreement may be confirmed as a judgment or order in any state or federal or other national court of competent jurisdiction where proceedings are necessary or appropriate to enforce any award or order. This Agreement concerns transactions involving commerce among several state and foreign countries.

7. CONFIDENTIALITY

7.1. Confidential Information. The Parties shall limit the distribution and disclosure of Confidential Information to their Representatives who have a "need to know" to such information. The Party disclosing the Confidential Information to its Representatives shall ensure that such Representatives adhere to, and comply with, all terms and obligations of confidentiality, use and protection of the Confidential Information as accepted by the Parties under this Agreement.

7.2. Limitations on Disclosure of Confidential Information. The Parties and their Representatives shall not disclose Confidential Information, or the fact that the Parties entered into this Agreement, unless: (i) the Parties agree in writing that such disclosure is acceptable, (ii) such disclosure is required in connection with the enforcement or protection of a Party's rights with respect to this Agreement, or (iii) such disclosure is required by law or regulation, governmental or regulatory authority, court order or judicial process; provided, that each Party agrees to give the other Party (to the extent not prohibited by applicable law, regulation, governmental or regulatory authority, court order or judicial process) written notice of any required disclosure and cooperate in obtaining a protective order or similar protection to preserve the confidential nature of the Confidential Information.

7.3. Public Disclosure. Neither IPLLC nor the Patent Owner shall issue any press release or make any public statement with respect to the existence of this Agreement or the transaction contemplated hereby, except as may be required by applicable law, regulation, governmental, or regulatory authority, judicial process, or court order. IPLLC and Patent Owner shall keep this Agreement confidential and not disclose it, or any part of it, or any drafts of it, to third parties, except as may be required by applicable law, regulation, governmental or regulatory authority, judicial process, or court order.

7.4. Information; Disclosure. Subject to Section 8.1, during any active Monetization, Patent Owner shall keep IPLLC reasonably informed of the progress of such monetization efforts, including prompt notice of events giving rise to Gross Monetization Proceeds, and prompt provision to IPLLC of any notice of settlement or proposed distribution notice provided to any other Person. These information and disclosure obligations shall terminate upon full payment of the Total Monetization Proceeds Obligation. For the avoidance of doubt, nothing in this Agreement shall be construed to require public disclosure of material non-public information and the Patent Owner shall not be required to provide notice or copies of documents filed on EDGAR, with the PTO, available on PACER or otherwise available to the public.

8. MISCELLANEOUS

8.1. Privileged Information. IPLLC will not request from the Patent Owner, and Patent Owner is not required to provide to IPLLC, documents and information protected by the attorney-client privilege. Patent Owner understands and acknowledges that in the event its Representatives provide privileged information to IPLLC, such disclosure may be deemed waiver of the applicable privilege. In the event that the Patent Owner inadvertently provides privileged information to IPLLC, IPLLC will return such information to Patent Owner without reviewing the information.

8.2. Entire Agreement and Amendments. This Agreement and the Restructure Documents constitute the entire agreement between the Parties with respect to the matters covered herein and supersede all prior agreements, promises, representations, warranties, statements, and understandings with respect to the subject matter hereof as between the Patent Owner and IPLLC. This Agreement may not be amended, altered, or modified except by an amendment or supplement to this Agreement executed by all Parties hereto and consented to by QFL.

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

8.4. Remedies and Waivers. No failure to exercise, nor any delay in exercising, on the part of IPLLC or the Patent Owner, of any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law. No provision of this Agreement may be waived except in writing signed by the party granting such waiver.

8.5. Assignment. This Agreement shall inure to the benefit of, and be binding upon the respective successors and assigns of the Parties. The Patent Owner shall not assign or delegate its rights or obligations under this Agreement without the prior written consent of IPLLC, which shall not be unreasonably withheld.

8.6. Notices. All notices, reports and other communications required or permitted under this Agreement shall be as provided in the Restructure Agreement.

8.7. Term, Termination, Survival After Termination. This Agreement shall terminate at the earlier of (i) six years after the last to expire of the Patents owned by Patent Owner or (ii) mutual written agreement of the Parties (the period from the Restructure Date to the date of such termination, the "**Term**"). The provisions of Sections 1, 2 (with respect to applicable defined terms), 3.2 through 3.4, 6, 7, and 8 shall survive the termination of this Agreement.

8.8. Costs and Expenses. The Parties shall be solely responsible for and bear the costs and expenses, including attorneys' fees, expenses of accountants, brokers, financial advisors, and other representatives and advisors, each incurs at any time in connection with pursuing, or consummating the transaction contemplated by, this Agreement.

8.9. No Presumption against Drafter. This Agreement has been negotiated by the Parties and their respective counsel and will be fairly interpreted in accordance with its terms and without any strict construction in favor of or against a Party.

8.10. Counterparts. This Agreement may be executed in counterparts which, when read together, shall constitute a single instrument, and this has the same effect as if the signatures on the counterparts were on a single copy hereof. A composite copy of this Agreement may be compiled comprising a single copy of the text of this Agreement and one or more copies of the signature pages containing collectively the signatures of all Parties. A facsimile or an electronic mail signature shall be considered due execution and shall be binding upon the signatories hereto with the same force and effect as if the signature were an original, not a facsimile signature.

8.11. Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto, their respective successors and permitted assigns and QFL and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement. QFL is an intended third-party beneficiary of this Agreement.

[Signature pages follow]

IN WITNESS WHEREOF, the Parties execute this Agreement effective as of the Restructure Date.

CXT SYSTEMS, INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

INTELLIGENT PARTNERS LLC

By: /s/ Andrew C. Fitton
Name: Andrew Fitton
Title: Manager

[Signature Page to Amended & Restated MPA-CXT]

PATENTS

EXHIBIT A

Patent/Application Number	Country	Issue Date (Filing Date)	Title of Patent and Inventors
6412012 (09/219585)	US	6/25/2002 (12/23/1998)	SYSTEM, METHOD, AND ARTICLE OF MANUFACTURE FOR MAKING A COMPATIBILITY AWARE RECOMMENDATIONS TO A USER Dan Frankowski; Paul Bieganski; John Rauser; Joseph Konstan
6571234 (09/309712)	US	5/27/2003 (5/11/1999)	SYSTEM AND METHOD FOR MANAGING ONLINE MESSAGE BOARD J. Nicholas Gross; Timothy O. Knight
6778982 (10/370542)	US	8/17/2004 (2/20/2003)	ONLINE CONTENT PROVIDER SYSTEM AND METHOD Timothy O. Knight; J. Nicholas Gross
7159011 (10/919788)	US	1/2/2007 (8/16/2004)	SYSTEM AND METHOD FOR MANAGING AN ONLINE MESSAGE BOARD Timothy O. Knight; J. Nicholas Gross
7162471 (10/919789)	US	1/9/2007 (8/16/2004)	CONTENT QUERY SYSTEM AND METHOD Timothy O. Knight; J. Nicholas Gross
RE45661 (13/682386)	US	9/1/2015 (11/20/2012)	Online content tabulating system and method Timothy O. Knight; J. Nicholas Gross
6011537 (09/014345)	US	1/4/2000 (1/27/1998)	SYSTEM FOR DELIVERING AND SIMULTANEOUSLY DISPLAYING PRIMARY AND SECONDARY INFORMATION, AND FOR DISPLAYING ONLY THE SECONDARY INFORMATION DURING INTERSTITIAL SPACE Benjamin Slotznick
RE43835 (11/709352)	US	11/27/2012 (2/22/2007)	ONLINE CONTENT TABULATING SYSTEM AND METHOD Timothy O. Knight; J. Nicholas Gross
5940807	US	8/17/1999	AUTOMATED AND INDEPENDENTLY ACCESSIBLE INVENTORY INFORMATION EXCHANGE

(08/864314)		(5/28/1997)	SYSTEM Daniel S. Purcell
6081789 (09/227723)	US	6/27/2000 (1/8/1999)	AUTOMATED AND INDEPENDENTLY ACCESSIBLE INVENTORY INFORMATION EXCHANGE SYSTEM Daniel S. Purcell
6601043 (09/603012)	US	7/29/2003 (6/26/2000)	AUTOMATED AND INDEPENDENTLY ACCESSIBLE INVENTORY INFORMATION EXCHANGE SYSTEM Daniel S. Purcell
PCT/US1999/030358	WO	12/21/1999	SYSTEM, METHOD, AND ARTICLE OF MANUFACTURE FOR A COMPATIBILITY-AWARE RECOMMENDATION EINGINE JOSEPH A KONSTAN; PAUL BIEGANSKI

6859807 (10/390087)	US	2/22/2005 (3/17/2003)	ONLINE CONTENT TABULATING SYSTEM AND METHOD Timothy O. Knight; J. Nicholas Gross
60/036465	US	1/27/1997	APPARATUS FOR DELIVERING AND DISPLAYING SECONDARY INFORMATION Benjamin Slotznick
60/038490	US	2/24/1997	APPARATUS FOR DELIVERING AND DISPLAYING SECONDARY INFORMATION Benjamin Slotznick
PCT/US1998/001280	WO	1/27/1998	SYSTEM FOR DELIVERING AND DISPLAYING PRIMARY AND SECONDARY INFORMATION Benjamin Slotznick
AU1998060371	AU	1/27/1998	SYSTEM FOR DELIVERING AND DISPLAYING PRIMARY AND SECONDARY INFORMATION System for delivering and simultaneously displaying primary and secondary information, and for displaying only the secondary information during interstitial space Benjamin Slotznick
CA2278709	CA	1/27/1998	SYSTEM FOR DELIVERING AND DISPLAYING PRIMARY AND SECONDARY INFORMATION Benjamin Slotznick
EP98903662.9	EP	1/27/1998	SYSTEM FOR DELIVERING AND SIMULTANEOUSLY DISPLAYING PRIMARY AND SECONDARY INFORMATION, AND FOR DISPLAYING ONLY THE SECONDARY INFORMATION DURING INTERSTITIAL SPACE Benjamin Slotznick
CA2255905	CA	5/23/1997	AUTOMATED AND INDEPENDENTLY ACCESSIBLE INVENTORY INFORMATION EXCHANGE SYSTEM DANIEL S PURCELL
EP97926693.9	EP	5/23/1997	AUTOMATED AND INDEPENDENTLY ACCESSIBLE INVENTORY INFORMATION EXCHANGE SYSTEM Daniel S. Purcell
10/364979	US	2/11/2003	AUTOMATED AND INDEPENDENTLY ACCESSIBLE INVENTORY INFORMATION EXCHANGE SYSTEM Daniel S. Purcell
60/006812	US	11/15/1995	Data base mining system for the generation of information Martin Schmitt
5983220 (08/748944)	US	11/9/1999 (11/14/1996)	Supporting intuitive decision in complex multi-attributive domains using fuzzy, hierarchical expert models Martin Schmitt
6463431 (09/344637)	US	10/8/2002 (6/25/1999)	Database evaluation system supporting intuitive decision in complex multi-attributive domains using fuzzy hierarchical expert models Martin Schmitt

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Patent/ Application Number	Country	Issue Date/ Filing Date	Title of Patent and Inventors
6493703 (09/309711)	US	12/10/2002 (5/11/1999)	SYSTEM AND METHOD FOR IMPLEMENTING INTELLIGENT ONLINE COMMUNITY MESSAGE BOARD J. Nicholas Gross; Timothy O. Knight
6721748 (10/144395)	US	4/13/2004 (5/13/2002)	ONLINE CONTENT PROVIDER SYSTEM AND METHOD Timothy O. Knight; J. Nicholas Gross
6804675 (10/390437)	US	10/12/2004 (3/17/2003)	ONLINE CONTENT PROVIDER SYSTEM AND METHOD Timothy O. Knight; J. Nicholas Gross
7257581 (09/923285)	US	8/14/2007 (8/6/2001)	STORAGE MANAGEMENT AND DISTRIBUTION OF CONSUMER INFORMATION Stan Hawkins; Andrew Bradnan; Nick Steele; Joe Maranville
7467141 (09/933567)	US	12/16/2008 (8/20/2001)	Branding and revenue sharing models for facilitating storage, management and distribution of consumer information Stan Hawkins; Andrew Bradnan; Nick Steele; Joe Maranville
7016875 (09/974766)	US	3/21/2006 (10/9/2001)	SINGLE SIGN-ON FOR ACCESS TO A CENTRAL DATA REPOSITORY Stan Hawkins; Andrew Bradnan; Nick Steele; Joe Maranville
7016877 (10/007785)	US	3/21/2006 (11/7/2001)	CONSUMER-CONTROLLED LIMITED AND CONSTRAINED ACCESS TO A CENTRALLY STORED INFORMATION ACCOUNT Stan Hawkins; Andrew Bradnan; Nick Steele; Joe Maranville

8566248 (09/988811)	US	10/22/2013 (11/20/2001)	Initiation of an information transaction over a network via a wireless device Nick Steele; Stan Hawkins; Andrew Bradnan; Joe Maranville
7487130 (11/327160)	US	2/3/2009 (1/6/2006)	Consumer-controlled limited and constrained access to a centrally stored information account Stan Hawkins; Andrew Bradnan; Nick Steele; Joe Maranville
11/327176	US	1/6/2006	Single sign-on for access to a central data repository Stan Hawkins; Andrew Bradnan; Nick Steele; Joe Maranville
8260806 (11/824358)	US	9/4/2012 (6/29/2007)	STORAGE MANAGEMENT AND DISTRIBUTION OF CONSUMER INFORMATION Stan Hawkins; Andrew Bradnan; Nick Steele; Joe Maranville
14/941528	US	11/13/2015	INFORMATION TRANSACTIONS OVER A NETWORK Stan Hawkins; Joe Maranville; Andrew Bradnan; Nick Steele
15/880314	US	1/25/2018	Single sign-on for access to a central data repository Nick Steele
7065494 (09/344795)	US	6/20/2006 (6/25/1999)	ELECTRONIC CUSTOMER SERVICE AND RATING SYSTEM AND METHOD Nicholas D. Evans
7133835 (08/550455)	US	11/7/2006 (10/30/1995)	Online exchange market system with a buyer auction and a seller auction Eugene August Fusz; Christopher Ames Kline

Patent/ Application Number	Country	Issue Date/ Filing Date	Title of Patent and Inventors
7340411 (10/689570)	US	3/4/2008 (10/20/2003)	System and method for generating, capturing, and managing customer lead information over a computer network Rachael L. Cook
60/223232	US	8/4/2000	Storage management and distribution of consumer information Nick Steele; Stan Hawkins; Joe Hawkins; Andrew Bradnan; Joe Queenan
60/226117	US	8/18/2000	Branded consumer information pass Nick Steele; Stan Hawkins; Joe Maranville; Joe Queenan
60/238847	US	10/6/2000	Single sign-on for access to central data repository Nick Steele; Stan Hawkins; Joe Maranville; Andrew Bradnan
60/245867	US	11/7/2000	CONSUMER-CONTROLLED LIMITED AND CONSTRAINED ACCESS TO A CENTRALLY STORED INFORMATION ACCOUNT Nick Steele; Stan Hawkins; Joe Maranville; Andrew Bradnan
12/434803	US	5/4/2009	INFORMATION TRANSACTIONS OVER A NETWORK Stan Hawkins; Andrew Bradnan; Nick Steele; Joe Maranville
08/512365	US	8/8/1995	Vehicle exchange system Eugene A. Fusz; Christopher A. Kline
PCT/US1996/016634	WO	10/18/1996	PRODUCT EXCHANGE SYSTEM

			KLINE CHRISTOPHER AMES; FUSZ EUGENE AUGUST
7103568 (10/785111)	US	9/5/2006 (2/23/2004)	Online product exchange system Christopher Ames Kline; Eugene August Fusz

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7933806 (11/530873)	US	4/26/2011 (9/11/2006)	Online Product Exchange System with Price-Sorted Matching Products Eugene August Fusz; Christopher Ames Kline
8024226 (11/556913)	US	9/20/2011 (11/6/2006)	PRODUCT EXCHANGE SYSTEM Eugene August Fusz; Christopher Ames Kline
11/558353	US	11/9/2006	Online product exchange system and Methods Eugene August Fusz; Christopher Ames Kline
8332324 (13/019596)	US	12/11/2012 (2/2/2011)	PRODUCT EXCHANGE SYSTEM Eugene August Fusz; Christopher Ames Kline
09/031443	US	2/26/1998	Specification of Electronic Lead Management Intranet Site and Lead capture Device Integration Rachael Linette Cook
09/921092	US	8/2/2001	System and method for generating, capturing, and managing customer lead information over a computer network Rachael Linette Cook

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EX-99.17 18 ea136324ex99-17_questpatent.htm EX. H TO RESTRUCTURE AGREEMENT - MONETIZATION PROCEEDS AGREEMENT DATED FEBRUARY 19, 2021 AMONG M-RED INC. AND INTELLIGENT PARTNERS LLC

Exhibit 99.17

Ex. H - MPA-MR

MONETIZATION PROCEEDS AGREEMENT

This Monetization Proceeds Agreement (the "**Agreement**") dated as of February 19, 2021, is entered into by and between Intelligent Partners LLC, a Delaware limited liability company (as transferee of United Wireless Holdings, Inc.) ("**IPLLC")**, and M-Red Inc. ("**MRED**" or "**Patent Owner**"), a Texas corporation, and is effective as of the Restructure Date (as defined below). (IPLLC and the Patent Owner are collectively referred to herein as the "Parties" and each individually as a "Party.")

RECITALS

A. MRED is party to a patent sale agreement dated March 15, 2019 by and between MRED, Intellectual Ventures 113 LLC and Intellectual Ventures Assets 108 LLC (the "**IV 113/108 Agreement**") pursuant to which MRED acquired all right, title and interest to the United States patents and related assets identified on ***Exhibit A*** attached hereto; and

B. MRED is a wholly owned subsidiary of Quest Patent Research Corporation, a Delaware corporation (the "**Company**"); and

C. Company, Patent Owner and IPLLC are parties to that certain Restructure Agreement dated as even date hereof ("**Restructure Agreement**"): and

D. It is a condition precedent to IPLLC's entering into the Restructure Agreement that MRED execute and deliver to IPLLC an agreement in substantially the form hereof;

NOW, THEREFORE, in consideration for the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. CONSTRUCTION

1.1. For purposes of this Agreement, defined terms shall have the meanings set forth in Section 2 below. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Restructure Agreement.

1.2. Headings are for information only and do not form part of the operative provisions of this Agreement.

1.3. References to this Agreement include references to the Recitals.

1.4. In this Agreement, unless a clear contrary intention appears: (a) words denoting the singular include the plural and vice versa; (b) words denoting any gender include all genders; (c) all references to "$" or dollars shall mean U.S. Dollars; (d) the word "or" shall include both the adjunctive and the disjunctive meaning thereof; and (e) the words "include," "includes," and "including" shall be deemed to be followed by the phrase "without limitation."

1.5. The terms of this Agreement have been negotiated between the Parties in an arm's length transaction, and shall not be construed for or against either Party by reason of the drafting or preparation hereof.

2. DEFINITIONS The following terms shall have the meanings given below:

2.1 "**Acceleration Event**" means: (a) the sale, transfer, assignment or other conveyance of more than fifty percent (50%) of the Patents to an entity other than an Affiliate of Patent Owner; (b) the sale of all or substantially all of the outstanding capital stock or operating assets (other than cash) of Patent Owner; or (c) a material breach (including non-payment) by Patent Owner under this Agreement that is not cured within thirty (30) days after written notice thereof from IPLLC to Patent Owner.

2.2 "**Affiliate**" means, with respect to any Person, any Entity in whatever country organized, that Controls, is Controlled by or is under common Control with such Person.

2.3 "**Confidential Information**" means all documents and information (whether written or oral), including all communications, contracts, and agreements, exchanged by the Parties related to the Parties' relationship, or the Patents. The term Confidential Information does not include information that: (i) becomes generally available to the public other than as a result of a breach by a Party of this Agreement, (ii) is already in the receiving Party's possession, provided that such information is not known by the receiving Party to be subject to a contractual or legal obligation of confidentiality to the disclosing Party, or (iii) becomes available to the receiving Party on a non-confidential basis from a source other than the disclosing Party, provided that such source is not known by the receiving Party to be bound by a contractual or legal obligation of confidentiality to the disclosing Party.

2.4 "**Control**" (or such other conjugations) for the purpose of this Agreement means the direct or indirect ownership of more than fifty percent (50%) of the shares or similar equity interests or voting power of the outstanding voting securities of such Entity that represent the power to direct the management and policies of such Entity.

2.5 "**Costs**" means, excluding Fees, the actual and reasonable out-of-pocket costs incurred by or for Patent Owner and paid to a non-Affiliate third party for:

(a) Any payment of the Purchase Price as defined in and pursuant to the IV 113/108 Agreement after the date hereof, provided Patent Owner agrees not to pay any portion of the Purchase Price in excess of the Further Payment obligation toward a Minimum Payment obligation which is due more than 12 months from the date of receipt of the applicable Net Proceeds; and,

(b) any required patent maintenance fees, patent prosecution costs, whether for administrative proceedings, re-examinations, re-issues, continuations, and the like; and

(c) enforcement costs (including but not limited to, filing fees, translation costs, testifying and non-testifying experts, visual aids, court costs, deposition fees, document reproduction costs, discovery costs, on-line research costs),

all in connection with the effort to license, sell, or otherwise monetize the Patents. For the avoidance of doubt, (i) Patent Owner and its Affiliates' or law firm's operating, administrative, personnel and similar costs and (ii) financing premiums, interest, and any amounts over and above the actual out-of-pocket amounts advanced are not included in the definition of "Costs."

2.6 "**Disputes**" has the meaning set forth in Section 6.3.

2.7 "**Entity**" means any corporation, partnership, limited liability company, association, joint stock company, trust, joint venture, unincorporated organization, governmental entity (or any department, agency, or political subdivision thereof) or any other legal entity.

2.8 "**Fees**" means the reasonable amount of fees (excluding Costs) payable to third party attorneys, law firms, Litigation Funders, consultants and/or licensing professionals as compensation, contingent or otherwise, for achieving any Gross Monetization Proceeds. Such fee arrangements shall be reasonable and in accordance with market rates for such financing and/or legal services, as the case may be.

2.9 "**Gross Monetization Proceeds**" means Patent Owner and its Affiliates' gross revenue and/or other consideration from the sale, licensing and/or other monetization activities related to the Patents after the Restructure Date. Patent Owner and its Affiliates' gross revenue shall be as determined according to United States generally accepted accounting principles (U.S. GAAP) or an international equivalent.

2.10 "**Litigation Financing**" means capital provided to Patent Owner by a Litigation Funder for the purpose of achieving any Gross Monetization Proceeds.

2.11 "**Litigation Funder**" means any Person providing Litigation Financing to Patent Owner.

2.12 "**Monetization**" means the sale, licensure, enforcement or otherwise monetize the Patents.

2.13 "**Net Proceeds**" means Gross Monetization Proceeds minus the sum of Costs and Fees.

2.14 "**Net Proceeds Percentage**" means sixty percent (60%) of any Net Proceeds derived from the Patents, provided that in the event any single transaction yields in excess of $3,000,000 in Net Proceeds due to the Patent Owner, the Net Proceeds Percentage shall increase to eighty percent (80%) on the portion of such single transaction's Net Proceeds in excess of $3,000,000.

2.15 "**Patents**" means the patents and related assets identified on ***Exhibit A*** and ***Exhibit B*** attached hereto and all patents and patent applications related thereto, and all patents and patent applications claiming benefit, in whole or in part, of any of their filing dates including, but not limited to, extensions, divisionals, continuations, continuations-in-part, reissues, reexaminations, substitutions and foreign counterparts of any of the foregoing, the inventions disclosed or claimed therein, including the right to make, use, practice and/or sell (or license or otherwise transfer or dispose of) the inventions disclosed or claimed therein, and the right (but not the obligation) to make and prosecute applications for such patents.

2.16 "**Patent Owner's Attorney**" means any legal counsel engaged to represent any Patent Owner in connection with Monetization.

2.17 "**Patent Proceeds Security Agreement**" has the meaning given to that term in the Restructure Agreement.

2.18 "**Person**" means any individual, firm, company, corporation, partnership, limited liability company, government, state, or agency, or subdivision of a state (or governmental entity), or any association, trust, joint venture, or consortium (whether or not having separate legal personality).

2.19 "**Representative**" means the employees, officers, directors, partners, members, shareholders (other than shareholders of QPRC solely in their capacity as such), co-investors, potential co-investors, agents, advisors, consultants, accountants, attorneys, trustees, or authorized representatives of a Party.

2.20 "**Restructure Date**" shall have the meaning ascribed thereto in the Restructure Agreement.

2.21 "**Rights**" means all rights, titles, claims, options, powers, privileges, and interests.

2.22 "**Security**" means a mortgage, charge, pledge, lien, or other security interest securing any obligation of any Person or any other agreement or arrangement having a similar effect.

2.23 "**Senior Liens**" means any Security in the Collateral, as defined in the Patent Proceeds Security Agreement, granted to: (a) Intellectual Ventures Assets 113, LLC pursuant to the Security Interest Addendum dated March 15, 2019 (b) Intellectual Ventures Assets 108, LLC pursuant to the Security Interest Addendum dated March 15, 2019 (c) QPRC Finance, LLC pursuant to the Purchase Agreement and Investment Documents (as defined in the Restructure Agreement), and; (d)

any Security in the Collateral that Patent Owner may in the future grant to a Litigation Funder or Patent Owner's Attorney in conjunction with funding or representation relating to Monetization efforts, limited to the amount of the Patent Owner's obligations under the related litigation financing or retainer agreements.

2.24 "**Taxes**" means any non-U.S., U.S. federal, state, local, municipal, or other governmental taxes, duties, levies, fees, excises, or tariffs, arising as a result of or in connection with any amounts of property received or paid under this Agreement, including: (i) any state or local sales or use taxes; (ii) any import, value-added, consumption, or similar tax; (iii) any business transfer tax; (iv) any taxes imposed or based on or with respect to or measured by any net or gross income or receipts of any of the Parties; (v) any withholding or franchise taxes, taxes on doing business, gross receipts taxes or capital stock or property taxes; or (vi) any other tax now or hereafter imposed by any governmental or taxing authority on any aspect of this Agreement, the Gross Monetization Proceeds, or the Net Proceeds, and "pre-Tax" shall mean before deduction of any of the foregoing except for unavoidable foreign taxes for which the Patent Owner is legally liable, provided that the Patent Owner uses commercially reasonable efforts to minimize any such taxes.

2.25 "**Total Monetization Proceeds Obligation**" has the meaning ascribed thereto in the Restructure Agreement

3. PROCEEDS.

3.1 Assignment of the Net Proceeds Percentage. Patent Owner hereby irrevocably assigns to IPLLC the Net Proceeds Percentage of the Net Proceeds in perpetuity.

3.2 Payment of the Net Proceeds Percentage; Reduction of Total Monetization Proceeds Obligation. IPLLC shall be entitled to receive an amount equal to the Net Proceeds Percentage of all Net Proceeds, payable out of all Net Proceeds received or entitled to be received by or transferred, paid or inuring to Patent Owner, from whatever source ("**IPLLC Proceeds Payments**"), and all IPLLC Proceeds Payments made pursuant to this Agreement shall be applied against and reduce the then outstanding Total Monetization Proceeds Obligation on a dollar for dollar basis, if any, as of the date of any such IPLLC Proceeds Payment.

3.3 Disbursement of Net Proceeds. Patent Owner shall calculate and provide a written report to IPLLC (as set forth in Section 3.5 below) of the amount of Net Proceeds due to Patent Owner and IPLLC at the same time any disbursement notice documentation is provided to attorneys, law firms, QFL, litigation funding sources, patent sellers/prior owners, licensing professionals/consultants or other Persons entitled to payment upon receipt of Gross Monetization Proceeds and then shall pay or cause IPLLC to be paid the IPLLC Proceeds Payment pursuant to this Section 3.3 at the same time as the Patent Owner receives any Net Proceeds.

3.4 Acceleration; Guarantee. All outstanding IPLLC Proceeds Payments under this Agreement shall become due and payable upon the occurrence of an Acceleration Event, in addition to any other remedies IPLLC may have at law or in equity. In the event any Gross Monetization Proceeds are received by an Affiliate or Affiliates of Patent Owner, Patent Owner and each such Affiliate will be jointly and severally responsible for the payment and reporting to IPLLC of the IPLLC Proceeds Payments owed pursuant to Sections 3.2, 3.3, 3.4 and 3.5 of this Agreement. For the avoidance of doubt and subject to the provisions of Section 5.1(c) below, no Affiliate of Patent Owner makes any guarantee of Patent Owner's payment obligations under this Agreement.

3.5 Reporting. All reports shall be in the English Language and in sufficient detail such that IPLLC can reasonably verify the IPLLC Proceeds Payments due to IPLLC**.** Each report shall be certified in advance by an officer of Patent Owner or by a designee of such officer to be correct to the best knowledge and information of Patent Owner. Reports shall be sent to IPLLC by electronic mail to andrew.fitton@unitedwirelessholdings.com and mike.carper@unitedwirelessholdings.com , or as IPLLC otherwise directs from time to time in a written notice to Patent Owner.

3.6 Access; Audit. Patent Owner and each of its Affiliates that receive any Gross Monetization Proceeds shall keep and maintain true and complete books and records pertaining to monetization of the Patents in sufficient detail to enable the amounts payable to IPLLC to be accurately determined. In addition, without limiting any access or audit rights of IPLLC provided for in the Restructure Agreement, no more than once each year and upon at least five (5) business days prior written notice to Patent Owner, Patent Owner shall make such books and records related to this Agreement available at reasonable times during regular business hours for inspection and copying by IPLLC, or their designated representatives, and supply IPLLC with the details and supporting data necessary to verify the reports and payments required by this Agreement. Patent Owner and such Affiliates shall maintain such books and records related to this Agreement for at least five (5) years after the end of the calendar year to which they pertain. In the event any such inspection shows an underpayment of IPLLC Proceeds Payments by Patent Owner or one of its Affiliates for any calendar-quarter period, Patent Owner shall promptly pay to IPLLC any such amounts plus a Late Payment Charge, as defined in the Restructure Agreement. Furthermore, if such underpayment is more than the greater of (A) 5% of the total IPLLC Proceeds Payments due for the period audited or (B) $10,000, or if the audit shows that any under-reporting was willful, Patent Owner or such Affiliates shall reimburse IPLLC for the cost of the inspection within thirty (30) days after any such finding of underpayment.

3.7 Security. Patent Owner's obligation to pay the IPLLC Proceeds Payments shall be secured under the terms of the Patent Proceeds Security Agreement, and if requested by the Patent Owner, IPLLC agrees to execute a subordination agreement with respect to the security interest created thereby with any Senior Lien holder, in form reasonably acceptable to IPLLC and the Senior Lien holder. For the avoidance of doubt, neither this Agreement nor the Patent Proceeds Security Agreement is a guarantee by any Affiliate of Patent Owner of Patent Owner's payment obligations under this Agreement.

4. REPRESENTATIONS AND WARRANTIES

4.1. Patent Owners' Representations and Warranties. Patent Owner makes the representations, warranties, and Covenants set out in this Section as of the date of this Agreement and for the duration of this Agreement, except as may be disclosed in writing to IPLLC for events that arise subsequent to the date of this Agreement:

(a) Patent Owner is a corporation duly formed, validly existing, and in good standing under the laws of the jurisdiction of its formation;

(b) Patent Owner has all requisite power and authority to enter into, execute, and deliver this Agreement and to perform fully its obligations hereunder;

(c) The Patents are exclusively owned by the Patent Owner;

(d) To Patent Owner's knowledge, no third party of has the right to grant any licenses in and to any of the Patents; and

(e) To Patent Owner's knowledge, there are no inventorship challenges, opposition, reexamination, or nullity proceedings or interferences declared, commenced or provoked, or to the knowledge the Patent Owner, threatened, with respect to any Patents. The Patent Owner has no knowledge of any information that would preclude Patent Owner from having clear title to the Patents or affecting their patentability, validity, or enforceability.

4.2. IPLLC Representations and Warranties. IPLLC makes the representations, warranties, and Covenants set out in this Section as of the date of this Agreement and for the duration of this Agreement, except as may be disclosed in writing to Patent Owner for events that arise subsequent to the date of this Agreement:

(a) IPLLC is a corporation duly formed, validly existing, and in good standing under the laws of the jurisdiction of its formation;

(b) IPLLC has all requisite power and authority to enter into, execute, and deliver this Agreement and to perform fully its obligations hereunder;

5. ADDITIONAL COVENANTS AND TAXES

5.1. Covenants. For so long as the Patent Owner holds the Patents, any amount is outstanding, or obligation of Patent Owner is remaining under this Agreement, Patent Owner shall (unless it has obtained prior written consent from IPLLC to the contrary), at its sole cost and expense:

(a) not, except for the Senior Liens, grant or create or allow any other Person other than IPLLC to hold any superior Security over the Patents or the Gross Monetization Proceeds, or any rights thereto;

(b) not, except as permitted under the IV Agreements, the Purchase Agreement, the Investment Documents or any Litigation Funding agreement, transfer, sell, assign, or otherwise dispose of any of its Rights in or under any of the contracts or agreements relating to the Gross Monetization Proceeds; and

(c) not transfer, sell, assign, or otherwise dispose of any of the Patents, except as permitted under the IV Agreements and provided any such future assignee or transferee of the Patents agree in writing to be bound to all payment, reporting and audit obligations of Patent Owner as set forth in this Agreement.

5.2. Taxes. All Taxes shall be the financial responsibility of the Party obligated to pay such Taxes as determined by applicable law and neither Party is or shall be liable at any time for any of the other Party's Taxes incurred in connection with or related to amounts paid under this Agreement. Except for unavoidable foreign taxes for which the Patent Owner is legally liable, provided that the Patent Owner uses commercially reasonable efforts to minimize any such taxes, no Tax shall be withheld on any Gross Monetization Proceeds or other amounts payable to IPLLC hereunder unless required by law. If any applicable law requires the deduction or withholding of any tax from any such payment to IPLLC, then the Patent Owner shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant taxing authority in accordance with applicable law and the sum payable to IPLLC shall be increased as necessary so that, after such deduction or withholding has been made, IPLLC receives an amount equal to the sum it would have received had no such deduction or withholding been made. Each Party shall indemnify, defend and hold the other Party harmless from and against any Taxes owed by or assessed against the other Party that are the obligations of such Party and from any claims, causes of action, costs, expenses, reasonable attorneys' fees, penalties, assessments and any other liabilities of any nature whatsoever related to such Taxes.

6. GOVERNING LAW; WAIVER OF SPECIFIC DEFENSES; DISPUTES

6.1. Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be governed by the laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule, and shall be construed and enforced in accordance with the law.

6.2. Specific Waivers. To the greatest extent permissible by law, Patent Owner irrevocably waives and forever and unconditionally releases, discharges and quitclaims any claims, counterclaims, defenses, causes of action, remedies, or rights it or its successors in interest has or may in the future have arising from any doctrine, rule, or principle of law or equity that this Agreement, or the relationships or transactions contemplated by this Agreement (i) are against the public policy of any jurisdiction with which Patent Owner has a connection, or (ii) are unconscionable, or (iii) constitute champerty, maintenance, barratry, or any impermissible transfers, assignments or splitting of property, fees or causes of action.

6.3. Arbitrable Claims. All actions, disputes, claims and controversies under common law, statutory law, rules of professional ethics, or in equity of any type or nature whatsoever, whether arising before or after the date of this Agreement, and directly relating to: (a) this Agreement or any amendments and addenda hereto, or the breach, invalidity or termination hereof; (b) any previous or subsequent agreement between IPLLC and Patent Owner related to the subject matter hereof to the extent set forth in Section 8.2; (c) any act or omission committed by IPLLC or its Representatives with respect to this Agreement, or by any member, employee, agent, or lawyer of IPLLC with respect to this Agreement, whether or not arising within the scope and course of employment or other contractual representation of IPLLC (provided that such act arises under a relationship, transaction or dealing between IPLLC and Patent Owner); or (d) any act or omission committed by Patent Owner with respect to this Agreement, or by any employee, agent, partner or lawyer of Patent Owner with respect to this Agreement whether or not arising within the scope and course of employment or other contractual representation of Patent Owner (provided that such act arises under a relationship, transaction or dealing between IPLLC and Patent Owner) (collectively, the "**Disputes**"), will be subject to and resolved by binding arbitration under this Section 6.3 and Section 6.4 below, provided however, that nothing in this Section 6 shall limit the rights, if any, of IPLLC to commence or maintain judicial proceedings pursuant to the Restructure Agreement and other Restructure Documents. The Parties agree that the arbitrators have exclusive jurisdiction, to the exclusion of any court (except as specifically provided with regard to prejudgment, provisional, or enforcement proceedings in Section 6.5), to decide all Disputes.

6.4. Administrative Body; Situs. Any Dispute arising out of or relating to this Agreement, including the breach, termination, enforcement, interpretation or validity thereof, or the determination of the scope or applicability of this Agreement to arbitrate, shall be determined by arbitration in New York, New York, before a single arbitrator. The arbitration shall be administered using the arbitration rules of the American Arbitration Association ("**AAA**") current at the time the Dispute is brought, which rules are deemed to be incorporated herein by reference. Each Party shall, upon written request, promptly provide the other Party with copies of all information on which the producing party may rely in support of or in opposition to any claim or defense and a report of any expert whom the producing Party may call as a witness in the arbitration hearing.

6.5. Prejudgment and Provisional Remedies. Either Party may commence judicial proceedings under this Agreement only for the purpose(s) of: (i) enforcement of the arbitration provisions; (ii) obtaining appointment of arbitrator(s); (iii) preserving the status quo of the Parties pending arbitration as contemplated herein; (iv) preventing the disbursement by any Person of disputed funds; (v) preserving and protecting the rights of either Party pending the outcome of the arbitration, or (vi) seeking injunctive relief for breach of the confidentiality provisions contained in Section 7. Any such action or remedy will not waive a Party's right to compel arbitration of any Dispute, and any Party may also file court proceedings to have judgment entered on the arbitration award. In any action for prejudgment or provisional relief, any court in which such relief is sought shall determine the availability of such relief without regard to any defenses that may be asserted by the other Party, and any such defenses shall be referred to the exclusive jurisdiction of the arbitrators under Section 6.3. The Parties further agree that a court shall not defer or delay granting prejudgment or provisional relief while any such arbitration takes place. **EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

6.6. Attorneys' Fees. If Patent Owner or IPLLC brings any other action for judicial relief with respect to any Dispute (other than those precisely described in Section 6.5), the Party bringing such action will be liable for and immediately pay all of the other Party's costs and expenses (including attorneys' fees) incurred to stay or dismiss such action and remove or refer such Dispute to arbitration. If Patent Owner or IPLLC brings or appeals an action to vacate or modify an arbitration award and such Party does not prevail, such Party will pay all costs and expenses, including attorneys' fees, incurred by the other Party in defending such action.

6.7. Enforcement. Any award rendered under this Section shall not be subject to appeal and shall be enforceable in any and all jurisdictions, including the State of Texas and the State of New York.

6.8. Confidentiality of Awards. All arbitration proceedings, including testimony or evidence at hearings, will be kept confidential, although any award or order rendered by the arbitrator(s) pursuant to the terms of this Agreement may be confirmed as a judgment or order in any state or federal or other national court of competent jurisdiction where proceedings are necessary or appropriate to enforce any award or order. This Agreement concerns transactions involving commerce among several state and foreign countries.

7. CONFIDENTIALITY

7.1. Confidential Information. The Parties shall limit the distribution and disclosure of Confidential Information to their Representatives who have a "need to know" to such information. The Party disclosing the Confidential Information to its Representatives shall ensure that such Representatives adhere to, and comply with, all terms and obligations of confidentiality, use and protection of the Confidential Information as accepted by the Parties under this Agreement.

7.2. Limitations on Disclosure of Confidential Information. The Parties and their Representatives shall not disclose Confidential Information, or the fact that the Parties entered into this Agreement, unless: (i) the Parties agree in writing that such disclosure is acceptable, (ii) such disclosure is required in connection with the enforcement or protection of a Party's rights with respect to this Agreement, or (iii) such disclosure is required by law or regulation, governmental or regulatory authority, court order or judicial process; provided, that each Party agrees to give the other Party (to the extent not prohibited by applicable law, regulation, governmental or regulatory authority, court order or judicial process) written notice of any required disclosure and cooperate in obtaining a protective order or similar protection to preserve the confidential nature of the Confidential Information.

7.3. Public Disclosure. Neither IPLLC nor the Patent Owner shall issue any press release or make any public statement with respect to the existence of this Agreement or the transaction contemplated hereby, except as may be required by applicable law, regulation, governmental, or regulatory authority, judicial process, or court order. IPLLC and Patent Owner shall keep this Agreement confidential and not disclose it, or any part of it, or any drafts of it, to third parties, except as may be required by applicable law, regulation, governmental or regulatory authority, judicial process, or court order.

7.4. Information; Disclosure. Subject to Section 8.1, during any active Monetization, Patent Owner shall keep IPLLC reasonably informed of the progress of such monetization efforts, including prompt notice of events giving rise to Gross Monetization Proceeds, and prompt provision to IPLLC of any notice of settlement or proposed distribution notice provided to any other Person. These information and disclosure obligations shall terminate upon full payment of the Total Monetization Proceeds Obligation. For the avoidance of doubt, nothing in this Agreement shall be construed to require public disclosure of material non-public information and the Patent Owner shall not be required to provide notice or copies of documents filed on EDGAR, with the PTO, available on PACER or otherwise available to the public.

8. MISCELLANEOUS

8.1. Privileged Information. IPLLC will not request from the Patent Owner, and Patent Owner is not required to provide to IPLLC, documents and information protected by the attorney-client privilege. Patent Owner understands and acknowledges that in the event its Representatives provide privileged information to IPLLC, such disclosure may be deemed waiver of the applicable privilege. In the event that the Patent Owner inadvertently provides privileged information to IPLLC, IPLLC will return such information to Patent Owner without reviewing the information.

8.2. Entire Agreement and Amendments. This Agreement and the Restructure Documents constitute the entire agreement between the Parties with respect to the matters covered herein and supersede all prior agreements, promises, representations, warranties, statements, and understandings with respect to the subject matter hereof as between the Patent Owner and IPLLC. This Agreement may not be amended, altered, or modified except by an amendment or supplement to this Agreement executed by all Parties hereto and consented to by QFL.

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

8.4. Remedies and Waivers. No failure to exercise, nor any delay in exercising, on the part of IPLLC or the Patent Owner, of any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law. No provision of this Agreement may be waived except in writing signed by the party granting such waiver.

8.5. Assignment. This Agreement shall inure to the benefit of, and be binding upon the respective successors and assigns of the Parties. The Patent Owner shall not assign or delegate its rights or obligations under this Agreement without the prior written consent of IPLLC, which shall not be unreasonably withheld.

8.6. Notices. All notices, reports and other communications required or permitted under this Agreement shall be as provided in the Restructure Agreement.

8.7. Term, Termination, Survival After Termination. This Agreement shall terminate at the earlier of (i) six years after the last to expire of the Patents owned by Patent Owner or (ii) mutual written agreement of the Parties (the period from the Restructure Date to the date of such termination, the "**Term**"). The provisions of Sections 1, 2 (with respect to applicable defined terms), 3.2 through 3.4, 6, 7, and 8 shall survive the termination of this Agreement.

8.8. Costs and Expenses. The Parties shall be solely responsible for and bear the costs and expenses, including attorneys' fees, expenses of accountants, brokers, financial advisors, and other representatives and advisors, each incurs at any time in connection with pursuing, or consummating the transaction contemplated by, this Agreement.

8.9. No Presumption against Drafter. This Agreement has been negotiated by the Parties and their respective counsel and will be fairly interpreted in accordance with its terms and without any strict construction in favor of or against a Party.

8.10. Counterparts. This Agreement may be executed in counterparts which, when read together, shall constitute a single instrument, and this has the same effect as if the signatures on the counterparts were on a single copy hereof. A composite copy of this Agreement may be compiled comprising a single copy of the text of this Agreement and one or more copies of the signature pages containing collectively the signatures of all Parties. A facsimile or an electronic mail signature shall be considered due execution and shall be binding upon the signatories hereto with the same force and effect as if the signature were an original, not a facsimile signature.

8.11. Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto, their respective successors and permitted assigns and QFL and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement. QFL is an intended third-party beneficiary of this Agreement.

[Signature pages follow]

IN WITNESS WHEREOF, the Parties execute this Agreement effective as of the Restructure Date.

M-RED INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

INTELLIGENT PARTNERS LLC

By: /s/ Andrew C. Fitton
Name: Andrew C. Fitton
Title: Manager

[Signature Page to MPA-MR]

PATENTS
EXHIBIT A

Patent/ Application Number	Country	Issue Date/ Filing Date	Title of Patent and Inventors
6853259 (09/930822)	US	2/8/2005 (8/15/2001)	RING OSCILLATOR DYNAMIC ADJUSTMENTS FOR AUTO CALIBRATION Dominik J. Schmidt; Robert D Norman
7068557 (11/042689)	US	6/27/2006 (1/25/2005)	RING OSCILLATOR DYNAMIC ADJUSTMENTS FOR AUTO CALIBRATION Dominik J. Schmidt; Robert D Norman
7209401 (11/415771)	US	4/24/2007 (5/2/2006)	Ring oscillator dynamic adjustments for auto calibration Robert D. Norman; Dominik J. Schmidt
6221682 (09/321565)	US	4/24/2001 (5/28/1999)	METHOD AND APPARATUS FOR EVALUATING A KNOWN GOOD DIE USING BOTH WIRE BOND AND FLIP-CHIP INTERCONNECTS Steve M Danziger; Tushar Shah
RE43607 (11/809901)	US	8/28/2012 (5/31/2007)	Method and apparatus for evaluating a known good die using both wire bond and flip-chip interconnects Danziger, Steve M.; Shah, Tushar
6177843 (09/320057)	US	1/23/2001 (5/26/1999)	OSCILLATOR CIRCUIT CONTROLLED BY PROGRAMMABLE LOGIC Pidugu L. Narayana; Richard Chou; Paul H. Scott
6628171 (09/767989)	US	9/30/2003 (1/23/2001)	METHOD, ARCHITECTURE AND CIRCUIT FOR CONTROLLING AND/OR OPERATING AN OSCILLATOR Pidugu L. Narayana; Paul H. Scott; Richard Chou
6831690 (09/456206)	US	12/14/2004 (12/7/1999)	ELECTRICAL SENSING APPARATUS AND METHOD UTILIZING AN ARRAY OF TRANSDUCER ELEMENTS Scott-Thomas John; Paul Hua; George Chamberlain
JP5051939 (JP2000-369881)	JP	8/3/2012 (12/5/2000)	ELECTRIC SENSOR DEVICE, METHOD FOR GENERATING ELECTRIC SIGNAL FROM ARRAY OF CONVERTER ELEMENT CHAMBERLAIN GEORGE; HUA PAUL; SCOTT-THOMAS JOHN
7511754 (10/973368)	US	3/31/2009 (10/26/2004)	Electrical sensing apparatus and method utilizing an array of transducer elements John Scott-Thomas; Paul Hua; George Chamberlain
6498399 (09/391721)	US	12/24/2002 (9/8/1999)	LOW DIELECTRIC-CONSTANT DIELECTRIC FOR ETCHSTOP IN DUAL DAMASCENE BACKEND OF INTEGRATED CIRCUITS Henry Chung; James Lin
6744311 (10/128049)	US	6/1/2004 (4/23/2002)	SWITCHING AMPLIFIER WITH VOLTAGE-MULTIPLYING OUTPUT STAGE Larry Kirn
6646465 (10/072461)	US	11/11/2003 (2/7/2002)	Programmable Logic Device Including Bi-Directional Shift Register Ankur Bal
6721310 (10/000272)	US	4/13/2004 (11/2/2001)	MULTIPORT NON-BLOCKING HIGH CAPACITY ATM AND PACKET SWITCH Zheng Liu; Terry Xian; Jiu An; Ronald P. Novick
FR2790328 (FR9902658)	FR	4/20/2001 (2/26/1999)	Inductive Component, Integrated Transformer, In Particular For A Radio Frequency Circuit, And Associated Integrated Circuit With Such Inductive Component Or Integrated Transformer LAURENT BARTERS; MHANI AHMED; VALENTIN FRANCOIS; KARAM JEAN MICHEL

Patent/ Application Number	Country	Issue Date/ Filing Date	Title of Patent and Inventors
6456183 (09/511748)	US	9/24/2002 (2/24/2000)	Inductor For Integrated Circuit Jean-Michel Karam; Ahmed Mhani; Laurent Basteres; Francois Valentin
6838970 (10/206284)	US	1/4/2005 (7/26/2002)	Inductor For Integrated Circuit Laurent Basteres; Ahmed Mhani; Francois Valentin; Jean-Michel Karam
FR2791470 (FR9903762)	FR	6/1/2001 (3/23/1999)	Monolithic Integrated Circuit Comprising An Inductor And A Method Of Fabricating The Same Jean-Michel Karam; Ahmed Mhani; Laurent Basteres; Francois Valentin
6459135 (09/525840)	US	10/1/2002 (3/15/2000)	Monolithic Integrated Circuit Incorporating An Inductive Component And Process For Fabricating Such An Integrated Circuit Jean-Michel Karam; Ahmed Mhani; Laurent Basteres; Francois Valentin
6388322 (09/764192)	US	5/14/2002 (1/17/2001)	Article comprising a mechanically compliant bump Keith W. Goossen; William Y. Jan
6458411 (09/971764)	US	10/1/2002 (10/5/2001)	Method of making a mechanically compliant bump Keith W. Goossen; William Y. Jan
6506648 (09/145818)	US	1/14/2003 (9/2/1998)	Method of fabricating a high power RF field effect transistor with reduced hot electron injection and resulting structure Francois Hebert; Szehim Daniel Ng
KR10-0633947 (KR10-2001-7002775)	KR	10/4/2006 (8/17/1999)	METHOD OF FABRICATING A HIGH POWER RF FIELD EFFECT TRANSISTOR WITH REDUCED HOT ELECTRON INJECTION AND RESULTING STRUCTURE Hebert Francois; Ng Szehim Daniel
6735422 (09/677975)	US	5/11/2004 (10/2/2000)	Calibrated DC compensation system for a wireless communication device configured in a zero intermediate frequency architecture Baldwin, Keith R.; Landy, Patrick J.; Webster, Mark A.; Schultz, R. Douglas; Prentice, John S.
6674998 (09/747138)	US	1/6/2004 (12/21/2000)	System and method for detecting and correcting phase error between differential signals Prentice, John S.
6891440 (09/747163)	US	5/10/2005 (12/21/2000)	Quadrature oscillator with phase error correction Straub, A. Michael; Prentice, John S.
6763228 (10/027386)	US	7/13/2004 (12/21/2001)	Precision automatic gain control circuit John S. Prentice; Patrick J. Landy
6748200 (10/407350)	US	6/8/2004 (4/4/2003)	Automatic gain control system and method for a ZIF architecture Webster, Mark A.; Yeh, Alex C.; Garrett, Albert L.

RE42799 (12/147975)	US	10/4/2011 (6/27/2008)	Packet acquisition and channel tracking for a wireless communication device configured in a zero intermediate frequency architecture Keith R. Baldwin; Mark A. Webster
6560448 (09/678901)	US	5/6/2003 (10/2/2000)	DC compensation system for a wireless communication device configured in a zero intermediate frequency architecture Keith R. Baldwin; Patrick J. Landy; Mark A. Webster; R. Douglas Schultz; John S. Prentice
6448910 (09/818746)	US	9/10/2002 (3/26/2001)	METHOD AND APPARATUS FOR CONVOLUTION ENCODING AND VITERBI DECODING OF DATA THAT UTILIZE A CONFIGURABLE PROCESSOR TO CONFIGURE A PLURALITY OF RE-CONFIGURABLE PROCESSING ELEMENTS Guangming Lu
7127588 (09/730039)	US	10/24/2006 (12/5/2000)	Apparatus and method for an improved performance VLIW processor Mohamed, Moataz A.; Spence, John R.
6757752 (10/043291)	US	6/29/2004 (1/14/2002)	Micro Controller Development System Bae, Jong-Hong
6509646	US	1/21/2003	Apparatus For Reducing An Electrical Noise Inside A Ball Grid Array Package

(09/575637)		(5/22/2000)	Lin, Wei-Feng; Wu, Chung-Ju; Tsai, Chen-Wen
6365970 (09/458778)	US	4/2/2002 (12/10/1999)	Bond Pad Structure And Its Method Of Fabricating Tsai, Chen-Wen; Wu, Chung-Ju; Lin, Wei-Feng
6912601 (09/605325)	US	6/28/2005 (6/28/2000)	Method of programming PLDs using a wireless link Moore, Michael T.
6496054 (09/852185)	US	12/17/2002 (5/9/2001)	Control signal generator for an overvoltage-tolerant interface circuit on a low voltage process Stephen Myles Prather; Jeffrey William Waldrip
6194279 (09/340929)	US	2/27/2001 (6/28/1999)	Fabrication method for gate spacer Chen, Chun-Lung; Lin, Hsi-Chin; Hsiao, Hsi-Mao; Cheng, Wen-Hua
6281554 (09/531905)	US	8/28/2001 (3/20/2000)	Electrostatic discharge protection circuit Jui-Hsiang Pan
6657263 (09/896205)	US	12/2/2003 (6/28/2001)	MOS transistors having dual gates and self-aligned interconnect contact windows Ni, Cheng-Tsung
JP4846167 (JP2001-577605)	JP	10/21/2011 (4/3/2001)	Method of manufacturing a semiconductor device Stolk, Peter A.; Woerlee, Pierre H.; Knitel, Mathejs J.; Van Brandenburg, Anja C. M. C.
6461908 (09/829796)	US	10/8/2002 (4/10/2001)	Method of manufacturing a semiconductor device Stolk, Peter Adriaan; Woerlee, Pierre Hermanus; Knitel, Mathijs Johan; Van Brandenburg, Anja Catharina Maria Carolina

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6737995 (10/119545)	US	5/18/2004 (4/10/2002)	Clock and data recovery with a feedback loop to adjust the slice level of an input sampling circuit John Michael Khoury Jr.; Guoqing Miao; Juergen Pianka; Devin Kenji Ng
6747522 (10/138027)	US	6/8/2004 (5/3/2002)	Digitally controlled crystal oscillator with integrated coarse and fine control David M. Pietruszynski; Douglas R. Frey
6275116 (09/328083)	US	8/14/2001 (6/8/1999)	METHOD, CIRCUIT AND/OR ARCHITECTURE TO IMPROVE THE FREQUENCY RANGE OF A VOLTAGE CONTROLLED OSCILLATOR Khaldoon Abugharbieh; Sung-Ki Min
6608763 (09/663753)	US	8/19/2003 (9/15/2000)	Stacking system and method Carmen D. Burns; James G. Wilder; Julian Dowden
6404043 (09/598343)	US	6/11/2002 (6/21/2000)	Panel stacking of BGA devices to form three-dimensional modules Harlan R. Isaak
6472735 (09/826621)	US	10/29/2002 (4/5/2001)	Three-dimensional memory stacking using anisotropic epoxy interconnections Harlan R. Isaak
6544815 (09/922977)	US	4/8/2003 (8/6/2001)	Panel stacking of BGA devices to form three-dimensional modules Harlan R. Isaak
6566746 (10/017553)	US	5/20/2003 (12/14/2001)	Panel stacking of BGA devices to form three-dimensional modules Harlan R. Isaak; Andrew C. Ross; Glen E. Roeters
6878571 (10/316566)	US	4/12/2005 (12/11/2002)	Panel stacking of BGA devices to form three-dimensional modules Harlan R. Isaak; Andrew C. Ross; Glen E. Roeters
6627984 (09/912010)	US	9/30/2003 (7/24/2001)	Chip stack with differing chip package types Ted Bruce; John A. Forthun
6908792 (10/263859)	US	6/21/2005 (10/3/2002)	Chip stack with differing chip package types Ted Bruce; John A. Forthun

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6205524 (09/153950)	US	3/20/2001 (9/16/1998)	MULTIMEDIA ARBITER AND METHOD USING FIXED ROUND-ROBIN SLOTS FOR REAL-TIME AGENTS AND A TIMED PRIORITY SLOT FOR NON-REAL-TIME AGENTS David Way Ng
6157978 (09/226398)	US	12/5/2000 (1/6/1999)	MULTIMEDIA ROUND-ROBIN ARBITRATION WITH PHANTON SLOTS FOR SUPER-PRIORITY REAL-TIME AGENT David Way Ng; Harish Narian Mathur
6900654 (09/832884)	US	5/31/2005 (4/12/2001)	METHOD AND APPARATUS FOR EVALUATING A KNOWN GOOD DIE USING BOTH WIRE BOND AND FLIP-CHIP INTERCONNECTS Steve M Danziger; Tushar Shah
CA2325232 (CA2325232)	CA	3/24/2009 (11/7/2000)	AN ELECTRICAL SENSING APPARATUS AND METHOD UTILIZING AN ARRAY OF TRANSDUCER ELEMENTS SCOTT-THOMAS JOHN; HUA PAUL; CHAMBERLAIN GEORGE
EP00310686.1	EP	12/1/2000	Output stage for an array of electrical transducers CHAMBERLAIN GEORGE; SCOTT-THOMAS JOHN; HUA PAUL
PCT/US2000/024770	WO	9/8/2000	LOW DIELECTRIC-CONSTANT ETCH STOP LAYER IN DUAL DAMASCENE PROCESS LIN JAMES; CHUNG HENRY
IN249311 (IN139/DEL/2001)	IN	10/17/2011 (2/9/2001)	Programmable Logic Device Including Bi-Directional Shift Register Ankur Bal
PCT/US2002/032230	WO	10/9/2002	MULTIPORT NON-BLOCKING HIGH CAPACITY ATM AND PACKET SWITCH Zheng Liu; Terry Xian; Jiu An; Ronald P. Novick
CA2298318	CA	2/10/2000	Inductive Component, Integrated Transformer, Intended To Be Incorporated Into A Radio Frequency Circuit, And Integrated Circuit Associated With The Said Inductive Component Or Integrated Transformer KARAM JEAN-MICHEL; BASTERES LAURENT; MHANI AHMED; VALENTIN FRANCOIS

EP00420039.0	EP	2/22/2000	Inductive Component, Integrated Transformer, In Particular For A Radio Frequency Circuit, And Associated Integrated Circuit With Such Inductive Component Or Integrated Transformer BASTERES LAURENT; KARAM JEAN-MICHEL; MHANI AHMED; VALENTIN FRANCOIS
JP2000-047980	JP	2/24/2000	Inductor Element And Integrated Transformer Intended Particularly To Be Incorporated In High-Frequency Circuit, And Integrated Circuit Incorporating Such Inductor Element Or Integrated Circuit MHANI AHMED; VALENTIN FRANCOIS; KARAM JEAN-MICHEL; BASTERES LAURENT
EP00420046.5	EP	3/21/2000	Monolithic Integrated Circuit Comprising An Inductor And A Method Of Fabricating The Same Jean-Michel Karam; Ahmed Mhani; Laurent Basteres; Francois Valentin
CA2301988	CA	3/22/2000	Monolithic Integrated Circuit With A Built-In Inductive Component And Procedure For Fabricating Such An Integrated Circuit Jean-Michel Karam; Ahmed Mhani; Laurent Basteres; Francois Valentin
JP2000-080808	JP	3/22/2000	Integrated Circuit With Incorporated Inductive Element And Manufacture Of The Same Jean-Michel Karam; Ahmed Mhani; Laurent Basteres; Francois Valentin
6548365 (10/177435)	US	4/15/2003 (6/21/2002)	Monolithic Integrated Circuit Incorporating An Inductive Component And Process For Fabricating Such An Integrated Circuit Jean-Michel Karam; Ahmed Mhani; Laurent Basteres; Francois Valentin
PCT/US1999/018780	WO	8/17/1999	METHOD OF FABRICATING A HIGH POWER RF FIELD EFFECT TRANSISTOR WITH REDUCED HOT ELECTRON INJECTION AND RESULTING STRUCTURE HEBERT FRANCOIS; NG SZEHIM DANIEL
JP2000-569438	JP	8/17/1999	METHOD OF FABRICATING A HIGH POWER RF FIELD EFFECT TRANSISTOR WITH REDUCED HOT ELECTRON INJECTION AND RESULTING STRUCTURE Hebert Francois; Ng Szehim Daniel

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EP99942284.3	EP	8/17/1999	METHOD OF FABRICATING A HIGH POWER RF FIELD EFFECT TRANSISTOR WITH REDUCED

			HOT ELECTRON INJECTION AND RESULTING STRUCTURE Hebert Francois; Ng Szehim Daniel
FR2773177 (FR9716631)	FR	3/17/2000 (12/29/1997)	PROCESS FOR OBTAINING A LAYER OF SINGLE CRYSTAL GERMANIUM OR SILICON ON SINGLE CRYSTAL SILICON OR GERMANIUM SUBSTRATE RESPECTIVELY, AND MULTILAYER PRODUCTS THUS OBTAINED BENSAHEL DANIEL; CAMPIDELLI YVES; HERNANDEZ CAROLINE; RIVOIRE MAURICE
EP0930382 (EP98403096.5)	EP	8/21/2002 (12/9/1998)	PROCESS FOR OBTAINING A LAYER OF SINGLE CRYSTAL GERMANIUM OR SILICON ON SINGLE CRYSTAL SILICON OR GERMANIUM SUBSTRATE RESPECTIVELY, AND MULTILAYER PRODUCTS THUS OBTAINED CAMPIDELLI YVES; HERNANDEZ CAROLINE; BENSAHEL DANIEL; RIVOIRE MAURICE
GB0930382 (GB98403096.5)	GB	8/21/2002 (12/9/1998)	PROCESS FOR OBTAINING A LAYER OF SINGLE CRYSTAL GERMANIUM OR SILICON ON SINGLE CRYSTAL SILICON OR GERMANIUM SUBSTRATE RESPECTIVELY, AND MULTILAYER PRODUCTS THUS OBTAINED CAMPIDELLI YVES; HERNANDEZ CAROLINE; BENSAHEL DANIEL; RIVOIRE MAURICE
IT0930382 (IT502002901051938)	IT	8/21/2002 (12/9/1998)	PROCESS FOR OBTAINING A LAYER OF SINGLE CRYSTAL GERMANIUM OR SILICON ON SINGLE CRYSTAL SILICON OR GERMANIUM SUBSTRATE RESPECTIVELY, AND MULTILAYER PRODUCTS THUS OBTAINED CAMPIDELLI YVES; HERNANDEZ CAROLINE; BENSAHEL DANIEL; RIVOIRE MAURICE
6117750 (09/217025)	US	9/12/2000 (12/21/1998)	Process for obtaining a layer of single-crystal germanium or silicon on a substrate of single-crystal silicon or germanium, respectively Maurice Rivoire; Daniel Bensahel; Caroline Hernandez; Yves Campidelli

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6429098 (09/659913)	US	8/6/2002 (9/11/2000)	Process for obtaining a layer of single-crystal germanium or silicon on a substrate of single-crystal silicon or germanium, respectively, and multilayer products obtained Daniel Bensahel; Yves Campidelli; Caroline Hernandez; Maurice Rivoire
6134176 (09/199884)	US	10/17/2000 (11/24/1998)	DISABLING A DEFECTIVE ELEMENT IN AN INTEGRATED CIRCUIT DEVICE HAVING REDUNDANT ELEMENTS Robert J. Proebsting
60/259731	US	1/4/2001	Packet acquisition and channel tracking for a wireless communication device configured in a zero intermediate frequency architecture Keith R. Baldwin
7068987 (09/918409)	US	6/27/2006 (7/30/2001)	Packet acquisition and channel tracking for a wireless communication device configured in a zero intermediate frequency architecture Baldwin, Keith R.; Webster, Mark A.
TWI178598 (TW090124159)	TW	6/1/2003 (9/28/2001)	A calibrated DC compensation system for a wireless communication device configured in a zero intermediate frequency architecture BALDWIN KEITH R; PRENTICE JOHN S; LANDY PATRICK J; SCHULTZ R DOUGLAS; WEBSTER MARK A
PCT/US2001/030827	WO	10/1/2001	A calibrated DC compensation system for a wireless communication device configured in a zero intermediate frequency architecture Baldwin, Keith R.; Landy, Patrick J.; Webster, Mark A.; Schultz, R. Douglas; Prentice, John S.
CN01819757.4	CN	10/1/2001	A calibrated DC compensation system for a wireless communication device configured in a zero intermediate frequency architecture Schultz, R. Douglas; Baldwin, Keith R.; Landy, Patrick J.; Prentice, John S.; Webster, Mark A.
DE10196719.5	DE	10/1/2001	A calibrated DC compensation system for a wireless communication device configured in a zero intermediate frequency architecture Schultz, R. Douglas; Baldwin, Keith R.; Landy, Patrick J.; Prentice, John S.; Webster, Mark A.
JP2002-533484	JP	10/1/2001	A calibrated DC compensation system for a wireless communication device configured in a zero intermediate frequency architecture Schultz, R. Douglas; Baldwin, Keith R.; Landy, Patrick J.; Prentice, John S.; Webster, Mark A.

TWI173270 (TW090129833)	TW	3/11/2003 (12/3/2001)	System and method for detecting and correcting phase error between differential signals

			PRENTICE JOHN S
TWI175777 (TW090130645)	TW	4/21/2003 (12/11/2001)	Packet acquisition and channel tracking for a wireless communication device configured in a zero intermediate frequency architecture BALDWIN KEITH R; WEBSTER MARK A
PCT/US2001/049748	WO	12/20/2001	Quadrature oscillator with feedback phase mismatch correction Straub, A. Michael; Prentice, John S.
CN01821122.4	CN	12/20/2001	Quadrature oscillator with feedback phase mismatch correction Straub, A. Michael; Prentice, John S.
DE10197085.4	DE	12/20/2001	Quadrature oscillator with feedback phase mismatch correction Straub, A. Michael; Prentice, John S.
JP2002-566921	JP	12/20/2001	Quadrature oscillator with feedback phase mismatch correction Straub, A. Michael; Prentice, John S.
PCT/US2001/049751	WO	12/20/2001	Phase error detection and correction for differential signals Prentice, John S.
CN01821282.4	CN	12/20/2001	System and method for detecting and correcting phase error between differential signals Prentice, John S.
DE10197072.2	DE	12/20/2001	Phase error detection and correction for differential signals Prentice, John S.
JP2002-552267	JP	12/20/2001	Phase error detection and correction for differential signals Prentice, John S.
PCT/US2001/050268	WO	12/21/2001	Zero intermediate frequency receiver using package acquisition and channel tracking Baldwin, Keith R.; Webster, Mark A.
CN01821763.X	CN	12/21/2001	Zero intermediate frequency receiver using information package to obtain channel tracking Baldwin, Keith R.; Webster, Mark A.
DE10197148.6	DE	12/21/2001	Zero intermediate frequency receiver using package acquisition and channel tracking Baldwin, Keith R.; Webster, Mark A.

JP2002-554982	JP	12/21/2001	Zero intermediate frequency receiver using package acquisition and channel tracking Baldwin, Keith R.; Webster, Mark A.
KR10-2003-7009059	KR	12/21/2001	Zero intermediate frequency receiver using package acquisition and channel tracking Baldwin, Keith R.; Webster, Mark A.
60/259295	US	1/2/2001	Precision automatic gain control circuit John S. Prentice; Patrick J. Landy
PCT/US2001/050599	WO	12/21/2001	Precision automatic gain control circuit John S. Prentice; Patrick J. Landy
TWI175258 (TW090132808)	TW	4/11/2003 (12/28/2001)	Precision automatic gain control circuit Landy, Patrick J.; Prentice, John S.
60/453905	US	3/11/2003	Automatic gain control system and method for a ZIF architecture Webster, Mark A.; Yeh, Alex C.; Garrett, Albert L.
PCT/US2004/007408	WO	3/11/2004	Automatic gain control system and method for a ZIF architecture Webster, Mark A.; Yeh, Alex C.; Garrett, Albert L.
TWI172580 (TW090124158)	TW	3/1/2003 (9/28/2001)	DC COMPENSATION SYSTEM FOR A WIRELESS COMMUNICATION DEVICE CONFIGURED IN A ZERO INTERMEDIATE FREQUENCY ARCHITECTURE Keith R. Baldwin; Patrick J. Landy; Mark A. Webster; R. Douglas Schultz; John S. Prentice
PCT/US2001/042439	WO	10/1/2001	QUADRATURE DIRECT-CONVERSION DEMODULATOR USING DC OFFSET COMPENSATION Keith R. Baldwin; Patrick J. Landy; Mark A. Webster; R. Douglas Schultz; John S. Prentice
CN01819755.8	CN	10/1/2001	QUADRATURE DIRECT-CONVERSION DEMODULATOR USING DC OFFSET COMPENSATION

			Baldwin, Keith R.; Landy, Patrick J.; Webster, Mark A.
DE10196720.9	DE	10/1/2001	A DC compensation system for a wireless communication device configured in a zero intermediate frequency architecture Baldwin, Keith R.; Landy, Patrick J.; Webster, Mark A.; Schultz, R. Douglas; Prentice, John S.
JP2002-533468	JP	10/1/2001	A DC compensation system for a wireless communication device configured in a zero intermediate frequency architecture Baldwin, Keith R.; Landy, Patrick J.; Webster, Mark A.; Schultz, R. Douglas; Prentice, John S.
6366998 (09/172315)	US	4/2/2002 (10/14/1998)	RECONFIGURABLE FUNCTIONAL UNITS FOR IMPLEMENTING A HYBRID VLIW-SIMD PROGRAMMING MODEL Mohamed, Moataz A.
PCT/US1999/023039	WO	10/4/1999	RECONFIGURABLE FUNCTIONAL UNITS FOR IMPLEMENTING A HYBRID VLIW-SIMD PROGRAMMING MODEL Mohamed, Moataz A.
EP01999878.0	EP	12/3/2001	A high performance VLIW processor Mohamed, Moataz A.; Spence, John R.
EP97112557.0	EP	7/22/1997	Fault Recognition Method For Processor System Clark, Mark; Sonnenschein, Erich
DE19827431.9 (DE19827431.9)	DE	3/7/2001 (6/19/1998)	Fault Recognition Method For Processor System Clark, Mark; Sonnenschein, Erich
6401217 (09/120786)	US	6/4/2002 (7/22/1998)	Method for error recognition in a processor system Clark, Mark; Sonnenschein, Erich
KR10-0436051 (KR10-2001-0084263)	KR	6/3/2004 (12/24/2001)	Micro Controller Development System Bae, Jong-Hong
6524942 (10/056004)	US	2/25/2003 (1/28/2002)	Bond Pad Structure And Its Method Of Fabricating Tsai, Chen-Wen; Wu, Chung-Ju; Lin, Wei-Feng
60/204423	US	5/13/2000	Bias generator circuit Prather, S. Myles; Jeffrey Waldrip
60/204180	US	5/15/2000	Bias generator circuit Prather, S. Myles; Jeffrey Waldrip
6169028 (09/237787)	US	1/2/2001 (1/26/1999)	Method for fabricating metal interconnected structure Wang, Kun-Chih; Yang, Ming-Sheng; Hsieh, Wen-Yi
6190981 (09/243740)	US	2/20/2001 (2/3/1999)	Method for fabricating metal oxide semiconductor Lin, Tony; Chou, Jih-Wen
TW129188 (TW088110425)	TW	3/21/2001 (6/22/1999)	Method for producing gate spacer capable of independent controlling the height and width of the spacer to be formed Chen, Jun-Long; Lin, Xi-Chin; Xiao, Xi-Mao; Zheng, Wen-Hua
TWI231969 (TW088104775)	TW	5/1/2005 (3/26/1999)	Method for forming dual-gate MOS and interconnect with self-aligned contact Ni, Cheng-Tsung
6284578 (09/534699)	US	9/4/2001 (3/24/2000)	MOS transistors having dual gates and self-aligned interconnect contact windows Ni, Cheng-Tsung
6208004 (09/136482)	US	3/27/2001 (8/19/1998)	Semiconductor device with high-temperature-stable gate electrode for sub-micron applications and fabrication thereof Cunningham, James A.
6479362	US	11/12/2002	Semiconductor device with high-temperature-stable gate electrode for sub-micron applications and

(09/783689)		(2/14/2001)	fabrication thereof Cunningham, James A.
EP00201317.5	EP	4/12/2000	HARD MASK FOR SEPARATING SOURCE/DRAIN AND POCKET IMPLANTS Peter Stolk; Pierre Woerlee; Matheus Johannes Knitel; Anja Lardinois
PCT/EP2001/003749	WO	4/3/2001	METHOD OF MANUFACTURING A SEMICONDUCTOR DEVICE WOERLEE PIERRE H; VAN BRANDENBURG ANJA C M C; STOLK PETER A; KNITEL MATHIJS J
EP1275147 (EP01938077.3)	EP	6/24/2009 (4/3/2001)	HARD MASK FOR SEPARATING SOURCE/DRAIN AND POCKET IMPLANTS Stolk, Peter A.; Woerlee, Pierre H.; Knitel, Mathijs J.; Van Brandenburg, Anja C. M. C
DE60139068.7 (DE60139068.7)	DE	(4/3/2001)	HARD MASK FOR SEPARATING SOURCE/DRAIN AND POCKET IMPLANTS Stolk, Peter A.; Woerlee, Pierre H.; Knitel, Mathijs J.; Van Brandenburg, Anja C. M. C
FR1275147 (FR01938077.3)	FR	6/24/2009 (4/3/2001)	Method of manufacturing a semiconductor device Stolk, Peter A.; Woerlee, Pierre H.; Knitel, Mathijs J.; Van Brandenburg, Anja C. M. C
GB1275147 (GB01938077.3)	GB	6/24/2009 (4/3/2001)	Method of manufacturing a semiconductor device Stolk, Peter A.; Woerlee, Pierre H.; Knitel, Matheus J.; Van Brandenburg, Anja C. M. C.
KR10-0796825 (KR10-2001-7015928)	KR	1/15/2008 (4/3/2001)	Method of manufacturing a semiconductor device Peter Stolk; Pierre Woerlee; Matheus Johannes Knitel; Anja Lardinois
TWI177892 (TW090109425)	TW	5/21/2003 (4/19/2001)	Method of manufacturing a semiconductor device Stolk, Peter A .; Woerlee, Pierre H.; knitel, Mathijs J.; Van Brandenburg, Anja C. M. C.
6130823 (09/240623)	US	10/10/2000 (2/1/1999)	Stackable ball grid array module and method Alan J. Lauder; Simon G. Wood Jr.
PCT/US2001/010130	WO	3/29/2001	Panel stacking of BGA devices to form three-dimensional modules Harlan R. Isaak
10/092073	US	3/6/2002	Three-dimensional memory stacking using anisotropic epoxy interconnections Harlan R. Isaak
10/290994	US	11/8/2002	Panel stacking of BGA devices to form three-dimensional modules Harlan R. Isaak
PCT/US2002/021546	WO	7/9/2002	Chip stack with differing chip package types Ted Bruce; John A. Forthun

EX-99.18 19 ea136324ex99-18_questpatent.htm EX. I TO RESTRUCTURE AGREEMENT - MONETIZATION PROCEEDS AGREEMENT DATED FEBRUARY 19, 2021 AMONG AUDIO MESSAGING INC. AND INTELLIGENT PARTNERS LLC

Exhibit 99.18

Ex. I - MPA-AMI

MONETIZATION PROCEEDS AGREEMENT

This Monetization Proceeds Agreement (the "**Agreement**") dated as of February 19, 2021, is entered into by and between Intelligent Partners LLC, a Delaware limited liability company (as transferee of United Wireless Holdings, Inc.) ("**IPLLC")**, and Audio Messaging Inc. ("**AMI**" or "**Patent Owner**"), a Texas corporation, and is effective as of the Restructure Date (as defined below). (IPLLC and the Patent Owner are collectively referred to herein as the "Parties" and each individually as a "Party.")

RECITALS

A. AMI is party to a patent sale agreement dated May 29, 2020by and between AMI and Texas Technology Ventures 2, LLP ("**Seller**") (the "**TTV Agreement**") pursuant to which AMI acquired all right, title and interest to the United States patents and related assets identified on ***Exhibit A*** attached hereto; and

B. AMI is a wholly owned subsidiary of Quest Patent Research Corporation, a Delaware corporation (the "**Company**"); and

C. Company, Patent Owner and IPLLC are parties to that certain Restructure Agreement dated as even date hereof ("**Restructure Agreement**"): and

D. It is a condition precedent to IPLLC's entering into the Restructure Agreement that AMI execute and deliver to IPLLC an agreement in substantially the form hereof;

NOW, THEREFORE, in consideration for the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. CONSTRUCTION

1.1. For purposes of this Agreement, defined terms shall have the meanings set forth in Section 2 below. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Restructure Agreement.

1.2. Headings are for information only and do not form part of the operative provisions of this Agreement.

1.3. References to this Agreement include references to the Recitals.

1.4. In this Agreement, unless a clear contrary intention appears: (a) words denoting the singular include the plural and vice versa; (b) words denoting any gender include all genders; (c) all references to "$" or dollars shall mean U.S. Dollars; (d) the word "or" shall include both the adjunctive and the disjunctive meaning thereof; and (e) the words "include," "includes," and "including" shall be deemed to be followed by the phrase "without limitation."

1.5. The terms of this Agreement have been negotiated between the Parties in an arm's length transaction, and shall not be construed for or against either Party by reason of the drafting or preparation hereof.

2. DEFINITIONS The following terms shall have the meanings given below:

2.1 "**Acceleration Event**" means: (a) the sale, transfer, assignment or other conveyance of more than fifty percent (50%) of the Patents to an entity other than an Affiliate of Patent Owner; (b) the sale of all or substantially all of the outstanding capital stock or operating assets (other than cash) of Patent Owner; or (c) a material breach (including non-payment) by Patent Owner under this Agreement that is not cured within thirty (30) days after written notice thereof from IPLLC to Patent Owner.

2.2 "**Affiliate**" means, with respect to any Person, any Entity in whatever country organized, that Controls, is Controlled by or is under common Control with such Person.

2.3 "**Confidential Information**" means all documents and information (whether written or oral), including all communications, contracts, and agreements, exchanged by the Parties related to the Parties' relationship, or the Patents. The term Confidential Information does not include information that: (i) becomes generally available to the public other than as a result of a breach by a Party of this Agreement, (ii) is already in the receiving Party's possession, provided that such information is not known by the receiving Party to be subject to a contractual or legal obligation of confidentiality to the disclosing Party, or (iii) becomes available to the receiving Party on a non-confidential basis from a source other than the disclosing Party, provided that such source is not known by the receiving Party to be bound by a contractual or legal obligation of confidentiality to the disclosing Party.

2.4 "**Control**" (or such other conjugations) for the purpose of this Agreement means the direct or indirect ownership of more than fifty percent (50%) of the shares or similar equity interests or voting power of the outstanding voting securities of such Entity that represent the power to direct the management and policies of such Entity.

2.5 "**Costs**" means, excluding Fees, the actual and reasonable out-of-pocket costs incurred by or for Patent Owner and paid to a non-Affiliate third party for:

(a) Any payment to Seller pursuant to the TTV Agreement; and,

(b) any required patent maintenance fees, patent prosecution costs, whether for administrative proceedings, re-examinations, re-issues, continuations, and the like; and

(c) enforcement costs (including but not limited to, filing fees, translation costs, testifying and non-testifying experts, visual aids, court costs, deposition fees, document reproduction costs, discovery costs, on-line research costs),

all in connection with the effort to license, sell, or otherwise monetize the Patents. For the avoidance of doubt, (i) Patent Owner and its Affiliates' or law firm's operating, administrative, personnel and similar costs and (ii) financing premiums, interest, and any amounts over and above the actual out-of-pocket amounts advanced are not included in the definition of "Costs."

2.6 "**Disputes**" has the meaning set forth in Section 6.3.

2.7 "**Entity**" means any corporation, partnership, limited liability company, association, joint stock company, trust, joint venture, unincorporated organization, governmental entity (or any department, agency, or political subdivision thereof) or any other legal entity.

2.8 "**Fees**" means the reasonable amount of fees (excluding Costs) payable to third party attorneys, law firms, Litigation Funders, consultants and/or licensing professionals as compensation, contingent or otherwise, for achieving any Gross Monetization Proceeds. Such fee arrangements shall be reasonable and in accordance with market rates for such financing and/or legal services, as the case may be.

2.9 "**Gross Monetization Proceeds**" means Patent Owner and its Affiliates' gross revenue and/or other consideration from the sale, licensing and/or other monetization activities related to the Patents after the Restructure Date. Patent Owner and its Affiliates' gross revenue shall be as determined according to United States generally accepted accounting principles (U.S. GAAP) or an international equivalent.

2.10 "**Litigation Financing**" means capital provided to Patent Owner by a Litigation Funder for the purpose of achieving any Gross Monetization Proceeds.

2.11 "**Litigation Funder**" means any Person providing Litigation Financing to Patent Owner.

2.12 "**Monetization**" means the sale, licensure, enforcement or otherwise monetize the Patents.

2.13 "**Net Proceeds**" means Gross Monetization Proceeds minus the sum of Costs and Fees.

2.14 "**Net Proceeds Percentage**" means sixty percent (60%) of any Net Proceeds derived from the Patents, provided that in the event any single transaction yields in excess of $3,000,000 in Net Proceeds due to the Patent Owner, the Net Proceeds Percentage shall increase to eighty percent (80%) on the portion of such single transaction's Net Proceeds in excess of $3,000,000.

2.15 "**Patents**" means the patents and related assets identified on ***Exhibit A*** attached hereto and all patents and patent applications related thereto, and all patents and patent applications claiming benefit, in whole or in part, of any of their filing dates including, but not limited to, extensions, divisionals, continuations, continuations-in-part, reissues, reexaminations, substitutions and foreign counterparts of any of the foregoing, the inventions disclosed or claimed therein, including the right to make, use, practice and/or sell (or license or otherwise transfer or dispose of) the inventions disclosed or claimed therein, and the right (but not the obligation) to make and prosecute applications for such patents.

2.16 "**Patent Owner's Attorney**" means any legal counsel engaged to represent any Patent Owner in connection with Monetization.

2.17 "**Patent Proceeds Security Agreement**" has the meaning given to that term in the Restructure Agreement.

2.18 "**Person**" means any individual, firm, company, corporation, partnership, limited liability company, government, state, or agency, or subdivision of a state (or governmental entity), or any association, trust, joint venture, or consortium (whether or not having separate legal personality).

2.19 "**Representative**" means the employees, officers, directors, partners, members, shareholders (other than shareholders of QPRC solely in their capacity as such), co-investors, potential co-investors, agents, advisors, consultants, accountants, attorneys, trustees, or authorized representatives of a Party.

2.20 "**Restructure Date**" shall have the meaning ascribed thereto in the Restructure Agreement.

2.21 "**Rights**" means all rights, titles, claims, options, powers, privileges, and interests.

2.22 "**Security**" means a mortgage, charge, pledge, lien, or other security interest securing any obligation of any Person or any other agreement or arrangement having a similar effect.

2.23 "**Senior Liens**" means any Security in the Collateral, as defined in the Patent Proceeds Security Agreement, granted to: (a) QPRC Finance, LLC pursuant to the Purchase Agreement and Investment Documents (as defined in the Restructure Agreement), and; (b) any Security in the Collateral that Patent Owner may in the future grant to a Litigation Funder or Patent Owner's Attorney in conjunction with funding or representation relating to Monetization efforts, limited to the amount of the Patent Owner's obligations under the related litigation financing or retainer agreements.

2.24 "**Taxes**" means any non-U.S., U.S. federal, state, local, municipal, or other governmental taxes, duties, levies, fees, excises, or tariffs, arising as a result of or in connection with any amounts of property received or paid under this Agreement, including: (i) any state or local sales or use taxes; (ii) any import, value-added, consumption, or similar tax; (iii) any business transfer tax; (iv) any taxes imposed or based on or with respect to or measured by any net or gross income or receipts of any of the Parties; (v) any withholding or franchise taxes, taxes on doing business, gross receipts taxes or capital stock or property taxes; or (vi) any other tax now or hereafter imposed by any governmental or taxing authority on any aspect of this Agreement, the Gross Monetization Proceeds, or the Net Proceeds, and "pre-Tax" shall mean before deduction of any of the foregoing except for unavoidable foreign taxes for which the Patent Owner is legally liable, provided that the Patent Owner uses commercially reasonable efforts to minimize any such taxes.

2.25 "**Total Monetization Proceeds Obligation**" has the meaning ascribed thereto in the Restructure Agreement

3. PROCEEDS.

3.1 Assignment of the Net Proceeds Percentage. Patent Owner hereby irrevocably assigns to IPLLC the Net Proceeds Percentage of the Net Proceeds in perpetuity.

3.2 Payment of the Net Proceeds Percentage; Reduction of Total Monetization Proceeds Obligation. IPLLC shall be entitled to receive an amount equal to the Net Proceeds Percentage of all Net Proceeds, payable out of all Net Proceeds received or entitled to be received by or transferred, paid or inuring to Patent Owner, from whatever source ("**IPLLC Proceeds Payments**"), and all IPLLC Proceeds Payments made pursuant to this Agreement shall be applied against and reduce the then outstanding Total Monetization Proceeds Obligation on a dollar for dollar basis, if any, as of the date of any such IPLLC Proceeds Payment.

3.3 Disbursement of Net Proceeds. Patent Owner shall calculate and provide a written report to IPLLC (as set forth in Section 3.5 below) of the amount of Net Proceeds due to Patent Owner and IPLLC at the same time any disbursement notice documentation is provided to attorneys, law firms, QFL, litigation funding sources, patent sellers/prior owners, licensing professionals/consultants or other Persons entitled to payment upon receipt of Gross Monetization Proceeds and then shall pay or cause IPLLC to be paid the IPLLC Proceeds Payment pursuant to this Section 3.3 at the same time as the Patent Owner receives any Net Proceeds.

3.4 Acceleration; Guarantee. All outstanding IPLLC Proceeds Payments under this Agreement shall become due and payable upon the occurrence of an Acceleration Event, in addition to any other remedies IPLLC may have at law or in equity. In the event any Gross Monetization Proceeds are received by an Affiliate or Affiliates of Patent Owner, Patent Owner and each such Affiliate will be jointly and severally responsible for the payment and reporting to IPLLC of the IPLLC Proceeds Payments owed pursuant to Sections 3.2, 3.3, 3.4 and 3.5 of this Agreement. For the avoidance of doubt and subject to the provisions of Section 5.1(c) below, no Affiliate of Patent Owner makes any guarantee of Patent Owner's payment obligations under this Agreement.

3.5 Reporting. All reports shall be in the English Language and in sufficient detail such that IPLLC can reasonably verify the IPLLC Proceeds Payments due to IPLLC**.** Each report shall be certified in advance by an officer of Patent Owner or by a designee of such officer to be correct to the best knowledge and information of Patent Owner. Reports shall be sent to IPLLC by electronic mail to andrew.fitton@unitedwirelessholdings.com and mike.carper@unitedwirelessholdings.com , or as IPLLC otherwise directs from time to time in a written notice to Patent Owner.

3.6 Access; Audit. Patent Owner and each of its Affiliates that receive any Gross Monetization Proceeds shall keep and maintain true and complete books and records pertaining to monetization of the Patents in sufficient detail to enable the amounts payable to IPLLC to be accurately determined. In addition, without limiting any access or audit rights of IPLLC provided for in the Restructure Agreement, no more than once each year and upon at least five (5) business days prior written notice to Patent Owner, Patent Owner shall make such books and records related to this Agreement available at reasonable times during regular business hours for inspection and copying by IPLLC, or their designated representatives, and supply IPLLC with the details and supporting data necessary to verify the reports and payments required by this Agreement. Patent Owner and such Affiliates shall maintain such books and records related to this Agreement for at least five (5) years after the end of the calendar year to which they pertain. In the event any such inspection shows an underpayment of IPLLC Proceeds Payments by Patent Owner or one of its Affiliates for any calendar-quarter period, Patent Owner shall promptly pay to IPLLC any such amounts plus a Late Payment Charge, as defined in the Restructure Agreement. Furthermore, if such underpayment is more than the greater of (A) 5% of the total IPLLC Proceeds Payments due for the period audited or (B) $10,000, or if the audit shows that any under-reporting was willful, Patent Owner or such Affiliates shall reimburse IPLLC for the cost of the inspection within thirty (30) days after any such finding of underpayment.

3.7 Security. Patent Owner's obligation to pay the IPLLC Proceeds Payments shall be secured under the terms of the Patent Proceeds Security Agreement, and if requested by the Patent Owner, IPLLC agrees to execute a subordination agreement with respect to the security interest created thereby with any Senior Lien holder, in form reasonably acceptable to IPLLC and the Senior Lien holder. For the avoidance of doubt, neither this Agreement nor the Patent Proceeds Security Agreement is a guarantee by any Affiliate of Patent Owner of Patent Owner's payment obligations under this Agreement.

4. REPRESENTATIONS AND WARRANTIES

4.1. Patent Owners' Representations and Warranties. Patent Owner makes the representations, warranties, and Covenants set out in this Section as of the date of this Agreement and for the duration of this Agreement, except as may be disclosed in writing to IPLLC for events that arise subsequent to the date of this Agreement:

(a) Patent Owner is a corporation duly formed, validly existing, and in good standing under the laws of the jurisdiction of its formation;

(b) Patent Owner has all requisite power and authority to enter into, execute, and deliver this Agreement and to perform fully its obligations hereunder;

(c) The Patents are exclusively owned by the Patent Owner;

(d) To Patent Owner's knowledge, no third party of has the right to grant any licenses in and to any of the Patents; and

(e) To Patent Owner's knowledge, there are no inventorship challenges, opposition, reexamination, or nullity proceedings or interferences declared, commenced or provoked, or to the knowledge the Patent Owner, threatened, with respect to any Patents. The Patent Owner has no knowledge of any information that would preclude Patent Owner from having clear title to the Patents or affecting their patentability, validity, or enforceability.

4.2. IPLLC Representations and Warranties. IPLLC makes the representations, warranties, and Covenants set out in this Section as of the date of this Agreement and for the duration of this Agreement, except as may be disclosed in writing to Patent Owner for events that arise subsequent to the date of this Agreement:

(a) IPLLC is a corporation duly formed, validly existing, and in good standing under the laws of the jurisdiction of its formation;

(b) IPLLC has all requisite power and authority to enter into, execute, and deliver this Agreement and to perform fully its obligations hereunder;

5. ADDITIONAL COVENANTS AND TAXES

5.1. Covenants. For so long as the Patent Owner holds the Patents, any amount is outstanding, or obligation of Patent Owner is remaining under this Agreement, Patent Owner shall (unless it has obtained prior written consent from IPLLC to the contrary), at its sole cost and expense:

(a) not, except for the Senior Liens, grant or create or allow any other Person other than IPLLC to hold any superior Security over the Patents or the Gross Monetization Proceeds, or any rights thereto;

(b) not, except as permitted under the IV Agreements, the Purchase Agreement, the Investment Documents or any Litigation Funding agreement, transfer, sell, assign, or otherwise dispose of any of its Rights in or under any of the contracts or agreements relating to the Gross Monetization Proceeds; and

(c) not transfer, sell, assign, or otherwise dispose of any of the Patents, except as permitted under the IV Agreements and provided any such future assignee or transferee of the Patents agree in writing to be bound to all payment, reporting and audit obligations of Patent Owner as set forth in this Agreement.

5.2. Taxes. All Taxes shall be the financial responsibility of the Party obligated to pay such Taxes as determined by applicable law and neither Party is or shall be liable at any time for any of the other Party's Taxes incurred in connection with or related to amounts paid under this Agreement. Except for unavoidable foreign taxes for which the Patent Owner is legally liable, provided that the Patent Owner uses commercially reasonable efforts to minimize any such taxes, no Tax shall be withheld on any Gross Monetization Proceeds or other amounts payable to IPLLC hereunder unless required by law. If any applicable law requires the deduction or withholding of any tax from any such payment to IPLLC, then the Patent Owner shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant taxing authority in accordance with applicable law and the sum payable to IPLLC shall be increased as necessary so that, after such deduction or withholding has been made, IPLLC receives an amount equal to the sum it would have received had no such deduction or withholding been made. Each Party shall indemnify, defend and hold the other Party harmless from and against any Taxes owed by or assessed against the other Party that are the obligations of such Party and from any claims, causes of action, costs, expenses, reasonable attorneys' fees, penalties, assessments and any other liabilities of any nature whatsoever related to such Taxes.

6. GOVERNING LAW; WAIVER OF SPECIFIC DEFENSES; DISPUTES

6.1. Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be governed by the laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule, and shall be construed and enforced in accordance with the law.

6.2. Specific Waivers. To the greatest extent permissible by law, Patent Owner irrevocably waives and forever and unconditionally releases, discharges and quitclaims any claims, counterclaims, defenses, causes of action, remedies, or rights it or its successors in interest has or may in the future have arising from any doctrine, rule, or principle of law or equity that this Agreement, or the relationships or transactions contemplated by this Agreement (i) are against the public policy of any jurisdiction with which Patent Owner has a connection, or (ii) are unconscionable, or (iii) constitute champerty, maintenance, barratry, or any impermissible transfers, assignments or splitting of property, fees or causes of action.

6.3. Arbitrable Claims. All actions, disputes, claims and controversies under common law, statutory law, rules of professional ethics, or in equity of any type or nature whatsoever, whether arising before or after the date of this Agreement, and directly relating to: (a) this Agreement or any amendments and addenda hereto, or the breach, invalidity or termination hereof; (b) any previous or subsequent agreement between IPLLC and Patent Owner related to the subject matter hereof to the extent set forth in Section 8.2; (c) any act or omission committed by IPLLC or its Representatives with respect to this Agreement, or by any member, employee, agent, or lawyer of IPLLC with respect to this Agreement, whether or not arising within the scope and course of employment or other contractual representation of IPLLC (provided that such act arises under a relationship, transaction or dealing between IPLLC and Patent Owner); or (d) any act or omission committed by Patent Owner with respect to this Agreement, or by any employee, agent, partner or lawyer of Patent Owner with respect to this Agreement whether or not arising within the scope and course of employment or other contractual representation of Patent Owner (provided that such act arises under a relationship, transaction or dealing between IPLLC and Patent Owner) (collectively, the "**Disputes**"), will be subject to and resolved by binding arbitration under this Section 6.3 and Section 6.4 below, provided however, that nothing in this Section 6 shall limit the rights, if any, of IPLLC to commence or maintain judicial proceedings pursuant to the Restructure Agreement and other Restructure Documents. The Parties agree that the arbitrators have exclusive jurisdiction, to the exclusion of any court (except as specifically provided with regard to prejudgment, provisional, or enforcement proceedings in Section 6.5), to decide all Disputes.

6.4. Administrative Body; Situs. Any Dispute arising out of or relating to this Agreement, including the breach, termination, enforcement, interpretation or validity thereof, or the determination of the scope or applicability of this Agreement to arbitrate, shall be determined by arbitration in New York, New York, before a single arbitrator. The arbitration shall be administered using the arbitration rules of the American Arbitration Association ("**AAA**") current at the time the Dispute is brought, which rules are deemed to be incorporated herein by reference. Each Party shall, upon written request, promptly provide the other Party with copies of all information on which the producing party may rely in support of or in opposition to any claim or defense and a report of any expert whom the producing Party may call as a witness in the arbitration hearing.

6.5. Prejudgment and Provisional Remedies. Either Party may commence judicial proceedings under this Agreement only for the purpose(s) of: (i) enforcement of the arbitration provisions; (ii) obtaining appointment of arbitrator(s); (iii) preserving the status quo of the Parties pending arbitration as contemplated herein; (iv) preventing the disbursement by any Person of disputed funds; (v) preserving and protecting the rights of either Party pending the outcome of the arbitration, or (vi) seeking injunctive relief for breach of the confidentiality provisions contained in Section 7. Any such action or remedy will not waive a Party's right to compel arbitration of any Dispute, and any Party may also file court proceedings to have judgment entered on the arbitration award. In any action for prejudgment or provisional relief, any court in which such relief is sought shall determine the availability of such relief without regard to any defenses that may be asserted by the other Party, and any such defenses shall be referred to the exclusive jurisdiction of the arbitrators under Section 6.3. The Parties further agree that a court shall not defer or delay granting prejudgment or provisional relief while any such arbitration takes place. **EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

6.6. Attorneys' Fees. If Patent Owner or IPLLC brings any other action for judicial relief with respect to any Dispute (other than those precisely described in Section 6.5), the Party bringing such action will be liable for and immediately pay all of the other Party's costs and expenses (including attorneys' fees) incurred to stay or dismiss such action and remove or refer such Dispute to arbitration. If Patent Owner or IPLLC brings or appeals an action to vacate or modify an arbitration award and such Party does not prevail, such Party will pay all costs and expenses, including attorneys' fees, incurred by the other Party in defending such action.

6.7. Enforcement. Any award rendered under this Section shall not be subject to appeal and shall be enforceable in any and all jurisdictions, including the State of Texas and the State of New York.

6.8. Confidentiality of Awards. All arbitration proceedings, including testimony or evidence at hearings, will be kept confidential, although any award or order rendered by the arbitrator(s) pursuant to the terms of this Agreement may be confirmed as a judgment or order in any state or federal or other national court of competent jurisdiction where proceedings are necessary or appropriate to enforce any award or order. This Agreement concerns transactions involving commerce among several state and foreign countries.

7. CONFIDENTIALITY

7.1. Confidential Information. The Parties shall limit the distribution and disclosure of Confidential Information to their Representatives who have a "need to know" to such information. The Party disclosing the Confidential Information to its Representatives shall ensure that such Representatives adhere to, and comply with, all terms and obligations of confidentiality, use and protection of the Confidential Information as accepted by the Parties under this Agreement.

7.2. Limitations on Disclosure of Confidential Information. The Parties and their Representatives shall not disclose Confidential Information, or the fact that the Parties entered into this Agreement, unless: (i) the Parties agree in writing that such disclosure is acceptable, (ii) such disclosure is required in connection with the enforcement or protection of a Party's rights with respect to this Agreement, or (iii) such disclosure is required by law or regulation, governmental or regulatory authority, court order or judicial process; provided, that each Party agrees to give the other Party (to the extent not prohibited by applicable law, regulation, governmental or regulatory authority, court order or judicial process) written notice of any required disclosure and cooperate in obtaining a protective order or similar protection to preserve the confidential nature of the Confidential Information.

7.3. Public Disclosure. Neither IPLLC nor the Patent Owner shall issue any press release or make any public statement with respect to the existence of this Agreement or the transaction contemplated hereby, except as may be required by applicable law, regulation, governmental, or regulatory authority, judicial process, or court order. IPLLC and Patent Owner shall keep this Agreement confidential and not disclose it, or any part of it, or any drafts of it, to third parties, except as may be required by applicable law, regulation, governmental or regulatory authority, judicial process, or court order.

7.4. Information; Disclosure. Subject to Section 8.1, during any active Monetization, Patent Owner shall keep IPLLC reasonably informed of the progress of such monetization efforts, including prompt notice of events giving rise to Gross Monetization Proceeds, and prompt provision to IPLLC of any notice of settlement or proposed distribution notice provided to any other Person. These information and disclosure obligations shall terminate upon full payment of the Total Monetization Proceeds Obligation. For the avoidance of doubt, nothing in this Agreement shall be construed to require public disclosure of material non-public information and the Patent Owner shall not be required to provide notice or copies of documents filed on EDGAR, with the PTO, available on PACER or otherwise available to the public.

8. MISCELLANEOUS

8.1. Privileged Information. IPLLC will not request from the Patent Owner, and Patent Owner is not required to provide to IPLLC, documents and information protected by the attorney-client privilege. Patent Owner understands and acknowledges that in the event its Representatives provide privileged information to IPLLC, such disclosure may be deemed waiver of the applicable privilege. In the event that the Patent Owner inadvertently provides privileged information to IPLLC, IPLLC will return such information to Patent Owner without reviewing the information.

8.2. Entire Agreement and Amendments. This Agreement and the Restructure Documents constitute the entire agreement between the Parties with respect to the matters covered herein and supersede all prior agreements, promises, representations, warranties, statements, and understandings with respect to the subject matter hereof as between the Patent Owner and IPLLC. This Agreement may not be amended, altered, or modified except by an amendment or supplement to this Agreement executed by all Parties hereto and consented to by QFL.

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

8.4. Remedies and Waivers. No failure to exercise, nor any delay in exercising, on the part of IPLLC or the Patent Owner, of any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law. No provision of this Agreement may be waived except in writing signed by the party granting such waiver.

8.5. Assignment. This Agreement shall inure to the benefit of, and be binding upon the respective successors and assigns of the Parties. The Patent Owner shall not assign or delegate its rights or obligations under this Agreement without the prior written consent of IPLLC, which shall not be unreasonably withheld.

8.6. Notices. All notices, reports and other communications required or permitted under this Agreement shall be as provided in the Restructure Agreement.

8.7. Term, Termination, Survival After Termination. This Agreement shall terminate at the earlier of (i) six years after the last to expire of the Patents owned by Patent Owner or (ii) mutual written agreement of the Parties (the period from the Restructure Date to the date of such termination, the "**Term**"). The provisions of Sections 1, 2 (with respect to applicable defined terms), 3.2 through 3.4, 6, 7, and 8 shall survive the termination of this Agreement.

8.8. Costs and Expenses. The Parties shall be solely responsible for and bear the costs and expenses, including attorneys' fees, expenses of accountants, brokers, financial advisors, and other representatives and advisors, each incurs at any time in connection with pursuing, or consummating the transaction contemplated by, this Agreement.

8.9. No Presumption against Drafter. This Agreement has been negotiated by the Parties and their respective counsel and will be fairly interpreted in accordance with its terms and without any strict construction in favor of or against a Party.

8.10. Counterparts. This Agreement may be executed in counterparts which, when read together, shall constitute a single instrument, and this has the same effect as if the signatures on the counterparts were on a single copy hereof. A composite copy of this Agreement may be compiled comprising a single copy of the text of this Agreement and one or more copies of the signature pages containing collectively the signatures of all Parties. A facsimile or an electronic mail signature shall be considered due execution and shall be binding upon the signatories hereto with the same force and effect as if the signature were an original, not a facsimile signature.

8.11. Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto, their respective successors and permitted assigns and QFL and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement. QFL is an intended beneficiary of this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the Parties execute this Agreement effective as of the Restructure Date.

AUDIO MESSAGING INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

INTELLIGENT PARTNERS LLC

By: /s/ Andrew C. Fitton
Name: Andrew C. Fitton
Title: Manager

[Signature Page to MPA-AMI]

PATENTS

EXHIBIT A

App. No.	Patent No.
60/816,964	
11/606,566	8,280,014
13/605,900	9,088,667
14/728,237	10,033,876
16/011,408	10,348,909
16/421,055	

EX-99.19 20 ea136324ex99-19_questpatent.htm EX. J TO RESTRUCTURE AGREEMENT - AMENDED AND RESTATED 2015 PATENT PROCEEDS SECURITY AGREEMENT DATED FEBRUARY 19, 2021 AMONG THE COMPANY, QUEST LICENSING CORPORATION, MARINER IC INC., SEMCON IP INC., IC KINETICS INC

Exhibit 99.19

Ex. J – A&R PPSA

AMENDED AND RESTATED PATENT PROCEEDS SECURITY AGREEMENT

AMENDED AND RESTATED PATENT PROCEEDS SECURITY AGREEMENT (this "**Security Agreement**") dated as of February 19, 2021, between Quest

Patent Research Corporation, a Delaware corporation (the "**Company**"), Quest Licensing Corporation, a Delaware corporation ("**QLC**"), Quest NetTech Corporation, a Texas corporation (as successor to Wynn Technologies Inc.) ("**NetTech**"), Mariner IC Inc., a Texas corporation ("**Mariner**"), **Semcon IP Inc.**, a Texas corporation ("**Semcon**"), **IC Kinetics Inc.**, a Texas corporation ("**IC**"), CXT Systems Inc., a Texas corporation ("**CXT**"), M-Red Inc., a Texas Corporation ("**MRED**") and Audio Messaging Inc., a Texas Corporation ("**AMI**") ,(each of the QLC, NetTech, Mariner, Semcon, IC, CXT, MRED and AMI, a "**Pledgor**" and collectively "**Pledgors**"), and Intelligent Partners LLC, a Delaware limited liability corporation (as transferee of United Wireless Holdings, Inc. ("**United**")) (the "**Holder**") and is effective as of the Restructure Date, as defined in the Restructure Agreement, and amends and restates in its entirety the Patent Proceeds Security Agreement entered into by and between each Pledgor and United effective as of October 19, 2015.

WHEREAS, the Company and the Holder are parties to that certain Restructure Agreement dated as of the Restructure Date, as defined therein (the "**Restructure Agreement**");

WHEREAS, it is a condition precedent to the Holder's entering into the Restructure Agreement that each Pledgor execute and deliver to the Holder a security agreement in substantially the form hereof;

WHEREAS, the Pledgors have entered into the MPA-CP; MPA-CXT; MPA-MR and MPA-AMI, dated as of the Restructure Date (each a "**Restructure MPA**" and together the "**Restructure MPAs**") as defined in the Restructure Agreement; and

WHEREAS, to secure the payment of the Obligations, as defined below, each Pledgor desires to grant the Holder a security interest in all of its or their right title and interest in Gross Monetization Proceeds, as defined in the applicable Restructure MPA, from the monetization of the Patents, as defined below;

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

1. DEFINITIONS.

Capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Restructure Agreement. In addition, the following terms shall have the meanings set forth in this Section 1 or elsewhere in this Security Agreement referred to below:

(a) **"Collateral"**. Means all of each Pledgor's right, title and interest in and to all of the Gross Monetization Proceeds as defined in the applicable Restructure MPA.

(b) **"Obligations".** Means the obligation to pay in full the Total Monetization Proceeds Obligation, as defined in and pursuant to the Restructure Agreement and the payment obligations of each Pledgor under each Restructure MPA.

(c) **"Patents"**. Means the United States patents and patent applications identified on the applicable Restructure MPA, including all patents and patent applications related thereto, and all patents and patent applications claiming benefit, in whole or in part, of any of their filing dates including, but not limited to, extensions, divisionals, continuations, continuations-in-part, reissues, reexaminations, substitutions and foreign counterparts of any of the foregoing, the inventions disclosed or claimed therein, including the right to make, use, practice and/or sell (or license or otherwise transfer or dispose of) the inventions disclosed or claimed therein, and the right (but not the obligation) to make and prosecute applications for such patents.

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2. GRANT OF SECURITY INTEREST.

(a) To secure the payment in full of the Obligations each Pledgor hereby grants to the Holder a continuing security interest in all of the Collateral.

(b) The security interest in the Collateral created hereby will be junior and subordinate to:

(i) all existing security interests in the Collateral as set forth or permitted in and under the applicable Restructure MPA,

(ii) all security interests in the Collateral being granted or may in the future be granted to QFL in connection with the Purchase Agreement and other Investment Documents, and

(iii) any security interests that any Pledgor may in the future grant to QFL, Litigation Counsel, Patent Owner's Attorney, Litigation Funder, or other counsel or litigation financing partners, patent acquisition financier (including any patent seller deferred payments) in conjunction with funding litigation or other monetization programs with respect to the Patents, limited to the amount of the Pledgor's obligations under the related litigation financing agreements,

each of (i), (ii) and (iii) comprising the "**Senior Liens**".

If requested by the Company, the Holder agrees to execute a subordination agreement with respect to the security interest created hereby, in form reasonably acceptable to the Holder, with any person having a Senior Lien.

(c) The security interest in the Collateral created hereby will be senior to any other security interest in the Collateral other than Senior Liens.

(d) All rights of the Holder and the security interests granted to the Holder hereunder, and all Obligations, shall be absolute and unconditional, irrespective of: (i) any lack of validity or enforceability of the Restructure Agreement or any Restructure MPA; (ii) the failure of the Holder (A) to assert any claim or demand or to enforce any right or remedy against any Pledgor or any other Person under the provisions of the Restructure Agreement, Restructure MPA or otherwise, or (B) to exercise any right or remedy against any other guarantor of, or collateral securing, any Obligations; (iii) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations or any other extension, compromise or renewal of any Obligation; (iv) any reduction, limitation, impairment or termination of any Obligation for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to (and each Pledgor hereby waives any right to or claim of) any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality, non-genuineness, irregularity, compromise, unenforceability of, or any other event or occurrence affecting, any Obligations; (v) any amendment to, rescission, waiver, or other modification of, or any consent to departure from, any of the terms of the Restructure Agreement, or any Restructure MPA; (vi) any addition, exchange, release, surrender or non-perfection of any collateral (including the Collateral), or any amendment to or waiver or release of or addition to or consent to departure from any guaranty, for any of the Obligations; or (vii) any other circumstances that might otherwise constitute a defense available to, or a legal or equitable discharge of, any Pledgor, any surety or any guarantor.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS.

Each Pledgor represents warrants and covenants that:

(a) the Pledgor has the right to enter into this Security Agreement and perform its terms;

(b) this Security Agreement creates in favor of the Holder a valid security interest in the Collateral, subordinate only to the Senior Liens, which will be perfected upon making the filings referred to in clause (c) of this Section 3; and

(c) no authorization, approval or other action by, and no notice to or filing with any governmental or regulatory authority, agency or office is required either (i) for the grant by the Pledgor or the effectiveness of the security interest granted hereby or for the execution, delivery and performance of this Security Agreement by the Pledgor, or the exercise by the Holder of any of its rights and remedies hereunder, or (ii) except for the filing of financing statements with Secretary of State for the States of Delaware and Texas under the Uniform Commercial Code and the filing of this Security Agreement with the United States Patent and Trademark Office, and except for any filings that may be required in jurisdictions outside the United States, for the perfection of the security interest granted hereby.

4. NO TRANSFER OR INCONSISTENT AGREEMENTS.

Without the Holder's prior written consent, except to the extent expressly permitted hereunder or pursuant to the Restructure Agreement or each Restructure MPA, as applicable, no Pledgor will (i) mortgage, pledge, assign, encumber, grant a security interest in, transfer, or alienate any of the Collateral (other than the Senior Liens) or (ii) enter into any agreement that is inconsistent with the Pledgor's obligations under this Security Agreement.

5. AFTER-ACQUIRED RIGHTS, ETC.

(a) **After-acquired Patents.** If, before all of the Obligations shall have finally been paid in full, any Pledgor shall obtain any right, title or interest in or to, or become entitled to the benefit of, any reissue, division, continuation, renewal, extension, or continuation-in-part of any of the Patent or any improvement on any of the Patents, the provisions of this Security Agreement shall automatically apply thereto, and such Pledgor shall promptly execute and deliver to the Holder such documents or instruments as the Holder may reasonably request in connection therewith; provided.

(b) **No Approval.** Each Pledgor hereby acknowledges and agrees that any future or other Patents described in Section 5(a) shall be included as Patents under this Agreement and the applicable Restructure MPA, without the necessity of the Pledgor's further approval or signature.

6. REMEDIES.

Pursuant to the terms of the Restructure Agreement, if any Event of Default, as defined in the Restructure Agreement, shall have occurred and be continuing, then upon notice by the Holder to each Pledgor, the Holder shall have, in addition to all other rights and remedies given it by this Security Agreement, all of the rights and remedies of a secured party under the Uniform Commercial Code as enacted in the State of Delaware or New York, and, without limiting the generality of the foregoing, subject to applicable law, the Holder may immediately, without demand of performance and without other notice (except as set forth below) or demand whatsoever to any Pledgor, all of which are hereby expressly waived, and without advertisement, sell or license at public or private sale or otherwise realize upon the whole or from time to time any part of the Collateral, or any interest which any Pledgor may have therein, and after deducting from the proceeds of sale or other disposition of the Collateral all expenses (including all reasonable expenses for broker's fees and legal services) related thereto, shall apply the residue of such proceeds toward the payment of the Obligations, whether on account of interest or otherwise as the Holder, in its sole discretion, may elect. If such proceeds are insufficient to pay the Obligations or any other amounts required by law, the Company shall be liable for any deficiency. Notice of any sale, license or other disposition of any of the Collateral shall be given to the Pledgor of the relevant Collateral at least five (5) Business Days before the time that any intended public sale or other disposition of such Collateral is to be made or after which any private sale or other disposition of such Collateral may be made, which each Pledgor hereby agrees shall be reasonable notice of such public or private sale or other disposition. At any such sale or other disposition, the Holder may, to the extent permitted under applicable law, purchase or license the whole or any part of the Collateral or interests therein sold, licensed or otherwise disposed of.

7. POWER OF ATTORNEY.

Pursuant to the terms of the Restructure Agreement, if any Event of Default shall have occurred and be continuing, each Pledgor does hereby make, constitute and appoint the Holder (and any officer or agent of the Holder as the Holder may select in its exclusive discretion) as the Pledgor's true and lawful attorney-in-fact, with the power to endorse the Pledgor's name on all applications, documents, papers and instruments necessary for the Holder to use any of the Collateral, to practice, make, use or sell the inventions disclosed or claimed in any of the Collateral, to grant or issue any exclusive or nonexclusive license of any of the Collateral to any third person, or necessary for the Holder to assign, pledge, convey or otherwise transfer title in or dispose of the Collateral or any part thereof or interest therein to any third person, and, in general, to execute and deliver any instruments or documents and do all other acts which the Pledgor is obligated to execute and do hereunder. This power of attorney shall be irrevocable for the duration of this Security Agreement.

8. FURTHER ASSURANCES.

Each Pledgor shall, at any time and from time to time, and at its expense, make, execute, acknowledge and deliver, and file and record as necessary or appropriate with governmental or regulatory authorities, agencies or offices, such agreements, assignments, documents and instruments, and do such other and further acts and things (including, without limitation, obtaining consents of third parties), as the Holder may reasonably request or as may be necessary in order to implement the provisions of this Security Agreement or to assure and confirm to the Holder the grant, perfection and priority of the Holder's security interest in any of the Collateral.

9. TERMINATION.

At such time as all of the Obligations have been finally paid and satisfied in full, this Security Agreement shall terminate, and the Holder shall, promptly ,and in any event within five (5) business days of request from a Pledgor, execute and deliver to such Pledgor, at the expense of the Pledgor, all deeds, assignments and other instruments as may be reasonably necessary or proper to reassign and reconvey to and re-vest in the Pledgor the entire right, title and interest to the Collateral previously granted, assigned, transferred and conveyed to the Holder by the Pledgor pursuant to this Security Agreement, as fully as if this Security Agreement had not been made, subject to any disposition of all or any part thereof which may have been made by the Holder in accordance herewith.

10. COURSE OF DEALING.

No course of dealing among the Pledgors and the Holder, nor any failure to exercise, nor any delay in exercising, on the part of the Holder, any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

11. EXPENSES.

Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses, incurred by the Holder in its capacity as secured party in connection with the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving any of the Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to any of the Collateral, shall be borne and paid by the Pledgors, jointly and severally.

12. INDEMNIFICATION.

THE PLEDGORS, JOINTLY AND SEVERALLY, SHALL INDEMNIFY THE HOLDER FOR ANY AND ALL COSTS, EXPENSES, DAMAGES AND CLAIMS, INCLUDING LEGAL FEES ("LOSSES") INCURRED BY THE HOLDER IN ITS CAPACITY AS SECURED PARTY WITH RESPECT TO ANY CLAIM OR CLAIMS BROUGHT BY THIRD PARTIES REGARDING ANY PLEDGOR'S OWNERSHIP OR PURPORTED OWNERSHIP OF, OR RIGHTS OR PURPORTED RIGHTS ARISING FROM, ANY OF THE COLLATERAL OR ANY PRACTICE, USE, LICENSE OR SUBLICENSE THEREOF, OR ANY PRACTICE, MANUFACTURE, USE OR SALE OF ANY OF THE INVENTIONS DISCLOSED OR CLAIMED THEREIN, WHETHER ARISING OUT OF ANY PAST, CURRENT OR FUTURE EVENT, CIRCUMSTANCE, ACT OR OMISSION OR OTHERWISE.

13. RIGHTS AND REMEDIES CUMULATIVE.

All of the Holder's rights and remedies with respect to Events of Default relating to the Collateral, shall be cumulative and may be exercised singularly or concurrently. This Security Agreement is supplemental to the Restructure Agreement and Restructure MPAs, as applicable, and nothing contained herein shall in any way derogate from any of the rights or remedies of the Holder contained therein. Nothing contained in this Security Agreement shall be deemed to extend the time of attachment or perfection of or otherwise impair the security interest in any of the Collateral granted to the Holder under the Restructure Agreement or Restructure MPA, as applicable.

14. NOTICES.

All notices and other communications made or required to be given pursuant to this Security Agreement shall be made pursuant to the Restructure Agreement.

15. AMENDMENT AND WAIVER.

This Security Agreement is subject to modification only by a writing signed by the Holder and each Pledgor, except as provided in Section 5(b), and consented to by QFL. Neither party shall be deemed to have waived any right hereunder unless such waiver shall be in writing and signed by it and consented to by QFL. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion.

16. GOVERNING LAW.

THIS PATENT SECURITY AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

17. MISCELLANEOUS.

The headings of each section of this Security Agreement are for convenience only and shall not define or limit the provisions thereof. This Security Agreement and all rights and obligations hereunder shall be binding upon each Pledgor and its successors and assigns and shall inure to the benefit of the Holder, its successors and assigns and QFL. In the event of any irreconcilable conflict between the provisions of this Security Agreement and the Restructure Agreement or Restructure MPA, as applicable, the provisions of the Restructure Agreement or Restructure MPA, as applicable shall control. If any term of this Security Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby, and this Security Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein.

[***Signature page immediately follows.***]

IN WITNESS WHEREOF, this Security Agreement has been executed as of the day and year first above written.

PLEDGORS:

QUEST PATENT RESEARCH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

QUEST LICENSING CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

QUEST NETTECH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

MARINER IC INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

SEMCON IP INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

IC KINETICS INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

CXT SYSTEMS INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

M-RED INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

AUDIO MESSAGING INC.

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

HOLDER:

INTELLIGENT PARTNERS LLC

By: /s/ Andrew C. Fitton
Name: Andrew C. Fitton
Title: Manager

[Signature Page to Amended & Restated Patent Proceeds Security Agreement]

EX-99.20 21 ea136324ex99-20_questpatent.htm EX. K TO RESTRUCTURE AGREEMENT - MPA-NA DATED FEBRUARY 19, 2021 AMONG THE COMPANY AND INTELLIGENT PARTNERS LLC

Exhibit 99.20

Exhibit K - MPA-NA

MONETIZATION PROCEEDS AGREEMENT – NEW ASSETS

This Monetization Proceeds Agreement (the "**Agreement**") dated as of February 19, 2021, is entered into by and between Intelligent Partners LLC, a Delaware limited liability company ("**IPLLC**"**)**, and Quest Patent Research Corporation, a Delaware corporation (the "**Company**"). IPLLC and the Company are collectively referred to herein as the "**Parties**" and each individually as a "**Party**."

RECITALS

A. In conjunction with the execution and delivery of this Agreement, the Company is entering into a Prepaid Forward Purchase Agreement (the "**Purchase Agreement**") and other Investment Documents, as such term is defined in the Purchase Agreement (the "**Investment Documents**"), with QPRC Finance LLC ("**QFL**");

B. In conjunction with the execution and delivery of this Agreement, the Company and IPLLC are parties to that certain Restructure Agreement dated as even date hereof ("**Restructure Agreement**");

C. To induce IPLLC to enter into the Restructure Agreement, and, pursuant to and upon the terms of the Restructure Agreement, Company agrees to execute and deliver to IPLLC an agreement in substantially the form hereof;

D. Company is entitled to certain NA Net Proceeds arising from the Monetization of the Patents; and

E. As contemplated by the Restructure Agreement, until the TMPO Extinguishment Date, IPLLC is entitled to the NA Net Proceeds Percentage in the NA Net Proceeds arising from the Monetization of the Patents;

NOW, THEREFORE, in consideration for the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

1. CONSTRUCTION

1.1. For purposes of this Agreement, defined terms shall have the meanings set forth in Section 2 below. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Restructure Agreement.

1.2. Headings are for information only and do not form part of the operative provisions of this Agreement.

1.3. References to this Agreement include references to the Recitals.

1.4. In this Agreement, unless a clear contrary intention appears: (a) words denoting the singular include the plural and vice versa; (b) words denoting any gender include all genders; (c) all references to "$" or dollars shall mean U.S. Dollars; (d) the word "or" shall include both the adjunctive and the disjunctive meaning thereof; and I the words "include," "includes," and "including" shall be deemed to be followed by the phrase "without limitation."

1.5. The terms of this Agreement have been negotiated between the Parties in an arm's length transaction, and shall not be construed for or against either Party by reason of the drafting or preparation hereof.

2. DEFINITIONS The following terms shall have the meanings given below:

2.1 "**Acceleration Event**" means: (a) the sale, transfer, assignment or other conveyance of more than fifty percent (50%) of the Patents to an entity other than an Affiliate of Patent Owner; (b) the sale of all or substantially all of the outstanding capital stock or operating assets (other than cash) of the Company; or (c) a material breach (including non-payment) by Company under this Agreement that is not cured within thirty (30) days after written notice thereof from IPLLC to Company.

2.2 "**Affiliate**" means, with respect to any Person, any Entity in whatever country organized, that Controls, is Controlled by or is under common Control

with such Person.

2.3 "**Collateral**" shall have the meaning ascribed thereto in the MPA-NA Security Agreement.

2.4 "**Confidential Information**" means all documents and information (whether written or oral), including all communications, contracts, and agreements, exchanged by the Parties related to the Parties relationship, or the Patents. The term Confidential Information does not include information that: (i) becomes generally available to the public other than as a result of a breach by a Party of this Agreement, (ii) is already in the receiving Party's possession, provided that such information is not known by the receiving Party to be subject to a contractual or legal obligation of confidentiality to the disclosing Party, or (iii) becomes available to the receiving Party on a non-confidential basis from a source other than the disclosing Party, provided that such source is not known by the receiving Party to be bound by a contractual or legal obligation of confidentiality to the disclosing Party.

2.5 "**Control**" (or such other conjugations) for the purpose of this Agreement means the direct or indirect ownership of more than fifty percent (50%) of the shares or similar equity interests or voting power of the outstanding voting securities of such Entity that represent the power to direct the management and policies of such Entity.

2.6 "**Costs**" means, excluding Fees, the actual and reasonable out-of-pocket costs incurred by or for Company or Patent Owner and paid to a third party for:

(a) Any payment of the purchase price (however so described) pursuant to a Patent Purchase Agreement; and,

(b) Patent Owner's direct operating, administrative, personnel and similar expenses including but not limited to formation costs, filing costs, franchise taxes, registered agent costs and rent; and any required patent maintenance fees, patent prosecution costs, whether for administrative proceedings, post-grant proceedings, re-examinations, re-issues, continuations, and the like; and

(c) enforcement costs (including but not limited to, travel, filing fees, translation costs, testifying and non-testifying experts, visual aids, court costs, deposition fees, document reproduction costs, discovery costs, on-line research costs),

all in connection with the identification, diligence, acquisition, enforcement, license sale or other Monetization of the Patents. For the avoidance of doubt, (i) Company and its Affiliates', other than Patent Owner, operating, administrative, personnel and similar costs and (ii) financing premiums, interest, and any amounts over and above the actual out-of-pocket amounts advanced are not included in the definition of "Costs."

2.7 "**Disputes**" has the meaning set forth in Section 6.3.

2.8 "**Entity**" means any corporation, partnership, limited liability company, association, joint stock company, trust, joint venture, unincorporated organization, governmental entity (or any department, agency, or political subdivision thereof) or any other legal entity.

2.9 "**Fees**" means the reasonable amount of fees (excluding Costs) payable to QFL, third party attorneys, law firms, Litigation Funders, consultants, and/or licensing professionals as compensation, contingent or otherwise, for achieving any NA Gross Monetization Proceeds. Such fee arrangements shall be reasonable and in accordance with market rates for such financing and/or legal services, as the case may be. For the avoidance of doubt, IPLLC agrees and acknowledges that all payments to QFL pursuant to the Purchase Agreement and other Investment Documents are reasonable.

2.10 "**Litigation Financing**" means capital provided to a Patent Owner by a Litigation Funder for the purpose of achieving any NA Gross Monetization Proceeds.

2.11 "**Litigation Funder**" means any Person providing Litigation Financing to a Patent Owner.

2.12 "**Monetization**" means the sale, licensure, enforcement or otherwise monetize the Patents.

2.13 "**NA Gross Monetization Proceeds**" means Patent Owner and its Affiliates' gross revenue and/or other consideration from the sale, licensing and/or other monetization activities related to the Patents. Patent Owner and its Affiliates' gross revenue shall be as determined according to United States generally accepted accounting principles (U.S. GAAP) or an international equivalent.

2.14 "**NA Net Proceeds Percentage**" shall have the meaning ascribed thereto in the Restructure Agreement.

2.15 "**NA Net Proceeds**" means NA Gross Monetization Proceeds minus the sum of Costs and Fees as calculated pursuant to a Distribution Report, as defined in the Purchase Agreement, and approved by QFL. For the avoidance of doubt, IPLLC hereby acknowledges and agrees that, to the extent such amounts are not included in Fees and Costs, NA Net Proceeds are net of any amounts required to be paid to QFL pursuant to the Purchase Agreement and Investment Documents, or to any other holder of a Senior Lien pursuant to documents entered into with the holder of such Senior Lien.

2.16 "**Patents**" means the patents and related assets identified on ***Exhibit A*** attached hereto and all patents and patent applications related thereto, and all patents and patent applications claiming benefit, in whole or in part, of any of their filing dates including, but not limited to, extensions, divisionals, continuations, continuations-in-part, reissues, reexaminations, substitutions and foreign counterparts of any of the foregoing, the inventions disclosed or claimed therein, including the right to make, use, practice and/or sell (or license or otherwise transfer or dispose of) the inventions disclosed or claimed therein, and the right (but not the obligation) to make and prosecute applications for such patents; as such Exhibit A may be updated from time to time.

2.17 "**Patent Owner**" means any entity that owns, or may own at any future time, any one or more Patents.

2.18 "**Patent Owner's Attorney**" means any legal counsel engaged to represent any Patent Owner in connection with Monetization.

2.19 "**Patent Purchase Agreement**" means any purchase and sale agreement (howsoever described) pursuant to which a Patent Owner acquires all right, title and interest to one or more Patents from one or more patent sellers/prior owners of the Patents.

2.20 "**Person**" means any individual, firm, company, corporation, partnership, limited liability company, government, state, or agency, or subdivision of a state (or governmental entity), or any association, trust, joint venture, or consortium (whether or not having separate legal personality).

2.21 "**Representative**" means the employees, officers, directors, partners, members, shareholders (other than shareholders of QPRC solely in their capacity as such), co-investors, potential co-investors, agents, advisors, consultants, accountants, attorneys, trustees, or authorized representatives a Party.

2.22 "**Restructure Date**" shall have the meaning ascribed thereto in the Restructure Agreement.

2.23 "**Rights**" means all rights, titles, claims, options, powers, privileges, and interests.

2.24 "**Security**" means a mortgage, charge, pledge, lien, or other security interest securing any obligation of any Person or any other agreement or arrangement having a similar effect.

2.25 "**MPA-NA Security Agreement**" means the security agreement entered into between IPLLC and the Company.

2.26 "**Senior Liens**" means

(a) any Security granted in connection with any Patent Purchase Agreement, and;

(b) any Security in the Collateral granted to QLF pursuant to the Purchase Agreement and other Investment Documents, and;

(c) any Security in the Collateral that Patent Owner may in the future grant to a Litigation Funder or Patent Owner's Attorney in conjunction with funding or representation relating to Monetization efforts, limited to the amount of the Patent Owner's obligations under the related litigation financing or retainer agreements.

2.27 "**Taxes**" means any non-U.S., U.S. federal, state, local, municipal, or other governmental taxes, duties, levies, fees, excises, or tariffs, arising as a result of or in connection with any amounts of property received or paid under this Agreement, including: (i) any state or local sales or use taxes; (ii) any import, value-added, consumption, or similar tax; (iii) any business transfer tax; (iv) any taxes imposed or based on or with respect to or measured by any net or gross income or receipts of any of the Parties; (v) any withholding or franchise taxes, taxes on doing business, gross receipts taxes or capital stock or property taxes; or (vi) any other tax now or hereafter imposed by any governmental or taxing authority on any aspect of this Agreement, the NA Gross Monetization Proceeds, or the NA Net Proceeds, and "pre-Tax" shall mean before deduction of any of the foregoing except for unavoidable foreign taxes for which a Patent Owner is legally liable, provided that the Patent Owner uses commercially reasonable efforts to minimize any such taxes.

2.28 "**Term**" has the meaning given to that term in Section 8.7 hereof.

2.29 "**Total Monetization Proceeds Obligation**" has the meaning ascribed thereto in the Restructure Agreement.

2.30 "**TMPO Extinguishment Date**" has the meaning ascribed thereto in the Restructure Agreement.

3. PROCEEDS.

3.1 Assignment of the NA Net Proceeds Percentage. Company hereby assigns to IPLLC the NA Net Proceeds Percentage of the NA Net Proceeds until the TMPO Extinguishment Date.

3.2 Payment of the NA Net Proceeds Percentage; Reduction of Total Monetization Proceeds Obligation. Until the TMPO Extinguishment Date, IPLLC shall be entitled to receive an amount equal to the NA Net Proceeds Percentage of all NA Net Proceeds, payable out of all NA Net Proceeds received or entitled to be received by or transferred, paid or inuring to Company ("**IPLLC NA Proceeds Payments**"), and all IPLLC NA Proceeds Payments made pursuant to this Agreement shall be applied against and reduce the then outstanding Total Monetization Proceeds Obligation on a dollar for dollar basis, as of the date of any such IPLLC NA Proceeds Payment.

3.3 Disbursement of NA Net Proceeds. Until the TMPO Extinguishment Date, Company shall calculate and provide a written report to IPLLC (as set forth in Section 3.5 below) of the amount of NA Net Proceeds due to Company and IPLLC at the same time any disbursement notice documentation is provided to attorneys, law firms, QFL litigation funding sources, patent sellers/prior owners, licensing professionals/consultants or other Persons entitled to payment upon receipt of NA Gross Monetization Proceeds and then shall pay or cause IPLLC to be paid the IPLLC NA Proceeds Payment pursuant to this Section 3.3 at the same time as the Company receives any NA Net Proceeds.

3.4 Acceleration; Guarantee. All outstanding IPLLC NA Proceeds Payments under this Agreement shall become due and payable upon the occurrence of an Acceleration Event, in addition to any other remedies IPLLC may have at law or in equity. In the event any NA Gross Monetization Proceeds are received by an Affiliate or Affiliates of Company, Company and each such Affiliate will be jointly and severally responsible for the payment and reporting to IPLLC of the IPLLC NA Proceeds Payments owed pursuant to Sections 3.2, 3.3, 3.4 and 3.5 of this Agreement. For the avoidance of doubt and subject to the provisions of Section 5.1(c) below, no Affiliate of Company makes any guarantee of Company's payment obligations under this Agreement.

3.5 Reporting. All reports shall be in the English Language and in sufficient detail such that IPLLC can reasonably verify the IPLLC NA Proceeds Payments due to IPLLC. Each report shall be certified in advance by an officer of Company or by a designee of such officer to be correct to the best knowledge and information of Company. Reports shall be sent to IPLLC by electronic mail to andrew.fitton@unitedwirelessholdings.com and mike.carper@unitedwirelessholdings.com, or as IPLLC otherwise directs from time to time in a written notice to Company.

3.6 Access; Audit. Company and each of its Affiliates that receive any NA Gross Monetization Proceeds shall keep and maintain true and complete books and records pertaining to monetization of the Patents in sufficient detail to enable the amounts payable to IPLLC to be accurately determined. In addition, without limiting any access or audit rights of IPLLC provided for in the Restructure Agreement, no more than once each year and upon at least five (5) business days prior written notice to Company, Company shall make such books and records related to this Agreement available at reasonable times during regular business hours for inspection and copying by IPLLC, or their designated representatives, and supply IPLLC with the details and supporting data necessary to verify the reports and payments required by this Agreement. Company and such Affiliates shall maintain such books and records related to this Agreement for at least five (5) years after the end of the calendar year to which they pertain. In the event any such inspection shows an underpayment of IPLLC NA Proceeds Payments by Company or one of its Affiliates for any calendar-quarter period, Company shall promptly pay to IPLLC any such amounts plus a Late Payment Charge, as defined in the Restructure Agreement. Furthermore, if such underpayment is more than the greater of (A) 5% of the total IPLLC NA Net Proceeds Payments due for the period audited or (B) $10,000, or if the audit shows that any under-reporting was willful, Company or such Affiliates shall reimburse IPLLC for the cost of the inspection within thirty (30) days after any such finding of underpayment.

3.7 Security. Company's obligation to pay the IPLLC NA Proceeds Payments shall be secured under the terms of the MPA-NA Security Agreement, and if requested by the Company, IPLLC agrees to execute a subordination agreement with respect to the security interest created thereby with the Senior Lien holder, in form reasonably acceptable to IPLLC and the Senior Lien holder. Neither this Agreement nor the MPA-NA Security Agreement is a guarantee by any Affiliate of Company of Company's payment obligations under this Agreement.

4. REPRESENTATIONS AND WARRANTIES

4.1. Company's Representations and Warranties. Company makes the representations, warranties, and Covenants set out in this Section as of the date of

this Agreement and for the duration of this Agreement, except as may be disclosed in writing to IPLLC for events that arise subsequent to the date of this Agreement:

(a) Company is a corporation duly formed, validly existing, and in good standing under the laws of the jurisdiction of its formation;

(b) Company has all requisite power and authority to enter into, execute, and deliver this Agreement and to perform fully its obligations hereunder;

4.2. IPLLC Representations and Warranties. IPLLC makes the representations, warranties, and Covenants set out in this Section as of the date of this Agreement and for the duration of this Agreement, except as may be disclosed in writing to Company for events that arise subsequent to the date of this Agreement:

(a) IPLLC is a corporation duly formed, validly existing, and in good standing under the laws of the jurisdiction of its formation;

(b) IPLLC has all requisite power and authority to enter into, execute, and deliver this Agreement and to perform fully its obligations hereunder;

5. ADDITIONAL COVENANTS AND TAXES

5.1. Covenants. Until the TMPO Extinguishment Date (unless it has obtained prior written consent from IPLLC to the contrary), at its sole cost and expense, Company shall:

(a) not, except for the Senior Liens, grant or create or allow any other Person other than IPLLC to hold any superior Security over the NA Net Proceeds, or any rights thereto;

(b) not, except as permitted under any Patent Purchase Agreement, the Purchase Agreement, the Investment Documents or any Litigation Funding agreement, transfer, sell, assign, or otherwise dispose of any of its Rights in or under any of the contracts or agreements relating to the NA Net Proceeds; and

(c) not transfer, sell, assign, or otherwise dispose of any of the Patents, except as permitted under any Patent Purchase Agreement, the Purchase Agreement or Investment Documents and provided any such future assignee or transferee of the Patents agree in writing to be bound to all payment, reporting and audit obligations of Company as set forth in this Agreement.

5.2. Taxes. All Taxes shall be the financial responsibility of the Party obligated to pay such Taxes as determined by applicable law and neither Party is or shall be liable at any time for any of the other Party's Taxes incurred in connection with or related to amounts paid under this Agreement. Except for unavoidable foreign taxes for which the Patent Owner is legally liable, provided that the Patent Owner uses commercially reasonable efforts to minimize any such taxes, no Tax shall be withheld on any IPLLC NA Proceeds Payments or other amounts payable to IPLLC hereunder unless required by law. If any applicable law requires the deduction or withholding of any tax from any such payment to IPLLC, Company shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant taxing authority in accordance with applicable law and the sum payable to IPLLC shall be increased as necessary so that, after such deduction or withholding has been made, IPLLC receives an amount equal to the sum it would have received had no such deduction or withholding been made. Each Party shall indemnify, defend and hold the other Party harmless from and against any Taxes owed by or assessed against the other Party that are the obligations of such Party and from any claims, causes of action, costs, expenses, reasonable attorneys' fees, penalties, assessments and any other liabilities of any nature whatsoever related to such Taxes.

6. GOVERNING LAW; WAIVER OF SPECIFIC DEFENSES; DISPUTES

6.1. Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be governed by the laws of the State of New York, without giving effect to any choice of law or conflict of law provision or rule, and shall be construed and enforced in accordance with the law.

6.2. Specific Waivers. To the greatest extent permissible by law, Company irrevocably waives and forever and unconditionally releases, discharges and quitclaims any claims, counterclaims, defenses, causes of action, remedies, or rights it or its successors in interest has or may in the future have arising from any doctrine, rule, or principle of law or equity that this Agreement, or the relationships or transactions contemplated by this Agreement (i) are against the public policy of any jurisdiction with which Company has a connection, or (ii) are unconscionable, or (iii) constitute champerty, maintenance, barratry, or any impermissible transfers, assignments or splitting of property, fees or causes of action.

6.3. Arbitrable Claims. All actions, disputes, claims and controversies under common law, statutory law, rules of professional ethics, or in equity of any type or nature whatsoever, whether arising before or after the date of this Agreement, and directly relating to: (a) this Agreement or any amendments and addenda hereto, or the breach, invalidity or termination hereof; (b) any previous or subsequent agreement between IPLLC and Company related to the subject matter hereof to the extent set forth in Section 8.2; (c) any act or omission committed by IPLLC or its Representatives with respect to this Agreement, or by any member, employee, agent, or lawyer of IPLLC with respect to this Agreement, whether or not arising within the scope and course of employment or other contractual representation of IPLLC (provided that such act arises under a relationship, transaction or dealing between IPLLC and Company); or (d) any act or omission committed by Company with respect to this Agreement, or by any employee, agent, partner or lawyer of Company with respect to this Agreement whether or not arising within the scope and course of employment or other contractual representation of Company (provided that such act arises under a relationship, transaction or dealing between IPLLC and Company) (collectively, the "**Disputes**"), will be subject to and resolved by binding arbitration under this Section 6.3 and Section 6.4 below, provided however, that nothing in this Section 6 shall limit the rights, if any, of IPLLC to commence or maintain judicial proceedings pursuant to the Restructure Agreement and other Restructure Agreements. The Parties agree that the arbitrators have exclusive jurisdiction, to the exclusion of any court (except as specifically provided with regard to prejudgment, provisional, or enforcement proceedings in Section 6.5), to decide all Disputes.

6.4. Administrative Body; Situs. Any Dispute arising out of or relating to this Agreement, including the breach, termination, enforcement, interpretation or validity thereof, or the determination of the scope or applicability of this Agreement to arbitrate, shall be determined by arbitration in New York, New York, before a single arbitrator. The arbitration shall be administered using the arbitration rules of the American Arbitration Association ("**AAA**") current at the time the Dispute is brought, which rules are deemed to be incorporated herein by reference. Each Party shall, upon written request, promptly provide the other Party with copies of all information on which the producing party may rely in support of or in opposition to any claim or defense and a report of any expert whom the producing Party may call as a witness in the arbitration hearing.

6.5. Prejudgment and Provisional Remedies. Either Party may commence judicial proceedings under this Agreement only for the purpose(s) of: (i) enforcement of the arbitration provisions; (ii) obtaining appointment of arbitrator(s); (iii) preserving the status quo of the Parties pending arbitration as contemplated herein; (iv) preventing the disbursement by any Person of disputed funds; (v) preserving and protecting the rights of either Party pending the outcome of the arbitration, or (vi) seeking injunctive relief for breach of the confidentiality provisions contained in Section 7. Any such action or remedy will not waive a Party's right to compel arbitration of any Dispute, and any Party may also file court proceedings to have judgment entered on the arbitration award. In any action for prejudgment or provisional relief, any court in which such relief is sought shall determine the availability of such relief without regard to any defenses that may be asserted by the other Party, and any such defenses shall be referred to the exclusive jurisdiction of the arbitrators under Section 6.3. The Parties further agree

that a court shall not defer or delay granting prejudgment or provisional relief while any such arbitration takes place. **EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.**

6.6. Attorneys' Fees. If Company or IPLLC brings any other action for judicial relief with respect to any Dispute (other than those precisely described in Section 6.5), the Party bringing such action will be liable for and immediately pay all of the other Party's costs and expenses (including attorneys' fees) incurred to stay or dismiss such action and remove or refer such Dispute to arbitration. If Company or IPLLC brings or appeals an action to vacate or modify an arbitration award and such Party does not prevail, such Party will pay all costs and expenses, including attorneys' fees, incurred by the other Party in defending such action.

6.7. Enforcement. Any award rendered under this Section shall not be subject to appeal and shall be enforceable in any and all jurisdictions, including the State of Texas and the State of New York.

6.8. Confidentiality of Awards. All arbitration proceedings, including testimony or evidence at hearings, will be kept confidential, although any award or order rendered by the arbitrator(s) pursuant to the terms of this Agreement may be confirmed as a judgment or order in any state or federal or other national court of competent jurisdiction where proceedings are necessary or appropriate to enforce any award or order. This Agreement concerns transactions involving commerce among several state and foreign countries.

7. CONFIDENTIALITY

7.1. Confidential Information. The Parties shall limit the distribution and disclosure of Confidential Information to their Representatives who have a "need to know" to such information. The Party disclosing the Confidential Information to its Representatives shall ensure that such Representatives adhere to, and comply with, all terms and obligations of confidentiality, use and protection of the Confidential Information as accepted by the Parties under this Agreement.

7.2. Limitations on Disclosure of Confidential Information. The Parties and their Representatives shall not disclose Confidential Information, or the fact that the Parties entered into this Agreement, unless: (i) the Parties agree in writing that such disclosure is acceptable, (ii) such disclosure is required in connection with the enforcement or protection of a Party's rights with respect to this Agreement, or (iii) such disclosure is required by law or regulation, governmental or regulatory authority, court order or judicial process; provided, that each Party agrees to give the other Party (to the extent not prohibited by applicable law, regulation, governmental or regulatory authority, court order or judicial process) written notice of any required disclosure and cooperate in obtaining a protective order or similar protection to preserve the confidential nature of the Confidential Information.

7.3. Public Disclosure. Neither IPLLC nor the Company shall issue any press release or make any public statement with respect to the existence of this Agreement or the transaction contemplated hereby, except as may be required by applicable law, regulation, governmental, or regulatory authority, judicial process, or court order. IPLLC and Company shall keep this Agreement confidential and not disclose it, or any part of it, or any drafts of it, to third parties, except as may be required by applicable law, regulation, governmental or regulatory authority, judicial process, or court order.

7.4. Information; Disclosure. Subject to Section 8.1, until the TMPO Extinguishment Date, during any active Monetization, Company shall keep IPLLC reasonably informed of the progress of such monetization efforts, including prompt notice of events giving rise to NA Gross Monetization Proceeds, and prompt provision to IPLLC of any notice of settlement or proposed distribution notice provided to any other Person. For the avoidance of doubt, nothing in this Agreement shall be construed to require public disclosure of material non-public information and the Company shall not be required to provide notice or copies of documents filed on EDGAR, with the PTO, available on PACER or otherwise available to the public.

8. MISCELLANEOUS

8.1. Privileged Information. IPLLC will not request from Company, and Company is not required to provide to IPLLC, documents and information protected by the attorney-client privilege. Company understands and acknowledges that in the event its Representatives provide privileged information to IPLLC, such disclosure may be deemed waiver of the applicable privilege. In the event that the Company inadvertently provides privileged information to IPLLC, IPLLC will return such information to Company without reviewing the information.

8.2. Entire Agreement and Amendments. This Agreement and the Restructure Documents constitute the entire agreement between the Parties with respect to the matters covered herein and supersede all prior agreements, promises, representations, warranties, statements, and understandings with respect to the subject matter hereof as between the Company and IPLLC. This Agreement may not be amended, altered, or modified except by an amendment or supplement to this Agreement executed by all Parties hereto and consented to by QFL.

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

8.4. Remedies and Waivers. No failure to exercise, nor any delay in exercising, on the part of IPLLC or the Company, of any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law. No provision of this Agreement may be waived except in writing signed by the party granting such waiver.

8.5. Assignment. This Agreement shall inure to the benefit of, and be binding upon the respective successors and assigns of the Parties. The Company shall not assign or delegate its rights or obligations under this Agreement without the prior written consent of IPLLC, which shall not be unreasonably withheld.

8.6. Notices. All notices, reports and other communications required or permitted under this Agreement shall be as provided in the Restructure Agreement.

8.7. Term, Termination, Survival After Termination. This Agreement shall terminate at the earlier of (i) six years after the last to expire of the Patents owned by Patent Owner, (ii) mutual written agreement of the Parties and (iii) the TMPO Extinguishment Date, (the period from the date of this Agreement to the date of such termination, the "**Term**"). The provisions of Sections 1, 2 (with respect to applicable defined terms), 3.2, 3.2, 3.3 3.4, 6, 7, and 8 shall survive the termination of this Agreement.

8.8. Costs and Expenses. The Parties shall be solely responsible for and bear the costs and expenses, including attorneys' fees, expenses of accountants, brokers, financial advisors, and other representatives and advisors, each incurs at any time in connection with pursuing, or consummating the transaction contemplated by, this Agreement.

8.9. No Presumption against Drafter. This Agreement has been negotiated by the Parties and their respective counsel and will be fairly interpreted in accordance with its terms and without any strict construction in favor of or against a Party.

8.10. Counterparts. This Agreement may be executed in counterparts which, when read together, shall constitute a single instrument, and this has the same effect as if the signatures on the counterparts were on a single copy hereof. A composite copy of this Agreement may be compiled comprising a single copy of the text of this Agreement and one or more copies of the signature pages containing collectively the signatures of all Parties. A facsimile or an electronic mail signature shall be considered due execution and shall be binding upon the signatories hereto with the same force and effect as if the signature were an original, not a facsimile signature.

8.11. Third-Party Beneficiaries. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and QFL and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement. QFL is an intended third-party beneficiary of this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the Parties execute this Agreement effective as of date first written above.

QUEST PATENT RESEARCH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

INTELLIGENT PARTNERS LLC

By: /s/ Andrew C. Fitton
Name: Andrew C. Fitton
Title: Manager

[Signature Page to MPA-NA]

EXHIBIT A

PATENTS

EX-99.21 22 ea136324ex99-21_questpatent.htm EX. L TO RESTRUCTURE AGREEMENT - MPA-NA SECURITY INTEREST AGREEMENT DATED FEBRUARY 19, 2021 AMONG THE COMPANY AND INTELLIGENT PARTNERS LLC

Exhibit 99.21

Ex. L - MPA-NA-SA

MPA-NA Security Agreement

This MPA-NA Security Agreement ("***Agreement***"), dated as of February 19, 2021, relates to the Monetization Proceeds Agreement, dated as of February 9, 2021 (the **"*MPA-NA*"**), by and among Quest Patent Research Corporation (**"*Company*"**), a Delaware corporation, and Intelligent Partners LLC ("***IPLLC***"), a Delaware limited liability company. Capitalized terms used but not otherwise defined herein will have the meanings assigned to such terms in the MPA-NA.

1. Grant of Security Interest. Company hereby grants IPLLC a security interest in any NA Net Proceeds of the Patents (together, the "***Collateral***") to secure all payment and performance obligations (collectively, the **"*Obligations*"**) of Company to IPLLC, under the MPA-NA, provided that IPLLC's interest in the NA Net Proceeds shall be limited to the IPLLC NA Proceeds Payments.

2. Disposition of Assigned Patent Rights. Until the Obligations have been satisfied, Company or its Affiliates may (i) sell, exclusively license, transfer, assign or otherwise dispose of the Patents, or (ii) grant licenses under the Patents that include sublicense rights except for rights to grant sublicenses to subsidiaries of such licensee (each, a "***Disposition***"), in each case, provided that the purchaser, exclusive licensee, transferee, assignee or acquirer of the Patents agrees in writing to be bound to all payment, reporting and audit obligations of the Company pursuant to the MPA-NA and this Agreement.

3. Filing of Financing Statements. Company authorizes IPLLC to file financing statements, amendments, applications for registration, other forms under the Uniform Commercial Code (**"*UCC*"**) describing the Collateral. IPLLC will pay all costs of filing any financing, continuation or termination statements and any other UCC filing made with respect to this Agreement.

4. Events of Default. The occurrence of any of the following will, at the option of IPLLC, be an **"*Event of Default*"**: (a) any default by the Company under this Agreement, (b) an Acceleration Event under the MPA-NA,; and/or (b) the cessation of the Company's business operations, the insolvency of the Company, an admission in writing of its inability to pay debts as they mature, the institution by or against the Company of any bankruptcy, reorganization, debt arrangement, assignment for the benefit of creditors, or other proceeding under any bankruptcy or insolvency law or dissolution, receivership, or liquidation proceeding.

5. Remedies. Upon the occurrence of an Event of Default, IPLLC shall give the Company notice of such, and Company shall have five (5) days from the date such notice was given to attempt to cure such Event of Default. In the event that the Event of Default is not cured within that five (5) day period, IPLLC will have an immediate right to pursue the remedies provided herein, in the Restructure Agreement and any other remedies available under applicable laws or in equity, including, without limitation, the remedies of a secured party under the applicable UCC. Company acknowledges that IPLLC's giving five (5) calendar days' notice is

reasonable in any circumstances where IPLLC may be required by law to give Company notice. All the rights, privileges, powers and remedies of IPLLC are cumulative.

6. Expenses; Attorneys' Fees. The Company will pay on demand the amount of all costs and expenses incurred by IPLLC to protect or enforce its rights with respect to this Agreement or the Collateral. The sums agreed to be paid pursuant to this section are secured by this Agreement.

7. **Termination**. This Agreement and the grant of security interest effect hereby shall terminate on the TMPO Extinguishment Date.

[Signature Page Follows Immediately]

IN WITNESS WHEREOF, intending to be legally bound, the parties have executed this Agreement as of the date hereof.

QUEST PATENT RESEARCH CORPORATION

By: /s/ Jon C. Scahill
Name: Jon C. Scahill
Title: Chief Executive Officer

INTELLIGENT PARTNERS LLC

By: /s/ Andrew C. Fitton
Name: Andrew C. Fitton
Title: Manager

[Signature Page to MPA-NA Security Agreement]
