

EXHIBIT 2

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PLEDGE AND GENERAL SECURITY AGREEMENT

Dated as of May 11, 2012
To Be Effective as of October 4, 2011

By and Between

PERSONALWEB TECHNOLOGIES, LLC
as Debtor

And

BRILLIANT DIGITAL ENTERTAINMENT, INC.
as Secured Party

PLEDGE AND GENERAL SECURITY AGREEMENT

THIS PLEDGE AND GENERAL SECURITY AGREEMENT (this “**Agreement**”) dated as of May 11, 2012 to be effective as of October 11, 2011, entered into by and between PersonalWeb Technologies, LLC, a Texas limited liability company, as debtor (the “**Debtor**”), and Brilliant Digital Entertainment, Inc., a Delaware corporation, as secured party (the “**Secured Party**”), sets forth the agreement pursuant to which the Debtor pledges and assigns its interest in, and grants a perfected security interest and general Lien in and upon, the Collateral described herein as security for the obligations incurred by Debtor under that certain Secured Revolving Promissory Note of even date herewith (the “**Secured Note**”).

WHEREAS, it is a condition to the Secured Party making a loan and advance of funds pursuant to the Secured Note that the Debtor execute this Agreement in favor of the Secured Party.

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein and for other good, valuable, and binding consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows:

1. Definitions.

1.1 Capitalized terms used herein and not otherwise defined herein shall have the meanings provided in the Secured Note. To the extent that any terms or concepts defined or used herein are defined or used in the UCC (as defined below), such terms or concepts shall be interpreted for purposes hereof in a manner that is consistent with such definition or use in the UCC.

1.2 The following terms shall have the meanings set forth below:

“**Account**” has the meaning given such term in Section 9.102(a)(2) of the UCC.

“**Account Debtor**” has the meaning given such term in Section 9.102(a)(3) of the UCC.

“**Certificate of Title**” has the meaning given such term in Section 9.102(a)(10) of the UCC.

“**Certificated Security**” has the meaning given such term in Section 8.102(a)(4) of the UCC.

“**Chattel Paper**” has the meaning given such term in Section 9.102(a)(11) of the UCC.

“**Collateral**” shall mean all right, title, and interest of the Debtor in and to all of the following property of the Debtor, whether now owned or hereafter acquired and whether now existing or hereafter coming into existence:

(i) Accounts;

- (ii) Chattel Paper and rights to receive monies included thereby;
- (iii) Commercial Tort Claims;
- (iv) Deposit Accounts;
- (v) Documents;
- (vi) Equity Collateral;
- (vii) General Intangibles;
- (viii) Goods, including Inventory and Equipment;
- (ix) Instruments and rights to receive monies included thereby;
- (x) Intellectual Property;
- (xi) Investment Property, including Commodity Accounts and Commodity Contracts;
- (xii) Letter-of-Credit Rights;
- (xiii) Notes;
- (xiv) other tangible and intangible personal property and Fixtures of the Debtor;

(xv) to the extent related to any property described in the clauses (i) through (xiv), all books, correspondence, loan files, records, invoices, and other papers, including without limitation all tapes, cards, computer runs, and other papers and documents in the possession or under the control of the Debtor or any computer service company from time to time acting for the Debtor; and

- (xvi) cash and non-cash Proceeds of any and all of the foregoing.

“**Commercial Tort Claim**” has the meaning given such term in Section 9.102(a)(13) of the UCC.

“**Commodity Account**” has the meaning given such term in Section 9.102(a)(14) of the UCC.

“**Commodity Contract**” has the meaning given such term in Section 9.102(a)(15) of the UCC.

“**Commodity Intermediary**” has the meaning given such term in Section 9.102(a)(17) of the UCC.

“**Copyright Collateral**” shall mean all Copyrights, whether now owned or hereafter acquired by the Debtor.

“**Copyrights**” shall mean all copyrights, copyright registrations, and applications for copyright registrations, including, without limitation, all renewals and extensions thereof, the right to recover for all past, present, and future infringements thereof, and all other rights of any kind whatsoever accruing thereunder or pertaining thereto.

“**Deposit Account**” has the meaning given such term in Section 9.102(a)(29) of the UCC.

“**Documents**” has the meaning given such term in Section 9.102(a)(30) of the UCC.

“**Entitlement Holder**” has the meaning given such term in Section 8.102(a)(7) of the UCC.

“**Entitlement Order**” has the meaning given such term in Section 8.102(a)(8) of the UCC.

“**Equipment**” has the meaning given such term in Section 9.102(a)(33) of the UCC.

“**Equity Collateral**” shall mean Pledged Equity and Pledged Equity Proceeds.

“**Event of Default**” shall have the meaning specified in Section 15 of this Agreement.

“**Financial Asset**” has the meaning given such term in Section 8.102(a)(9) of the UCC.

“**Fixtures**” has the meaning given such term in Section 9.102(a)(41) of the UCC.

“**General Intangibles**” has the meaning given such term in Section 9.102(a)(42) of the UCC.

“**Goods**” has the meaning given such term in Section 9.102(a)(44) of the UCC, and shall include Motor Vehicles.

“**Instruments**” has the meaning given such term in Section 9.102(a)(47) of the UCC.

“**Intellectual Property**” shall mean, collectively, all Copyright Collateral, all Patent Collateral, and all Trademark Collateral, together with (a) all inventions, processes, production methods, proprietary information, know-how, and trade secrets; (b) all licenses or user or other agreements granted to the Debtor with respect to any of the foregoing, in each case whether now or hereafter owned or used; (c) all information, customer lists, identification of suppliers, data, plans, blueprints, specifications, designs, drawings, recorded knowledge, surveys, engineering reports, test reports, manuals, materials standards, processing standards, performance standards, catalogs, computer and automatic machinery software and programs, splash screens, films, masters, and artwork; (d) all field repair data, sales data, and other information relating to sales or service of products now or hereafter manufactured; (e) all accounting information and all media in which or on which any information or knowledge or data or records may be recorded or stored and all computer programs used for the compilation or printout of such information, knowledge, records, or data; and (f) all licenses, consents, permits, variances, certifications, and approvals of governmental agencies now or hereafter held by the Debtor.

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