

11-26-02



Form PTO-1594 (Rev. 03/01)

OMB No. 0651-0027 (exp. 5/31/2002)

102292969

3 SHEET ONLY

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

Tab settings

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies): med
Advanced Power Technologies, Inc. 11-26-02

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

Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)
 Name: Lighthouse Financial Corp.
 Internal Address: _____
 Street Address: 925 West Market Street
 City: Greensboro State: NC Zip: 27401

Individual(s) citizenship _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation-State North Carolina
 Other _____

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
 (Designations must be a separate document from assignment)
 Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other Notice of Grant of Security Interest

Execution Date: October 31, 2002

4. Application number(s) or registration number(s):
 A. Trademark Application No.(s)
75/089296

B. Trademark Registration No.(s)
2,293,032 2,240,934 2,502,661 2,497,226

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
 Name: Najja J. Carraway, Paralegal
 Internal Address: Parker, Hudson, Rainer
& Dobbs LLP
 Street Address: 285 Peachtree Center Ave., N.E.
1500 Marquis Two Tower
 City: Atlanta State: GA Zip: 30303

6. Total number of applications and registrations involved: 5

7. Total fee (37 CFR 3.41).....\$ 140.00
 Enclosed 140.00
 Authorized to be charged to deposit account

8. Deposit account number: _____
 (Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.
To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Najja J. Carraway
 Name of Person Signing

Najja J. Carraway
 Signature

11/25/2002
 Date

Total number of pages including cover sheet, attachments, and document: 3

11/26/2002 DBYRNE 00000131 75089296
 01 FC:8521
 02 FC:8522
 40.00 OP
 100.00 OP

Mail documents to be recorded with required cover sheet information to:
 Commissioner of Patent & Trademarks, Box Assignments
 Washington, D.C. 20231

**NOTICE OF
GRANT OF SECURITY INTEREST
IN
TRADEMARKS**

United States Patent and Trademark Office

Ladies and Gentlemen:

Please be advised that pursuant to the Loan and Security Agreement dated April 26, 2001 (the "Loan Agreement") by and between Advanced Power Technologies, Inc., a Colorado corporation ("Borrower"), and Lighthouse Financial Corp., a North Carolina corporation ("Lender"), Borrower has granted to the Lender a continuing security interest in, and continuing lien upon, the trademark registrations and trademark applications shown below:

| Trademark | Registration No./ Application No. | Registration Date/ Application Date |
|------------|--------------------------------------|--|
| POWERCOVER | 2,293,032 | 11/16/1999 |
| POWERQWEST | 75/089296 | 4/22/1999 |
| POWERLINE | 2,240,934 | 4/20/1999 |
| POWER-CORE | 2,502,661 | 10/30/2001 |
| YARD STICK | 2,497,226 | 10/09/2001 |

Borrower and Lender hereby acknowledge and agree that the security interest in the foregoing trademark registrations and trademark applications (i) may only be terminated in accordance with the terms of the Loan Agreement and (ii) is not to be construed as an assignment of any trademark registration or trademark application.


Very truly yours,

**ADVANCED POWER
TECHNOLOGIES, INC.**

By: 
Kirk A. Turner, President

Acknowledged and Accepted:

LIGHTHOUSE FINANCIAL CORPORATION

By: 
Name: ROBERT O. BRADLEY III
Title: SENIOR LOAN ADMINISTRATOR

STATE OF GEORGIA

§
§
§

COUNTY OF Gwinnett

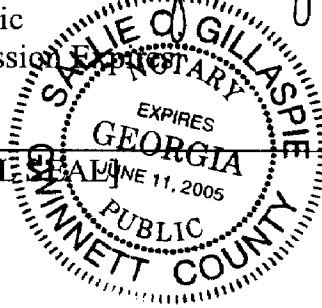
BEFORE ME, the undersigned authority, on this day personally appeared Kirk A. Turner, President of Advanced Power Technologies, Inc., to me known to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 31st day of October, 2002.

Sallie C. Gillaspie

Notary Public
My Commission Expires:

[NOTARIAL SEAL]



STATE OF NORTH CAROLINA §

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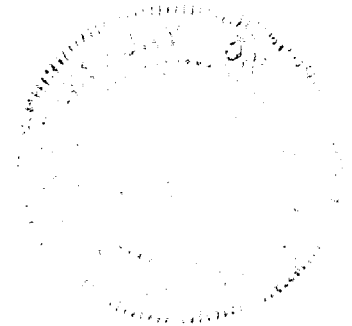
COUNTY OF GUILFORD

BEFORE ME, the undersigned authority, on this day personally appeared Robert O. Bradley III Senior Loan Administrator of Lighthouse Financial Corp., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 14 day of November, 2002.

Susan Hansbury
Notary Public
My Commission Expires:

10-14-2006
[NOTARIAL SEAL]



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