



RECORDATION FOR  
TRADEMARK

103336207

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

11.13.06

1. Name of conveying party(ies):

Advanced Interactive Systems, Inc.

- Individual(s)
- General Partnership
- Corporation- State: Delaware
- Other \_\_\_\_\_
- Association
- Limited Partnership

Citizenship (see guidelines) \_\_\_\_\_

Additional names of conveying parties attached?  Yes  No

3. Nature of conveyance /Execution Date(s) :

Execution Date(s) 10/2/06

- Assignment
- Security Agreement
- Other \_\_\_\_\_
- Merger
- Change of Name

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached?  Yes  No

Name: Bridge Bank, National Association

Internal \_\_\_\_\_

Address: \_\_\_\_\_

Street Address: 55 Almaden Blvd.

City: San Jose

State: CA

Country: United States Zip: 95113

- Association Citizenship United States
- General Partnership Citizenship \_\_\_\_\_
- Limited Partnership Citizenship \_\_\_\_\_
- Corporation Citizenship \_\_\_\_\_
- Other \_\_\_\_\_ Citizenship \_\_\_\_\_

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)

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

B. Trademark Registration No.(s)  
see attached

Additional sheet(s) attached?  Yes  No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

5. Name & address of party to whom correspondence concerning document should be mailed:

Name: Bridge Bank, National Association

Internal Address: \_\_\_\_\_

Street Address: 55 Almaden Blvd.

City: San Jose

State: CA Zip: 95113

Phone Number: 408-556-8300

Fax Number: 408-423-8510

Email Address: \_\_\_\_\_

6. Total number of applications and registrations involved:

12

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 315.00

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers \_\_\_\_\_  
Expiration Date \_\_\_\_\_

b. Deposit Account Number \_\_\_\_\_  
Authorized User Name \_\_\_\_\_

9. Signature:

Signature

Date

Jennifer Acaredo

Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 8

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to: Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

**Trademarks - Advanced Interactive Systems, Inc.**

78823211

78823237

78823242

78823221

78823217

78823204

78823200

78823193

78436501

78481974

78231806

78156992

**TRADEMARK**

**REEL: 003436 FRAME: 0833**

# INTELLECTUAL PROPERTY SECURITY AGREEMENT

This INTELLECTUAL PROPERTY SECURITY AGREEMENT, dated as of October 2, 2006, (the "Agreement") between BRIDGE BANK, NATIONAL ASSOCIATION ("Lender") and Advanced Interactive Systems, Inc., ("Grantor") is made with reference to the Business Financing Agreement, dated as of October 2, 2006 (as amended from time to time, the "Financing Agreement"), between Lender and Grantor. Terms defined in the Financing Agreement have the same meaning when used in this Agreement.

For good and valuable consideration, receipt of which is hereby acknowledged, Grantor hereby covenants and agrees as follows:

To secure the Obligations under the Financing Agreement, Grantor grants to Lender a security interest in all right, title, and interest of Grantor in any of the following, whether now existing or hereafter acquired or created in any and all of the following property (collectively, the "Intellectual Property Collateral"):

(a) copyright rights, copyright applications, copyright registrations and like protections in each work or authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret, now or hereafter existing, created, acquired or held (collectively, the "Copyrights"), including the Copyrights described in Exhibit A;

(b) trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Borrower connected with and symbolized by such trademarks (collectively, the "Trademarks"), including the Trademarks described in Exhibit B;

(c) patents, patent applications and like protections including without limitation improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same (collectively, the "Patents"), including the Patents described in Exhibit C;

(d) mask work or similar rights available for the protection of semiconductor chips or other products (collectively, the "Mask Works");

(e) trade secrets, and any and all intellectual property rights in computer software and computer software products;

(f) design rights;

(g) claims for damages by way of past, present and future infringement of any of the rights included above, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the intellectual property rights identified above;

(h) licenses or other rights to use any of the Copyrights, Patents, Trademarks, or Mask Works, and all license fees and royalties arising from such use to the extent permitted by such license or rights;

(i) amendments, renewals and extensions of any of the Copyrights, Trademarks, Patents, or Mask Works; and

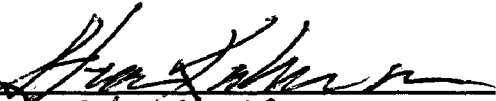
(j) proceeds and products of the foregoing, including without limitation all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.

The rights and remedies of Lender with respect to the security interests granted hereunder are in addition to those set forth in the Financing Agreement, and those which are now or hereafter available to Lender as a matter of law or equity. Each right, power and remedy of Lender provided for herein or in the Financing Agreement, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or remedy provided for herein, and the exercise by Lender of any one or more of such rights, powers or remedies does not preclude the simultaneous or later exercise by Lender of any other rights, powers or remedies.

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

GRANTOR:

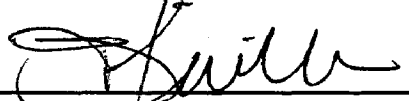
ADVANCED INTERACTIVE SYSTEMS, INC.

By:   
Name: Steve Kan  
Title: President

Address for Notices:

LENDER:

BRIDGE BANK, NATIONAL ASSOCIATION

By:   
Name: \_\_\_\_\_  
Title: Betty L. Linvill

Address for Notices: Senior Vice President  
Attn: Lee Shodiss  
55 Alameda Blvd.  
San Jose, CA 95113  
Tel: (408) 556-6502  
Fax: (408) 423-8510

# Schedule of AIS Patents and Trademarks as of 9/30/06

## AIS Issued Patents

Pat No.	Title
5,980,254	Electronically controlled weapons range with return fire
5,947,738	Simulated weapon with gas cartridge
5,823,779	Electronically controlled weapons range with return fire
5,842,300	Retrofittable laser and recoil system for a firearm - FSS, Inc
5,649,706	Simulator and practice method <i>owned individually by Erwin Treat, Jr. &amp; Eric Muchle</i>

*OK*

## AIS Pending Patents

- 1) Simulator with Fore and Aft Video Displays, serial #10/810757, filed 1-27-03
- 2) Instrumented Firearm, Transferred to Cubic serial #10/839470
- 3) Training Simulator with Trainee Head Mounted Camera Serial #10/810757, filed 3-25-04
- 4) Simulator for Taser Training, serial # 10/967741
- 5) Weapon Recoil (Electric) – nearly ready to file, but not filed. Small cost to file
- 6) Electronically Controlled Weapons range with Return Fire, in Europe

## Trademarks

Serial No.	Reg. No.	Word Mark	Check / Status	State	
78823211		PRISIM	TARR	LIVE	1B ✓
78823237		SIMREADY	TARR	LIVE	1B ✓
78823242		FLEXSPACE	TARR	LIVE	1B ✓
78823221		INSTALLED TRAINER	TARR	LIVE	1B ✓
78823217		PORTABLE TRAINER	TARR	LIVE	1B ✓
78823204		AIS-SIM	TARR	LIVE	1B ✓
78823200		ADVANCED INTERACTIVE SYSTEMS	TARR	LIVE	1B ✓
78823193		AIS	TARR	LIVE	1B ✓
78436501		REALITY RESPONSE	TARR	LIVE	1B ✓
78481974	3034994	SHOOTBACK	TARR	LIVE	1A ✓
78231806	2805089	SVS	TARR	LIVE	1A ✓
78156992	2814954	AS REAL AS IT GETS	TARR	LIVE	1A ✓
78526122		VIRTUAL VITALS	TARR	DEAD	
78427063		ACTS	TARR	DEAD	
78349322		TMS	TARR	DEAD	
78331770		BEHAVIOR PATTERN RECOGNITION	TARR	DEAD	
78331749		BEHAVIOR PATTERN RECOGNITION	TARR	DEAD	
76000152		THE ONLINE EXCHANGE	TARR	DEAD	
75348819		ADVANCED INTERACTIVE SYSTEMS	TARR	DEAD	
75348814		ADVANCED INTERACTIVE SYSTEMS	TARR	DEAD	
75348811		ADVANCED INTERACTIVE SYSTEMS	TARR	DEAD	
75348807		ADVANCED INTERACTIVE SYSTEMS	TARR	DEAD	

Note: Only trademarks with a registration number have been issued. Others are pending (live) or dead.

EXHIBIT A

COPYRIGHTS

Description

Registration/  
Application  
Number

Registration/  
Application  
Date

EXHIBIT B

TRADEMARKS

Description

Registration/  
Application  
Number

Registration/  
Application  
Date

**EXHIBIT C**

**PATENTS**

**Description**

**Registration/Application  
Number**

**Registration/  
Application  
Date**