

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Security Agreement

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Digital Recorders, Inc.		03/15/2006	CORPORATION: NORTH CAROLINA
Digital Audio Corporation		03/15/2006	CORPORATION: NORTH CAROLINA
Twin Vision of North America, Inc.		03/15/2006	CORPORATION: NORTH CAROLINA

RECEIVING PARTY DATA

Name:	Laurus Master Fund, Ltd.
Street Address:	825 Third Avenue 14th Floor
Internal Address:	c/o Laurus Capital Management LLC
City:	New York
State/Country:	NEW YORK
Postal Code:	10022
Entity Type:	COMPANY: CAYMAN ISLANDS

PROPERTY NUMBERS Total: 15

Property Type	Number	Word Mark
Serial Number:	75763900	DAC
Serial Number:	76354124	DIGITAL RECORDERS
Serial Number:	76551985	DR500C+
Serial Number:	76545891	DR600
Serial Number:	75181268	ELYSE
Serial Number:	78105184	QUICKENHANCE
Serial Number:	78045100	SSABR
Serial Number:	78063631	SSABR
Serial Number:	74247475	TALKING BUS
Serial Number:	75157950	TWINVISION

CH \$390.00 75763900

Serial Number:	78635663	ADVANCED TECHNOLOGY. ENHANCING MOBILITY. ENABLING SECURITY.
Serial Number:	78709995	DR GENERATION-600
Serial Number:	78771572	LIVELOOK-IN
Serial Number:	76636317	TOMORROW'S TECHNOLOGY COLORING TODAY'S TRANSIT
Serial Number:	78688045	VACTELL

CORRESPONDENCE DATA

Fax Number: (866)826-5420
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 3016380511
Email: ipresearchplus@comcast.net
Correspondent Name: IP Research Plus, Inc.
Address Line 1: 21 Tadcaster Circle
Address Line 2: Attn: Penelope J.A. Agodoa
Address Line 4: Waldorf, MARYLAND 20602

NAME OF SUBMITTER:	Penelope J.A. Agodoa
Signature:	/pja/
Date:	02/15/2007

Total Attachments: 8
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EXHIBIT 1

	<u>NAME</u>	<u>ORGANIZATION</u>	<u>JURISDICTION</u>
1.	DIGITAL RECORDERS, INC.	CORPORATION	NORTH CAROLINA
2.	DIGITAL AUDIO CORPORATION	CORPORATION	NORTH CAROLINA
3.	TWIN VISION OF NORTH AMERICA, INC.	CORPORATION	NORTH CAROLINA

**GRANT OF SECURITY INTEREST
IN PATENTS AND TRADEMARKS**

THIS GRANT OF SECURITY INTEREST ("Grant"), effected as of March 15, 2006, is executed by Digital Recorders, Inc., a North Carolina corporation, Digital Audio Corporation, a North Carolina corporation and Twin Vision of North America, Inc. (collectively, the "Grantor"), in favor of Laurus Master Fund, Ltd. (the "Secured Party").

A. Pursuant to a Security Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement") among the Grantor, certain other Companies (as defined in the Security Agreement), and the Secured Party, the terms and provisions of which are hereby incorporated herein as if fully set forth herein, the Grantor and the other Companies have granted a security interest to the Secured Party in consideration of the Secured Party's agreement to provide financial accommodations to Digital Recorders, Inc.

B. The Grantor (1) has adopted, used and is using the trademarks reflected in the trademark registrations and trademark applications in the United States Patent and Trademark Office more particularly described on Schedule 1 annexed hereto as part hereof (the "Trademarks"), and (2) has registered or applied for registration in the United States Patent and Trademark Office of the patents more particularly described on Schedule 2 annexed hereto as part hereof (the "Patents").

C. The Grantor wishes to confirm its grant to the Secured Party of a security interest in all right, title and interest of the Grantor in and to the Trademarks and Patents, and all proceeds thereof, together with the business as well as the goodwill of the business symbolized by, or related or pertaining to, the Trademarks, and the customer lists and records related to the Trademarks and Patents and all causes of action which may exist by reason of infringement of any of the Trademarks and Patents (collectively, the "T&P Collateral"), to secure the payment, performance and observance of the Obligations (as that term is defined in the Security Agreement).

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged:

1. The Grantor does hereby further grant to the Secured Party a security interest in the T&P Collateral to secure the full and prompt payment, performance and observance of the Obligations.

2. The Grantor agrees to perform, so long as the Security Agreement is in effect, all acts deemed necessary or desirable by the Secured Party to permit and assist it, at the Grantor's expense, in obtaining and enforcing the Trademarks and Patents in any and all countries. Such acts may include, but are not limited to, execution of documents and assistance or cooperation in legal proceedings. The Grantor hereby appoints the Secured Party as the Grantor's attorney-in-fact to execute and file any and all agreements, instruments, documents and papers as the

Secured Party may determine to be necessary or desirable to evidence the Secured Party's security interest in the Trademarks and Patents or any other element of the T&P Collateral, all acts of such attorney-in-fact being hereby ratified and confirmed.


3. The Grantor acknowledges and affirms that the rights and remedies of the Secured Party with respect to the security interest in the T&P Collateral granted hereby are more fully set forth in the Security Agreement and the rights and remedies set forth herein are without prejudice to, and are in addition to, those set forth in the Security Agreement. In the event that any provisions of this Grant are deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall govern.

4. The Grantor hereby authorizes the Secured Party to file all such financing statements or other instruments to the extent required by the Uniform Commercial Code and agrees to execute all such other documents, agreements and instruments as may be required or deemed necessary by the Secured Party, in each case for purposes of affecting or continuing Secured Party's security interest in the T&P Collateral.


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IN WITNESS WHEREOF, the Grantor has caused this instrument to be executed as of the day and year first above written.


DIGITAL RECORDERS, INC.

By: 
Name: *David L. Turney*
Title: *Chairman, CEO, & President*

DIGITAL AUDIO CORPORATION

By: 
Name: *David L. Turney*
Title: *President*

**TWIN VISION OF NORTH AMERICA,
INC.**

By: 
Name: *David L. Turney*
Title: *President*

IP

LAURUS MASTER FUND, LTD.

By: _____

Name: *DAVID GRW*
Title: *DIRECTOR.*

SCHEDULE 1 TO GRANT OF SECURITY INTEREST
REGISTERED TRADEMARKS AND TRADEMARK APPLICATIONS

1. 75/763,900
2. 76/354,124
3. 76/551,985
4. 76/545,891
5. 75/181,268
6. 78/105,184
7. 78/045,100
8. 78/063,631
9. 74/247,475
10. 75/157,950
11. 78/635,663
12. 78/709,995
13. 78/771,572
14. 76/636,317
15. 78/688,045

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203891-10098

TRADEMARK
REEL: 003482 FRAME: 0603

SCHEDULE 2 TO GRANT OF SECURITY INTEREST
PATENTS AND PATENT APPLICATIONS

1. 10/822,974
2. 29/113,345
3. 10/869,305
4. 10/880,811
5. 10/417,383
6. 60/749,740
7. 60/713,414

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203891-10098

RECORDED: 02/15/2007

TRADEMARK
REEL: 003482 FRAME: 0604