

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
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<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	SECURITY INTEREST		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Distributed Energy Systems Corp.		06/01/2007	CORPORATION: DELAWARE
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Perseus Partners VII, L.P.		
<b>Street Address:</b>	2099 Pennsylvania Avenue, N.W.		
<b>Internal Address:</b>	9th Floor		
<b>City:</b>	Washington		
<b>State/Country:</b>	DISTRICT OF COLUMBIA		
<b>Postal Code:</b>	20006		
<b>Entity Type:</b>	LIMITED PARTNERSHIP: DELAWARE		
<b>PROPERTY NUMBERS Total: 2</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
<b>Registration Number:</b>	3012346	DISTRIBUTED ENERGY SYSTEMS	
<b>Serial Number:</b>	78349531	E	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(617)526-5000		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
<b>Phone:</b>	617-526-6448		
<b>Email:</b>	huelinh.tran@wilmerhale.com		
<b>Correspondent Name:</b>	Michael J. Bevilacqua, Esquire		
<b>Address Line 1:</b>	Wilmer Cutler Pickering Hale and DorrLLP		
<b>Address Line 2:</b>	60 State Street		
<b>Address Line 4:</b>	Boston, MASSACHUSETTS 02109		
<b>ATTORNEY DOCKET NUMBER:</b>	110.166.131		
<b>NAME OF SUBMITTER:</b>	Michael J. Bevilacqua		

CH \$65.00 3012346

Signature:

/michael j. bevilacqua/

Date:

06/08/2007

**Total Attachments: 6**

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**COLLATERAL ASSIGNMENT OF TRADEMARKS**

This COLLATERAL ASSIGNMENT OF TRADEMARKS (the "Collateral Assignment") is dated as of June 1, 2007, and is made between DISTRIBUTED ENERGY SYSTEMS CORP., a Delaware corporation with an office at 10 Technology Drive, Wallingford, CT 06492 ("Company"), and PERSEUS PARTNERS VII, L.P., a Delaware limited partnership with an office at 2099 Pennsylvania Avenue, N.W., 9th Floor, Washington, D.C. 20006, as collateral agent ("Perseus" or the "Collateral Agent") for, and for the benefit of, Perseus.

**W I T N E S S E T H**

WHEREAS, the Company and Perseus have entered into that certain Securities Purchase Agreement, dated as of May 10, 2007 (the "Purchase Agreement"), as well as certain other Transaction Documents (as defined in the Purchase Agreement) dated on or about the date hereof;

WHEREAS, in order to induce Perseus to enter into the Purchase Agreement and the Transaction Documents, the Company has entered into a Security and Pledge Agreement on or about the date hereof, among the Company and Perseus (the "Security Agreement"), pursuant to which the Company grants a security interest in and to the Collateral (as hereinafter defined) to secure the full and punctual payment of the Obligations (as defined in the Security Agreement); and

WHEREAS, the Company owns all right, title, and interest in and to, among other things, all the United States trademarks, trademark registrations and trademark applications, set forth on Schedule A hereto (the "Marks").

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, as security for the Obligations the Company hereby transfers and conveys to Collateral Agent, and grants to Collateral Agent, a security interest in:

- (a) the Marks;
- (b) all future trademarks, trademark registrations and trademark applications hereafter developed by, acquired by, granted to or filed by the Company (the "Future Marks");
- (c) all proceeds and products of the Marks and Future Marks;
- (d) the goodwill of the businesses with which the Marks and Future Marks are associated;

- (e) all causes of action arising prior to or after the date hereof for infringement of any of the Marks and Future Marks or unfair competition regarding the same.

All of the foregoing items set forth in clauses (a) through (d) are hereinafter referred to collectively as the "Collateral".

**AND** the Company hereby covenants with Collateral Agent as follows:

1. **The Company's Obligations.** The Company agrees that, notwithstanding this Collateral Assignment, it will perform and discharge and remain liable for all its covenants, duties, and obligations arising in connection with the Collateral and any licenses and agreements related thereto. Collateral Agent shall have no obligation or liability in connection with the Collateral or any licenses or agreements relating thereto by reason of this Collateral Assignment or any payment received by Collateral Agent relating to the Collateral, nor shall Collateral Agent be required to perform any covenant, duty or obligation of the Company arising in connection with the Collateral or any license or agreement related thereto or to take any other action regarding the Collateral or any such licenses or agreement.

2. **Use Prior to Default.** Subject to Section 3 hereof, the Company shall retain all of its right, title, and interest in and to the Collateral and shall have the right to use and license the Collateral in the ordinary course of its business, subject to the terms and conditions of the Purchase Agreement, the Security Agreement and the other Transaction Documents.

3. **Remedies Upon Default.** Whenever any Event of Default (as defined in the Security Agreement) shall have occurred and be continuing, Collateral Agent shall have all the rights and remedies granted to it in such event by the Purchase Agreement and the other Transaction Documents, which rights and remedies are specifically incorporated herein by reference and made a part hereof. Collateral Agent in such event may collect directly any payments due to the Company in respect of the Collateral and may sell, license, lease, assign, import, export, or otherwise dispose of all or any part of the Collateral. The Company agrees that, in the event of any disposition of the Collateral upon and during the continuance of any such Event of Default, it will duly execute, acknowledge, and deliver all documents necessary or advisable to record title to the Collateral in any transferee or transferees thereof, including, without limitation, valid, recordable assignments of the Marks. In the event the Company fails or refuses to execute and deliver such documents, the Company hereby irrevocably appoints Collateral Agent as its attorney-in-fact, with power of substitution, to execute, deliver, and record any such documents on the Company's behalf. For the purpose of enabling Collateral Agent to exercise rights and remedies upon and during the continuance of an Event of Default, the Company hereby grants to Collateral Agent an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to the Company) to make, have made, use, sell, assign, license, sublicense, import or export any of the Collateral, now owned or hereafter acquired by the Company, and wherever the same may be located. Notwithstanding any provision hereof to the contrary during the continuance of an Event of Default, the Company may sell merchandise utilizing the Marks, and otherwise make use thereof, in the ordinary course

of its business and in a manner consistent with its past practices, until it receives written notice from Collateral Agent of an intended sale or other disposition of the Collateral.

4. **Amendments and Waivers.** This Collateral Assignment may not be modified, supplemented, or amended, or any of its provisions waived except in a writing signed by the Company and Collateral Agent. The Company hereby authorizes Collateral Agent to modify this Collateral Assignment by amending Schedule A hereto to add any Future Marks, provided Collateral Agent notifies the Company promptly in writing of such modification.

5. **Waiver of Rights.** No course of dealing between the parties to this Collateral Assignment or any failure or delay on the part of any such party in exercising any rights or remedies hereunder shall operate as a waiver of any rights and remedies of such party or any other party, and no single or partial exercise of any rights or remedies by one party hereunder shall operate as a waiver or preclude the exercise of any other rights and remedies of such party or any other party. No waiver by Collateral Agent of any breach or default by the Company shall be deemed a waiver of any other previous breach or default or of any breach or default occurring thereafter.

6. **Assignment.** The provisions of this Collateral Assignment shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto; provided, however, that, except as otherwise provided in the Transaction Documents, no interest herein or in or to the Collateral may be assigned by the Company without the prior written consent of Collateral Agent.

7. **Enforcement.** If an Event of Default has occurred and is continuing, Collateral Agent shall have the right but shall in no way be obligated to bring suit in its own name to enforce the Marks and any license thereunder, in which event the Company shall at the request of Collateral Agent do any and all lawful acts and execute any and all proper documents and deeds required by Collateral Agent in aid of such enforcement and the Company shall promptly, upon demand, reimburse and indemnify Collateral Agent or its agents for all out-of-pocket costs and expenses incurred by Collateral Agent in the exercise of its rights as provided in the Security Documents (as defined in the Purchase Agreement).

8. **Termination.** At such time as the Obligations (as defined in the Security Agreement) shall have been satisfied, Collateral Agent will execute and deliver to the Company, all instruments as may be necessary or proper to terminate this Collateral Assignment and to re-vest the Company with full title to the Collateral, subject to any dispositions thereof which may have been made by Collateral Agent pursuant to this Collateral Assignment.

9. **Severability.** If any clause or provision of this Collateral Assignment shall be held invalid or unenforceable, in whole or in part, in any jurisdiction, such invalidity or unenforceability shall attach only to such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such or any other clause or provision in any other jurisdiction.

10. **Notices.** All notices, communications, requests and demands to or upon the Company or Collateral Agent under this Collateral Assignment shall be given in accordance with Section 5.6 (Notices) of the Security Agreement.

11. **Defined Terms.** Terms defined in the Transaction Documents and not otherwise defined herein have, as used herein, the respective meanings provided for therein.

12. **Governing Law.** This Collateral Assignment shall be governed by, construed, applied, and enforced in accordance with the laws of the State of New York, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws thereof, except that no doctrine of choice of law shall be used to apply the laws of any other state or jurisdiction, except the federal laws of the United States of America applicable to trademarks.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have entered into this Collateral Assignment as of the date first above written.

DISTRIBUTED ENERGY SYSTEMS CORP.

By: *At Schwab*  
Name: At Schwab  
Title: CEO

PERSEUS PARTNERS VII, L.P., as Collateral Agent

By: Perseus Partners VII GP, L.P.,  
*its general partner*

By: Perseus Partners VII GP, L.L.C.,  
*its general partner*

By: *John C. Fox*  
John C. Fox  
Senior Managing Director

**Schedule A**

**U.S. TRADEMARKS**

<b>Title</b>	<b>Trademark</b>	<b>Date Issued</b>	<b>Owner</b>
Distributed Energy Systems	3,012,346	11/1/2005	Distributed Energy Systems

<b>Title</b>	<b>Trademark S/N</b>	<b>Date Filed</b>	<b>Owner</b>
E design	78/349,531	1/8/2004	Distributed Energy Systems