

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:		NEW ASSIGNMENT	
NATURE OF CONVEYANCE:		SECURITY INTEREST	
CONVEYING PARTY DATA			
Name		Formerly	Execution Date
Total Security Services International, Inc.			09/14/2009
			CORPORATION: MARYLAND
RECEIVING PARTY DATA			
Name:		Prudent Capital II, L.P.	
Street Address:		1120 Connecticut Avenue, N.W.	
Internal Address:		Suite 1200	
City:		Washington	
State/Country:		DISTRICT OF COLUMBIA	
Postal Code:		20036	
Entity Type:		LIMITED PARTNERSHIP: MARYLAND	
PROPERTY NUMBERS Total: 3			
Property Type	Number	Word Mark	
Serial Number:	77747502	RESPONDERVIEW	
Serial Number:	77560801	TRANSPORTATION WATCH	
Serial Number:	77636924	FIRST OBSERVER	
CORRESPONDENCE DATA			
Fax Number:		(703)760-7777	
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>			
Phone:		703-760-7700	
Email:		trademark-dc@mofo.com	
Correspondent Name:		Hsiao-Ting Cheng	
Address Line 1:		1650 Tysons Boulevard	
Address Line 2:		Suite 400	
Address Line 4:		McLean, VIRGINIA 22102	
ATTORNEY DOCKET NUMBER:		66878-4	

CH \$90.00 77747502

NAME OF SUBMITTER:	Lisa J. Tomasetti
Signature:	/Lisa J. Tomasetti/
Date:	09/16/2009
Total Attachments: 9 source=TSSI-Prudent Capital Security Agreement#page1.tif source=TSSI-Prudent Capital Security Agreement#page2.tif source=TSSI-Prudent Capital Security Agreement#page3.tif source=TSSI-Prudent Capital Security Agreement#page4.tif source=TSSI-Prudent Capital Security Agreement#page5.tif source=TSSI-Prudent Capital Security Agreement#page6.tif source=TSSI-Prudent Capital Security Agreement#page7.tif source=TSSI-Prudent Capital Security Agreement#page8.tif source=TSSI-Prudent Capital Security Agreement#page9.tif	

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "**Assignment**") is made as of this 14th day of September, 2009 between (i) **Total Security Services International, Inc.**, a Maryland corporation (the "**Assignor**"), and (ii) **PRUDENT CAPITAL II, L.P.**, a Maryland limited partnership (the "**Assignee**").

WHEREAS, Assignor, Assignee and others have entered into a Loan Agreement of even date herewith ("**Loan Agreement**"), pursuant to which Assignee has agreed to make a term loan available to Assignor, such term loan to be evidenced by, among other things, a Promissory Note of even date herewith made to the order of Assignee in the original principal amount of Four Million Six Hundred Thousand Dollars and No Cents (\$4,600,000.00) (the "**Note**");

WHEREAS, pursuant to the terms of a Security Agreement of even date herewith made in favor of Assignee (the "**Security Agreement**"), as required pursuant to the terms of the Loan Agreement, in order to secure the performance of the Liabilities, Assignor has granted Assignee a security interest in all of Assignor's property, including, without limitation, all Intellectual Property of the Assignor (including, without limitation, the Intellectual Property described herein);

WHEREAS, as a condition to the making of the term loan, Assignee requires that Assignor enter into this Assignment;

WHEREAS, any capitalized term used herein and not otherwise defined herein shall have the meaning given to it in the Loan Agreement; and

WHEREAS, Assignor is the owner of the entire right, title and interest in and to the Intellectual Property described in Exhibit A annexed hereto and made a part hereof.

NOW THEREFORE, in consideration of the premises and the covenants herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and accepted, the undersigned parties agree as set forth below.

1. Security Interest.

(a) **Grant of Security Interest.** Assignor hereby grants, assigns and conveys to Assignee a continuing security interest in all of Assignor's now-existing or hereafter created or acquired right, title and interest in and to the following property, wherever located, and all reissues, renewals, extensions, continuations, continuations-in-part and divisions thereof (hereinafter, for purposes of this Assignment, collectively the "**Collateral**"):

(i) all Intellectual Property identified on Exhibit A;

(ii) the entire goodwill of or associated with the businesses now or hereafter conducted by Assignor connected with and symbolized by any of the aforementioned properties and assets;

(iii) all commercial tort claims associated with or arising out of any of the aforementioned properties and assets;

(iv) all accounts, all intangible intellectual or other similar property and other general intangibles associated with or arising out of any of the aforementioned properties and assets and not otherwise described above, including all license payments and payments under insurance (whether or not Assignee is the loss payee thereof) or any indemnity, warranty or guaranty payable by reason of loss or damage to or otherwise with respect to the foregoing Collateral; and

(v) all products, proceeds and supporting obligations of or with respect to any and all of the foregoing Collateral.

(b) **Supplement to Security Agreement.** This Assignment has been granted in conjunction with the security interest granted to Assignee under the Security Agreement. The rights and remedies of Assignee with respect to the security interest granted herein are without prejudice to, and are in addition to those set forth in the Security Agreement, all terms and provisions of which are incorporated herein by reference.

2. **Obligations Secured.** This Assignment is made to Assignee to secure repayment of the Note and to secure payments and performance of all Liabilities.

3. **Warranties and Covenants.**

(a) **Good Title.** All of the existing Collateral is valid and subsisting in full force and effect in its current form as Intellectual Property, such Collateral represents all of the Intellectual Property used in or necessary for the conduct of the business of the Assignor, and Assignor owns the sole, full and clear title thereto. Assignor has the right and power to grant the assignments granted hereunder. The Collateral is not subject to any liens, claims, mortgages, assignments, licenses, security interest or encumbrances of any nature whatsoever, except the assignment granted hereunder.

(b) **No Transfer.** Assignor will not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon, encumber, grant an exclusive or non-exclusive license relating to, or otherwise dispose of any of the Collateral without the prior written consent of Assignee to any such action, except as such action is expressly permitted hereunder.

(c) **Lien Perfection.** Assignor will, at Assignor's expense, perform all acts and execute, perfect, maintain, record or enforce the assignment in the Collateral or to otherwise further the provisions of this Assignment. Assignor hereby authorizes Assignee to execute and file one or more financing statements (or similar documents) with respect to the Collateral, signed only by Assignee.

(d) **Litigation.** Assignor has no knowledge of any rights, claims or other encumbrances that purport to preclude Assignor from conducting its business, and Assignor has no knowledge of any claim that its use of the Intellectual Property has or will violate any rights, or support any claim of infringement or other claims, of any other person or entity. Assignee may, in its sole discretion, pay any amount or do any act that Assignor fails to do or pay as required hereunder or as requested by Assignee to preserve, defend, protect, maintain, record or enforce the Liabilities, the Collateral, or the assignment granted hereunder, including, without limitation, filing fees, court costs, travel expenses and reasonable attorneys' fees. In the event that the Intellectual Property is or becomes the subject of any litigation, Assignee shall at its option have the sole right to control such litigation, select counsel, determine whether settlement shall be offered or accepted, determine and negotiate all settlement terms and be indemnified by Assignor for all costs of litigation and settlement including, without limitation, all costs, expenses and reasonable attorneys' fees. Assignor will be liable to Assignee for any payments under this paragraph which shall be deemed reasonable expenses under the terms of the Note.

(e) **No Other Patents/Trademarks; No Pending Applications.** As of the date hereof, Assignor has no patents or trademarks issued by, or the subject of pending applications in, the United States Patent and Trademark Office (the "PTO") or any similar office or agency in the United States or any other country, other than that described in Exhibit A annexed hereto; provided, however, that subject to subsection (f) below, if Assignor shall obtain rights to any new trademarks, any new patentable inventions or become entitled to the benefit of any patent application or patent for any reissue, division, or continuation, of any patent, the provisions of this Assignment shall automatically apply thereto. Assignor shall give prompt notice in writing to Assignee with respect to any such new trademarks or patents, or renewal or extension of any trademark registration. Without limiting Assignor's obligations under this Section 3(e), Assignor authorizes Assignee to modify this Assignment by amending Exhibit A

to include any such new patent or trademark rights. Notwithstanding the foregoing, no failure to so modify this Assignment or amend Exhibit A shall in any way affect, invalidate or detract from Assignor's continuing security interest in all Collateral, whether or not listed on Exhibit A.

(f) No Subsequent Applications. Assignor shall not file any application for the issuance of a patent or trademark with the PTO or any similar office or agency in the United States or any other country, unless Assignor has by prior written notice informed Assignee of such action and obtained consent thereto (which consent shall not be unreasonably withheld or delayed). Upon request of Assignee, Assignor shall execute and deliver to Assignee any and all assignments, agreements, instruments, documents and such other papers as may be requested by Assignee to effect a collateral assignment of such application to Assignee.

(g) No Abandonment. Except as disclosed in Exhibit A, Assignor has not abandoned any pending patent or trademark application and Assignor will not do any act, nor omit to do any act, whereby the patents or trademarks may become abandoned or unenforceable. Assignor shall notify Assignee immediately if it knows or has reason to know of any reason why any application, trademark or patent may become abandoned, invalidated or the subject of any suit.

(h) Maintenance. On a continuing basis, Assignor shall make, execute, acknowledge and deliver, and file and record in the proper filing and recording places, all such instruments and documents, and take all such action as may be necessary or advisable or may be requested by Assignee to carry out the intent and purposes of this Assignment, or for assuring, confirming or protecting the grant or perfection of the security interest granted or purported to be granted hereby, to ensure Assignor's compliance with this Assignment or to enable Assignee to exercise and enforce its rights and remedies hereunder with respect to the Collateral, including any documents for filing with the PTO and/or any similar office or agency in the United States or any other country. Assignee may record this Assignment, an abstract thereof, or any other document describing Assignee's interest in the Collateral with the PTO, at the expense of Assignor. Further, Assignor will render any assistance necessary to Assignee without cost in any proceeding before the PTO or any similar office or agency in the United States or any other country to maintain each application and Intellectual Property.

(i) Notify. Assignor will promptly notify Assignee if Assignor (or Affiliate or subsidiary thereof) learns of any use by any person of any infringement of the Intellectual Property. If requested by Assignee, Assignor, at Assignor's expense, shall join with Assignee in such action as Assignee, in Assignee's discretion, may deem advisable for the protection of Assignee's interest in and to the Intellectual Property.

(j) Indemnification. Assignor assumes all responsibility and liability arising from the use of Intellectual Property and Assignor hereby indemnifies and holds Assignee harmless from and against any claim, suit, loss, damage or expense (including attorneys' fees) arising out of any alleged defect in any product manufactured, promoted or sold by Assignor (or any Affiliate or subsidiary thereof) in connection with any Intellectual Property or out of the manufacture, promotion, labeling, sale or advertisement of any such product by Assignor (or any Affiliate or subsidiary thereof).

4. Remedies of Assignee. Upon an Event of Default and in addition to all other rights and remedies of Assignee, whether provided under law or equity or otherwise, Assignee shall have the following rights and remedies which may be exercised without notice to, or consent by, Assignor except as such notice or consent is expressly provided for herein.

(a) Bring Action. Assignee shall have the right, but shall in no way be obligated, to bring suit or to take such other action as Assignee deems necessary or advisable, in the name of Assignor or Assignee, to enforce or protect any Collateral, and any license thereunder, in which event Assignor shall, at the request of Assignee, do any and all lawful acts and execute any and all documents required by Assignee in aid of such enforcement.

(b) **Stop Use.** Assignee may require by written notice that neither Assignor nor any Affiliate or subsidiary of Assignor make any use of the patented inventions or the registered-marks subject hereto for any purpose whatsoever.

(c) **Licenses.** Assignor hereby grants to Assignee an irrevocable, non-exclusive and assignable license (exercisable without payment or royalty or other compensation to Assignee) to use, license or sublicense any Collateral. Assignee may grant such license or licenses relating to the Collateral for such term or terms, on such conditions, and in such manner, as Assignee shall in its sole discretion deem appropriate. Such license or licenses may be general, special or otherwise, and may be granted on an exclusive or nonexclusive basis throughout the United States of America, its territories and possessions and all foreign countries.

(d) **Sale.** Assignee may assign, sell or otherwise dispose of the Collateral or any part thereof, either with or without special conditions or stipulations, but subject to the UCC. Assignee shall have the power to buy the Collateral or any part thereof, and Assignee shall also have the power to execute assurances and perform all other acts which Assignee may, in Assignee's sole discretion, deem appropriate or proper to complete such assignment, sale or disposition.

(e) **Power of Attorney.** In addition to the foregoing, in order to implement the assignment, sale or other disposition of any of the Collateral pursuant to Subparagraph 4(b) hereof, Assignee may at any time execute and deliver on behalf of Assignor, one or more instruments of assignment of the Collateral (or application, letters patent or recording relating thereto), in form suitable for filing, recording or registration. Assignor agrees to pay when due all reasonable costs incurred in any such transfer of the Collateral, including, but not limited to, any taxes, fees and reasonable attorneys' fees.

(f) **Application of Proceeds; Deficiency.** Assignee may first apply the fees or proceeds actually received from any such license, assignment, sale or other disposition of Collateral to the reasonable costs and expenses thereof, including, without limitation to, reasonable attorneys' fees and all reasonable legal, travel and other expenses which may be incurred by Assignee. Thereafter, Assignee shall apply any remaining proceeds to the Liabilities. Assignor shall remain liable to Assignee for any expenses or Liabilities remaining unpaid after the application of such proceeds, and Assignor will pay Assignee on demand any such unpaid amount, together with interest at the interest rate set forth in the Note.

(g) **Trade Secrets.** In the event that any such license, assignment, sale or other disposition of the Collateral (or any part thereof) is made after the occurrence of an Event of Default, Assignor shall supply to Assignee or Assignee's designee, Assignor's knowledge and expertise relating to the manufacture and sale of Assignor's products according to the patented inventions, if any, Assignor's customer lists, and other records relating to the distribution of Assignor's products.

(h) **Non-Exclusive Remedies.** Nothing contained herein shall be construed as requiring Assignee to take any such action at any time. All of Assignee's rights and remedies, whether provided under law, the Liabilities, this Assignment or otherwise shall be cumulative and none is exclusive. Such rights and remedies may be enforced alternatively, successively or concurrently.

5. Miscellaneous.

(a) **Assignee's Duties.** Notwithstanding any provision contained in this Assignment, Assignee shall have no duty to exercise any of the rights, privileges or powers afforded to it and shall not be responsible to Assignor or any other Person for any failure to do so or delay in doing so. Except for and the accounting for moneys actually received by Assignee hereunder, Assignee shall have no duty or liability to exercise or preserve any rights, privileges or powers pertaining to the Collateral.

(b) No Waiver. Any failure or delay by Assignee to require strict performance by Assignor of any of the provisions, warranties, terms and conditions contained herein or in any other agreement, document or instrument, shall not affect Assignee's right to demand strict compliance and performance therewith, and any waiver of any default shall not waive or affect any other default, whether prior or subsequent thereto, and whether of the same or of a different type. None of the warranties, conditions, provisions, and terms contained herein or in any other agreement, document or instrument shall be deemed to have been waived by any act or knowledge of Assignee, its agents, officers or employees, but only by an instrument in writing, signed by an officer of Assignee and directed to Assignor, specifying such waiver.

(c) Notice. All notices, requests and demands to or upon the respective parties hereto shall be deemed to have been duly given or made: if by hand, immediately upon delivery; if by telex or telegram, immediately upon sending; if by Federal Express, express mail or any other overnight delivery service, one day after dispatch; and if mailed by certified mail, return receipt requested, five days after mailing. All notices, requests and demands are to be given or made to the respective parties at the following addresses (or to such other address as either party may designate by notice in accordance with the provisions of this paragraph):

If to Assignor: Total Security Services International, Inc.
8403 Colesville Road
Silver Spring Metro Plaza 2, Suite 400
Silver Spring, Maryland 20910
Attention: Russell Hall, President
Telephone: (301) 588-5900
Facsimile: (301) 588-0390

With a copy to: Samek & Rotbert, LLC
15245 Shady Grove Road, Suite 300N
Rockville, Maryland 20850
Attention: Suzanne L. Rotbert, Esq.
Telephone: (240) 912-3002
Facsimile: (240) 912-3032

If to Assignee: Prudent Capital II, L.P.
c/o Prudent Management, LLC
1120 Connecticut Avenue, N.W., Suite 1200
Washington, D.C. 20036
Attention: Steven J. Schwartz, Manager of
Prudent Management, LLC, General Partner
Telephone: (202) 828-9041
Facsimile: (202) 296-6293

With a copy to: Morrison & Foerster, LLP
1650 Tysons Boulevard, Suite 410
McLean, Virginia 22102
Attention: Thomas J. Knox, Esq.
Telephone: (703) 760-7317
Facsimile: (703) 760-7777

(d) Severability; Captions. In the event that any provision hereof shall be deemed to be invalid by any court, such invalidity shall not affect the remainder of this Assignment, which shall be deemed severable. The captions and paragraph headings herein shall not be considered part of this Assignment.

(e) Parties; Changes. This Assignment shall be binding upon and for the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors

and assigns. No provision hereof shall be modified, altered or limited except by a written instrument expressly referring to this Assignment signed by the party to be charged thereby.

(f) Choice of Law. The validity, interpretation and effect of this Assignment shall be governed by the laws of the State of Maryland without regard to its rules for conflicts of law.

(g) Consent to Jurisdiction; Service of Process. The Assignor hereby agrees and consents that any action or proceeding arising out of or brought to enforce the provisions of this Assignment may be brought in any appropriate court in the State of Maryland or in any other court having jurisdiction over the subject matter, all at the sole election of the Assignee, and by the execution of this Assignment, the Assignor irrevocably consents to the jurisdiction of each such court. The Assignor's resident agent in Maryland, to accept service of process for it and on its behalf in any proceeding brought pursuant to the provisions of this subsection, is Suzanne L. Rotbert, c/o Samek & Rotbert, LLC, 15245 Shady Grove Road, Suite 300, Rockville, Maryland 20850.

(h) No Marshalling. Notwithstanding the existence of any other security interests held by Assignee or by any other party, Assignee shall have the right to determine the order in which any or all of the Collateral shall be subjected to the remedies provided herein. Assignee shall have the right to determine the order in which any or all portions of the Liabilities are satisfied from the proceeds realized upon the exercise of the remedies provided herein. Assignor, any party who becomes liable for Assignor's obligations and covenants under this Assignment, and any party who now or hereafter acquires a security interest in the Collateral, or any portion thereof, hereby waives any and all right to require the marshalling of assets in connection with the exercise of any of the remedies permitted by applicable law or provided herein.

(i) Counterparts. This Assignment may be executed by the parties in one or more counterparts, each of which shall be binding against the signatory and all of which taken together shall constitute one instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed this Intellectual Property Security Agreement as of the day and year first above written.

"ASSIGNOR":

TOTAL SECURITY SERVICES INTERNATIONAL, INC.,
a Maryland corporation

Witness: _____

David M. Davis
Secretary

By: _____

Name: _____

Title: _____

Russell E. Hall
DIRECTOR & CHAIRMAN OF THE BOARD

"ASSIGNEE":

PRUDENT CAPITAL II, L.P.,
a Maryland limited partnership

By: Prudent Management, LLC,
its General Partner

Witness: _____

By: _____

Steven J. Schwartz, Manager

IN WITNESS WHEREOF, the parties hereto have executed this Intellectual Property Security Agreement as of the day and year first above written.

"ASSIGNOR":

TOTAL SECURITY SERVICES INTERNATIONAL, INC.,
a Maryland corporation

Witness: _____

By: _____
Name:
Title:

"ASSIGNEE":

PRUDENT CAPITAL II, L.P.,
a Maryland limited partnership

By: Prudent Management, LLC,
its General Partner

Witness: *Miranda Thompson*

By: *Steven J. Schwartz*
Steven J. Schwartz, Manager

EXHIBIT A

Intellectual Property

(1) ISSUED PATENTS

<u>PATENT NO.</u>	<u>ISSUE DATE</u>	<u>OWNER</u>
-------------------	-------------------	--------------

None.

(2) PENDING PATENT APPLICATIONS

<u>APPLICATION NO.</u>	<u>APPLICATION DATE</u>	<u>APPLICANT</u>
------------------------	-------------------------	------------------

None.

(3) REGISTERED TRADEMARKS

<u>REGISTRATION NO.</u>	<u>ISSUE DATE</u>	<u>OWNER</u>
-------------------------	-------------------	--------------

None.

(4) PENDING TRADEMARK APPLICATIONS

<u>APPLICATION NO.</u>	<u>MARK</u>	<u>APPLICANT</u>
------------------------	-------------	------------------

Serial No. 77/747,502	RESPONDERVIEW	Total Security Services International, Inc.
Serial No. 77/560,801	TRANSPORTATION WATCH	Total Security Services International, Inc.
Serial No. 77/636,924	FIRST OBSERVER	Total Security Services International, Inc.

(5) OTHER REGISTERED INTELLECTUAL PROPERTY

None.