

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	Entity Type
ITS ELECTRONICS INC.		11/30/2009	CORPORATION: CANADA
RECEIVING PARTY DATA			
Name:	CANADIAN IMPERIAL BANK OF COMMERCE		
Street Address:	595 Bay Street		
Internal Address:	Suite 500		
City:	Toronto		
State/Country:	CANADA		
Postal Code:	M5X 1G5		
Entity Type:	CORPORATION: CANADA		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Serial Number:	77354339	COOL BUC	
CORRESPONDENCE DATA			
Fax Number:	(416)862-7661		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	416-862-3528		
Email:	james.blonde@gowlings.com		
Correspondent Name:	Gowling Lafleur Henderson LLP		
Address Line 1:	100 King Street West		
Address Line 2:	1 First Canadian Place, Suite 1600		
Address Line 4:	Toronto, CANADA M5X 1G5		
ATTORNEY DOCKET NUMBER:	T979510		
DOMESTIC REPRESENTATIVE			
Name:			
Address Line 1:			

CH \$40.00 77354339

900151280

**TRADEMARK
 REEL: 004124 FRAME: 0750**

Address Line 2:
Address Line 3:
Address Line 4:

NAME OF SUBMITTER:

Arne Fors

Signature:

/Arne Fors/

Date:

01/05/2010

Total Attachments: 15

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS AGREEMENT effective as of November ~~30~~, 2009 made by **ITS ELECTRONICS INC.** (together with its successors and permitted assigns, the "**Grantor**") and located at 200 Edgeley Blvd., Suite 24, Concord, Ontario L4K 3Y8 in favour of **CANADIAN IMPERIAL BANK OF COMMERCE** and located at 595 Bay Street, Suite 500, Toronto, Ontario M5G 2C2 (together with its successors and assigns, the "**Lender**");

WHEREAS the Grantor and the Lender are parties to a credit agreement dated as of November ~~30~~, 2009 (as it may be amended, restated, supplemented, modified or replaced from time to time, the "**Credit Agreement**") pursuant to which the Lender has established the Credit Facilities in favour of the Grantor;

AND WHEREAS as general and continuing collateral security for the payment and fulfillment of the Secured Obligations (as defined below), the Grantor has agreed, *inter alia*, to grant, charge and pledge to the Lender a security interest in the Intellectual Property (as defined below);

NOW THEREFORE, in consideration of the Lender agreeing to make available the credit facilities in the Credit Agreement in favour of the Grantor and in order to induce the Lender to make the extension of credit under the Credit Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Grantor, the Grantor agrees and covenants with the Lender as follows:

- I. **Definitions.** All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Credit Agreement. In addition, in this Agreement, unless the context otherwise requires, the following words and expressions shall have the meanings set forth below:
 - (a) "**Agreement**" means this agreement, including the recitals and any schedules, as amended, modified, supplemented, restated or replaced from time to time;
 - (b) "**Copyrights**" has the meaning set out in Section 2(a) of this Agreement;
 - (c) "**Designs**" has the meaning set out in Section 2(f) of this Agreement;
 - (d) "**Intellectual Property**" has the meaning given to it in Section 2;
 - (e) "**Patents**" has the meaning set out in Section 2(d) of this Agreement;
 - (f) "**PPSA**" means the *Personal Property Security Act* (Ontario), as such legislation may be amended, renamed or replaced from time to time (and includes all regulations from time to time made under such legislation);
 - (g) "**Secured Obligations**" means all indebtedness, liabilities and obligations of every kind, nature and description (whether direct or indirect, joint or several, absolute or contingent, matured or unmatured) of the Grantor to the Lender including, without limitation, the payment of all reasonable costs and expenses incurred by the Lender in enforcing any rights under this Agreement;
 - (h) "**Software**" means all computer programs and databases and portions of each of the foregoing owned by the Grantor, in whatever form and on whatever medium those programs or databases are expressed, fixed, embodied or stored from time to time,

including any copyright in such Software, including, without limitation, any such copyright set forth on Schedule "A" attached hereto, and both the object code and the source code versions of each such program and portions thereof and all corrections, updates, enhancements, translations, modifications, adaptations and new versions thereof together with both the media upon or in which such programs, databases and portions thereof are expressed, fixed, embodied or stored (such as disks, diskettes, tapes and semiconductor chips) and all flow charts, manuals, instructions, documentation and other material relating thereto; and

(i) "Trademarks" has the meaning set out in Section 2(e) of this Agreement.

2. **Grant of Security Interest.** As general and continuing collateral security for the prompt and complete payment and performance of the Secured Obligations, the Grantor hereby grants to the Lender a security interest in all of the Grantor's intellectual property (all of which shall collectively be referred to as the "Intellectual Property") including, without limitation, the following:

- (a) Any and all copyright rights, copyright applications, copyright registrations and like protections in each work of authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret, now or hereafter acquired or held including, without limitation, those set forth in Schedule "A" attached hereto (collectively, the "Copyrights");
- (b) Any and all confidential, proprietary, and/or trade secret information now or hereafter acquired or held, including without limitation, plans, data, prototypes, manuals, documents, technical information, non-public information regarding patents, or patentable subject matter, research results, and strategies and tactics for researching;
- (c) Any and all property rights in Software;
- (d) Any and all patents, patent applications, like protections and patentable inventions now or hereafter acquired or held including, without limitation, improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same including, without limitation, the patents and patent applications listed in Schedule "B" attached hereto (collectively, the "Patents");
- (e) Any and all trademark and service mark rights, slogans, trade dress, tradenames and internet domain names, registered or not, applications to register and registrations of the same and like protections (excluding any intent to use filings) now or hereafter acquired or held, and the entire goodwill of the business of the Grantor associated therewith including, without limitation, those listed in Schedule "C" attached hereto (collectively the "Trademarks");
- (f) Any and all industrial design rights now or hereafter acquired or held including, without limitation, the registrations and applications listed in Schedule "D" attached hereto (collectively, the "Designs");
- (g) All licenses or other rights to use any of the Copyrights, Patents, Software, Designs, Trademarks, trade secrets, and all license fees and royalties due and/or payable to the Grantor arising from such use, to the extent permitted by such license or rights including, without limitation, those listed in Schedule "E" attached hereto;

- (h) Any and all claims for damages or compensation for past, present and future infringements 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 identified above;
 - (i) All amendments, extensions, renewals and extensions of any of the Copyrights, Trademarks, Patents or Designs; and
 - (j) All proceeds from disposition of the foregoing including, without limitation, all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.
3. **Exception Regarding Last Day.** The last day of the term of each license granted to the Grantor pursuant to any license agreement shall be excepted from this Agreement and shall not form part of the Intellectual Property. The Grantor shall stand possessed of that day in trust to assign and dispose of it as the Lender directs.
 4. **Additional Security.** The security in respect of the Intellectual Property provided for hereunder is in addition to and not in substitution for any other security now or hereafter held by the Lender in relation to the Secured Obligations.
 5. **Authorization and Request.** This Agreement has been executed and delivered by the Grantor for the purpose of recording the security interest of the Lender in the Intellectual Property with the Canadian Intellectual Property Office or any other comparable governmental office or agency in Canada, the United States of America or in Europe. The Grantor authorizes and requests that the Canadian Intellectual Property Office or the Register of Copyrights and the Commissioner of Patents and Trademarks in the United States, as the case may be, to record this Agreement.
 6. **Representations, Warranties and Covenants.** All of the representations and warranties contained in the Credit Agreement pertaining to or made by the Grantor, including, without limitation, by reference to any credit party are true, correct and complete as of the date hereof. The Grantor agrees to be bound by and comply with the covenants in the Credit Agreement pertaining to or made by the Grantor, or by reference to any credit party, as if an original party thereto.
 7. **Lender's Rights.** The Lender shall have the right, but not the obligation, to take, at the Grantor's sole expense, any actions that the Grantor is required under this Agreement to take but which the Grantor fails to take, after fifteen (15) business days' notice by the Lender to the Grantor. The Grantor shall reimburse and indemnify the Lender for all costs and expenses incurred in the exercise of its rights under this Section 7.
 8. **License Agreements.** The security interest granted hereunder shall not extend or apply to any right, title or interest of the Grantor under any present or future license agreements pursuant to which the Grantor is a licensee, to the extent such license agreements prohibit such a security interest from being granted without the consent or approval of another person as specified in such agreement and the security interest or assignment granted hereunder shall only apply upon such consent or approval being obtained, but the Grantor shall hold its interest therein in trust for the benefit of the Lender and shall grant a security interest to the Lender forthwith upon obtaining the consent of the other party thereto.
 9. **Inspection Rights.** The Grantor hereby grants to the Lender and each of its employees, representatives and agents the right to visit, during regular business hours upon reasonable prior

notice to the Grantor, any of the Grantor's stores, head office and facilities that manufacture, install or store products (or that have done so during the prior six-month period) that are sold utilizing any of the Intellectual Property, and to inspect the products and quality control records relating thereto upon reasonable written notice to the Grantor and as often as may be reasonably requested, but not more than once in every six (6) months; provided, however, nothing herein shall entitle the Lender access to the Grantor's trade secrets and other proprietary information.

10. **Further Assurances; Attorney in Fact.**

- (a) On a continuing basis, but subject to Section 19, the Grantor will, subject to any prior licenses, encumbrances and restrictions and prospective licenses, make, execute, acknowledge and deliver, and file and record in the proper filing and recording places in the United States and Canada, all such instruments, including appropriate financing and continuation statements and collateral agreements and filings with the Canadian Intellectual Property Office and the United States Patent and Trademarks Office and take all such action as may reasonably be deemed necessary or advisable, or as requested by the Lender, to perfect the Lender's security interests in all Copyrights, Patents, Trademarks and Designs, and otherwise to carry out the intent and purposes of this Agreement, or for assuring and confirming to the Lender the grant or perfection of a security interest in the Intellectual Property.
- (b) The Grantor hereby irrevocably appoints the Lender as the Grantor's attorney-in-fact, with full authority in the place and stead of the Grantor and in the name of the Grantor, the Lender or otherwise upon the occurrence and during the continuance of an Event of Default, from time to time in the Lender's discretion, upon the Grantor's failure or inability to do so, to take any action and to execute any instrument which the Lender may deem necessary or advisable to accomplish the purposes of this Agreement, including:
 - (i) To modify, in its sole discretion, this Agreement without first obtaining the Grantor's approval of or signature to such modification by amending Schedule "A", Schedule "B", Schedule "C", Schedule "D" and Schedule "E" hereof, as appropriate, to include reference to any right, title or interest in any Copyrights, Patents or Trademarks acquired by the Grantor after the execution hereof or to delete any reference to any right, title or interest in any Copyrights, Patents, Designs or Trademarks in which the Grantor no longer has or claims any right, title or interest; and
 - (ii) To file, in its sole discretion, one or more financing, financing change or continuation statements and amendments thereto, relative to any of the Intellectual Property without the signature of the Grantor where permitted by law.

11. **Default.** The Grantor shall be in default under this Agreement upon the occurrence of a default under the Credit Agreement.

12. **Remedies.** If default has occurred and is continuing, the Lender shall have the right to exercise all the remedies of a secured party under the PPSA including, without limitation, acceleration of the indebtedness, the right to require the Grantor to assemble the Intellectual Property and any tangible property in which the Lender has a security interest and to make it available to the Lender at a place designated by the Lender. The Grantor will pay any expenses (including

reasonable legal fees) incurred by the Lender in connection with the exercise of any of the Lender's rights hereunder, including without limitation any expense incurred in disposing of the Intellectual Property. All of the Lender's rights and remedies with respect to the Intellectual Property shall be cumulative.

13. **Appointment of Receiver.** Upon the occurrence and during the continuance of a default, the Lender may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of the Lender or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of the Intellectual Property (including any proceeds) and may remove any Receiver so appointed and appoint another in its stead. Any such Receiver shall, so far as concerns responsibility for its acts, be deemed the agent of the Grantor and not of the Lender, and the Lender shall not be in any way responsible for any misconduct, negligence, or non-feasance on the part of any such Receiver, its servants, agents or employees. Subject to the provisions of the instrument appointing him, any such Receiver shall have power to take possession of the Intellectual Property, to preserve the Intellectual Property or its value and to sell, license or otherwise dispose of or concur in selling, licensing or other disposing of the Intellectual Property. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others including the Grantor, enter upon, use and occupy all premises owned or occupied by the Grantor wherein the Intellectual Property may be situated, maintain the Intellectual Property upon such premises, borrow money on a secured or unsecured basis and use the Intellectual Property as security for loans or advances, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by the Lender, all money received from time to time by such Receiver in carrying out his appointment shall be received in trust for and paid over to the Lender. Every such Receiver may, in the discretion of the Lender, be vested with all and any of the rights and powers of the Lender.
14. **Exercise of Rights by the Lender.** Upon the occurrence and during the continuance of a default, the Lender may, either directly or through its nominees or agents, exercise any or all of the powers and rights given to a Receiver by virtue of Section 13.
15. **Taking Possession of Intellectual Property.** Upon the occurrence and during the continuance of a default, the Lender may take possession of, collect, demand, sue on, enforce, recover and receive the Intellectual Property and give valid and binding receipts and discharges therefor and in respect thereof, and, the Lender may sell, license or otherwise dispose of the Intellectual Property in such manner at such time or times and place or places, for such consideration and upon such terms and conditions as the Lender may deem reasonable.
16. **Rights and Remedies of the Lender under the PPSA.** In addition to those rights granted herein and in any other agreement now or hereafter in effect between the Grantor, the Lender and in addition to any other rights the Lender may have at law or in equity, the Lender shall have, after the occurrence and during the continuance of a default, all rights and remedies of a secured party under the PPSA provided always, that the Lender shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, license or otherwise dispose of the Intellectual Property or to institute any proceedings for such purposes. Furthermore, the Lender shall have no obligation to take any steps to preserve rights against prior parties to any Instrument (as defined in the PPSA) or Chattel Paper (as defined in the PPSA) whether the Intellectual Property or proceeds and whether or not in the Lender's possession and shall not be liable or accountable for failure to do so.

17. **Cooperation of Grantor with respect to Taking Possession.** The Grantor acknowledges that the Lender or any Receiver appointed by it may take possession of the Intellectual Property wherever it may be located and by any method permitted by law and the Grantor agrees upon request from the Lender or any such Receiver to assemble and deliver possession of the Intellectual Property at such place or places as directed.
18. **Costs.** The Grantor agrees to pay all cost, charges and expenses reasonably incurred by the Lender or any Receiver appointed by it, whether directly or for services rendered (including reasonable legal counsels' and auditors' costs and other reasonable legal expenses and Receiver remuneration), in operating the Grantor's accounts, in preparing or enforcing this Agreement, taking and maintaining custody of, preserving, registering, licensing, preparing for disposition and disposing of the Intellectual Property and in enforcing or collecting the Secured Obligations and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by the Lender or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of the Intellectual Property and shall be secured hereby.
19. **Notice of Sale.** The Lender will give the Grantor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of the Intellectual Property is to be made, as may be required by the PPSA.
20. **Reassignment.** At such time as the Grantor shall completely satisfy all of the obligations secured under this Agreement or Section 19 shall apply, the Lender shall execute and deliver to the Grantor all deeds, assignments, and other instruments as may be necessary or proper to reinvest in the Grantor full title to the property assigned hereunder, subject to any disposition thereof which may have been made by the Lender pursuant hereto.
21. **Course of Dealing.** No course of dealing, nor any failure to exercise, nor any delay in exercising any right, power or privilege hereunder shall operate as a waiver thereof.
22. **Amendments.** This Agreement may be amended only by a written instrument signed by both parties hereto.
23. **Survival and Reliance.** All representations and warranties of the Grantor made in this Agreement or in any certificate or other document delivered by or on behalf of the Grantor for the benefit of the Lender will be considered to have been relied on by the Lender and will survive the execution and delivery of this Agreement or any investigation made at any time by or on behalf of the Lender and any disposition on payment of the Secured Obligations until repayment and performance in full of the Secured Obligations and termination of all rights of the Grantor that, if exercised, would result in the continued existence of the Secured Obligations.
24. **License/Assignment of Intellectual Property.** For the purpose of enabling the Lender or any Receiver to exercise the rights and remedies under Sections 12 and 13 (including, without limiting the terms of Sections 12 and 13, in order to take possession of, hold, preserve, process, assemble, prepare for sale, market for sale, sell or otherwise dispose of the Intellectual Property) at and for such time as the Lender shall be lawfully entitled to exercise such rights and remedies, the Grantor grants (to the extent permitted by law and by any contract or agreement governing any of the Intellectual property) to the Lender, an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to the Grantor) to use, license or sublicense any of the Intellectual Property now owned or hereafter acquired by the Grantor, and wherever the same may be located, and included in such license access to all media in which any of the

licensed items may be recorded or stored and to all Software used for the compilation or printout thereof. In addition, upon receiving written demand from the Lender after a default has occurred and is continuing, the Grantor shall assign the Intellectual Property to whomever the Lender directs, including to the Lender.

25. **Grantor Remains Liable.** Notwithstanding any other provision in this Agreement, the Grantor shall remain liable under all license agreements under which the Grantor is a licensor. The Grantor shall perform all of its duties and obligations thereunder just as if this Agreement had not been executed. The Grantor shall not be released from any of its duties or obligations under such license agreements by the exercise of any rights by the Lender. The Lender shall not have any obligation or liability under such license agreements by reason of this Agreement, nor shall the Lender be obliged to perform any of the obligations or duties of the Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder. The rights and powers conferred upon the Lender hereunder are solely to protect its interest in the Intellectual Property and shall not impose any duty upon it to exercise any such powers.

26. **Communication.** Any notice or communication required to be given under this Agreement shall be in writing and delivered to the addressee by prepaid private courier or sent by facsimile to the applicable address and to the attention of the officer of the addressee as follows:

(a) to the Grantor:

200 Edgeley Blvd.
Suite 24
Concord, ON L4K 3Y8

Attention: Ilya Tchaplia
Facsimile: (905) 660-0406

(b) to the Lender:

Canadian Imperial Bank of Commerce
595 Bay Street, Suite 500
Toronto, Ontario M5G 2C2

Attention: David Van Dyck
Facsimile: (416) 980-5352

Any communication transmitted by prepaid private courier shall be deemed to have been validly and effectively given or delivered on the Business Day after which it is submitted for delivery. Any communication transmitted by facsimile shall be deemed to have been validly and effectively given or delivered on the day on which it is transmitted, if transmitted on a Business Day on or before 5:00 p.m. (local time of the intended recipient), and otherwise on the next following Business Day. Any party may change its address for service by notice given in the foregoing manner.

27. **Electronic Transmission.** This Agreement, to the extent signed and delivered by means of electronic transmission (including facsimile and Internet transmissions), shall be treated in all manner and respects as an original agreement and should be considered to have the same binding legal effect as if it were the original signed version thereof delivered in person.

28. **Governing Law; Attornment.** This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein, and will be treated, in all respects, as an Ontario contract. The Grantor submits and attorns to the non-exclusive jurisdiction of the courts of Ontario. To the extent permitted by applicable law, the Grantor irrevocably waives any objection (including any claim of inconvenient forum) that it may now or hereafter have to the venue of any legal proceeding arising out of or relating to this Agreement in courts of such Province.
29. **Confidentiality.** All information (other than periodic reports filed by the Grantor with any securities commission or regulatory authority) disclosed by the Grantor to the Lender in writing or through inspection pursuant to this Agreement that is marked confidential shall be considered confidential. The Lender agrees to use the same degree of care to safeguard and prevent disclosure of such confidential information as the Lender uses with its own confidential information, but in any event no less than a reasonable degree of care. The Lender shall not disclose such information to any third party (other than the Lender's attorneys, counsel, governmental regulators, and auditors, or to the Lender's subsidiaries and affiliates for the purposes of evaluating the Lender's rights, subject to the same confidentiality obligation set forth herein) and shall use such information only for purposes of evaluation of its investment in the Grantor and the exercise of the Lender's rights and the enforcement of its remedies and this Agreement and the other loan documents. The obligations of confidentiality shall not apply to any information that (a) was known to the public prior to disclosure by the Grantor under this Agreement, (b) becomes known to the public through no fault of the Lender, (c) is disclosed to the Lender by a third party having a legal right to make such disclosure, or (d) is independently developed by the Lender. Notwithstanding the foregoing, the Lender's agreement of confidentiality shall not apply if the Lender has acquired indefeasible title to any collateral or in connection with any enforcement or exercise of the Lender's rights and remedies under this Agreement following the occurrence and continuation of a default, including the enforcement of the Lender's security interest in the Intellectual Property.
30. **Amalgamation, Reorganization, etc. with a Person.** If the Grantor is a corporation, the Grantor acknowledges that if it amalgamates with any other corporation or corporations, then (i) the Intellectual Property and the security interest granted under this Agreement will extend to and include all the property and assets of the amalgamated corporation and to any property or assets of the amalgamated corporation thereafter owned or acquired, (ii) the term "Grantor", where used in this Agreement, will extend to and include the amalgamated corporation, and (iii) the term "Secured Obligations", where used in this Agreement, will extend to and include the Secured Obligations of the amalgamated corporation.
31. **Attachment.** The Security Interest created hereby is intended to attach when this Agreement is signed by the Grantor and delivered to the Lender.
32. **Registration of Agreement.** The Grantor hereby acknowledges that the Lender may register a copy of this Agreement or notice thereof. The Grantor shall cooperate with and assist the Lender, as requested by the Lender, with respect to any registrations or notice registrations of or relating to this Agreement which the Lender deems appropriate.
33. **Severability of Provisions.** If any term, covenant, obligation or agreement contained in this Agreement, or the application of any such term, covenant, obligation or agreement to any Person or circumstance, shall, to any extent, be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant, obligation or agreement to Persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be

affected by such invalidity or unenforceability and each term, covenant, obligation or agreement contained in this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

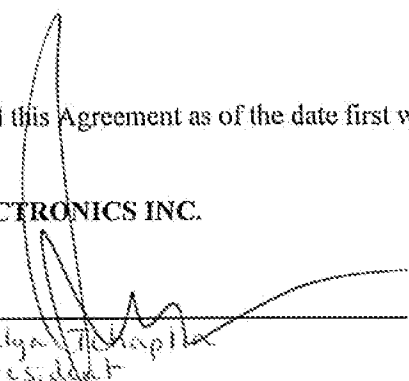
34. **Successors and Assigns.** This Agreement will enure to the benefit of, and be binding on, the Grantor and its successors and permitted assigns, and will enure to the benefit of, and be binding on, the Lender and its respective successors and assigns. The Grantor may not assign this Agreement, or any of its rights or obligations under this Agreement, without the prior written consent of the Lender. The Lender may assign this Agreement and any and all benefits hereunder in accordance with the assignment provisions applicable to the Credit Agreement.
35. **Conflict.** In the event that there is any conflict or inconsistency between the provisions contained in this Agreement and the provisions contained in the Credit Agreement, then the provisions of the Credit Agreement shall have priority over and shall govern to the extent of such conflict or inconsistency provided, however, that the existence of a particular representation, warranty, covenant or other provision in this Agreement which is not contained in the Credit Agreement shall not be deemed to be a conflict or inconsistency, and that particular representation, warranty, covenant or other provision shall continue to apply.

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IN WITNESS WHEREOF the Grantor has executed this Agreement as of the date first written above.

ITS ELECTRONICS INC.

Per:



Name: Ilya Tchaplin
Title: President

I have authority to bind the Corporation.

SCHEDULE "A"

COPYRIGHTS

None.

SCHEDULE "B"

PATENTS

Canada

Patent	Application /Registration Number
Pulsed power amplifier apparatus including infinitely variable output level over a wide dynamic range Appareil d'amplification de puissance pulsee comprenant un niveau de sortie a variation infinie sur une gamme dynamique etendue	2296980
Floating DC-offset circuit for phase detector Circuit flottant a decalage en courant continu pour discriminateur	2613589

U.S.

Patent	Application /Registration Number
Resistor for microwave application	20080303627

SCHEDULE "C"

TRADEMARKS

Canada

Trademark	Application /Registration Number
Cool BUC	1376164 / TMA748542
Cool BUC	1423504

U.S.

Trademark	Application /Registration Number
Cool BUC	77354339

SCHEDULE "D"

DESIGNS

None.

SCHEDULE "E"
LICENSES GRANTED

None.

TOR_LAW\7249392\2