

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

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|-----------------------|-------------------|
| SUBMISSION TYPE: | NEW ASSIGNMENT |
| NATURE OF CONVEYANCE: | SECURITY INTEREST |

CONVEYING PARTY DATA

| Name | Formerly | Execution Date | Entity Type |
|------------------|----------|----------------|-----------------------|
| HydroCision Inc. | | 04/07/2010 | CORPORATION: DELAWARE |

RECEIVING PARTY DATA

| | |
|-------------------|---|
| Name: | BlueCrest Venture Finance Master Fund Limited |
| Street Address: | South Church Street |
| Internal Address: | PO Box 309, Ugland House |
| City: | George Town |
| State/Country: | CAYMAN ISLANDS |
| Entity Type: | limited company: CAYMAN ISLANDS |

PROPERTY NUMBERS Total: 3

| Property Type | Number | Word Mark |
|----------------------|---------|----------------------------|
| Registration Number: | 2483039 | HYDROCISION |
| Registration Number: | 2865726 | SPINEJET |
| Registration Number: | 2926064 | THE LEADER IN HYDROSURGERY |

CORRESPONDENCE DATA

Fax Number: (949)567-6710
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: 415 773 5700
 Email: kmoore@orrick.com
 Correspondent Name: Beth M. Goldman
 Address Line 1: 405 Howard Street
 Address Line 4: San Francisco, CALIFORNIA 94105

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|-------------------------|----------|
| ATTORNEY DOCKET NUMBER: | 18665.16 |
|-------------------------|----------|

DOMESTIC REPRESENTATIVE

Name:

900162572

**TRADEMARK
 REEL: 004209 FRAME: 0099**

CH \$90.00 2483039

Address Line 1:
Address Line 2:
Address Line 3:
Address Line 4:

NAME OF SUBMITTER:

Chelseaa E.L. Bush

Signature:

/Chelseaa E.L. Bush/

Date:

05/19/2010

Total Attachments: 3

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ATTACHMENT 2
TO SECURITY AGREEMENT

GRANT OF SECURITY INTEREST

TRADEMARKS

This GRANT OF SECURITY INTEREST, dated as of APRIL 7, 2010 is executed by HydroCision, Inc., a Delaware corporation ("Grantor"), in favor of BlueCrest Venture Finance Master Fund Limited, a Cayman Islands limited company as successor to BlueCrest Capital Finance, L.P. ("Lender").

A. Pursuant to that certain Loan and Security Agreement, dated as of May 29, 2008 (as amended, supplemented or otherwise modified from time to time, the "Loan Agreement"), between Grantor and Lender, Lender agreed to extend loans and other financial accommodations to Grantor upon the terms and subject to the conditions set forth therein.

B. Grantor and Lender have entered into that certain Amendment to Loan and Security Agreement, dated as of March 1, 2010 (as amended, the "Amendment"), pursuant to which Grantor agreed to deliver to Lender a Security Agreement on their Intellectual Property duly executed by Grantor.

C. Grantor has adopted, used and is using the trademarks, more particularly described on Schedule I-A annexed hereto and made a part hereof, which trademarks are registered in the United States Patent and Trademark Office (collectively, the "Trademarks").

D. Grantor and Lender have entered into a Security Agreement (Intellectual Property) dated as of April 7, 2010 (as amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement") in favor of Lender.

E. Pursuant to the Security Agreement, Grantor has granted to Lender a security interest in all right, title and interest of Grantor in and to the Trademarks, together with the goodwill of the business symbolized by the Trademarks and the customer lists and records related to the Trademarks and the applications and registrations thereof, and all proceeds thereof, including any and all causes of action which may exist by reason of infringement thereof (the "Collateral"), to secure the payment, performance and observance of the Secured Obligations, as defined in the Security Agreement.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Grantor does hereby further grant to Lender a security interest in the Collateral to secure the prompt payment, performance and observance of the Secured Obligations.

Grantor does hereby further acknowledge and affirm that the rights and remedies of Lender with respect to the security interest in the Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein.

The Lender's address is:

BlueCrest Venture Finance Master Fund Limited
PO Box 309, Ugland House
South Church Street
George Town, Cayman Islands
Attention: Legal Department

with a copy to:

BlueCrest Venture Finance Master Fund Limited
c/o 225 West Washington Street

Suite 200
Chicago, IL 60606
Attention: Robert Nagy
Tel. No.: (312) 368-4973
Fax No.: (312) 443-0126

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

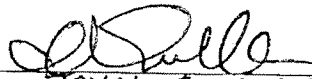
GRANTOR

HydroCision, Inc.,
a Delaware corporation

By:

Name:

Title:



JOHN C. MILLER

CSO

SCHEDULE 1-A TO GRANT OF SECURITY INTEREST
TRADEMARKS

| <u>Trademark</u> | <u>Serial Number</u> | <u>Registration Number</u> | <u>Status</u> |
|-------------------------------|----------------------|----------------------------|---------------------------------------|
| HYDROCISION | 75638849 | 2483039 | Registered |
| SPINEJET | 78202212 | 2865726 | Registered |
| THE LEADER IN HYDROSURGERY | 78154488 | 2926064 | Registered (Supplemental Register) |

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