

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
POWERLINE CONTROL SYSTEMS, INC.		08/03/2010	CORPORATION: CALIFORNIA
RECEIVING PARTY DATA			
Name:	CITY OF LOS ANGELES		
Street Address:	1200 WEST 7TH STREET		
Internal Address:	6TH FLOOR, CDD EDD		
City:	LOS ANGELES		
State/Country:	CALIFORNIA		
Postal Code:	90017		
Entity Type:	CITY: CALIFORNIA		
PROPERTY NUMBERS Total: 3			
Property Type	Number	Word Mark	
Registration Number:	3733729	GREENWORX	
Registration Number:	2680746	UPB	
Registration Number:	3089296	PULSEWORX	
CORRESPONDENCE DATA			
Fax Number:	(213)250-7900		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	2132501800		
Email:	hokanson@lbbslaw.com		
Correspondent Name:	JON E HOKANSON		
Address Line 1:	221 N. FIGUEROA STREET		
Address Line 2:	SUITE 1200		
Address Line 4:	LOS ANGELES, CALIFORNIA 90012		
ATTORNEY DOCKET NUMBER:	28350-2		

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**TRADEMARK
 REEL: 004271 FRAME: 0910**

NAME OF SUBMITTER:	JON E HOKANSON
Signature:	/Jon Hokanson/
Date:	08/16/2010
<p>Total Attachments: 34 source=TMz#page1.tif source=TMz#page2.tif source=TMz#page3.tif source=TMz#page4.tif source=TMz#page5.tif source=TMz#page6.tif source=TMz#page7.tif source=TMz#page8.tif source=TMz#page9.tif source=TMz#page10.tif source=TMz#page11.tif source=TMz#page12.tif source=TMz#page13.tif source=TMz#page14.tif source=TMz#page15.tif source=TMz#page16.tif source=TMz#page17.tif source=TMz#page18.tif source=TMz#page19.tif source=TMz#page20.tif source=TMz#page21.tif source=TMz#page22.tif source=TMz#page23.tif source=TMz#page24.tif source=TMz#page25.tif source=TMz#page26.tif source=TMz#page27.tif source=TMz#page28.tif source=TMz#page29.tif source=TMz#page30.tif source=TMz#page31.tif source=TMz#page32.tif source=TMz#page33.tif source=TMz#page34.tif</p>	

SECURITY AGREEMENT #1: INTELLECTUAL PROPERTY

This Intellectual Property Security Agreement ("Agreement"), dated August 3, 2010, is entered into by POWERLINE CONTROL SYSTEMS, INC., a California corporation ("Grantor"), and the CITY OF LOS ANGELES, a municipal corporation, through its COMMUNITY DEVELOPMENT DEPARTMENT ("Grantee").

Background

As security for the Obligations (described in the Note and Loan Agreement Number C-117679 dated August 3, 2010 ("Note and Loan Agreement"), Grantor desires to grant and Grantee desires to obtain a lien and security interest on (1) certain Intellectual Property Collateral (as defined below), as memorialized in this Agreement, AND (2) certain tangible property and account receivables, as memorialized in a concurrent security agreement. Grantee desires to have its lien and security interest in that Intellectual Property Collateral confirmed by a document identifying that security interest and in a form as may be recorded in the United States Patent and Trademark Office, the United States Copyright Office and the Office of the Secretary of State of California.

Now, therefore, with the above Background section deemed incorporated by reference and made a part of this Agreement, and in consideration of the mutual promises contained in this Agreement, the parties to Agreement, intending to be legally bound, agree as follows:

1. Conveyance of Security Interest and Lien In consideration of a City of Los Angeles loan in the principal amount of up to FOUR HUNDRED FIFTY THOUSAND DOLLARS and NO CENTS (\$450,000) and for other good valuable, and sufficient consideration, the receipt of which is acknowledged, and to secure the Obligations, Grantor does by this Agreement collaterally assign, convey and grant to Grantee a lien and security interest in all of the following assets listed in (a) through (c) (collectively referred to as "Intellectual Property Collateral"):

(a) Patent Collateral.

All of Grantor's right, title, and interest in and to:

(i) the United States Letters Patents and the inventions described and claimed in those Letters Patents, as set forth on Schedule A to this Agreement and hereby made part thereof, and any future patents (referred to collectively in this Agreement as the "Patents");

(ii) the United States and international applications (directly or using the Patent Cooperation Treaty or the World Intellectual Property Organization or their successor-bodies) for the Patents and the inventions described and claimed in those applications, including those set forth in Schedule A, and any United States Letters Patents that may be issued upon any of those applications and any future patent applications (referred to collectively in this Agreement as the "Applications");

(iii) any domestic and international reissue, extension, division, continuation-in-part or continuation of the Patents or the Applications (referred to collectively in this Agreement as the "Reissued Patents");

(iv) all Pat-Royalties (i.e., incomes, proceeds, remittances, fees, account receivables and payments) made or to be made to Grantor, directly or indirectly, in respect to the Patents and Reissued Patents;

(v) proceeds of any and all of the above (the Patents, Applications, Reissued Patents, Pat-Royalties and proceeds; being referred to collectively in this Agreement as the "Patent Rights"); and

(vi) all rights, interests, claims, and demands that Grantor has or may have in

existing and future profits and damages for past and future infringements of the Patent Rights (which rights, interest, claims, and demands being referred to in this Agreement as the "Claims," and the Patent Rights and Claims being collectively referred to as the "Patent Collateral").

(b) Copyright Collateral.

All of Grantor's right, title, and interest in and to

(i) the United States copyright in the software, firmware, and other copyright-protected materials, as set forth on Schedule B to this Agreement and hereby made part thereof; and any future copyrights (referred to collectively in this Agreement as the "Copyrights");

(ii) the United States and foreign registrations (directly or via international treaties such as the Berne Convention) for the Copyrights and the underlying materials being registered, including those set forth in Schedule B; and any and all future United States and foreign registrations that may be granted (referred to collectively in this Agreement as the "Registrations");

(iii) any extension, renewals, and residual rights, if any, of the Copyrights or the Registrations (referred to collectively in this Agreement as the "Renewed Copyrights");

(iv) all CR-Royalties (*i.e.*, incomes, proceeds, remittances, fees, account receivables and payments) made or to be made to Grantor directly or indirectly in respect to the Copyrights; and

(v) proceeds of any and all of the above (the Copyrights, Registrations, Renewed Copyrights and CR-Royalties; being referred to collectively in this Agreement as the "Copyright Interests"), and

(vi) all rights, interests, claims, and demands that Grantor has or may have in existing and future profits and damages for past and future infringements of the Copyright Interests (which rights, interest, claims, and demands being referred to in this Agreement as the "CR-Claims," and the Copyright Interests and CR-Claims being collectively referred to as the "Copyright Collateral").

(c) Trademark Collateral.

All of Grantor's right, title, and interest in and to

(i) the trademarks owned by Grantor, under Federal and various state common and statutory laws, in all forms and expressions of marks, trade names, logos, insignias and mottos, including those set forth on Schedule C to this Agreement and hereby made part thereof; any penumbra rights of the trademarks in similar categories of goods and services; and any future trademarks (referred to collectively in this Agreement as the "Trademarks");

(ii) the current and pending trademark registrations of the Trademarks with or granted by respective U.S. and foreign authorities (*e.g.*, the U.S. Trademark Office, the State of California and via the Madrid Protocol, if applicable), including those listed in Schedule C; and any and all future registrations with all jurisdictions and bodies, domestic or foreign, that may be granted (referred to collectively in this Agreement as the "TM-Registrations");

(iii) all TM-Royalties (*i.e.*, incomes, proceeds, remittances, fees, account receivables and payments) made or to be made to Grantor directly or indirectly in respect to the Trademarks; and

(iv) proceeds of any and all of the above (the Trademarks, TM-Registrations and TM-Royalties; being referred to collectively in this Agreement as the "Trademark Interests"), and

(v) all rights, interests, claims, and demands that Grantor has or may have in existing and future profits and damages for past and future infringements of the Trademark Interests (which rights, interest, claims, and demands being referred to in this Agreement as the "TM-Claims," and the Trademark Rights and TM-Claims being collectively referred to as the "Trademark Collateral").

2. Warranties and Representation. Grantor warrants and represents to Grantee and Grantee so relies materially in entering into the Note and Loan Agreement and this Agreement that (a) Grantor is the true and lawful exclusive owner or assignee of the Patent Rights, Copyright Interests and Trademark Rights set forth on Schedules A-C, including all rights and interests granted in this Agreement; (b) the Intellectual Property Collateral is valid and enforceable; (c) Grantor has lawful power and authority to execute and deliver this Agreement; (d) Grantor has no notice of any suits or actions commenced or threatened against it, or notice of claims asserted or threatened against it, with reference to the Patent Rights, Copyright Interests and/or Trademark Rights, and the interests granted in this Agreement; and (e) the Patent Rights, Copyright Interests and Trademark Rights, and all interests granted in this Agreement are so granted free and clear from all liens, charges, claims, options, licenses, pledges, and encumbrances of every kind and character, as of the escrow closing date for the loan against which the lien created under this Agreement is placed.

3. Adverse Acts. Grantor further covenants that until all of the Obligations have been satisfied in full, it will (i) not enter into any agreement, including without limitation, license agreements, which are inconsistent with Grantor's undertakings and covenants under this Intellectual Property Security Agreement or which restrict or impair Grantee's rights under this Agreement, and (ii) maintain the Intellectual Property Collateral in full force and effect.

4. Use of Collateral. So long as this Intellectual Property Security Agreement is in effect and so long as Grantor has not received notice from Grantee that an Event of Default has occurred under the Note and Loan Agreement and that Grantee has elected to exercise its rights under this Agreement, Grantor shall continue to have the exclusive right to use the Patent Rights, Copyright Interests and Trademark Rights and grant licenses with respect to them as described in this Agreement, and Grantee shall have no right to use the same or issue any exclusive or nonexclusive license with respect to them, or assign, pledge, or otherwise transfer any interest in the same to any other person, natural or otherwise.

5. Additional Encumbrances. Grantor agrees not to sell, assign, convey or further encumber its rights and interests in the Intellectual Property Collateral without prior written consent of Grantee.

6. Default. If an Event of Default shall occur under the Note or the Note and Loan Agreement dated August 3, 2010, Grantee, as the holder of a security interest under the Uniform Commercial Code as in effect now or in the future in any applicable jurisdiction, may take such action as is permitted by law or equity, in its sole discretion, to foreclose upon or otherwise realize upon the Intellectual Property Collateral covered by this Agreement. For those purposes, Grantor here authorizes and empowers Grantee to make, constitute, and appoint any officer or agent of Grantee as Grantee may select in its sole discretion; as Grantor's true and lawful attorney-in-fact with the power to endorse Grantor's name on, and/or file of record, all assignments, applications, documents, papers, and instruments, whether signed by Grantor or by Grantee on Grantor's behalf, necessary for Grantee or its transferee, successors, or assigns, to obtain title to and the right to use the Intellectual Property Collateral or to grant or issue any exclusive or nonexclusive license under the Intellectual Property Collateral to any other person, or to assign, pledge, convey, or otherwise transfer title in or dispose of

all or any part of the Intellectual Property Collateral to any other person. Grantor here ratifies all that attorney shall lawfully do or cause to be done by virtue of this Agreement. This power of attorney shall be irrevocable, surviving this Agreement.

7. Protection of Collateral. Grantor shall diligently and vigorously protect and preserve all Intellectual property assets used as collateral under this Agreement, including timely prosecution (for patents), registrations (for copyrights and trademarks) and persistent enforcement against third-party infringement of the intellectual property.

(a) Legal Filings. Grantor shall at its own expense, to the extent Grantor deems it necessary, (i) diligently file, prosecute and/or register all patent applications relating to the inventions described and claimed in the Patent Collateral with the United States Patent and Trademark Office ("USPTO") and, if beneficial, via international treaties/bodies including the Patent Cooperation Treaty; all copyright-protected assets defined in the Copyright Collateral with the U.S. Copyright Office and, if beneficial, via international treaty or body such as the Berne Convention; and all trademarks in the Trademark Collateral with the USPTO and, if beneficial and applicable, via the Madrid Protocol; (ii) shall pay or cause to be paid in their customary fashion all connected fees and disbursements; and (iii) shall not abandon any such applications or registrations before exhausting all administrative and judicial remedies or disclaim or dedicate any Patents, Copyrights or Trademarks without the prior written consent of Grantee. Grantor shall not abandon any Intellectual Property Collateral without the prior written consent of Grantee, that consent not to be unreasonably withheld.

(b) Enforcement Against Infringers. Grantor shall have the right, with the prior written consent of Grantee, which consent will not be unreasonably withheld, to bring suit in its own name to enforce the Intellectual Property Collateral, in which case Grantee may, at Grantee's option, be joined as a nominal party to this suit if Grantee shall be satisfied that that joinder is necessary and that Grantee is not incurring any risk of liability by that joinder. Grantor shall promptly, upon demand, reimburse and indemnify, defend, and hold harmless Grantee for all damages, costs, and expenses, including reasonable attorneys' fees, incurred by Grantee pursuant to this paragraph and all other actions and conduct of Grantor with respect to the Patent Rights, Copyright Interests and Trademark Rights during the term of this Agreement.

(c) Actions by Grantee. Grantor hereby expressly confers and grant standing and rights onto Grantee in any and all fashions necessary for Grantee to enforce, protect and preserve Grantor's interest, title and rights in and to the Intellectual Property Collateral, as if Grantee is standing in Grantor's shoes. This grant of standing does not, however, create any duty in Grantee to act in behalf of the Grantor or relieve in any way Grantor's duty to preserve the value of the Intellectual Property Collateral. If Grantor fails to comply with any of the terms and covenants under this Agreement, Grantee may at its sole option may take any and all necessary actions to preserve the Intellectual Property Collateral in Grantee's name but at Grantor's expense, and Grantor agrees to reimburse Grantee in full for all expenses, including reasonable attorneys' fees, incurred by Grantee in protecting, defending, enforcing, and maintaining the Intellectual Property Collateral.

8. Fees and Expenses. Any and all fees, costs, and expenses, including reasonable attorneys' fees and expenses incurred by Grantee in connection with the preparation, modification, enforcement, or termination of this Agreement and all other documents relating to this Agreement and to the consummation of this transaction, the filing and recording of any documents (including all taxes in that connection) in public offices, any taxes, counsel fees, maintenance fees, encumbrances, or costs otherwise incurred in defending or prosecuting any actions or proceedings arising out of or related to the Intellectual Property Collateral, shall be paid by Grantor on demand by Grantee and, until paid, shall be added to the Obligations.

9. Insurance Against Third-Party IP Infringement Lawsuits. Grantor shall secure adequate insurance against third-party intellectual property-related claims and lawsuits against Grantor or its licensees of any of the Intellectual Property Collateral, that tend to diminish the value of the Intellectual Property Collateral, as deemed required and adequate by the City of Los Angeles Risk Manager's Office.

10. Release of Lien. Upon full and unconditional satisfaction of all Grantor's Obligations to Grantee, Grantee shall execute and deliver to Grantor all documents reasonably necessary to terminate Grantee's interest in the Intellectual Property Collateral.

11. Recordings. Grantor here acknowledges and agrees that this Agreement will be recorded in the **United States Patent and Trademark Office**, the **United States Copyright Office** of the Library of Congress and the **Office of the Secretary of State of California**, using the following recordation forms or their successor forms and the corresponding recording procedures as required by the governmental bodies:

- (a) **Form PTO-1595 (Rev. 03-09)**, filed with the USPTO, recording Patents and Applications from Schedule A and this Agreement;
- (b) **Form PTO-1594 (Rev. 01-09)**, filed with the USPTO, recording Trademark Registrations and Applications from Schedule C and this Agreement;
- (c) **Form DCS (Rev. 02/2009)**, filed with the U.S. Copyright Office, recording Copyrights from Schedule B, and this Agreement; and
- (d) **Form UCC1 - CALIFORNIA (Rev. 01/01/08)**, filed with CA Secretary of State's Office, recording all security interest agreements for all collaterals, intellectual property or otherwise.

For reference purposes only, the above forms and corresponding recording procedures are attached hereto as Exhibit 1.

12. Binding Effects. This Agreement shall be binding upon Grantor, its successors, and assigns, and shall inure to the sole benefit of Grantee, its successors, and assigns.

13. Applicable Law, Interpretation, Enforcement and Severability. Each party's performance hereunder shall comply with all applicable laws of the United States of America, the State of California, and the City of Los Angeles. This Agreement shall be enforced and interpreted under the laws of the State of California and the City of Los Angeles, without any regards to the conflict of law principles. Each term of this Agreement is intended to be, and shall be construed as, independent and severable from each other. If any term of this Agreement is held to be invalid by any court or applicable regulatory body, the invalidity of such term shall not affect the validity of the remaining covenants, conditions, restrictions, or other terms hereof, unless the invalidity substantially impairs the intended values of this Agreement to either party under the original Agreement.

14. Venue. Parties hereby agree to submit to the exclusive jurisdiction of and venue in the courts of competent jurisdiction in the County of the Los Angeles, California in any disputes related to or arising out of this Agreement.

15. Waiver. No modification or waiver of any provisions set forth in this Agreement shall be effective unless they shall be in writing and signed by the party against whom enforcement is being sought.

16. Construction. The language in all parts of this Agreement shall in all cases be construed as a whole and in accordance with its fair meaning, and shall not be construed strictly for or against either of the Parties.

17. Merger. This Agreement constitutes the full agreement of the parties herein with respect to the subject matter of creating a security interest in intellectual property only (but not in non-intellectual property collateral) and supersedes all prior agreements, whether written or oral.

18. No Intended Third Party Beneficiaries. Parties herein do not in any way intend to create or confer any benefits to any third party.

19. Assignment. Grantor shall not, by contract, operation of law, or otherwise, assign any rights under this Agreement (in whole or part), or delegate performance of any of its obligations under this Agreement without the Grantee's prior written consent.

20. Headings. Article and section headings used in this Agreement are inserted for convenience only and are not intended to be a part hereof or in any way to define, limit, describe or to otherwise be used in interpreting the scope and intent of the particular provisions to which they refer.

In witness, Grantor has executed this Agreement, under seal, on 7/29, 2010.

GRANTEE
THE CITY OF LOS ANGELES

GRANTOR:
POWERLINE CONTROL SYSTEMS, INC.

By Richard L. Benbow
RICHARD L. BENBOW
General Manager
Community Development Department

By Marshall E. Lester
MARSHALL E. LESTER
President

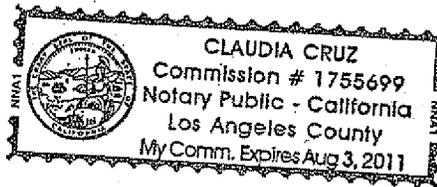
Date 8/2/2010

Date 7/29/10

Approved as to form:

August 2, 2010
CARMEN A. TRUTANICH, City Attorney

by Philip H. Lam
PHILIP H. LAM
Intellectual Property Counsel



Attested by JUNE LAGMAY, City Clerk

June Lagmay 08-03-2010
Deputy City Clerk (Date)

C-117679

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
County of Los Angeles } ss.

On 2 August 2010 before me, L. Ivy, Notary Public,
Date Name and Title of Officer

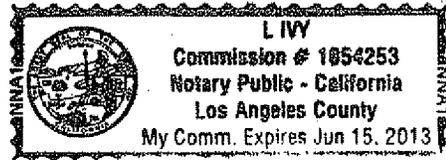
Personally appeared RICHARD L. BENBOW,
Name(s) of Signer(s)

who proved to me on the basis of satisfactory evidence to be the person (s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

L. Ivy
Signature of Notary Public



Affix Notary Seal Above

OPTIONAL INFORMATION

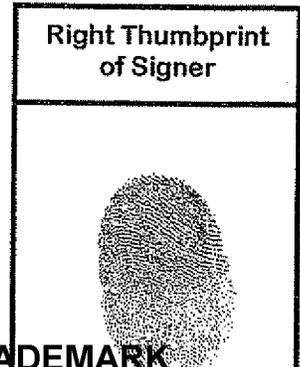
(The information below is not required by law, however it can prove valuable to anyone relying on this document. It can also deter fraudulent removal and reattachment of this form to another document.)

Description of Attached Document

Title or Type of Document: Security Agreement #1 - Intellectual Property

Document Date: n/a Number of Pages: _____

Signer (s) Other Than Named Above: Marshall Lester



SCHEDULE A
"ISSUED PATENTS AND PENDING PATENT APPLICATIONS"
TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT
POWERLINE CONTROL SYSTEMS, INC.
 As of JULY 29, 2010

ITEM NO.	PATENT / APPLICATION NUMBER	ISSUE DATE	FILING DATE
1.	U.S. Patent No. 6,734,784	05/11/2004	11/06/2000
2.	U.S. Patent No. 6,784,790	08/31/2004	06/14/2001
3.	U.S. Patent No. 7,265,654	09/04/2007	04/22/2004
4.	U.S. Application No. 11/431,161	05/09/2006	N/A
5.	U.S. Application No. 11/510,862	08/25/2006	N/A
6	U.S. Pat. No. 7,265,654 / Appln. No. 11/780,403	03/30/2010	07/19/2007
7	U.S. Application No. 12/055,133	N/A	03/25/2008
8	International Application No. PCT/US/08/60241	N/A	04/14/2008

SCHEDULE B
"COPYRIGHT-PROTECTED MATERIALS & CORRESPONDING REGISTRATIONS"
 TO
 INTELLECTUAL PROPERTY SECURITY AGREEMENT
 POWERLINE CONTROL SYSTEMS, INC.
 As of July 29, 2010

ITEM NO.	COPYRIGHT-PROTECTED MATERIAL	REGISTRATION NO.	REGISTRATION DATE
1.	Load Control Module LCM4 Firmware	TXu001583605	08/13/2008
2.	Repeater Network Controller Firmware	TXu001583609	08/14/2008
3.	Repeater Network Master Firmware	TXu001583677	08/14/2008
4.	Repeater Network Slave Firmware	TXu001583679	08/14/2008
5.	Zone Lighting Controller Firmware	TXu001583681	08/14/2008

SCHEDULE C
"TRADEMARKS, GRANTED AND PENDING TRADEMARK REGISTRATIONS"
TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT
POWERLINE CONTROL SYSTEMS, INC.
As of JULY 29, 2010

ITEM NO.	TRADEMARKS	U.S. REGISTRATION NO.	REGISTRATION DATE
1.	(Word Mark) GREENWORX	3733729	2010-01-05
2.	(Word Mark) UPB	2680746	2003-01-08
3.	(Word Mark) PULSEWORX	3089296	2006-05-09

EXHIBIT 1
"RECORDATION FORMS & INSTRUCTIONS"
TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT
POWERLINE CONTROL SYSTEMS, INC.
As of July 29, 2010