

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<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>
DESIGNLINE CORPORATION		11/30/2010	CORPORATION: DELAWARE
DESIGNLINE USA, LLC		11/30/2010	LIMITED LIABILITY COMPANY: DELAWARE
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	ORIX Venture Finance LLC		
<b>Street Address:</b>	245 Park Avenue, 19th Floor		
<b>City:</b>	New York		
<b>State/Country:</b>	NEW YORK		
<b>Postal Code:</b>	10167		
<b>Entity Type:</b>	LIMITED LIABILITY COMPANY: DELAWARE		
<b>PROPERTY NUMBERS Total: 3</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
<b>Serial Number:</b>	77803905	DESIGNLINE	
<b>Serial Number:</b>	77803912	DESIGNLINE	
<b>Serial Number:</b>	77803917	ECOSAVER	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(202)842-7899		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
<b>Phone:</b>	202 728-7159		
<b>Email:</b>	mobleysg@cooley.com		
<b>Correspondent Name:</b>	Charles Charpentier		
<b>Address Line 1:</b>	777 6th St., NW, Suite 1100		
<b>Address Line 4:</b>	Washington, DISTRICT OF COLUMBIA 20001		
<b>ATTORNEY DOCKET NUMBER:</b>	307038-1113		
<b>NAME OF SUBMITTER:</b>	Susan Mobley		

CH \$90.00 77803905

Signature:	/Susan Mobley/
Date:	11/30/2010
Total Attachments: 8 source=DesignlineSecurityAgreement#page1.tif source=DesignlineSecurityAgreement#page2.tif source=DesignlineSecurityAgreement#page3.tif source=DesignlineSecurityAgreement#page4.tif source=DesignlineSecurityAgreement#page5.tif source=DesignlineSecurityAgreement#page6.tif source=DesignlineSecurityAgreement#page7.tif source=DesignlineSecurityAgreement#page8.tif	

## INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (as amended or modified from time to time, this "Agreement") is entered into as of **November 30, 2010** by and between **ORIX Venture Finance LLC** ("ORIX"), **DesignLine Corporation**, a Delaware corporation ("Parent"), and **DesignLine USA, LLC**, a Delaware limited liability company ("Sub") (Parent and Sub, jointly and severally "Grantor"), with reference to the following facts:

A. ORIX and Grantor are parties to that certain Loan and Security Agreement dated as of November 30, 2010 (as amended from time to time, the "Loan Agreement"). Capitalized terms used herein have the meaning assigned in the Loan Agreement.

B. Pursuant to the Loan Agreement, Grantor has granted to ORIX a security interest in all of the Collateral. Except as set forth in the definition of "Collateral," the Collateral includes without limitation all Intellectual Property (including without limitation the Intellectual Property described herein).

Grantor agrees as follows:

1. To secure performance of all of the Obligations when due, Grantor grants to ORIX a security interest in all of Grantor's right, title and interest in Grantor's Intellectual Property, including without limitation (i) the trademarks and servicemarks listed on Schedule A hereto, whether registered or not, and all applications to register and registrations of the same and like protections, and the entire goodwill of the business of Grantor connected with and symbolized by such trademarks, (ii) the patents and patent applications listed on Schedule B hereto and all like protections including, without limitation, all improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same, (iii) all copyrights, maskworks, software, computer programs and other works of authorship, including without limitation those registered with the United States Copyright Office and listed on Schedule C hereto, and all extensions and renewals thereof, (iv) all rights to recover for past or future infringement of any of the foregoing, (v) all right, title and interest in and to any and all present and future license agreements with respect to any of the foregoing, and (vi) all present and future accounts, accounts receivable and other rights to payment arising from, in connection with or relating to any of the foregoing; provided, however, that the Intellectual Property shall not include any Intellectual Property or other rights of a grantor under any contract, instrument, license or other document if and to the extent that the grant of a security interest therein would violate a valid and enforceable restriction in respect thereof, or would violate any applicable law, regulation, permit, order or decree of any applicable governmental authority (provided, however, that this limitation shall not affect, limit, restrict or impair the grant by any grantor of a security interest pursuant to this Agreement in any such Intellectual Property to the extent that an otherwise applicable prohibition or restriction on such grant is rendered ineffective by the Uniform Commercial Code in the applicable jurisdiction).

2. Grantor represents and warrants that as of the date hereof (i) listed on Schedule A hereto are all trademark registrations and pending registrations owned or controlled by Grantor or licensed to Grantor, (ii) listed on Schedule B are all patents and patent applications owned or controlled by Grantor or licensed to Grantor, and (iii) listed on Schedule C are all copyrights, software, computer programs, maskworks, and other works of authorship owned or controlled by Grantor which are registered with the United States Copyright Office.

3. Grantor shall not, hereafter, register any maskworks, software, computer programs or other works of authorship subject to United States copyright protection with the United States Copyright Office without first complying with the following: (i) providing Secured Party with at least 15 days prior written notice thereof, (ii) providing Secured Party with a copy of the application for any such registration, and (iii) executing and filing such other instruments, and taking such further actions as Secured Party may reasonably request from time to time to perfect or continue the perfection of Secured Party's interest in the Collateral, including without limitation the filing with the United States Copyright Office, simultaneously with the filing by Grantor of the application for any such registration, of a copy of this Agreement or a Supplement hereto in form reasonably acceptable to Secured Party identifying the maskworks, software, computer programs or other works of authorship being registered and confirming the grant of a security interest therein in favor of Secured Party.

4. This Agreement is being executed and delivered pursuant to the Loan Agreement; nothing herein limits any of the terms or provisions of the Loan Agreement, and ORIX's rights hereunder and under the Loan Agreement are cumulative. This Agreement, the Loan Agreement and the other Loan Documents set forth in full all of the representations and agreements of the parties with respect to the subject matter hereof and supersede all prior discussions, oral representations, oral agreements and oral understandings between the parties. This Agreement may not be modified or amended, nor may any rights hereunder be waived, except in a writing signed by the parties hereto. In the event of any litigation between the parties based upon, arising out of, or in any way relating to this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all of its reasonable costs and expenses (including without limitation reasonable attorneys' fees) incurred in the enforcement of this Agreement and the enforcement of, execution upon or defense of any order, decree, award or judgment. This Agreement and all acts, transactions, disputes and controversies arising hereunder or relating hereto, and all rights and obligations of ORIX and Grantor shall be governed by, and construed in accordance with the internal laws (and not the conflict of laws rules) of the State of New York.

5. Following the payment and performance in full of all the Obligations, ORIX shall cooperate in promptly executing and returning to Grantor the Intellectual Property, proper documents and instruments (including UCC termination statements), as may be reasonably provided and requested by Grantor, as required to terminate ORIX's security interests in the Collateral. Upon any disposition of any of the Intellectual Property permitted by the Loan Documents, ORIX shall cooperate in promptly executing and returning to Grantor the Intellectual Property, proper documents and instruments (including UCC termination statements), as may be reasonably provided and requested by Grantor, as required to acknowledge the release of such Intellectual Property.

*[Signatures on Next Page]*

Address of Grantor:

2309 Nevada Blvd.  
Charlotte, NC 28273

Grantor:

DESIGNLINE CORPORATION

By   
\_\_\_\_\_  
President or Vice President

Address of Grantor:

2309 Nevada Blvd.  
Charlotte, NC 28273

DESIGNLINE USA, LLC

By   
\_\_\_\_\_  
President or Vice President, *Manager*

Address of ORIX:

245 Park Avenue, 19th Floor  
New York, NY 10167  
Attention: Mr. Kevin Sheehan

ORIX Venture Finance LLC

By \_\_\_\_\_  
Kevin P. Sheehan,  
President and CEO

*[Signature Page—Intellectual Property Security Agreement]*

Address of Grantor:

2309 Nevada Blvd.  
Charlotte, NC 28273

Grantor:

DESIGNLINE CORPORATION

By \_\_\_\_\_  
President or Vice President

Address of Grantor:

2309 Nevada Blvd.  
Charlotte, NC 28273

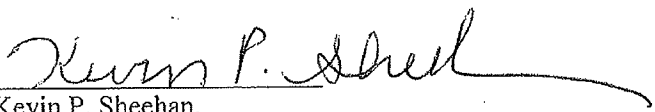
DESIGNLINE USA, LLC

By \_\_\_\_\_  
President or Vice President

Address of ORIX:

245 Park Avenue, 19th Floor  
New York, NY 10167  
Attention: Mr. Kevin Sheehan

ORIX Venture Finance LLC

By   
Kevin P. Sheehan,  
President and CEO

*[Signature Page—Intellectual Property Security Agreement]*

SCHEDULE A

Trademarks

Mark	Owner of Record	Country	Date of Application or Issuance	App. No.
	Designline Limited	Australia	April 3, 1997	731667
DESIGNLINE	DesignLine Corporation	USA	August 13, 2009	77803905
	DesignLine Corporation	USA	August 13, 2009	77803912
ECOSAVER	DesignLine Corporation	USA	August 13, 2009	77803917
DESIGNLINE	Designline Limited	China	April 27, 2004	4040931
DESIGNLINE	Designline Limited	Australia	July 17, 1996	713113
DESIGNLINE	Designline Limited	New Zealand	August 23, 1993	229542
DESIGNLINE	Designline Limited	New Zealand	August 23, 1993	229543

Please note that the U.S. trademark applications (DESIGNLINE, and the DesignLine Logo), as of June, 2010, have Office Actions issued in which registration of each mark has been refused based on (what the Examiner believes to be) a likelihood of confusion with a prior registration.

We are currently preparing arguments against each refusal, which we expect to file in February, 2011.

SCHEDULE B

Patents and Patent Applications

<b>Title</b>	<b>Country</b>	<b>Registered Owner</b>	<b>Filing Date</b>	<b>Application / Patent No.</b>	<b>Issue Date</b>
Method and apparatus for selective operation of a hybrid electric vehicle in various driving modes	USA	Transportation Techniques, LLC	March 9, 2004	7,122,979	October 17, 2006
Hybrid electric vehicle and method of selectively operating the hybrid electric vehicle	USA	Transportation Techniques, LLC	December 8, 2005	7,121,234	October 17, 2006
Method and apparatus for adaptive control of traction drive units in a hybrid vehicle	USA	Transportation Techniques, LLC	March 9, 2004	7,071,642	July 4, 2006
Hybrid electric vehicle and method of selectively operating the hybrid electric vehicle	USA	Transportation Techniques, LLC	July 18, 2003	7,017,542	March 28, 2006
Method and apparatus for adaptive control and protection of hybrid electric vehicle systems	USA	Transportation Techniques, LLC	April 15, 2003	6,897,629	May 24, 2005
Method and apparatus for selective operation of a hybrid electric vehicle power plant	USA	Transportation Techniques, LLC	July 18, 2003	6,877,576	April 12, 2005
Vehicle suspension system	USA	Transportation Techniques, LLC	March 30, 2001	6,808,033	October 26, 2004
Hybrid electric vehicle and method of selectively operating the hybrid electric vehicle	USA	Transportation Techniques, LLC	January 19, 2001	6,622,804	September 23, 2003
Method and apparatus for adaptive energy control of hybrid electric vehicle propulsion	USA	Transportation Techniques, LLC	December 27, 2000	6,573,675	June 3, 2003
Hybrid electric vehicle having a selective zero emission mode, and method of selectively operating the zero emission mode	USA	Transportation Techniques, LLC	January 19, 2001	6,483,198	November 19, 2002
Method and apparatus for	USA	Transportation	September	6,333,620	December 25,



Title	Country	Registered Owner	Filing Date	Application / Patent No.	Issue Date
adaptively controlling a state of charge of a battery array of a series type hybrid electric vehicle		Techniques, LLC	15, 2000		2001
Battery Management Unit, System and Method**	USA	DesignLine International Holdings, LLC	March 28, 2002	7,400,113	July 15, 2008
Battery Management Unit, System and Method**	Hong Kong	DesignLine International Holdings, LLC	January 24, 2005	HK 1067240	October 24, 2008
Battery Management Unit, System and Method**^	Japan	DesignLine International Holdings, LLC	March 28, 2002	JP 2002578625	
Battery Management Unit, System and Method**^	New Zealand	DesignLine International Holdings, LLC	March 30, 2001	NZ 510848	

- DesignLine International Holdings, LLC is a predecessor to the Company by way of merger.

- All patents were acquired from Transportation Techniques, LLC pursuant to an Asset Purchase Agreement, dated as of September 3, 2009.

^ May have been abandoned.

SCHEDULE C

Copyrights Registered with the United States Copyright Office

None.