

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
API CRYPTTEK, INC.		06/01/2011	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	MORGAN STANLEY SENIOR FUNDING, INC., as collateral agent		
Street Address:	1 Pierrepont Plaza		
City:	Brooklyn		
State/Country:	NEW YORK		
Postal Code:	11201		
Entity Type:	CORPORATION: DELAWARE		
PROPERTY NUMBERS Total: 5			
Property Type	Number	Word Mark	
Registration Number:	3084437	ION NETWORKS	
Registration Number:	1680106	CRYPTTEK	
Registration Number:	2669265	CRYPTTEK	
Registration Number:	3279218	TS-21 BLACKJACK	
Serial Number:	77436934	NETGARD	
CORRESPONDENCE DATA			
Fax Number:	(212)354-8113		
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>			
Phone:	2128198200		
Email:	fcutajar@whitecase.com		
Correspondent Name:	White & Case LLP		
Address Line 1:	1155 Avenue of the Americas		
Address Line 2:	Patents & Trademarks		
Address Line 4:	New York, NEW YORK 10036		
ATTORNEY DOCKET NUMBER:	1130558-0053		

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REEL: 004557 FRAME: 0491

OP \$140.00 3084437

NAME OF SUBMITTER:	Frances B. Cutajar
Signature:	/Frances B. Cutajar/
Date:	06/09/2011
Total Attachments: 4 source=APICRYPTTEKTMSecurityGrantToMorganStanley#page1.tif source=APICRYPTTEKTMSecurityGrantToMorganStanley#page2.tif source=APICRYPTTEKTMSecurityGrantToMorganStanley#page3.tif source=APICRYPTTEKTMSecurityGrantToMorganStanley#page4.tif	

GRANT OF SECURITY INTEREST
IN UNITED STATES TRADEMARKS

This GRANT OF SECURITY INTEREST IN UNITED STATES TRADEMARKS ("Grant"), dated as of June 1, 2011 is made by API CRYPTTEK, INC., a Delaware corporation (the "Grantor") with principal offices at 1501 Moran Road, Sterling, VA 20166, in favor of MORGAN STANLEY SENIOR FUNDING, INC., as Collateral Agent, with principal offices at 1 Pierrepont Plaza, Brooklyn, NY 11201 (the "Grantee") for the benefit of the Secured Creditors (as defined in the U.S. Guaranty and Collateral Agreement as defined below) pursuant to that certain U.S. Guaranty and Collateral Agreement, dated as of June 1, 2011 (as amended, modified, restated, supplemented or otherwise modified from time to time, the "U.S. Guaranty and Collateral Agreement"), among API TECHNOLOGIES CORP., and other grantors from time to time party thereto and the Grantee.

FOR GOOD AND VALUABLE CONSIDERATION, receipt and sufficiency of which are hereby acknowledged, the Grantor hereby grants to the Grantee, for the benefit of the Secured Creditors, a continuing security interest in (i) all of the Grantor's right, title and interest in, to and under to the United States trademarks, trademark registrations and trademark applications (the "Marks") set forth on Schedule A attached hereto; (ii) all proceeds and products of the Marks, (iii) the goodwill of the businesses with which the Marks are associated and (iv) all causes of action arising prior to or after the date hereof for infringement of any of the Marks or unfair competition regarding the same.

THIS GRANT is made to secure the satisfactory performance and payment of all the Obligations, as such term is defined in the U.S. Guaranty and Collateral Agreement for the purpose of recording the grant of security interest herein with the United States Patent and Trademark Office.

The rights and remedies of the Grantee with respect to the security interest granted herein are as set forth in the U.S. Guaranty and Collateral Agreement, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this Grant are deemed to conflict with the U.S. Guaranty and Collateral Agreement, the provisions of the U.S. Guaranty and Collateral Agreement shall govern.

THIS GRANT may be executed in counterparts, each of which will be deemed an original, but all of which together constitute one and the same original.

IN WITNESS WHEREOF, the undersigned have executed this Grant as of the date first written above.

API CRYPTTEK, INC., Grantor

By: 

Name: Stephen Pudles


Title: Chief Executive Officer

Signature page to API Grant in Intellectual Property

NEWYORK 9157257 (2K)

TRADEMARK
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MORGAN STANLEY SENIOR FUNDING, INC.,
as Collateral Agent and Grantee

By 
Name: Nicholas Romig
Title: Vice President

SCHEDULE A

<u>Mark</u>	<u>Registration/ Application No.</u>	<u>Registration Date</u>
ION NETWORKS & Design	3084437	4/25/2006
CRYPTTEK	1,680,106	3/24/1992
CRYPTTEK & Design	2,669,265	12/31/2002
TS-21 BLACKJACK	3,279,218	8/14/2007
NETGARD	77/436,934	4/1/2008