

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	Intellectual Property Security Agreement

**CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
Groen Brothers Aviation, Inc.		04/11/2011	CORPORATION: UTAH
Groen Brothers Aviation USA, Inc.		04/11/2011	CORPORATION: UTAH
Groen Brothers Aviation International, LLC		04/11/2011	LIMITED LIABILITY COMPANY: DELAWARE

**RECEIVING PARTY DATA**

<b>Name:</b>	Lake Zurich Holdings Ltd.
<b>Street Address:</b>	Craigmuir Chambers
<b>Internal Address:</b>	P.O. Box 71
<b>City:</b>	Road Town, Tortola
<b>State/Country:</b>	BRITISH VIRGIN ISLANDS
<b>Entity Type:</b>	COMPANY: BRITISH VIRGIN ISLANDS

**PROPERTY NUMBERS Total: 1**

Property Type	Number	Word Mark
Serial Number:	78102032	HOMELAND DEFENDER

**CORRESPONDENCE DATA**

Fax Number: (917)777-3358  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
 Phone: 212-735-3056  
 Email: mzisk@skadden.com, smarquez@skadden.com  
 Correspondent Name: Matthew B. Zisk  
 Address Line 1: Four Times Square  
 Address Line 2: Skadden, Arps, Slate, Meagher & Flom LLP  
 Address Line 4: New York, NEW YORK 10036-6522

<b>ATTORNEY DOCKET NUMBER:</b>	135130/2
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**DOMESTIC REPRESENTATIVE**

**900194254**

**TRADEMARK  
 REEL: 004560 FRAME: 0290**

**CH \$40.00 78102032**

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

NAME OF SUBMITTER:

Matthew B. Zisk

Signature:

/Matthew B. Zisk/

Date:

06/13/2011

Total Attachments: 9  
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## INTELLECTUAL PROPERTY SECURITY AGREEMENT

This INTELLECTUAL PROPERTY SECURITY AGREEMENT, dated as of May 6, 2011, but effective as of April 11, 2011 (this "IP Security Agreement"), is made by and among (a) GROEN BROTHERS AVIATION, INC., a Utah corporation (the "Company"), (b) GROEN BROTHERS AVIATION USA, INC., a Utah corporation ("GBA USA") and a wholly-owned subsidiary of the Company, (c) GROEN BROTHERS AVIATION INTERNATIONAL, LLC, a Delaware limited liability company ("GBA LLC" and together with GBA USA, the "Subsidiary Guarantors", and collectively with the Company, the "Grantors") and a wholly-owned subsidiary of the Company, and (d) LAKE ZURICH HOLDINGS LTD., a British Virgin Islands company (the "Lender", and together with the Grantors, the "Parties").

WHEREAS, the Lender holds certain promissory notes of the Company (collectively, the "GBA Notes"), the obligations under which are unconditionally guaranteed by each Subsidiary Guarantor pursuant to certain subsidiary guaranty agreements;

WHEREAS, the Maturity Date (as defined in the respective GBA Notes) of each of the GBA Notes was April 11, 2011;

WHEREAS, the Company and the Subsidiary Guarantors are unable to satisfy the obligations under the GBA Notes as of the date hereof;

WHEREAS, in connection with the Lender's agreement to extend the Maturity Date of each of the GBA Notes, (a) the Subsidiary Guarantors entered into that certain Subsidiary Guaranty Agreement dated the date hereof (as amended and as the same may from time to time be further amended, restated, supplemented or otherwise modified, the "Guaranty") pursuant to which each Subsidiary Guarantor has, among other things, unconditionally guaranteed to the Lender and its successors, endorsees, transferees and assigns the prompt and complete payment, as and when due and payable (whether at the stated maturity or by required repayment, acceleration, demand or otherwise), by the Company of all of the Company's obligations to the Lender under the Dividend Note and (b) the Grantors and the Lender entered into that certain Security Agreement dated as of the date hereof (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Security Agreement"; defined terms used herein but not defined herein shall have the meaning ascribed to such terms in the Security Agreement) pursuant to which the Grantors granted to the Lender a continuing security interest in and continuing lien on certain collateral of the Grantors to secure the prompt and complete payment of all of the Obligations; and

WHEREAS, under the terms of the Security Agreement, the Grantors have granted to the Lenders a security interest in, among other property, all intellectual property of the Grantors, and have agreed to execute this IP Security Agreement for recording with the U.S. Patent and Trademark Office, the United States Copyright Office and other governmental authorities.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor agrees as follows:

1. Grant of Security. Each Grantor hereby grants to the Lender a continuing security interest in and continuing lien on all of such Grantor's right, title and interest in and to the following, except to the extent any applicable law, regulation (including without limitation the Defense Production Act and International Traffic in Arms Regulations) or agreement with a domain name registrar prohibits the creation of a security interest therein or would otherwise invalidate any Grantor's right, title or interest therein (collectively, the "Collateral"):

(a) the patents and patent applications set forth in Schedule A hereto (collectively, the "Patents");

(b) the trademark and service mark registrations and applications set forth in Schedule B hereto (provided that no security interest shall be granted in United States intent-to-use trademark applications to the extent that, and solely during the period in which the grant of a security interest therein would impair the validity or enforceability of such intent-to-use trademark applications under applicable federal law) together with the goodwill symbolized thereby (collectively, the "Trademarks");

(c) all copyrights, whether registered or unregistered, now owned or hereafter acquired by such Grantor, including, without limitation, the copyright registrations and applications and exclusive copyright licenses set forth in Schedule C hereto (collectively, the "Copyrights");

(d) all reissues, divisions, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the foregoing, all rights in the foregoing provided by international treaties or conventions, all rights corresponding thereto throughout the world and all other rights of any kind whatsoever of such Grantor accruing thereunder or pertaining thereto;

(e) any and all claims for damages and injunctive relief for past, present and future infringement, dilution, misappropriation, violation, misuse or breach with respect to any of the foregoing, with the right, but not the obligation, to sue for and collect, or otherwise recover, such damages; and

(f) any and all proceeds of, collateral for, income, royalties and other payments now or hereafter due and payable with respect to, and supporting obligations relating to, any and all of the Collateral of or arising from any of the foregoing.

2. Security for Obligations. The grant of a security interest in the Collateral by each Grantor under this IP Security Agreement secures the payment of all of the Obligations of such Grantor now or hereafter existing.

3. Recordation. Each Grantor authorizes and requests that the Register of Copyrights, the Commissioner for Patents and the Commissioner for Trademarks and any other applicable government officer record this IP Security Agreement.

4. Execution in Counterparts. This IP Security Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

5. Grants, Rights and Remedies. This IP Security Agreement has been entered into in conjunction with the provisions of the Security Agreement. Each Grantor does hereby acknowledge and confirm that the grant of the security interest hereunder to, and the rights and remedies of, the Lender with respect to the Collateral are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated herein by reference as if fully set forth herein.

6. Governing Law. This IP Security Agreement shall be governed by and construed in accordance with, the laws of the State of New York.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, each of the undersigned has duly executed and delivered this Intellectual Property Security Agreement on the date first written above but effective as of April 11, 2011.

**GRANTORS:**

**GROEN BROTHERS AVIATION, INC.**

By:   
Name: David Groen  
Title: President & CEO

Address:  
2640 West California Avenue, Suite A  
Salt Lake City, Utah 84104  
ATT: David Groen  
Fax: (801) 973-4027

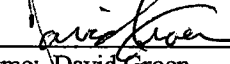
**LENDER:**

**LAKE ZURICH HOLDINGS LTD.**

By: \_\_\_\_\_  
Name: Steve G. Stevanovich  
Title: Director

Address:  
Grand Rue 3, 6<sup>th</sup> Floor  
Montreux, CH-1820, Switzerland  
Facsimile: +41 21 966 79 22

**GROEN BROTHERS AVIATION USA, INC.**

By:   
Name: David Groen  
Title: President & CEO

Address:  
2640 West California Avenue, Suite A  
Salt Lake City, Utah 84104  
ATT: David Groen  
Fax: (801) 973-4027

**GROEN BROTHERS AVIATION  
INTERNATIONAL, LLC**

By : Groen Brothers Aviation, Inc.,  
its Manager

By:   
Name: David Groen  
Title: President & CEO

Address:  
2640 West California Avenue, Suite A  
Salt Lake City, Utah 84104  
ATT: David Groen  
Fax: (801) 973-4027

[Signature page to Intellectual Property Security Agreement]

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Fax: (801) 973-4027

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By: \_\_\_\_\_  
Name: David Groen  
Title: President & CEO

Address:  
2640 West California Avenue, Suite A  
Salt Lake City, Utah 84104  
ATT: David Groen  
Fax: (801) 973-4027

**GROEN BROTHERS AVIATION  
INTERNATIONAL, LLC**


By : Groen Brothers Aviation, Inc.,  
its Manager

By: \_\_\_\_\_  
Name: David Groen  
Title: President & CEO

Address:  
2640 West California Avenue, Suite A  
Salt Lake City, Utah 84104  
ATT: David Groen  
Fax: (801) 973-4027

**LENDER:**

**LAKE ZURICH HOLDINGS LTD.**

By:   
Name: Steve G. Stevanovich  
Title: Director

Address:  
Grand Rue 3, 6<sup>th</sup> Floor  
Montreux, CH-1820, Switzerland  
Facsimile: +41 21 966 79 22

[Signature page to Intellectual Property Security Agreement]

## Schedule A

### Patents

#### Existing Patents

5,304,036	Autogyro Aircraft
5,301,900	Autogyro Aircraft
5,544,844	Autogyro Aircraft
6,347,770	Dual Control Stick for Aircraft
274443 Korea	Autogyro Aircraft
PI9306149.8 Brazil	Autogyro Aircraft
2,132,839 Canada	Autogyro Aircraft
EP0631553 Europe	Autogyro Aircraft (only Spain active)

#### Provisional Patents

61/461,223	Composite Rotor Blade for a Reaction Drive Rotorcraft
61/460,573	Composite Rotor Blade Having Internal Stiffening Elements
61/403,134	Tip Jet Attachment Apparatus and Method
61/460,572	Composite Rotor Blade Manufacturing Method and Apparatus
61/403,098	Thick Laminate Manufacturing Apparatus and Method
61/456,219	Rotor Blade Spar Manufacturing Apparatus and Method
61/409,482	Mission-Adaptive Rotor Blade
61/403,111	Heliplace Rotor Thermal Management for Maintaining Dimensional Stability
61/468,964	Reaction Drive Rotor Head with External Swashplate
61/403,081	Mast Main Bearing Lubrication and Thermal Management
61/403,097	Feathering Spindle-Bearing Lubrication and Temperature Control
61/403,135	Blade Root Attachment Apparatus and Method
61/466,177	Rotor Hub and Blade Root Fairing Apparatus and Method
61/409,487	Detachable Rotor Blade Fairing Apparatus and Method
61/456,220	Rotor Hub Compressed Air System and Method
61/381,313	Fail Safe, Multiple Source Tip-Jet Supply Apparatus and Method
61/409,478	Gyroplane Prerotation by Compressed Air
61/456,221	Rotor Blade Subsystems Attachment
61/403,136	Apparatus and Method for Roll Moment Equalization at High Advance Ratios for Rotor Wing Aircraft
61/381,347	Anemometer Drive Apparatus and Method
61/409,494	Use of Auxiliary Rudders for Yaw Control at Low Speed
61/409,476	Tail Jet Apparatus and Method for Low Speed Yaw Control of a Rotorcraft
61/409,475	Tail Fan Apparatus and Method for Low Speed Yaw Control of a Rotorcraft
61/429,282	Pre-Landing, Rotor Spin-Up Apparatus and Method
61/429,289	Rotor Unloading Apparatus and Method
61/403,099	Torsionally Stiff Rotorcraft Control
61/403,113	Oil Lubricated Swashplate
61/517,413	Solid Lubricated Pitch Control System for Use Within a Compressed Air Stream of a Reaction Driven Rotorcraft

TRADEMARK

REEL: 004560 FRAME: 0297



61/381,291 Two-Place Collective Pitch and Throttle

**Schedule A Patents – page 2**

61/432,488 Rotorcraft Empennage

61/409,470 Rotor Driven Auxiliary Power Apparatus and Method

**Schedule B**

**Trademarks**

Word Mark: HOMELAND DEFENDER  
Serial Number: 78102032  
Registration Number: 2806567

**Schedule C**

**Copyrights**

Not Applicable