

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
RAE Systems Inc.		06/16/2011	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	Silicon Valley Bank, as Administrative Agent		
Street Address:	2400 Hanover Street		
City:	Palo Alto		
State/Country:	CALIFORNIA		
Postal Code:	94304		
Entity Type:	CORPORATION: CALIFORNIA		
PROPERTY NUMBERS Total: 5			
Property Type	Number	Word Mark	
Registration Number:	3310702	AREARAE	
Registration Number:	2822817	GAMMARAE	
Registration Number:	3712927	MESHGUARD	
Registration Number:	2822823	MINIRAE	
Registration Number:	2822821	MULTIRAE	
CORRESPONDENCE DATA			
Fax Number:	(214)981-3400		
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>			
Phone:	214-981-3483		
Email:	dclark@sidley.com		
Correspondent Name:	Dusan Clark, Esq.		
Address Line 1:	Sidley Austin LLP		
Address Line 2:	717 N. Harwood St., Suite 3400		
Address Line 4:	Dallas, TEXAS 75201		
ATTORNEY DOCKET NUMBER:	51285-30080		

CH \$140.00 3310702

900197556

TRADEMARK
 REEL: 004587 FRAME: 0820

NAME OF SUBMITTER:	Dusan Clark
Signature:	/Dusan Clark/
Date:	07/20/2011
Total Attachments: 9 source=5. Intellectual Property Security Agreement#page1.tif source=5. Intellectual Property Security Agreement#page2.tif source=5. Intellectual Property Security Agreement#page4.tif source=5. Intellectual Property Security Agreement#page6.tif source=5. Intellectual Property Security Agreement#page8.tif source=5. Intellectual Property Security Agreement#page9.tif source=5. Intellectual Property Security Agreement#page10.tif source=5. Intellectual Property Security Agreement#page11.tif source=5. Intellectual Property Security Agreement#page12.tif	

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of June 16, 2011 by and between RAE Systems Inc. ("Grantor") and Silicon Valley Bank ("Bank").

RECITALS

A. Bank and the Lenders have agreed to make certain advances of money and to extend certain financial accommodation to Grantor (the "Loans") in the amounts and manner set forth in that certain Credit Agreement among Ray Holding Corporation, Ray Merger Sub Corporation, Grantor, the Lenders party thereto and Bank, as administrative agent and issuing lender, dated as of even date herewith (as the same may be amended, modified or supplemented from time to time, the "Credit Agreement"). Unless otherwise specified, capitalized terms used herein are used as defined in the Credit Agreement.

B. In consideration of the agreement by Bank and Lenders to make the Loans to Grantor under the Credit Agreement, Ray Holding Corporation, Ray Merger Sub Corporation, [Rae Luxembourg], Grantor, and the other Grantors party thereto are entering into that certain Guarantee and Collateral Agreement in favor of Bank, as administrative agent, dated as of even date herewith (as the same may be amended, modified or supplemented from time to time, the "Guarantee and Collateral Agreement").

C. Bank and Lenders are willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to Bank a security interest in certain Copyrights, Trademarks, and Patents (in each case, as defined in the Guarantee and Collateral Agreement) to secure the obligations of Grantor under the Credit Agreement and the Guarantee and Collateral Agreement.

D. Pursuant to the terms of the Credit Agreement and the Guarantee and Collateral Agreement, Grantor has granted to Bank, as administrative agent for the Secured Parties, a security interest in all of such Grantor's right, title and interest, whether presently existing or hereafter acquired, in, to and under all of the Collateral.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, as collateral security for the prompt and complete payment when due of its obligations under the Credit Agreement and Loan Documents, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its obligations under the Credit Agreement and Loan Documents, Grantor grants and pledges to Bank a security interest in all of such Grantor's right, title and interest in, to and under its intellectual property collateral (including without limitation those Copyrights, Patents, and Trademarks listed on Exhibits A, B, and C hereto), and including without limitation all proceeds thereof (such as, by way of example but not by way of limitation, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all re-issues, divisions continuations, renewals, extensions and continuations-in-part thereof.

This security interest is granted in conjunction with the security interest granted to Bank under the Guarantee and Collateral Agreement. The rights and remedies of Bank with respect to the security interest granted hereby are in addition to those set forth in the Credit Agreement and the other Loan Documents, and those which are now or hereafter available to Bank as a matter of law or equity. Each right, power and remedy of Bank provided for herein or in the Credit Agreement or any of the Loan Documents, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or remedy provided for herein and the exercise by Bank of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Credit Agreement or any of the other Loan Documents, or now or hereafter existing at law or in equity, shall not preclude the simultaneous or later exercise by any person, including Bank, of any or all other rights, powers or remedies.

[Remainder of Page Left Intentionally Blank]

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

Address of Grantor:

RAE Systems, Inc.
3775 N. First Street
San Jose, CA 95134

Grantor:

RAE SYSTEMS INC.

By

Name

Title


Robert Chen
PRESIDENT + CEO

Address of Bank:

Silicon Valley Bank
2400 Hanover Street
Palo Alto, California 94304
Attn: Brian Sherer

Bank:

SILICON VALLEY BANK
as Administrative Agent

By

Name:

Title:

[Signature Page to Intellectual Property Security Agreement]

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

Address of Grantor:

RAE Systems, Inc.
3775 N. First Street
San Jose, CA 95134

Grantor:

RAE SYSTEMS INC.

By _____

Name:

Title:

Address of Bank:

Silicon Valley Bank
2400 Hanover Street
Palo Alto, California 94304
Attn: Brian Sherer

Bank:

SILICON VALLEY BANK
as Administrative Agent

By Michael Willard

Name: Michael Willard

Title: Relationship Manager

[Signature Page to Intellectual Property Security Agreement]

TRADEMARK
REEL: 004587 FRAME: 0825

EXHIBIT A

Copyrights

Title	Reg. No. / Date	Owner	Status
Technical note : TN-106.	TX6522772 20070216	RAE Systems Inc.	Registered
The PID handbook.	TX6519037 20070214	RAE Systems Inc.	Registered
Gas detection tubes & sampling handbook.	TX6518651 20070214	RAE Systems Inc.	Registered
Application & technical notes.	TX6464179 20061221	RAE Systems Inc.	Registered
Correction factors, ionization potentials, and calibration characteristics.	TX5392840 20011123	RAE Systems Inc.	Registered

EXHIBIT B

Patents

Registration No.	Application No.	Title	Jurisdiction	Owner
US 5,393,979	US 08/061418	Photo-ionization Detector for Detecting Volatile Organic Gases	US	RAE Systems Inc.
US 5,561,344	US 08/399493	Photo-ionization Detector for Detecting Volatile Organic Gases	US	RAE Systems Inc.
US 5,773,833	US 08/620635	Photo-ionization Detector for Volatile Gases Measurement	US	RAE Systems Inc.
US 6,225,633 JP 4053817 EP 1243921 B1	US 09/177669	Photo-Ionization Detector and Method for Continuous Operation and Real Time Self-cleaning	US, Japan, Europe	RAE Systems Inc.
US 6,313,638	US 09/271612	A Dual Channel Photo-ionization Detector and a Method for Eliminating Influence of Ultraviolet Intensity	US	RAE Systems Inc.
US 6,320,388	US 09/330522	Multiple Channel Photo-ionization Detector for Simultaneous and Selective Measurement of Volatile Organic Compound	US, Europe pending	RAE Systems Inc.
US 6,509,562/ EP1229995 B1	US 09/397625	Selective Photo-ionization Detector Using Ion Mobility Spectrometry	US, Europe	RAE Systems Inc.
US 6,333,632 EP 1218733	US 09/397624	Alternating Current Discharge Ionization Detector	US, Europe	RAE Systems Inc.
US 6,469,303	US 09/574578	Non-dispersive Infrared Gas Sensor	US	RAE Systems Inc.
US 6,661,233 B2	US 09/978260	Gas Analyzer with Real-time Broadband Monitoring And Snapshot Selective Detection	US	RAE Systems Inc.
US 7,258,773	US 10/640125	Solid Polymer Electrolyte Oxygen Sensor	US, Europe pending	RAE Systems Inc.
US 6,734,435B2	US 09/870179	Photo-ionization detector and method for continuous operation and real time self-cleaning	US	RAE Systems Inc.
US 6,967,485	US 10/607950	Automatic Drive Adjustment of Ultraviolet Lamps in Photo-ionization Detectors	US	RAE Systems Inc.
US 7,592,603	US 11/213086	Combined Radiation Dosimeter and Rate Meter	US, Europe pending	RAE Systems Inc.
ZL 02280230.4		Photo-ionization detector	China	RAE Systems Inc.
	PCT/CN2004/00090	Integrated photo-ionization	China	RAE Systems

Registration No.	Application No.	Title	Jurisdiction	Owner
	5 200480043755.4	detector		Inc.
	PCT/CN2006/002609 200680055975.8	VOC detection using photo-ionization detector and method	China pending	RAE Systems Inc.
	200710040807.8	Photo-ionization detector used in gas chromatograph and method	China pending	RAE Systems Inc.
ZL 200720067821.2		Concentrator and gas sampling system	China	RAE Systems Inc.
ZL 200720066496.8		Heater for the GC column	China	RAE Systems Inc.
ZL 200720066495.3		Oxygen sensor	China	RAE Systems Inc.
ZL 200630195809.0		Miniature gas sensor	China	RAE Systems Inc.
	200710038443.X PCT/CN2008/070573	Integrated electrolyte gas sensor	China pending	RAE Systems Inc.
	200810036757	Formaldehyde sensor	China pending	RAE Systems Inc.
	200910045439.5	Hydrogen generator	China pending	RAE Systems Inc.
	200810207495.X	Material and method to resist organic silicon poisoning in catalytic gas sensor	China pending	RAE Systems Inc.
	200810207494.5	Material and method to resist organic silicon and sulfur poisoning in catalytic gas sensor	China pending	RAE Systems Inc.
	200710171801.4	Sensor network routing method based on twobranch algorithm	China	RAE Systems Inc.
	200710171812.2	Real time personnel location finding in underground mines	China pending	RAE Systems Inc.
	200710171799.0	Underground mine safety monitoring system based on 1.2GHz and 433 MHz mixed radio frequency network	China pending	RAE Systems Inc.
	200710172037.2	Self forming tree routing wireless network for monitoring system	China	RAE Systems Inc.
	200910055547	Electrode material, sensor and manufacturing method for sulfur dioxide gas measurement	China pending	RAE Systems Inc.
	200910247216.7	Extremely low concentration gas detector (patent application filed by RAE Shanghai)	China pending	RAE Systems Inc.
	201010131805.1	Components of carbon dioxide detectors (patent application filed by RAE Shanghai)	China pending	RAE Systems Inc.
	200680032878.7	Combined radiation dosimeter and rate meter (patent application filed by the Company)	China pending	RAE Systems Inc.
	200480029898.X	Solid polymer electrolyte oxygen sensor (patent application filed by	China pending	RAE Systems Inc.

Registration No.	Application No.	Title	Jurisdiction	Owner
60040298	20000918	the Company) SELECTIVELY PHOTO- IONIZATION DETECTOR USING ION MOBILITY SPECTROMETRY	DE	RAE Systems Inc.
1660879	781216	SOLID POLYMER ELECTROLYTE OXYGEN SENSOR	EP	RAE Systems Inc
69942181 20100506		PHOTO-IONIZATION DETECTOR FOR VOLATILE GAS MEASUREMENT AND A METHOD FOR SELF- CLEANING THE SAME	DE	RAE Systems Inc.

EXHIBIT C

Trademarks

Application / Registration Number	Trademark	Jurisdiction	Owner
77048343 / 3310702	AREARAE	US	RAE Systems Inc.
76509574 / 2822817	GAMMARAE	US	RAE Systems Inc.
77514067 / 3712927	MESHGUARD	US	RAE Systems Inc.
76509664 / 2822823	MINIRAE	US	RAE Systems Inc.
76509662 / 2822821	MULTIRAE	US	RAE Systems Inc.