

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
KG Technologies, Inc.		09/27/2011	CORPORATION: ILLINOIS
RECEIVING PARTY DATA			
Name:	Silicon Valley Bank		
Street Address:	2400 Hanover Street		
City:	Palo Alto		
State/Country:	CALIFORNIA		
Postal Code:	94304		
Entity Type:	CORPORATION: CALIFORNIA		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	2630572	KG	
CORRESPONDENCE DATA			
Fax Number:	(214)981-3400		
Phone:	214-981-3483		
Email:	dclark@sidley.com		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>			
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:	51285-31870		
NAME OF SUBMITTER:	Dusan Clark		
Signature:	/Dusan Clark/		

CH \$40.00 2630572

900203383

TRADEMARK
REEL: 004632 FRAME: 0887

Date:

09/29/2011

Total Attachments: 9

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EXECUTION COPY

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT, dated as of September 27, 2011, is made by each of the entities listed on the signature pages hereof (each a "Grantor" and, collectively, the "Grantors"), in favor of Silicon Valley Bank ("Bank") (as defined in the Loan Agreement referred to below).

WITNESSETH:

WHEREAS, pursuant to the Loan Agreement, dated as of September 27, 2011 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"), between the Borrower and the Bank, the Bank which has agreed to make extensions of credit to the Borrower upon the terms and subject to the conditions set forth therein;

WHEREAS, each Grantor has agreed, pursuant to a Guaranty and Security Agreement of even date herewith in favor of the Bank (the "Guaranty and Security Agreement"), to guarantee the Obligations (as defined in the Loan Agreement) of the Borrower; and

WHEREAS, all of the Grantors are party to the Guaranty and Security Agreement pursuant to which the Grantors are required to execute and deliver this Intellectual Property Security Agreement;

NOW, THEREFORE, in consideration of the premises and to induce the Bank, to enter into the Loan Agreement and to induce the Bank to make extensions of credit to the Borrower thereunder, each Grantor hereby agrees with the Bank as follows:

Section 1. Defined Terms. Capitalized terms used herein without definition are used as defined in the Guaranty and Security Agreement.

Section 2. Grant of Security Interest in Intellectual Property Collateral. Each Grantor, as collateral security for the prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of the Secured Obligations of such Grantor, hereby mortgages, pledges and hypothecates to the Bank, and grants to the Bank a Lien on and security interest in, all of its right, title and interest in, to and under the following Collateral of such Grantor (the "Intellectual Property Collateral"):

1. Copyrights

- a) all of its Copyrights and all IP Licenses providing for the grant by or to such Grantor of any right under any Copyright, including, without limitation, those referred to on Schedule I hereto;
- b) all renewals, reversions and extensions of the foregoing; and

- c) all income, royalties, proceeds and Liabilities at any time due or payable or asserted under and with respect to any of the foregoing, including, without limitation, all rights to sue and recover at law or in equity for any past, present and future infringement, misappropriation, dilution, violation or other impairment thereof.

2. Patents

- a) all of its Patents and all IP Licenses providing for the grant by or to such Grantor of any right under any Patent, including, without limitation, those referred to on Schedule II hereto;
- b) all reissues, reexaminations, continuations, continuations-in-part, divisionals, renewals and extensions of the foregoing; and
- c) all income, royalties, proceeds and Liabilities at any time due or payable or asserted under and with respect to any of the foregoing, including, without limitation, all rights to sue and recover at law or in equity for any past, present and future infringement, misappropriation, dilution, violation or other impairment thereof.

3. Trademarks

- a) all of its Trademarks and all IP Licenses providing for the grant by or to such Grantor of any right under any Trademark, including, without limitation, those referred to on Schedule III hereto;
- b) all renewals and extensions of the foregoing;
- c) all goodwill of the business connected with the use of, and symbolized by, each such Trademark; and
- d) all income, royalties, proceeds and Liabilities at any time due or payable or asserted under and with respect to any of the foregoing, including, without limitation, all rights to sue and recover at law or in equity for any past, present and future infringement, misappropriation, dilution, violation or other impairment thereof.

Section 3. Guaranty and Security Agreement. The security interest granted pursuant to this Intellectual Property Security Agreement is granted in conjunction with the security interest granted to the Bank pursuant to the Guaranty and Security Agreement and each Grantor hereby acknowledges and agrees that the rights and remedies of the Bank with respect to the security interest in the Intellectual Property Collateral made and granted hereby are more fully set forth in the Guaranty and Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

Section 4. Grantor Remains Liable. Each Grantor hereby agrees that, anything herein to the contrary notwithstanding, such Grantor shall assume full and complete responsibility for the prosecution, defense, enforcement or any other necessary or desirable actions in connection with their Intellectual Property and IP Licenses subject to a security interest hereunder.

Section 5. Counterparts. This Intellectual Property Security Agreement may be executed in any number of counterparts and by different parties in separate 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. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart.

Section 6. Governing Law. This Intellectual Property Security Agreement and the rights and obligations of the parties hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of California.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, each Grantor has caused this Intellectual Property Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

Very truly yours,

KG TECHNOLOGIES, INC.
as Grantor

By: 

Name: Philipp Gruner
Title: President

ACCEPTED AND AGREED
as of the date first above written:

SILICON VALLEY BANK

By: _____

Name:

Title:

SIGNATURE PAGE TO INTELLECTUAL PROPERTY SECURITY AGREEMENT

A3-4

TRADEMARK
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IN WITNESS WHEREOF, each Grantor has caused this Intellectual Property Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

Very truly yours,

CLODI, LLC
as Grantor

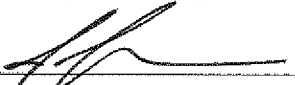
By: _____

Name:

Title:

ACCEPTED AND AGREED
as of the date first above written:

SILICON VALLEY BANK

By:  _____

Name: *JEAN LEE*

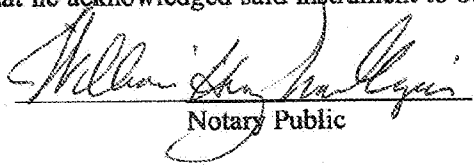
Title: *DEAL TEAM LEADER*

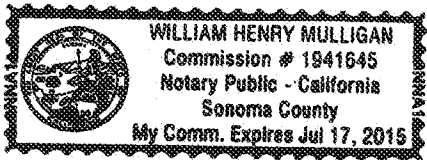
ACKNOWLEDGMENT OF GRANTOR

State of CALIFORNIA)
County of SONOMA)

ss.

On this 16 day of September, 2011 before me personally appeared Phillip Benjamin CRUVER, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of K9 Technologies, Inc. who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.


Notary Public



ACKNOWLEDGEMENT OF GRANTOR FOR INTELLECTUAL PROPERTY SECURITY AGREEMENT

SCHEDULE I
TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Copyright Registrations

None

SCHEDULE II
TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Patent Registrations

None

SCHEDULE III
TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Trademark Registrations

NO.	MARK	SERIAL NO.	DATE FILED	REG. NO.	DATE REG.	CURRENT OWNER
1.	KG & DESIGN	76209678	2/13/2001	2630572	10/8/2002	KG Technologies, Inc.