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DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

Tab settings

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies): Lenzar Electro-Optics, Inc. 2 Penn Plaza New York, NY 10121
5-1-02
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies) Name: Bank of America, N.A., as Administrative Agent Internal Address: _____

3. Nature of conveyance: Assignment Merger Security Agreement Change of Name Other _____

Street Address: 101 North Tryon Street
City: Charlotte State: NC Zip 28255
Additional name(s) & address(es) attached? Yes No

Execution Date: April 1, 2002

4. Application number(s) or patent number(s): If this document is being filed together with a new application, the execution date of the application is: _____
A. Patent Application No.(s) _____
B. Patent No.(s) 5,331,435
Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Richard Roel Internal Address: c/o O'Melveny & Myers LLP Street Address: 153 East 53rd Street City: New York State: NY Zip 10022

6. Total number of applications and patents involved: 1
7. Total fee (37 CFR 3.41): \$ 40.00 Enclosed Authorized to be charged to deposit account
8. Deposit account number: _____
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature. To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.
Richard Roel Name of Person Signing
Richard Roel Signature
4/27/02 Date

Total number of pages including cover sheet, attachments, and documents: 5

Mail documents to be recorded with required cover sheet information to: Commissioner of Patents & Trademarks, Box Assignments Washington, D.C. 20231

05/06/2002 TDIAZ1 00000006 5331435
01 FC:581 40.00 0P



GRANT OF PATENT SECURITY INTEREST

WHEREAS, LENZAR ELECTRO-OPTICS, INC., a Delaware corporation (“**Grantor**”), owns and uses in its business, and will in the future adopt and so use, various intangible assets, including the Patent Collateral (as defined below); and

WHEREAS, COVANTA ENERGY CORPORATION, a Delaware corporation (“**Company**”) and the Subsidiaries of Company listed on the signature pages thereof (collectively, Company and such Subsidiaries of Company are “**Borrowers**” and each a “**Borrower**,” have entered into a Debtor-in-Possession Credit Agreement dated as of April 1, 2002 (as such Credit Agreement, may heretofore have been and as it may from time to time hereafter be amended, restated, supplemented, or otherwise modified, being the “**Credit Agreement**”) with the financial institutions listed on the signature pages thereof as Lenders (collectively, together with their respective successors and assigns party to the Credit Agreement from time to time, the “**Lenders**”), **DEUTSCHE BANK AG, NEW YORK BRANCH**, as Documentation Agent, and **BANK OF AMERICA, N.A.**, as Administrative Agent for the Lenders (in such capacity, “**Secured Party**”), pursuant to which Lenders have made certain commitments, subject to the terms and conditions set forth in the Credit Agreement, to extend certain credit facilities to Borrowers; and

WHEREAS, pursuant to the terms of a Security Agreement dated as of April 1, 2002 (as it may heretofore have been and as it may from time to time hereafter be amended, restated, supplemented or otherwise modified, the “**Security Agreement**”), among Grantor, Secured Party and the other grantors named therein, Grantor has agreed to create in favor of Secured Party a secured and protected interest in, and Secured Party has agreed to become a secured creditor with respect to, the Patent Collateral;

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, subject to the terms and conditions of the Security Agreement, Grantor hereby grants to Secured Party a security interest in all of Grantor’s right, title and interest in and to the following, in each case whether now or hereafter existing or in which Grantor now has or hereafter acquires an interest and wherever the same may be located (the “**Patent Collateral**”):

- (i) all rights, title and interest (including rights acquired pursuant to a license or otherwise but only to the extent permitted by agreements governing such license or other use) in and to all patents and patent applications and rights and interests in patents and patent applications under any domestic or foreign law that are presently, or in the future may be, owned or held by such Grantor and all patents and patent applications and rights, title and interests in patents and patent applications under any domestic or foreign law that are presently, or in the future may be, owned by such Grantor in whole or in part (including, without limitation, the patents and patent applications listed in Schedule A), all rights (but not obligations) corresponding thereto to sue for past, present and future infringements and all re-issues, divisions, continuations, renewals, extensions and continuations-in-part thereof (all of the foregoing being collectively referred to as the “**Patents**”); and

(ii) all proceeds, products, rents and profits of or from any and all of the foregoing Patent Collateral and, to the extent not otherwise included, all payments under insurance (whether or not Secured Party is the loss payee thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing Patent Collateral. For purposes of this Grant of Patent Security Interest, the term "**proceeds**" includes whatever is receivable or received when Patent Collateral or proceeds are sold, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary.

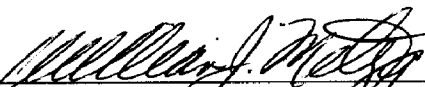
Notwithstanding anything herein to the contrary, in no event shall the Patent Collateral include, and Grantor shall be not deemed to have granted a security interest in, any of Grantor's rights or interests in any license, contract or agreement to which Grantor is a party or any of its rights or interests thereunder to the extent, but only to the extent, that such a grant would, under the terms of such license, contract or agreement or otherwise, result in a breach of the terms of, or constitute a default under any license, contract or agreement to which Grantor is a party; provided, that immediately upon the ineffectiveness, lapse or termination of any such provision, the Patent Collateral shall include, and Grantor shall be deemed to have granted a security interest in, all such rights and interests as if such provision had never been in effect.

Grantor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Patent Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, Grantor has caused this Grant of Patent Security Interest to be duly executed and delivered by its officer thereunto duly authorized as of the 1st day of April, 2002.

LENZAR ELECTRO-OPTICS, INC.

By: 
Name: WILLIAM J. METZGER
Title: VICE PRESIDENT AND TREASURER

**SCHEDULE A
TO
GRANT OF PATENT SECURITY INTEREST**

Patents Issued:

<u>Inventor</u>	<u>Invention</u>	<u>Issue Date</u>	<u>Patent No.</u>
Lenzar Electro-Optics, Inc.	E/Digitizer for Raster Digitizing an Image	July 19, 1994	5,331,435