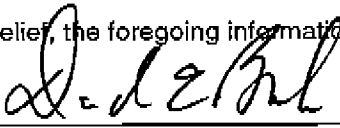


Docket No. 0308.ASG

FORM PTO 1595 (Rev. 6-93) OMB No. 0651-0011 (exp. 4/94)	RECORDATION COVER SHEET PATENTS ONLY	U.S. DEPARTMENT OF COMMERCE Patent and Trademark Office
To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.		
1. Name(s) of conveying party(ies): INNOVATIVE GAMING CORPORATION OF AMERICA Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	2. Name and address of receiving party(ies) Name: <u>Mr. Edward Harris, as Trustee</u> Internal Address: <u>The Harris Family Living Trust u/v/d 3/1/96</u> Street Address: <u>5284 Lakeview Cyn Road</u> City: <u>Westlake Village</u> State: <u>CA</u> ZIP: <u>91362</u> Country: <u>US</u> Additional name(s) & address(es) attached <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
3. Nature of conveyance: <input checked="" type="checkbox"/> Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____ Execution Date: <u>August 21, 2002</u>		
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) Please see attached Exhibit A	
Additional numbers attached? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
5. Name and address of party to whom correspondence concerning document should be mailed: Name: <u>David E. Bruhn</u> Internal Address: Customer Number 25763 <u>Dorsey & Whitney LLP</u> <u>Intellectual Property Department</u> Street Address: <u>Suite 1500, 50 South Sixth Street</u> City: <u>Minneapolis</u> State: <u>MN</u> ZIP <u>55402-1498</u>	6. Total Number of applications and patents involved: <u>12</u> 7. Total fee (37 CFR 3.41) ... 12 x \$40. <u>480.00</u> <input type="checkbox"/> Enclosed <input checked="" type="checkbox"/> Authorized to be charged to deposit account 8. Deposit Account number: <u>04-1420</u> (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.		
David E. Bruhn Name of Person Signing Reg. No. 36,762	 Signature	<u>July 2, 2003</u> Date
Total number of pages including cover sheet, attachments, and document: <u>10</u>		
Mail documents to be recorded with required cover sheet information to: <div style="display: flex; justify-content: space-between;"> <div> Mail Stop Assignment Recordation Services Director of the US Patent and Trademark Office P.O. Box 1450 Alexandria, VA 22313-1450 </div> <div> FACSIMILE NO.: 703.306.5995 </div> </div>		

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EXHIBIT A TO
COLLATERAL ASSIGNMENT (PATENTS)

UNITED STATES ISSUED PATENTS

<u>PATENT NUMBER</u>	<u>ISSUE DATE</u>	<u>TITLE</u>
4,614,342	09/30/1986	Metal Blackjack Video Apparatus
5,263,715	11/23/1993	Dice Displaying Apparatus for a Computer Game Machine
5,497,461	03/05/1996	Data Transmission Error Control Apparatus
5,775,993	07/07/1998	Roulette Gaming Machine

UNITED STATES ISSUED DESIGN PATENTS

<u>PATENT NUMBER</u>	<u>ISSUE DATE</u>	<u>TITLE</u>
D364650	11/28/1995	Video Craps Table
D371579	07/09/1996	Video Craps Table with a Progressive Feature
D376825	12/24/1996	Video Blackjack Table
D383171	09/02/1997	Video Blackjack Table with Progressive Feature
D391994	03/10/1998	Video Roulette Table
D397161	08/18/1998	Metal Blackjack Video Apparatus

PENDING PATENT APPLICATIONS

<u>APPLICATION</u> <u>NO.</u>	<u>FILING DATE</u>	<u>TITLE</u>
09/933,940	08/21/2001	Method and Apparatus for Creating a Multi-Panel Video Display Unit Gaming Device

PUBLISHED PATENT APPLICATION

<u>PUBLICATION</u> <u>NO.</u>	<u>DATE OF PUBLICATION</u>	<u>TITLE</u>
99366088	08/03/1999	Multi-Line Poker Game

COLLATERAL ASSIGNMENT OF PATENTS

THIS COLLATERAL ASSIGNMENT OF PATENTS (the "Assignment"), dated as of August 21, 2002, is made and given by INNOVATIVE GAMING CORPORATION OF AMERICA, a Minnesota corporation (the "Assignor"), to the parties indicated on Annex A to the Security Agreement (as defined below) (the "Assignees").

RECITALS

A. The Assignor has issued certain Convertible Promissory Notes to the Assignees (the "Convertible Notes"), pursuant to a Securities Purchase Agreement between the Assignor and Assignees and has issued an Innovative Gaming Corporation of America Promissory Note to the Assignees dated concurrently herewith (together with the Convertible Notes, the "Notes").

B. To secure all the liabilities and obligations of the Assignor to the Assignees arising under the Convertible Notes and all other liabilities and obligations of the Assignor to the Assignees, whether now existing or hereafter arising (the "Liabilities"), the Assignor has pledged and granted or will pledge and grant to the Assignees a security interest in the property described in a Security Agreement (the "Security Agreement") given by the Assignor in favor of the Assignees which property includes general intangibles, including, without limitation, patents, inventions, trademarks, trade names, copyrights and trade secrets.

C. The Assignor owns the patents and/or patent applications, including any provisional and nonprovisional applications set forth in Exhibit A attached hereto, and the patents so listed are registered and application has been made for such registration as noted in Exhibit A in the United States Patent and Trademark Office.

D. The Assignor finds it advantageous, desirable and in its best interests to execute and deliver this Assignment to the Assignees.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. The Assignor does hereby assign all of its right, title and interest in and to all of the present patents and patent applications owned by the Assignor together with inventions disclosed therein (the "Patents"), including but not limited to those set forth on Exhibit A and including, without limitation, all proceeds thereof together with the right to recover for past, present and future infringements, all rights corresponding thereto throughout the world and all renewals and extensions thereof, said Patents to be held and enjoyed by the Assignees, for their own use, and for their legal representatives, successors and assigns, as fully and entirely as the same would have been held by the Assignor had this Assignment not been made. The foregoing assignment shall be effective only upon the occurrence of a Default or an Event of Default under the Notes or Security Agreement and upon written notice by the Assignees to the Assignor of the acceptance by the Assignees of this Assignment, which written notice shall constitute conclusive proof of the matters set forth therein;

unless and until the occurrence of such a Default or an Event of Default, such assignment shall have no effect. After the occurrence and continuation of an Event of Default under the Notes or Security Agreement, the Assignees shall be entitled to transfer the Patents pursuant to the Assignment of Patents attached hereto as Exhibit B. Assignor hereby irrevocably authorizes the Assignees to complete the undated Assignments of Patents at the time of transfer, upon the occurrence and continuation of an Event of Default under the Notes or Security Agreement.

2. The Assignor hereby covenants and warrants that:

(a) except for applications pending, the Patents listed on Exhibit A have been duly issued and are registered and subsisting and have not been adjudged invalid or unenforceable in whole or in part;

(b) except for applications pending, and to the best of Assignor's knowledge, each of the Patents material to the conduct of Assignor's business listed on Exhibit A is valid and enforceable;

(c) no claim has been made to the Assignor or, to the knowledge of the Assignor, to any other person, that any of the Patents or use of the inventions described therein does or may violate the rights of any third person and no claim has been made by the Assignor that any other person is infringing upon the rights of the Assignor under the Patents;

(d) the Assignor has the unqualified right to enter into this Assignment and perform its terms;

(e) the Assignor will be, until the Liabilities shall have been satisfied in full and the Security Agreement shall have been terminated, in compliance with statutory notice requirements relating to the Patents;

(f) the Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents listed on Exhibit A, free and clear of any liens, charges and encumbrances, including without limitation, licenses and covenants by the Assignor not to sue third persons;

(g) the Patents listed on Exhibit A are all of the United States Patents and applications therefor now owned by the Assignor; and

(h) the Assignor will, at any time upon any reasonable request, communicate to the Assignees, their successors and assigns, any facts relating to the Patents or the history thereof as may be known to the Assignor or its officers, employees and agents, and cause such officers, employees and agents to testify as to the same in any infringement or other litigation at the request of the Assignees.

3. The Assignor agrees that, until the rights of the Assignees in the Patents are terminated pursuant to Section 6, it will not enter into any agreement that is in conflict with its obligations under this Assignment.

4. If, before the Liabilities shall have been satisfied in full, the Assignor shall obtain rights to any new patent, or become entitled to the benefit of any patent application, registration or any renewal or extension of any patent registration, such shall be included in the definition of "Patents" (except for purposes of Section 2 hereof) as used in this Assignment, Section 1 hereof shall automatically apply thereto, and the Assignor shall give to the Assignees prompt notice thereof in writing. The Assignor authorizes the Assignees to modify this Assignment by amending Exhibit A to include any future patent.

5. Except as permitted by the Security Agreement, the Assignor agrees not to sell, assign or encumber its interest in, or grant any license with respect to, any of the Patents, except with the Assignees' prior written consent.

6. The Assignor agrees that it will authorize, execute and deliver to Assignees all documents requested by Assignees to facilitate the purposes of this Assignment, including, but not limited to, documents required to record Assignees' interest in any appropriate office in any domestic or foreign jurisdiction. At such time as the Liabilities shall have been paid in full and the Security Agreement shall have been terminated in accordance with its terms, the Assignees shall on demand of the Assignor execute and deliver to the Assignor all termination statements and other instruments as may be necessary or proper to terminate this Assignment and assign to the Assignor all the Assignees' rights in the Patents, subject to any disposition thereof which may have been made by the Assignees pursuant hereto or pursuant to the Security Agreement.

7. The Assignor shall have the duty, through counsel reasonably acceptable to the Assignees, (i) to use commercially reasonable efforts to prosecute diligently any pending Patent application as of the date of this Assignment or thereafter until the Liabilities shall have been paid in full and the Security Agreement shall have been terminated in accordance with its terms, and (ii) to use commercially reasonable efforts to preserve and maintain all rights in all Patents which a prudent person would reasonably preserve and maintain. Any expenses incurred in connection with applications that constitute Patents shall be borne by the Assignor. The Assignor shall provide fifteen (15) days prior written notice to the Assignees at the address indicated on Schedule A to the Securities Purchase Agreement of even date herewith and among the parties hereto prior to abandoning any application presently pending that constitutes a Patent.

8. The Assignees shall have the right but shall in no way be obligated to bring suit in their own names to enforce or to defend the Patents and any license thereunder if the Assignor has failed to bring such suit in circumstances in which a prudent person would have brought such suit. The Assignor shall, at the request of the Assignees, use commercially reasonable efforts to perform any and all commercially reasonable and lawful acts and execute any and all proper documents requested by the Assignees in aid of such enforcement or defense (including, without limitation, participation as a plaintiff or defendant in any proceeding) and, if Assignor has failed to bring such

suit in circumstances in which a prudent person would have brought such suit, the Assignor shall promptly, upon demand, reimburse and indemnify the Assignees for all reasonable costs and expenses incurred by the Assignees in the exercise of its rights under this Section.

9. This Assignment shall also serve to evidence the security interest in the Patents granted by the Assignor to the Assignees pursuant to the Security Agreement. Nothing in this Assignment shall be construed to limit such security interest in the Patents.

10. No course of dealing between the Assignor and the Assignees, failure to exercise, nor any delay in exercising, on the part of the Assignees, with respect to any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

11. All of the Assignees' rights and remedies with respect to the Patents, whether established hereby, by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently.

12. This Assignment is subject to modification only by a writing signed by the parties, except as provided in Section 4 hereof.

13. This Assignment shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

14. Upon payment in full of all Liabilities, this Assignment shall terminate and all rights to the Patents shall revert to the Assignor.

15. This Assignment and the rights and obligations of the parties hereunder shall be construed in accordance with and governed by the laws (without giving effect to the conflicts of laws principles thereof) of (I) the United States of America as to rights and interests hereunder which are registered or for the registration of which application is pending with the United States Patent and Trademark Office and (II) the State of Minnesota in all other respects. Whenever possible, each provision of this Assignment and any other statement, instrument or transaction contemplated hereby or relating hereto shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this assignment or any other statement, instrument or transaction contemplated hereby or relating hereto shall be held to be prohibited or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Assignment or any other statement, instrument or transaction contemplated hereby or relating hereto. In the event of any conflict within, between or among the provisions of this Assignment, the Notes, the Security Agreement or any other statement, instrument or transaction contemplated hereby or thereby or relating hereto or thereto, those provisions giving the Assignees the greater right shall govern.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Assignor has executed this instrument.

INNOVATIVE GAMING CORPORATION OF
AMERICA

By *James M. Allen*
its CEO/PRES

EXHIBIT B TO
COLLATERAL ASSIGNMENT
OF PATENTS

ASSIGNMENT OF PATENTS

WHEREAS, INNOVATIVE GAMING CORPORATION OF AMERICA, a Minnesota corporation (hereinafter "Assignor"), is the owner by assignment of the entire right, title and interest in and to certain United States Letters Patent, together with the invention(s) disclosed therein.

WHEREAS, _____ (hereinafter "Assignees"), are desirous of acquiring the entire right, title, and interest in and to the aforesaid Letters Patent, together with the invention(s) disclosed therein, any and all causes of action and rights of recovery for past infringements of said Letters Patent, and all of the rights vested in said Assignor herein by virtue of the instruments of assignment and/or by virtue of other instruments pursuant to which Assignor became vested with said ownership, including the right, title, and interest in and to any and all improvements acquired pursuant to the terms of said instruments of assignment.

NOW, THEREFORE, for good and valuable consideration received by Assignor from Assignees, the receipt in full of which is hereby acknowledged.

1. Said Assignor hereby sells, assigns, transfers and conveys unto said Assignees the entire right, title and interest in and to said Letters Patent of the United States together with the invention(s) disclosed therein, including each and every Letters Patent which is granted on any application which is a division, substitution or continuation of said Letters Patent, and in and to each and every reissue or extension of said Letters Patent.

2. Said Assignor further sells, assigns, transfers and conveys unto said Assignees the entire right, title and interest in and to any and all causes of action and rights of recovery for past infringement of the Letters Patent herein assigned.

3. The terms, covenants and provisions of this Assignment shall inure to the benefit of Assignees and their successors, assigns, and/or legal representatives, and shall be binding upon said Assignor, its successors, assigns and/or other legal representatives.

4. Said Assignor hereby irrevocably authorizes _____ to date this undated Assignment and otherwise complete this Assignment at the time of transfer, pursuant to the terms and conditions of the Collateral Assignment of Patents entered into by and among Assignor and Assignees on August 21, 2002.

IN WITNESS WHEREOF, said _____, has executed and delivered this
instrument this _____ day of _____,

INNOVATIVE GAMING CORPORATION OF
AMERICA

By _____
Its _____

DORSEY & WHITNEY LLP

MINNEAPOLIS
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WASHINGTON, D.C.
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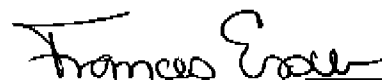
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