

**PATENT ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
EFFECTIVE DATE:	05/09/2005

**CONVEYING PARTY DATA**

Name	Execution Date
JBS TECHNOLOGIES, LLC	05/09/2005

**RECEIVING PARTY DATA**

Name:	LASALLE BUSINESS CREDIT, LLC
Street Address:	TWO COMMERCE SQUARE
Internal Address:	2001 MARKET STREET, SUITE 2610
City:	PHILADELPHIA
State/Country:	PENNSYLVANIA
Postal Code:	19103

**PROPERTY NUMBERS Total: 14**

Property Type	Number
Application Number:	09231508
Application Number:	10255406
Application Number:	10255544
Application Number:	10752054
Application Number:	10752053
Application Number:	10752052
Application Number:	10669114
Patent Number:	5677664
Patent Number:	5459447
Patent Number:	5886622
Patent Number:	5612670
Patent Number:	6101428
Patent Number:	6452772

**OP \$560.00 09231508**

Patent Number:

5942988

**CORRESPONDENCE DATA**

Fax Number: (211)578-9769

*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*

Phone: 215-864-7197

Email: vansciverj@whiteandwilliams.com

Correspondent Name: JOHN W. VAN SCIVER

Address Line 1: 1800 ONE LIBERTY PLACE

Address Line 4: PHILADELPHIA, PENNSYLVANIA 19103

NAME OF SUBMITTER:

DAWN L. VAHEY

**Total Attachments: 14**

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## PATENTS, TRADEMARKS, COPYRIGHTS AND LICENSES SECURITY AGREEMENT

**THIS PATENTS, TRADEMARKS, COPYRIGHTS AND LICENSES SECURITY AGREEMENT** (this "Agreement") is made effective as of the 9<sup>th</sup> day of May, 2005 by and between **JBS TECHNOLOGIES, LLC** ("Assignor") and **LASALLE BUSINESS CREDIT, LLC** ("Assignee").

### BACKGROUND

A. Pursuant to that certain Loan and Security Agreement dated of even date herewith by and between Assignee and Assignor (such Loan and Security Agreement, as heretofore or hereafter amended, modified or restated, being referred to herein as the "**Loan Agreement**"), Assignee agreed to extend to Assignor the following credit facilities: (i) an \$8,000,000 revolving credit facility; (ii) a \$350,000 term loan; and (iii) a \$200,000 term loan.

B. The Loan Agreement provides, *inter alia*, that Assignor will grant to Assignee a security interest in all of Assignor's assets, including, without limitation, its patents, patent rights, patent applications, servicemarks, trademarks, trademark applications, tradenames, goodwill, copyrights and licenses.

**NOW THEREFORE**, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor agrees as follows:

1. **Incorporation of Loan Agreement.** The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All capitalized terms not otherwise defined herein shall have the meanings set forth in the Loan Agreement. All obligations of Assignor to Assignee, whether now or hereafter owing or existing, including without limitation all obligations hereunder, under the Loan Agreement, the Other Agreements and the Notes, and the payment, performance and discharge of all other obligations or undertakings now or hereafter made by or for the benefit of Assignor to or for the benefit of Assignee, under this Agreement or under any other agreement, promissory note or undertaking now existing or hereafter entered into by Assignor with or to Assignee, including any guaranty or surety obligations of Assignor owed to Assignee, and the undertakings of Assignor to immediately pay to Assignee the amount of any overdraft on any deposit account maintained with Assignee are sometimes hereinafter referred to collectively as the "**Lender Indebtedness**".

2. **Security Interests.**

2.1 **Security Interest.** To secure the complete and timely payment and satisfaction of all Lender Indebtedness, Assignor hereby assigns, mortgages and pledges to Assignee and grants to Assignee a security interest in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale, to the extent permitted by law, all of such Assignor's right, title and interest in and to all of the following, whether now owned or existing and filed or hereafter acquired or arising and filed (collectively with items named in **section 2.2**, below, the "**Collateral**"):

(a) patents and patent applications, including, without limitation, the inventions and improvements described and claimed therein, and those patents listed on Exhibit "A", attached hereto and made a part hereof, and (i) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (ii) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing patents and applications, together with the items described in clauses (i)-(iv), are sometimes hereinafter individually and/or collectively referred to as the "**Patents**");

(b) copyrights, copyright registrations, copyright applications and all computer programs, operating systems, application systems, hardware or software of any nature whatsoever owned by Assignor, whether operational, under development or inactive, including all object codes, source codes, modules, technical manuals, user manuals, operating instructions and procedures, in-put and out-put formats, program listings, narrative descriptions, program flow charts, file layouts, report layouts, screen layouts and other documentation therefor (including internal notes, memoranda, status evaluations, marketing information and write-ups), and all improvements, modifications, enhancements, new releases and revisions thereof, whether in machine-readable form, programming language or any other language or symbols, and whether stored, encoded, recorded or written on disk, tape, film, memory device, paper or other media of any nature; together with all tangible media upon which any of the foregoing are recorded or encoded, including, without limitation, all chips, disks, tapes, film and paper; including, without limitation, the copyrights, copyrights registrations and copyrights applications listed on Exhibit "C" attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, and (iii) the right to sue for past, present and future infringements thereof (all of the foregoing items are sometimes referred to herein collectively as the "**Copyrights**"); and

(c) license agreements with any other party, whether Assignor is a licensor or licensee under any such license agreement, including, without limitation, the licenses listed on Exhibit "D" attached hereto and made a part hereof, but specifically excluding that certain License Agreement dated June 3, 2004 between Assignor, as licensee, and Carroll Shelby Licensing, Inc., as licensor, and the right to prepare for sale, sell and advertise for sale all inventory now or hereafter owned by Assignor and now or hereafter covered by such licenses (all of the foregoing is hereinafter referred to collectively as the "**Licenses**").

2.2 Security Interest. To secure the complete and timely payment and satisfaction of all Lender Indebtedness, Assignor hereby mortgages and pledges to Assignee and grants to Assignee a security interest in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale, to the extent permitted by law, all of such Assignor's right, title and interest in and to all of the following, whether now owned or existing and filed or hereafter acquired or arising and filed (collectively with items named in section 2.1, above, the "**Collateral**");

(a) servicemarks, trademarks, servicemark and trademark registrations, tradenames, trademark applications, and all goodwill attendant thereto, including, without limitation, the servicemarks, trademarks, tradenames, registrations and applications listed on Exhibit "B", attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including without limitation, damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing servicemarks, trademarks, servicemark and trademark registrations, tradenames and applications together with the items described in clauses (i)-(iv), are sometimes hereinafter individually and/or collectively referred to as the "Trademarks").

3. **Restrictions on Future Agreements.** Assignor agrees that until all Lender Indebtedness shall have been satisfied in full and the Loan Agreement shall have been terminated, Assignor will not, without Assignee's prior written consent, enter into any agreement (including, without limitation, any license or royalty agreement) which is inconsistent with Assignor's obligations under this Security Agreement or the Loan Agreement and Assignor further agrees that it will not take any action, or permit any action to be taken by others, subject to its control, including licensees, or fail to take any action, which would affect the validity or enforcement of the rights of Assignee under this Security Agreement.

4. **New Patents, Trademarks, and Licenses.** Assignor represents and warrants that the Patents, Trademarks, Copyrights and Licenses listed on Exhibits "A", "B", "C" and "D", respectively, constitute all of the patents, trademarks, copyrights, applications and licenses, now owned by Assignor. If, before all Lender Indebtedness shall have been satisfied in full and the Loan Agreement shall have been terminated, Assignor shall (i) obtain rights to any new patentable inventions, trademarks, trademark registrations, tradenames, copyrights or licenses, or (ii) become entitled to the benefit of any patent, trademark or copyright application, trademark, trademark registration or license renewal, or patent for any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent, the provisions of Article 2 above shall automatically apply thereto and Assignor shall give to Assignee prompt written notice thereof. Assignor hereby authorizes Assignee to modify this Security Agreement by amending Exhibit "A", "B", "C" and/or "D", as applicable, to include any future patents, patent applications, trademarks, trademark registrations, trademark applications, tradenames, copyrights and licenses which are Patents, Trademarks, Copyrights or Licenses, as applicable, under Article 2 above or under this Section 4. Assignor hereby agrees to provide to Assignee such assignment or other documentation as Assignee may request to record Assignee's lien on such future Patents, Trademarks, Copyrights or Licenses.

5. **Royalties; Term.** Assignor hereby agrees that the use by Assignee of all Patents, Trademarks, Copyrights and Licenses as described herein shall be worldwide and without any liability for royalties or other related charges from Assignee to Assignor. The term of the security interest granted herein shall extend until the earlier of (i) the expiration of each of the respective Patents, Trademarks, Copyrights and Licenses assigned hereunder, or (ii) the date on which all Lender Indebtedness has been paid in full and the Loan Agreement is terminated.

6. **Assignee's Right to Inspect.** Assignee shall have the right, at any time and from time to time, to inspect Assignor's premises and to examine Assignor's books, records and operations, including, without limitation, Assignor's quality control processes. Assignor agrees that Assignee, or a conservator appointed by Assignee, shall have the right to establish such additional reasonable product quality controls as Assignee, or said conservator, in its sole judgment, may deem necessary to assure maintenance of the quality of products sold by Assignor under the Trademarks. Assignor agrees (i) not to sell or assign its interest in, or grant any license under, the Patents, Trademarks, Copyrights or Licenses, without the prior written consent of Assignee, (ii) to maintain the quality of any and all products in connection with which the Trademarks and/or Copyrights are used, consistent with quality of said products as of the date hereof, (iii) not to adversely change the quality of said products without Assignee's express written consent, and (iv) to provide Assignee, upon request, with a certificate of an officer of Assignor certifying Assignor's compliance with the foregoing.

7. **Termination.** This Security Agreement is made for collateral purposes only. Upon payment in full of all Lender Indebtedness and termination of the Loan Agreement, Assignee shall execute and deliver to Assignor a termination of Assignee's security interest granted herein and all deeds, assignments and other instruments as may be necessary or proper to re-vest in Assignor full title to the Patents, Trademarks, Copyrights and Licenses, subject to any disposition thereof which may have been made by Assignee pursuant hereto.

8. **Duties of Assignor.** Assignor shall have the duty (i) to prosecute diligently any patent, trademark and copyright application pending as of the date hereof or thereafter until all Lender Indebtedness shall have been paid in full and the Loan Agreement is terminated, (ii) to make application on unpatented but patentable inventions and on trademarks and copyrights, as appropriate, and (iii) to preserve and maintain all rights in patent applications and patents of the Patents, in trademark applications, trademarks and trademark registrations of the Trademarks and in copyright applications and copyrights of the Copyrights. Any expenses incurred in connection with such applications shall be borne by Assignor. Assignor shall not abandon any right to file a patent, trademark or copyright application, or any pending patent, trademark or copyright application or any Patent, Trademark, License or Copyright without the consent of the Assignee, which consent shall not be unreasonably withheld.

9. **Recordation.** Assignee may, without further notice to or consent of Assignor, immediately record this Assignment and all assignments previously executed and delivered to Assignee by Assignor after the date hereof and/or execute and record with all applicable offices (including, without limitation, the Patent and Trademark Office) this Assignment and any absolute assignments to Assignee by Assignor, after the date hereof, of all rights, title and interest of Assignor in and to the Patents, Trademarks, Copyrights, Licenses and other Collateral. Assignor hereby authorizes and agrees that Assignee may, through the power of attorney granted in **Section 14** hereof, irrevocably execute and deliver in Assignor's name any and all such assignments and agreements and, following an Event of Default, to take any and all other actions in Assignor's name as Assignee shall deem reasonable or appropriate to transfer and convey all right, title and interest of Assignor in and to the Collateral to Assignee or any other person or entity selected by Assignee.

10. **Assignee's Right to Sue.** Assignee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Patents, Trademarks, Copyrights and/or Licenses, and any licenses thereunder, and, if Assignee shall commence any such suit, Assignor shall, at the request of Assignee, do any and all lawful acts and execute any and all proper documents required by Assignee in aid of such enforcement and Assignor shall promptly, upon demand, reimburse and indemnify Assignee for all reasonable costs and expenses incurred by Assignee in the exercise of its rights under this **Section 10.**

11. **Waivers.** No course of dealing between Assignor and Assignee, nor any failure to exercise, nor any delay in exercising, on the part of Assignee, any right, power or privilege hereunder or under the Loan Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

12. **Severability.** The provisions of this Security Agreement are severable, and if any clause or provision shall be invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Security Agreement in any jurisdiction.

13. **Modification.** This Security Agreement cannot be altered, amended or modified in any way, except as specifically provided in **Section 4** hereof or by a writing signed by the parties hereto.

14. **Cumulative Remedies; Power of Attorney; Effect on Loan Agreement.** All of Assignee's rights and remedies with respect to the Patents, Trademarks, Copyrights and Licenses, whether established hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Assignor hereby authorizes Assignee to make, constitute and appoint any officer or agent of Assignee as Assignee may select, in its sole discretion, as Assignor's true and lawful attorney-in-fact, with power to (i) endorse Assignor's name on all applications, documents, papers and instruments necessary or reasonably desirable for the Assignee to protect, evidence, perfect or enforce its security interest in the Patents, Trademarks, Copyrights and Licenses, (ii) following an Event of Default, take any other actions with respect to the Patents, Trademarks, Copyrights and/or Licenses as the Assignee reasonably deems in the best interest of the Assignee, (iii) following an Event of Default, grant or issue any exclusive or non-exclusive license under the Patent or Trademark to anyone, including Assignee, and/or (iv) following an Event of Default, assign, pledge, convey or otherwise transfer title in or dispose of the Patents, Trademarks, Copyrights or Licenses to anyone, including Assignee. Assignee may act under such power of attorney to take the actions referenced in **Section 4.** Assignee hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until all Lender Indebtedness shall have been paid in full and the Loan Agreement shall have been terminated. Assignor acknowledges and agrees that this Security Agreement is not intended to limit or restrict in any way the rights and remedies of Assignee under the Loan Agreement but rather is intended to facilitate the exercise of such rights and remedies given it by the terms of this Security Agreement, all rights and remedies allowed by law and the rights and remedies of a

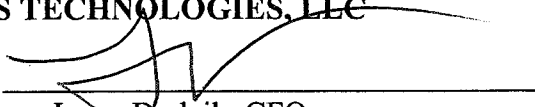
secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents, Trademarks, Copyrights or Licenses may be located.

15. **Binding Effect; Benefits.** This Security Agreement shall be binding upon the Assignor and its successors and assigns, and shall inure to the benefit of Assignee, its nominees, successors and assigns.

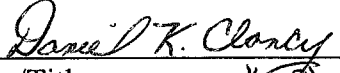
16. **Governing Law.** This Security Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

**IN WITNESS WHEREOF**, the parties hereto have duly executed this Security Agreement the day and year first above written.

**JBS TECHNOLOGIES, LLC**

By:   
Larry Dudzik, CFO

**LASALLE BUSINESS CREDIT, LLC**

By:   
Name/Title: Daniel K. Clancy, First  
Vice President

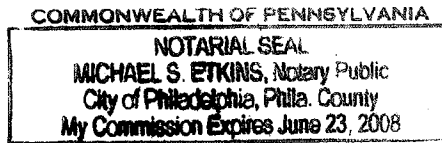


ACKNOWLEDGMENT

COMMONWEALTH OF PENNSYLVANIA :  
: SS  
COUNTY OF PHILADELPHIA :

On this 9<sup>th</sup> day of May, 2005, before me, a Notary Public, personally appeared Daniel K. Clancy, who acknowledged himself to be a duly acting First Vice President of LaSalle Business Credit, LLC and that he as such First Vice President, being duly authorized to do so, executed the foregoing Patents, Trademarks, Copyrights and Licenses Security Agreement for the purposes therein contained by signing his name as such First Vice President on behalf of the Assignee.

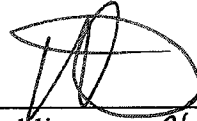
  
\_\_\_\_\_  
Notary Public  
My Commission Expires: 6-23-08



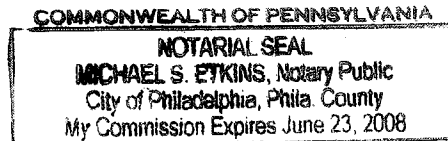
**ACKNOWLEDGMENT**

COMMONWEALTH OF PENNSYLVANIA :  
: SS:  
COUNTY OF PHILADELPHIA :

On this 9<sup>th</sup> day of May, 2005, before me, a Notary Public, personally appeared Larry Dudzik, who acknowledged himself to be the duly elected Chief Financial Officer of JBS Technologies, LLC, a Delaware limited liability company, and that he as such Chief Financial Officer, being duly authorized to do so, executed the foregoing Patents, Trademarks, Copyrights and Licenses Security Agreement for the purposes therein contained by signing his name as such Chief Financial Officer on behalf of Assignor.



Notary Public: Michael S. Etkins  
My Commission Expires: 6-23-08



**AMENDED  
EXHIBIT "A"**

**TO**

**PATENTS, TRADEMARKS, COPYRIGHTS  
AND LICENSES SECURITY AGREEMENT**

Patents

Issued Patents

Patent No.	Description	Assignee	Issue Date
5,677,664	Controlling automobile alarm systems	JBS Technologies, LLC	10/14/1997
5,459,447	Aftermarket installable dual sensitivity shock sensor	JBS Technologies, LLC	10/17/1995
5,886,622	Alarm system with sensor signal evaluator	JBS Technologies, LLC	03/23/1999
5,612,670	Dual sensitivity shock detector	JBS Technologies, LLC	03/18/1997
6,101,428	Auto remote control with signal strength discrimination	JBS Technologies, LLC	08/08/2000
6,452,772	Auto remote control with signal strength discrimination	JBS Technologies, LLC	09/17/2002
5,942,988	Remote engine starter with engine cutoff	JBS Technologies, LLC	08/24/1999

Patent Applications

Serial No.	Description	Filing Date
09/231,508	Alarm system with sensor signal evaluator	01/14/1999
10/255,406	Keyless entry remote starter and alarm system key fob including flashlight	09/26/2002
10/255,544	Automatic overhead garage door alarm and	09/26/2002

	opening system	
10/752,054	Self-adjusting Alarm System	01/06/2004
10/752,053	Hand-held programmer and remote diagnostic interface device	01/06/2004
10/752,052	Sound-activated system for remotely operating vehicular or other functions	01/06/2004
10/669,114	Motion activated firearm laser sight	09/23/2003

**AMENDED  
EXHIBIT "B"**

**TO**

**PATENTS, TRADEMARKS, COPYRIGHTS  
AND LICENSES SECURITY AGREEMENT**

Trademarks

Trademark Serial or Registration Number	Trademark/ Service Mark	Owner of Record	Goods or Services
Ser. No. 76/621,419	<b>BULLDOG</b>	JBS Technologies, LLC	Vehicle speakers and remote vehicle starters. Class 12
Reg. No. 1,975,613	<b>BULLDOG</b>	JBS Technologies, LLC	Automobile security systems, namely anti-theft and burglar alarms for automobiles. Class 12
Reg. No. 1,834,554	<b>ALERT/SHELBY (US REGISTRATION)</b>	JBS Technologies, LLC	Anti-theft alarms for vehicles. Class 12
Can. App. No. 29906	<b>ALERT</b>	JBS Technologies, LLC	
Reg. No. 2,839,114	<b>JBS TECHNOLOGIES</b>	JBS Technologies, LLC	Aftermarket electronic automotive accessories, namely remote starters, keyless entry systems and car security alarm systems. Class 12
Reg. No. 2,929,165	<b>JBS TECHNOLOGIES</b>	JBS Technologies, LLC	Aftermarket electronic automotive accessories, namely mobile entertainment systems comprised

			primarily of radio receivers, recorded music players and speakers for motor vehicles. Class 9
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**EXHIBIT "C"**

**TO**

**PATENTS, TRADEMARKS, COPYRIGHTS  
AND LICENSES SECURITY AGREEMENT**

**Copyrights**

Borrower is aware of no registered copyrights.

**EXHIBIT "D"**

**TO**

**PATENTS, TRADEMARKS, COPYRIGHTS  
AND LICENSES SECURITY AGREEMENT**

**Licenses**

None.

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**RECORDED: 08/10/2005**

**PATENT  
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