

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:

NEW ASSIGNMENT

NATURE OF CONVEYANCE:

SECURITY AGREEMENT

CONVEYING PARTY DATA

Name	Execution Date
PRECISION DYNAMICS CORPORATION	11/03/2008

RECEIVING PARTY DATA

Name:	WELLS FARGO BANK, NATIONAL ASSOCIATION
Street Address:	6001 Topanga Canyon Boulevard
Internal Address:	Suite 205
City:	Woodland Hills
State/Country:	CALIFORNIA
Postal Code:	91367

PROPERTY NUMBERS Total: 81

Property Type	Number
Patent Number:	7374081
Patent Number:	7322613
Patent Number:	7320194
Patent Number:	7316358
Patent Number:	7310264
Patent Number:	7240446
Patent Number:	7207488
Patent Number:	7204425
Patent Number:	7197842
Patent Number:	7188767
Patent Number:	7188764
Patent Number:	7187055
Patent Number:	7137216
Patent Number:	7071826

PATENT

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REEL: 021794 FRAME: 0545

CH \$3240.00 7374081

Patent Number:	7031182
Patent Number:	6982452
Patent Number:	6933774
Patent Number:	6924691
Patent Number:	6924688
Patent Number:	6888502
Patent Number:	6859093
Patent Number:	6784017
Patent Number:	6782648
Patent Number:	6642782
Patent Number:	6414543
Patent Number:	6181287
Patent Number:	6058637
Patent Number:	5979941
Patent Number:	5979095
Patent Number:	5973600
Patent Number:	5973598
Patent Number:	5906702
Patent Number:	5799426
Patent Number:	5792299
Patent Number:	5740623
Patent Number:	5615504
Patent Number:	5609716
Patent Number:	5581924
Patent Number:	5493805
Patent Number:	5479797
Patent Number:	5457906
Patent Number:	5448846
Patent Number:	5382240
Patent Number:	5226809
Patent Number:	4386795
Patent Number:	4318234
Patent Number:	4285146
Patent Number:	4223093
Patent Number:	4221063

Patent Number:	4070745
Patent Number:	3989570
Patent Number:	3901227
Patent Number:	3680194
Patent Number:	3467246
Patent Number:	D414130
Application Number:	12055088
Application Number:	11308652
Application Number:	11427054
Application Number:	11458459
Application Number:	11161001
Application Number:	10907852
Application Number:	11307182
Application Number:	11378876
Application Number:	11163920
Application Number:	11015659
Application Number:	11193067
Application Number:	10908041
Application Number:	10993209
Application Number:	10859030
Application Number:	11126426
Application Number:	11100888
Application Number:	10785128
Application Number:	10722978
Application Number:	10858835
Application Number:	10895429
Application Number:	10884317
Application Number:	10251556
Application Number:	10218141
Application Number:	10101471
Application Number:	10101219
Application Number:	10093202

CORRESPONDENCE DATA

Fax Number: (213)830-8743

PATENT
REEL: 021794 FRAME: 0547

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

Phone: 213-680-6400
Email: kimberley.lathrop@bingham.com
Correspondent Name: Kimberley Lathrop c/o Bingham McCutchen
Address Line 1: 355 South Grand Avenue
Address Line 2: Suite 4400
Address Line 4: Los Angeles, CALIFORNIA 90071

ATTORNEY DOCKET NUMBER:

0718228.335892

NAME OF SUBMITTER:

Kimberley A. Lathrop

Total Attachments: 15

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PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT (this "Agreement") is entered into as of November 3, 2008, by and between PRECISION DYNAMICS CORPORATION, a California corporation ("Debtor"), and WELLS FARGO BANK, NATIONAL ASSOCIATION ("Bank").

RECITALS

WHEREAS, Bank has extended or will hereafter extend credit to Debtor, and to secure its obligations to Bank, Debtor has executed various agreements, including without limitation, that certain Amended and Restated Security Agreement, dated as of November 3, 2008, covering among other items, various proprietary rights and patents (which security agreement, together with any and all amendments and modifications thereto from time to time entered into, and any security agreements at any time hereafter executed in replacement and/or in substitution thereof and/or in addition thereto, shall be referred to herein as the "Security Agreement"; and

WHEREAS, Debtor and Bank wish to further clarify their respective rights and obligations with regard to certain collateral in an instrument to be recorded with the United States Patent and Trademark Office and elsewhere.

NOW, THEREFORE, for valuable consideration, receipt of which is hereby acknowledged, Debtor and Bank hereby agree as follows:

1. SECURITY INTERESTS. Pursuant to the Security Agreement and subject to and upon the additional terms, covenants and conditions hereof, Debtor hereby grants to Bank a security interest in Debtor's entire right, title and interest in and to all of the following (the "Property"):

(a) all patent applications and patents (collectively the "Patents") in which Debtor now has or at any time hereafter acquires an interest, including without limitation, all proceeds thereof, including without limitation, license royalties and proceeds of infringements suits.

(b) all proceeds and revenues from any claim by Debtor against third parties for past, present or future infringements of the Patents, all rights corresponding thereto and all reissues, divisions, continuations, renewals, extensions and continuations thereof in whole or in part.

The Property shall include without limitation: (i) all Patents described or listed in Exhibit A attached hereto and incorporated herein by this reference, and (ii) all reissues and/or extensions of any of the Patents now existing or hereafter acquired. The patent rights assigned to Bank as security hereunder shall be held by Bank for the full term for which said Patents are granted, and for the term or terms of each and every extension thereof, as fully as the same would have been held by Debtor if this Agreement had not been executed.

2. OBLIGATIONS SECURED. The security interest established by this Agreement secures payment of all indebtedness and performance of all obligations which may now or at any time hereafter be owed by Debtor to Bank (collectively, the "Secured Obligations"), including without limitation, all obligations now existing or arising under or in connection with the Security Agreement, and/or in connection with any promissory note and/or loan agreement now or at any time hereafter executed by Debtor with Bank, including but not limited to that certain Amended and Restated Credit Agreement between Debtor and Bank dated as of November 3, 2008, and all

amendments, modifications and extensions thereto and substitutions and replacements therefor, which may from time to time be entered into between Debtor and Bank (the "Loan Agreement"). Upon payment and performance in full of all of the Secured Obligations other than contingent indemnification obligations to the extent no claim giving rise thereto has been asserted, Bank, at Debtor's cost and expense, shall promptly terminate its security interest in the Property.

3. NEW PATENT RIGHTS. If before the Secured Obligations shall have been satisfied in full, Debtor shall obtain rights to any new patentable inventions, or become entitled to the benefit of any patent application and/or patent for any reissue, division, continuation, renewal, extension or continuation in whole in part of any Patent and/or any improvement on any Patent, the provisions of Paragraph 1 hereof shall apply automatically thereto and Debtor shall give to Bank prompt written notice thereof.

4. PERFECTION OF SECURITY INTEREST. Debtor hereby covenants and agrees to prepare, execute, acknowledge, deliver and record or file such instruments and documents and to do and perform all other acts which may be reasonably necessary or which Bank deems reasonably necessary or appropriate to perfect Bank's security interest in the Property. Promptly after the issuance of any Patent or the acquisition of any interest in or to any Patent hereafter, Debtor shall duly execute, acknowledge and record in the United States Patent and Trademark Office a Patent Security Agreement substantially in the form of this Agreement; provided that Exhibit A to each such Patent Security Agreement shall describe (with such particularity as may be required by said Patent and Trademark Office or other applicable governmental authorities or agencies from time to time) only the additional Patents which have not been previously recorded as subject to Bank's security interest.

5. RETENTION OF RIGHTS. Unless and until there shall have occurred and be continuing an Event of Default (as defined in the Security Agreement and/or the Loan Agreement), Debtor shall retain the right to use the Property in the ordinary course of Debtor's business. Except as permitted by Section 5.7 of the Loan Agreement, Debtor agrees neither to sell or assign its interest in, nor grant any license under, the Property, without the prior written consent of Bank; provided however, that Debtor may grant such bona fide licenses for good and valuable consideration as are necessary and usual in the ordinary course of Debtor's business as it is presently conducted and any reasonable extensions thereof, on the condition that such licenses so granted shall be subject to the terms and conditions of the Security Agreement and this Agreement.

6. WARRANTIES. In addition to the representations and warranties made by Debtor in the Security Agreement, Debtor represents and warrants that:

(a) the patents are subsisting and have not been adjudged invalid or unenforceable, in whole or in part;

(b) to the best of Debtor's knowledge, each of the Patents is valid and enforceable.

(c) Debtor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents, free and clear of any liens, charges and encumbrances except (i) those in favor of Bank and (ii) those listed on Exhibit B, including without limitation, pledges, assignments, licenses, shop rights and covenants by Debtor not to sue third persons;

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

(e) the Patents listed on Exhibit A hereto and in Exhibit A to any other Patent Security Agreement(s) delivered by Debtor to Bank represent all of the patents and applications therefor in which Debtor has any rights; and

(f) the information set forth in Exhibit A hereto is correct in all material respects.

7. COVENANTS. Debtor hereby covenants and agrees to cooperate with Bank in whatever manner may be reasonably necessary or which Bank may deem reasonably necessary or appropriate so that Bank may enjoy its rights and interests hereunder to the fullest extent. Such cooperation shall include, without limitation:

(a) prompt preparation and execution (at Debtor's expense) of all petitions, oaths, specifications, declarations or other papers that may be reasonably necessary or which Bank may deem reasonably necessary or appropriate for prosecuting any Patents and for prosecuting interference proceedings involving any such Patents; and

(b) prompt assistance and cooperation (at Debtor's expense) in the prosecution of any legal actions or other proceedings involving any Patents, including without limitation, oppositions, cancellation proceedings, priority contests, public use proceedings and court actions alleging infringement or any other cause of action.

8. DEFENSE OF PROPERTY; INDEMNITY; PROSECUTION OF PATENT APPLICATIONS. Debtor hereby covenants and agrees promptly upon request of Bank to defend the Property and Bank's rights and interests therein and to promptly notify Bank of any event, occurrence or legal action which materially affects the Property or the rights of the parties in relation thereto. Debtor acknowledges that Bank may, but shall have no obligation whatsoever to, commence any legal action or other proceeding to defend the Property or to contest the use by any other party of the Property or any portion thereof. Debtor shall unconditionally indemnify Bank and hold Bank harmless from and against all claims, causes of action, damages, liability, reasonable and documented costs and expenses, including reasonable attorneys' fees, that Bank may be subject to in connection with this Agreement except those arising out of the gross negligence or willful misconduct of Bank, including without limitation, patent infringement and contributory patent suits that may be brought against Bank.

Until the Secured Obligations shall have been paid in full, Debtor shall have the duty, through qualified patent counsel, to prosecute diligently any patent applications of the Patents pending as of the date of this Agreement or at any time thereafter, to make application on unpatented but patentable inventions and to preserve and maintain all rights in all material Patents, including without limitation, the payment of all maintenance fees. Any expenses incurred in connection with such an application shall be borne by Debtor. Debtor shall not abandon any right to file a patent application material to its business, or any pending Patent without the prior written consent of the Bank, which consent shall not be unreasonably withheld.

9. APPOINTMENT. Following the occurrence and during the continuance of an Event of Default as defined in the Security Agreement and/or the Loan Agreement (or in the case of clause (i) below, at any time, including prior to the occurrence of an Event of Default), Bank shall

have the right to, in the name of Debtor, or in the name of Bank or otherwise, without notice to or assent by Debtor, and Debtor hereby irrevocably constitutes and appoints Bank (and any of Bank's officers or employees or agents designated by Bank) as Debtor's true and lawful attorney-in-fact with full power and authority, (i) to sign the name of Debtor on all or any of such documents or instruments and perform all other acts that Bank deems necessary or advisable in order to perfect or continue perfected, maintain the priority or enforceability of or provide notice of Bank's security interest in, the Property, and (ii) execute any and all other documents and instruments, and perform any and all acts and things for and on behalf of Debtor, which Bank may deem reasonably necessary or advisable to maintain, preserve, or protect the Property and to accomplish the purposes of this Agreement, including without limitation (A) to assert or retain any rights under any license agreement for any of the Property, including, without limitation, any rights of Debtor arising under Section 365(n) of the U.S. Bankruptcy Code (11 U.S.C. Section 101 et seq.), (B) to defend, settle, adjust or institute any action, suit or proceeding with respect to the Property, including without limitation the right to sue, in Bank's name or joined with Debtor, for past, present or future infringements of the Patents, and (C) to execute any and all applications, documents, papers and instruments for Bank to use the Property, to grant or issue any non-exclusive license with respect to any Property, and to assign, convey or otherwise transfer title in or dispose of any of the Property; provided, however, that in no event shall Bank have the unilateral power, prior to the occurrence of an Event of Default, to assign any of the Property to any person, including itself, without Debtor's prior written consent. The foregoing shall in no way limit Bank's rights and remedies upon or after the occurrence of an Event of Default. This power of attorney, being coupled with an interest, is irrevocable until termination of the Agreement

10. LICENSE. For the purpose of enabling Bank to exercise its rights and remedies hereunder upon the occurrence and during the continuance of an Event of Default or otherwise in connection with this Agreement, Debtor hereby grants to Bank an irrevocable, non-exclusive and assignable license (exercisable without payment or royalty or other compensation to Debtor) to use, license or sublicense any Property.

11. DEFAULTS. Upon the occurrence of any Event of Default as defined in the Security Agreement and/or the Loan Agreement, subject to applicable cure provisions, if any, Bank shall have the rights and remedies available to a secured party under law and/or expressly provided in the Guaranty, the Security Agreement and/or the Loan Agreement. In addition, Bank shall have the right to sue for past infringement of the Property and to collect all damages and profits for past infringements.

If any Event of Default shall have occurred and be continuing, and following the giving of any notices required hereby, Bank shall have, in addition to all other rights and remedies given it by this Agreement and the Security Agreement, those 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 may be located and, without limiting the generality of the foregoing, Bank may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to Debtor, all of which are expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon the whole or from time to time any part of the Property or any interest which the Debtor may have therein, and after deducting from the proceeds of sale or other disposition of the Property all expenses (including all reasonable expenses for brokers' fees and legal services), shall apply the residue of such proceeds toward the payment of the Secured Obligations. Any remainder of the proceeds after payment in full of such obligations shall be paid over to the Debtor or to such other party who may be entitled to such

remaining proceeds. Notice of any sale or other disposition of the Property shall be given to Debtor at least ten (10) days before the time of any intended public or private sale or other disposition of the Property is to be made, which Debtor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, any holder of any note or Bank may, to the extent permissible under applicable law, purchase the whole or any part thereof.

12. RELATION TO SECURITY AGREEMENT. This Agreement is a supplement to the Security Agreement, and Bank's rights and remedies, and Debtor's obligations and waivers, under the Security Agreement, and the interpretive principles stated in the Security Agreement shall be applicable hereunder; provided however, that this Agreement and the Security Agreement shall be construed together so as to grant Bank the greatest rights and remedies with regard to the Property; and provided further, that Bank's rights and remedies hereunder may be expressly modified by amendments to the Security Agreement from time to time.

13. SUCCESSORS; ASSIGNS. This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, legal representatives, successors and assigns of the parties; provided however, that Debtor may not assign this Agreement or any interest herein without Bank's prior written consent.

14. ENFORCEABILITY. If any provision of this Agreement shall for any reason be unenforceable in any respect, such enforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such unenforceable provisions had not been contained herein.

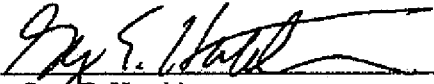
15. GOVERNING LAW. Except to the extent that Federal law preempts, this Agreement shall be governed by and construed in accordance with the laws of the State of California.


[signature page follows]

IN WITNESS WHEREOF, Debtor and Bank hereby have executed this Agreement as of the date first above written.

DEBTOR:

PRECISION DYNAMICS CORPORATION,
a California corporation

By: 
Gary E. Hutchinson
President

By: 
Mark Segal
Vice President and Chief Financial Officer

BANK:

WELLS FARGO BANK, NATIONAL
ASSOCIATION

By: _____
Teresa Thompson
Vice President

IN WITNESS WHEREOF, Debtor and Bank hereby have executed this Agreement as of the date first above written.

DEBTOR:

PRECISION DYNAMICS CORPORATION,
a California corporation

By: _____
Gary E. Hutchinson
President

By: _____
Mark Segal
Vice President and Chief Financial Officer

BANK:

WELLS FARGO BANK, NATIONAL
ASSOCIATION

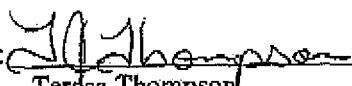
By:  _____
Teresa Thompson
Vice President

EXHIBIT A
to
PATENT SECURITY AGREEMENT
between

PRECISION DYNAMICS CORPORATION
and
WELLS FARGO BANK, NATIONAL ASSOCIATION
Dated as of November 3, 2008

The following are the patents and patent applications owned by Debtor that presently are on record with the United States Patent and Trademark Office:

<u>Application or Patent Number</u>	<u>Title</u>	<u>Issue Date</u>
7374081	Identification device having reusable transponder	May 20, 2008
7322613	Multi-part form having detachable wristband, labels and cards or the like	January 29, 2008
7320194	Adhesive wristband without removable release liner	January 22, 2008
7316358	Identification band with adhesively attached coupling elements	January 8, 2008
7310264	Rectifying charge storage memory circuit	December 18, 2007
7240446	Identification bracelet with sealable window	July 10, 2007
7207488	Combined barcode scanner and radio frequency identification reader with field interpretation array	April 24, 2007
7204425	Enhanced identification appliance	April 17, 2007
7197842	Imprintable tape with tear lines defining symmetrical identification bracelets	April 3, 2007

Exhibit A
Patent Security Agreement

CHI:2173095.2

PATENT
REEL: 021794 FRAME: 0556

7188767	Physical condition or environmental threat detection appliance system	March 13, 2007
7188764	Method for effecting ticket-based transactions using a wristband	March 13, 2007
7187055	Rectifying charge storage element	March 6, 2007
7137216	Imprintable tape with tear lines defining identification bracelets	November 21, 2006
7071826	Method and devices with a circuit for carrying information on a host	July 4, 2006
7031182	Rectifying charge storage memory circuit	April 18, 2006
6982452	Rectifying charge storage element	January 3, 2006
6933774	Rectifying charge storage element with transistor	August 23, 2005
6924691	Rectifying charge storage device with sensor	August 2, 2005
6924688	Rectifying charge storage device with antenna	August 2, 2005
6888502	Microstrip antenna for an identification appliance	May 3, 2005
6859093	Rectifying charge storage device with bi-stable states	February 22, 2005
6784017	Method of creating a high performance organic semiconductor device	August 31, 2004
6782648	Wristband having exposed adhesive fastener	August 31, 2004
6642782	Rectifying charge storage element	November 4, 2003

6414543	Rectifying charge storage element	July 2, 2002
6181287	Reactively coupled elements in circuits on flexible substrates	January 30, 2001
6058637	Imprintable tape with tear lines defining asymmetrical identification bracelets	May 9, 2000
5979941	Linkage identification system	November 9, 1999
5979095	Identification bracelet and clasp construction therefor	November 9, 1999
5973600	Laminated radio frequency identification device	October 26, 1999
5973598	Radio frequency identification tag on flexible substrate	October 26, 1999
5906702	Method and apparatus for removing profiles	May 25, 1999
5799426	Uniform thickness adhesive closure identification bracelet formed from relatively permanently bonded laminates, and related method of identification	September 1, 1998
5792299	Method of making wristband having exposed adhesive fastener	August 11, 1998
5740623	Tubular identification wristband	April 21, 1998
5615504	Identification band for machine imprinting	April 1, 1997
5609716	Apparatus for manufacturing and dispensing identification bracelets	March 11, 1997
5581924	Pocket-style identification bracelet	December 10, 1996

5493805	Memory chip holder and method of using same	February 27, 1996
5479797	Unidirectionally sizeable bracelet assembly and closure means therefor	January 2, 1996
5457906	Adhesive closure for identification band and method	October 17, 1995
5448846	Identification device for machine imprinting	September 12, 1995
5382240	Cannula guard	January 17, 1995
5226809	Security fastener application	July 13, 1993
4386795	Identification device with versatile imprinting means	June 7, 1983
4318234	Identification device with versatile imprinting means	March 9, 1982
4285146	Tamper-resistant identification device	August 25, 1981
4223093	Culture collection and transport device	September 16, 1980
4221063	Tamper-resistant identification device	September 9, 1980
4070745	Crimping Tool	January 31, 1978
3989570	Method for producing an imprinting device	November 2, 1976
3901227	Intravenous injection board	August 26, 1975
3680194	Method and apparatus for assembling fastener components in strip like material	August 1, 1972
3467246	Multiple identification band assembly and method of making the same	September 16, 1969

D414130	Wrist band	September 21, 1999
20080236011	Identification band with flattened ID portion for facilitated and improved read-out of printed information	October 2, 2008
20070157498	Adhesive wristband without removable cover shield	July 12, 2007
20070028495	Identification band with detachable machine-readable labels	February 8, 2007
20070018832	Semi-active RFID tag and related processes	January 25, 2007
20070008138	Coordinated identification of persons and/or articles via radio frequency identification cross-identification	January 11, 2007
20060230661	Identification bracelet with sealable window	October 19, 2006
20060200674	Method for securing RFID charge value media via cryptographic signing and block locking	September 7, 2006
20060171187	Rectifying charge storage memory circuit	August 3, 2006
20060138232	Combined barcode scanner and radio frequency identification reader with field interpretation array	June 29, 2006
20060131391	Method for effecting ticket-based transactions using a wristband	June 22, 2006
20060060940	Rectifying charge storage element	March 23, 2006
20050269407	RFID reader/writer device	December 8, 2005
20050262747	Imprintable tape with tear liens	December 1, 2005

Exhibit A
Patent Security Agreement

CHI:2173095.2

PATENT
REEL: 021794 FRAME: 0560

	defining identification bracelets	
20050262746	Adhesive wristband without removable release liner	December 1, 2005
20050205202	Continuous lamination of RFID tags and inlets	September 22, 2005
20050184874	Identification device having reusable transponder	August 25, 2005
20050108912	Identification tag and related identification tag system	May 26, 2005
20050066563	Identification device having reusable transponder	March 31, 2005
20050041455	Rectifying charge storage memory circuit	February 24, 2005
20050003574	Method of creating a high performance organic semiconductor device	January 6, 2005
200401789313	Physical condition or environmental threat detection appliance system	September 16, 2004
20040056769	Method and devices with a circuit for carrying information on a host	March 25, 2004
20040033641	Method of creating a high performance organic semiconductor device	February 19, 2004
20030174049	Wearable identification appliance that communicates with a wireless communications network such as Bluetooth	September 18, 2003
20030173408	Enhanced identification appliance	September 18, 2003
20030169207	Microstrip antenna for an identification appliance	September 11, 2003

EXHIBIT B
to
PATENT SECURITY AGREEMENT
between

PRECISION DYNAMICS CORPORATION
and
WELLS FARGO BANK, NATIONAL ASSOCIATION
Dated as of November 3, 2008

Patent Licenses

1. The Debtor has licensed the following patents related to Printed Organic RFID to ORFID Corporation (the "Orfid License"), pursuant to a License Agreement, dated as of October 27, 2004 by and between the Debtor and ORFID Corporation. The Debtor has an ownership stake in ORFID. This license is exclusive and irrevocable within the field of electronic products containing organic components, processes for manufacturing such products and all applications of such products.

Patent No. Description

5973598 – RFID Tag on a Flexible Substrate
6181287 – Reactively Coupled Elements in Circuits on a Flexible Substrate
6414543 – Rectifying Charge Storage Element
6642782 – Rectifying Charge Storage Element
5973600 – Laminated Radio Frequency Identification Device
6784017 – Method of Creating a High Performance Organic Semiconductor Device
6982452 – Improved Rectifying Charge Storage Element
6924691 – Rectifying Charge Storage Element with Sensor
6933774 – Rectifying Charge Storage Element with Transistor
6859093 – Rectifying Charge Storage Element with Bi-Stable States
6924688 – Rectifying Charge Storage Element with Antenna
6888502 – Microstrip Antenna for an Identification Device
7188767 – Physical Condition or Environmental Threat Detection Appliance System

2. As part of the settlement of a patent infringement lawsuit, the Debtor has licensed the following patents to Proximities, Inc:

Patent No. Description

5493805 – Memory Chip Holder and Method of Using the Same
5973598 – RFID Tag on a Flexible Substrate
5973600 – Laminated Radio Frequency Identification Device
6888502 – Microstrip Antenna for an Identification Device

This license has a term of three years with two one year extensions if both parties agree to extend.

Exhibit B
Patent Security Agreement

3. Related to a wristband distribution agreement, the Debtor has licensed patent number 5799426 – Uniform Thickness Adhesive Closure ID Bracelet formed from Relatively Permanently Bonded Substrate patent to RFID 'n Print of Australia. The products made under this license are distributed by the Debtor in North America and Europe. The term of this license is five years.

Exhibit B
Patent Security Agreement

CHI:2173095.2

RECORDED: 11/06/2008

PATENT
REEL: 021794 FRAME: 0563