Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE: NEW ASSIGNMENT

NATURE OF CONVEYANCE: SECURITY AGREEMENT

CONVEYING PARTY DATA

Name	Execution Date
Photodigm, Inc.	12/05/2008

RECEIVING PARTY DATA

Name:	Anthony J. LeVecchio, Agent	
Street Address:	4975 Preston Park Blvd.	
Internal Address:	Suite 150	
City:	Plano	
State/Country:	TEXAS	
Postal Code:	75093	

PROPERTY NUMBERS Total: 35

Property Type	Number
Patent Number:	6963597
Patent Number:	5727016
Patent Number:	6636547
Patent Number:	6888874
Patent Number:	6661825
Patent Number:	6647048
Patent Number:	6600765
Patent Number:	6810067
Patent Number:	6760359
Patent Number:	6967054
Patent Number:	6853666
Patent Number:	6282219
Patent Number:	5673284
Patent Number:	6064783

PATENT REEL: 022529 FRAME: 0062 \$1400.00 6963

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Patent Number:	6236773
Patent Number:	5598492
Patent Number:	6760496
Patent Number:	6714575
Patent Number:	6775427
Patent Number:	6970491
Patent Number:	6999494
Patent Number:	7092598
Patent Number:	7113526
Patent Number:	7065265
Patent Number:	6891983
Patent Number:	7313159
Patent Number:	7313158
Application Number:	11763248
Application Number:	11686082
Application Number:	11860370
Application Number:	11873975
Application Number:	11956152
Application Number:	11966908
Application Number:	11968549
Application Number:	12180294

CORRESPONDENCE DATA

Fax Number: (972)732-9218

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

Phone: 972-732-1001

Email: swider@slater-matsil.com
Correspondent Name: Slater & Matsil, L.L.P.
Address Line 1: 17950 Preston Road

Address Line 2: Suite 1000

Address Line 4: Dallas, TEXAS 75252

NAME OF SUBMITTER: Natalie Swider

Total Attachments: 6

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PATENT SECURITY AGREEMENT

(PATENTS, PATENT APPLICATIONS AND PATENT LICENSES)

WHEREAS, Photodigm, Inc., a Texas corporation (herein called "Grantor") owns certain "Patents" (as defined below) and is a party to certain "Patent Licenses" (as defined below); and

WHEREAS, Grantor, Anthony J. LeVecchio, as agent (herein in such capacity, and together with his successors and assigns, called "Grantee"), and certain lenders (herein called "Lenders") are parties to a Note and Warrant Purchase Agreement of even date herewith (herein, as from time to time amended, supplemented, or restated, called the "Note Agreement"); and

WHEREAS, pursuant to the terms of the Security Agreement of even date herewith between Grantor and Grantee (herein, as from time to time amended, supplemented, or restated, called the "Security Agreement"), Grantor has granted to Grantee for the benefit of Grantee and Lenders a continuing security interest in various assets of Grantor, including all right, title and interest of Grantor in, to and under the Patent Collateral (as defined herein) whether now owned or existing or hereafter acquired or arising, to secure the "Secured Obligations" (as defined in the Security Agreement);

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to additionally secure such Secured Obligations, Grantor does hereby grant to Grantee a continuing security interest in all of Grantor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Patent Collateral"), whether now owned or existing or hereafter acquired or arising:

- (a) each Patent (including each design patent and patent application) in which Grantor has any interest;
 - (b) each Patent License in which Grantor has an interest; and
- (c) all proceeds of and revenues from the foregoing, including without limitation all proceeds of and revenues from any claim by Grantor against third parties for past, present or future infringement of any Patent (including without limitation any design patent and any Patent issuing from any application referred to in Schedule 1 hereto) and all rights and benefits of Grantor under any Patent License.

As used herein:

"Patent License" means any license or other agreement, whether now or hereafter in existence, under which is granted or authorized any right with respect to any Patent or any invention now or hereafter in existence, whether patentable or not, whether a patent or application for patent is in existence on such invention or not, and whether a patent or application for patent on such invention may come into existence, including without limitation the agreements identified in Schedule 1 hereto.

"Patents" means all the following: (a) all letters patent and design letters patent of the United States or any other country and all applications for letters patent and design letters patent of the United States or any other country, including applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or other country, or any political subdivision thereof, including without limitation those described in Schedule 1 hereto, (b) all reissues, divisions, continuations, continuations-in-part, renewals and extensions thereof, (c) all claims for, and rights to sue for, past or future infringements of any of the foregoing, and (d) all income, royalties, damages and payments now or hereafter due or payable with respect to any of the foregoing, including damages and payments for past or future infringements thereof.

Grantor hereby irrevocably constitutes and appoints Grantee and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full power and authority in the name of Grantor or in its name, from time to time, in Grantee's discretion, so long as any "Default" or "Event of Default" (as defined in the Note Agreement) has occurred and is continuing, to take with respect to the Patent Collateral any and all appropriate action which Grantor might take with respect to the Patent Collateral and to execute any and all documents and instruments which may be necessary or desirable to carry out the terms of this Patent Security Agreement and to accomplish the purposes hereof.

Except to the extent expressly allowed in the Security Agreement, Grantor agrees not to sell, license, exchange, assign or otherwise transfer or dispose of, or grant any rights with respect to, or mortgage or otherwise encumber, any of the foregoing Patent Collateral.

This security interest is granted in conjunction with the security interests granted to Grantee pursuant to the Security Agreement. Grantor does hereby further acknowledge and affirm that the rights and remedies of Grantee with respect to the security interest in the Patent Collateral made and 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.

IN WITNESS WHEREOF, Grantor has caused this Patent Security Agreement to be duly executed by its officer thereunto duly authorized as of the ____th day of December, 2008.

PHOTODIGM, INC.

Acknowledged:

Anthony J. Le Vecchio

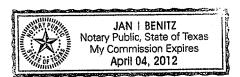
State of Texas

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SS.

County of Dallas



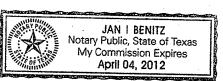
This instrument was acknowledged before me on . Spencer, President of Photodigm, Inc., a Texas corporation, on behalf of said corporation.

Seal of Notary

State of Texas

SS.

County of Dallas



This instrument was acknowledged before me on _____ Anthony J. LeVecchio.

Seal of Notary

Signature of Notary

Schedule 1 to Patent Security Agreement

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PATENTS

A.	U.S. Patents and Design Patents		
	Patent No.	Issue Date	<u>Title</u>
1.	6,963,597	11/8/05	Grating Outcoupled Surface Emitting Lasers with Integrated Lens
2.	5,727,016*	3/10/98	Spatially coherent diode laser with lenslike media and feedback from straight toothed gratings
3.	6,636,547	10/21/03	Multiple grating outcoupled surface emitting lasers
4.	6,888,874	5/3/05	Single wavelength, unequal length multi cavity grating outcoupled surface emitting lasers
5.	6,661,825 B2	12/9/03	Grating-Outcoupled Surface-Emitting Lasers using Quantum Wells Thickness and Composition Variation
6.	6,647,048 B2	11/11/03	Grating-Outcoupled Surface-Emitting Lasers using Quantum Wells Thickness and Composition Variation
7.	6,600,765 B2	7/29/03	High-Power Coherent Arrays of Vertical Cavity Surface-Emitting Semiconductor Lasers
8.	6,810,067	10/26/04	Single Mode Grating-outcoupled Surface Emitting Laser with Broadband and Narrowband Reflectors
9.	6,760,359	7/6/04	Grating Outcoupled Surface Emitting Lasers with Flared Gain Regions
10.	6,967,054	11/22/05	Coating Thickness Control Using Surface Features

11.	6,853,666	2/8/05	Integrated Grating Outcoupled Surface Emitting Lasers
12.	6,282,219**	8/28/01	Substrate Stack Construction for Enhanced Coupling Efficiency of Optical Couplers
13.	5,673,284**	9/30/97	Integrated Laser and Coupled Waveguide
14.	6,064,783**	5/16/00	Integrated Laser and Coupled Waveguide
15.	6,236,773**	5/22/01	Single Wavelength Semiconductor Laser with Grating-Assisted Dielectric Waveguide Coupler
16.	5,598,492	1/28/97	Metal-Ferromagnetic Optical Waveguide Isolator
17.	6,760,496	7/6/04	Inline Ferromagnetic-Composite Isolator and Method
18.	6,714,575	3/30/04	Optical Modulator System
19.	6,775,427	8/10/04	Laterally coupled waveguides
20.	6,970,491	11/29/05	Planar and Wafer Level Packaging of Semiconductor Lasers and Photodetectors for Transmitter Optical Sub-Assemblies
21.	6,999,494	2/14/06	Packaging and Passive Alignment of Microlens and Molded Receptacle
22.	7,092,598	8/15/06	Chip Scale WDM System Using Grating- Outcoupled Surface Emitting Lasers
23.	7,113,526	9/26/06	Multi-wavelength grating-outcoupled surface emitting laser
24.	7,065,265	6/20/06	Ferromagnetic-Semiconductor Composite Isolator and Method
25.	6,891,983	5/10/05	Wavelength Filter and Polarizer
26.	7,313,159	12/25/07	Apparatus and method for providing a single-mode grating outcoupled surface emitting laser with detuned second-order outcoupler grating

Integrated high-speed modulator for grating-outcoupled surface emitting lasers 7,313,158 12/25/07 27.

B.	<u>U.S. Patent Applications</u>		
	Serial No.	Filing Date	<u>Title</u>
1.	11/763,248	6/14/07	Method and laser device for stabilized frequency doubling
2.	11/686,082	6/26/07	Index guided semiconductor laser with loss coupled gratings and continuous waveguide
3.	11/860,370	9/24/07	Efficient second harmonic generation (SHG) laser design
4.	11/873,975	10/18/07	System and method of providing SHG light in a single pass
5.	11/956,152	12/13/07	Non-resonant multiple pass non-linear structure
6.	11/966,908	12/28/07	Mitigating temperature gradient Distributed Bragg Reflector
7.	11/968,549	1/2/08	Second Harmonic Generation Laser System
8.	12/180,294	7/25/08	Red-shifted Optical Feedback Laser

RECORDED: 04/09/2009

^{*} Patents are licensed to the Company.

** Patents are jointly owned by the Company and a strategic investor.