

PATENT ASSIGNMENT

Electronic Version v1.1
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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
Millennium Engineering and Integration Co.	01/11/2011
RECEIVING PARTY DATA	
Name:	Bank of America, N.A.
Street Address:	1101 Wootton Parkway, 4th Floor
Internal Address:	Attn: Eric Williams, Vice President
City:	Rockville
State/Country:	MARYLAND
Postal Code:	20852
PROPERTY NUMBERS Total: 2	
Property Type	Number
Patent Number:	7186978
Patent Number:	7629075
CORRESPONDENCE DATA	
Fax Number:	(443)263-4108
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	4103477388
Email:	dkprice@ober.com
Correspondent Name:	E. Scott Johnson, Esq. of Ober Kaler
Address Line 1:	120 E. Baltimore Street
Address Line 4:	Baltimore, MARYLAND 21202
ATTORNEY DOCKET NUMBER:	009229.000155 DKP
NAME OF SUBMITTER:	E. Scott Johnson
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PATENT SECURITY AGREEMENT

This PATENT SECURITY AGREEMENT (this "Agreement") dated January 11, 2011, is given by MILLENNIUM ENGINEERING AND INTEGRATION CO., a Maryland corporation ("Assignor"), in favor of BANK OF AMERICA, N.A., a national banking association ("Assignee").

BACKGROUND

Pursuant to a Credit and Security Agreement dated December 22, 2010 between the Assignor and Assignee (as the same may from time to time be amended, restated, extended, refinanced, replaced, supplemented or otherwise modified, the "Credit Agreement"), the Assignee has agreed to make available to the Assignor a revolving line of credit in the aggregate principal amount not to exceed \$10,000,000 at any one time outstanding, the foregoing and any other credit facilities established in favor of the Assignor sometimes hereinafter called collectively the "Credit Facilities." As inducement to Assignee to enter into the Credit Agreement and make the Credit Facilities available to Assignor, Assignor agreed to, among other things, pledge to Assignee and grant Assignee a continuing, first priority security interest in and lien on all patents and patent applications of Assignor.

As used herein, the term "Financing Documents" means collectively the Credit Agreement, and all notes, guarantees, mortgages, security agreements, debentures, and other documents previously, simultaneously or hereafter executed and delivered by Assignor or any party or parties in favor of Assignee to secure or guarantee, or in connection with, the Credit Facilities. All other capitalized terms used herein without definition shall have the meanings ascribed to them in the Credit Agreement.

AGREEMENTS

NOW THEREFORE, in consideration of the premises, and of the mutual covenants herein contained, and intending to be legally bound hereby, the parties hereto hereby agree as follows:

1. Grant of Security Interest. To secure the complete and timely payment and performance of all of its Obligations under the Credit Agreement and other Financing Documents, Assignor, to the extent of its interest therein, hereby grants, assigns, conveys and pledges to Assignee, a continuing, first priority security interest in and to all patent applications and patents owned, held or claimed by Assignor, all of which are listed in Schedule A hereto (as the same may be amended from time to time pursuant hereto) (collectively called the "Patents"), including, without limitation, all rights owned by it corresponding thereto throughout the world and all reissues, divisions, continuations, renewals, extensions and continuations-in-part and all proceeds thereof, including, without limitation, any claim by Assignor against third parties for past, present or future infringements or dilution of any Patent.

2. Warranties and Representations. Assignor hereby covenants with, and warrants to, Assignee that: (a) the Patents are subsisting and have not been adjudged invalid or unenforceable, in whole or in part; (b) to the best of Assignor's knowledge, each of the Patents is valid and enforceable; (c) Assignor is the sole and exclusive owner of each of the Patents and all rights therein, free and clear of any liens, charges and encumbrances; (d) Assignor has the unqualified right to enter into this Agreement and perform its terms; and (e) there are no infringement actions filed or threatened alleging that the Patents or the use thereof infringes any patents or other rights held by third parties, and Assignor shall, in any event, indemnify and hold Assignee harmless from all losses, damages, costs and expenses, including legal costs and counsel fees, incurred by Assignee as the direct or indirect result of any action, claim or demand, whether groundless or otherwise, alleging any such infringement.

3. Right to Benefits. If, before the Obligations shall have been satisfied in full, Assignor shall obtain rights to any patentable inventions, or become entitled to the benefit of any patent application or patent or for any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent, the provisions of Paragraph 1 shall automatically apply thereto and Assignor shall give to Assignee prompt written notice thereof.

4. Future Patents. Assignor authorizes Assignee to modify this Agreement solely by amending Schedule A hereto to include any future patents and patent applications that are Patents under Paragraph 1 or Paragraph 3 hereof. Assignee shall deliver a true and correct copy of any such amended Schedule A to Assignor promptly following Assignee's completion thereof.

5. Default. The term "Default", as used herein, shall mean: (a) any Event of Default under the Credit Agreement or a default under any of the other Financing Documents; and (b) any violation by Assignor of any obligation, agreement, representation, warranty or covenant contained in this Agreement and any modification or amendment hereof which is not waived or cured and remedied within five (5) calendar days after notice thereof to Assignor.

6. Assignor's Right to Use Patents. Unless and until a Default shall occur and be continuing, Assignor shall retain the legal and equitable title to the Patents and shall have the right to use (including the right to license) the Patents in the ordinary course of its business but shall not be permitted to sell, assign, transfer or encumber the Patents or any part thereof without the prior written consent of Assignee; provided, however, that nothing herein contained shall prohibit Assignor from failing to renew or otherwise abandoning any item included within the Patents if, in Assignor's good faith judgment, the retention of such item is not material to the proper conduct of its business; provided, however, that Assignor shall give Assignee ten (10) days' prior written notice of its intention to abandon or its failure to renew any item included within the Patents.

7. Assignee's Rights As Secured Party. If a Default shall have occurred and be continuing, Assignee shall have, in addition to all other rights and remedies given to it by this Agreement, the Credit Agreement and the other Financing Documents, 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 or employed and, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to Assignor, all of which are hereby 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 Patents, or any interest which Assignor may have therein, and after deducting from the proceeds of sale or other disposition of the Patents all expenses (including all reasonable expenses for brokers' fees and legal services), shall apply the balance of such proceeds towards payment of the Obligations. Notice of any sale or other disposition of the Patents shall be given to Assignor at least ten (10) calendar days before the time of any intended public or private sale or other disposition of the Patents is to be made, which Assignor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, Assignee may, to the extent permissible under applicable law, purchase the whole or any part of the Patents sold, free from any right of redemption on the part of Assignor, which right Assignor hereby waives and releases.

8. Power of Attorney. If a Default shall have occurred and be continuing, Assignor hereby authorizes and empowers Assignee to make, constitute and appoint any officer or agent of Assignee as Assignee may select in its exclusive discretion, as Assignor's true and lawful attorney-in-fact, with the power (a) to endorse Assignor's name on all applications, documents, papers and instruments necessary for Assignee to use and sell any inventions disclosed and claimed in the Patents, or (b) to grant or issue any exclusive or non-exclusive license under the Patents to any third person, or (c) necessary for Assignee to assign, pledge, convey or otherwise transfer title in or dispose of the Patents to any third person. Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue of such power of attorney. This power of attorney shall be irrevocable for the life of this Agreement and be coupled with an interest.

9. Termination. At such time as Assignor shall completely satisfy all of the Obligations and all other liabilities of Assignor to Assignee under the Credit Agreement and the other Financing Documents, Assignee shall execute and deliver to Assignor, at Assignor's sole cost and expense, all deeds, assignments and other instruments as may be necessary or proper to terminate the liens and security interests granted hereby and to re-vest in Assignor the full unencumbered title to the Patents, subject to any disposition thereof which may have been made by Assignee in accordance with the provisions hereof.

10. Fees and Expenses of Assignee. If a Default shall have occurred and be continuing, any and all fees, costs and expenses, of whatever kind or nature, including, without limitation, reasonable attorney's fees and expenses, incurred by Assignee in connection with the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining, preserving the Patents, or in defending or prosecuting any actions or proceedings arising out of or related to the Patents, shall be borne and paid by Assignor on demand by Assignee and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the highest rate prescribed in the Credit Agreement.

11. Protection of Patents.

(a) Subject only to the first proviso of Section 6 hereof, Assignor shall take all actions reasonably necessary to protect and defend the Patents and shall institute such

proceedings to enforce the Patents and any licenses thereunder as it, in its reasonable business judgment, deems appropriate. Assignee shall, upon the reasonable request of Assignor, do any and all lawful acts and execute any and all proper documents in aid of such protection, defense and enforcement, and Assignor shall promptly, upon demand, reimburse and indemnify Assignee for all costs and expenses incurred by Assignee in connection therewith.

(b) If a Default shall have occurred and be continuing, Assignee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Patents and any license thereunder, in which event 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 costs and expenses incurred by Assignee in the exercise of its rights under this Paragraph 11.

12. No Waiver. 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 Credit Agreement or the other Financing Documents 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 or the exercise of any other right, power or privilege.

13. Cumulative Rights. All of Assignee's rights and remedies with respect to the Patents, whether established hereby, by the Credit Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently.

14. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid or 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 Agreement in any jurisdiction.

15. Amendment. This Agreement is subject to modification only by a writing signed by the parties hereto, except as provided in Paragraph 4 hereof.

16. Successors and Assigns. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

17. Governing Law. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by, and construed in accordance with, the laws of the State of Maryland.

18. JUDICIAL PROCEEDINGS. EACH PARTY TO THIS AGREEMENT AGREES THAT ANY SUIT, ACTION, OR PROCEEDING, WHETHER CLAIM OR COUNTERCLAIM, BROUGHT OR INSTITUTED BY ANY PARTY HERETO OR ANY SUCCESSOR OR ASSIGN OF ANY PARTY, ON OR WITH RESPECT TO THIS AGREEMENT OR THE DEALINGS OF THE PARTIES WITH RESPECT HERETO, SHALL

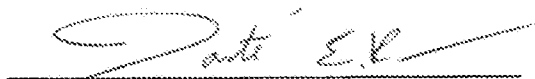
BE TRIED ONLY BY A COURT AND NOT BY A JURY. EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION OR PROCEEDING. FURTHER, ASSIGNOR WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER, IN ANY SUCH SUIT, ACTION OR PROCEEDING, ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. ASSIGNOR ACKNOWLEDGES AND AGREES THAT THIS PARAGRAPH IS A SPECIFIC AND MATERIAL ASPECT OF THIS AGREEMENT AND THAT ASSIGNEE WOULD NOT EXTEND CREDIT TO ASSIGNOR IF THE WAIVERS SET FORTH IN THIS PARAGRAPH WERE NOT A PART OF THIS AGREEMENT.

19. Counterparts. This Agreement may be executed in any number of duplicate originals or counterparts, each of such duplicate originals or counterparts shall be deemed to be an original and all taken together shall constitute one and the same instrument.

WITNESS the execution hereof under seal as of the day and year first above written.

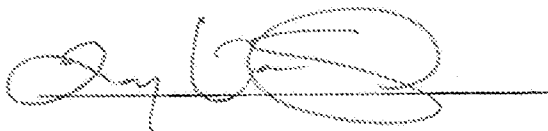
WITNESS:


MILLENNIUM ENGINEERING
AND INTEGRATION CO.



By: 
Name: Richard A. Maurer
Title: Chief Financial Officer

BANK OF AMERICA, N.A.



By: 
Name: Eric Williams
Title: ~~Senior~~ Vice President

Notice Address:

1101 Wootton Parkway, 4th Floor
Rockville, MD 20852
Attn: Eric Williams, ~~Senior~~ Vice President

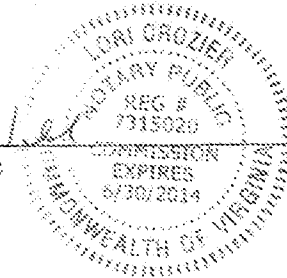
ACKNOWLEDGMENTS

STATE OF MARYLAND, COUNTY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY, that on January 11, 2011, before me, the undersigned Notary Public of said jurisdiction, personally appeared Richard A. Maurer, who acknowledged himself to be the Chief Financial Officer of MILLENNIUM ENGINEERING AND INTEGRATION CO., a Maryland corporation, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained as the duly authorized signatory of said S Corporation for and on behalf of such S Corporation.

WITNESS my Hand and Notarial Seal.


Notary Public



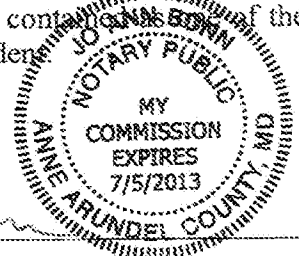
My commission expires: 6/30/2014

STATE OF MARYLAND, COUNTY OF ANNE ARUNDEL, TO WIT:

I HEREBY CERTIFY, that on January 14, 2011, before me, the undersigned Notary Public of said State, personally appeared Eric Williams, who acknowledged himself to be a ~~Senior~~ Vice President of BANK OF AMERICA, N.A., a national banking association, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within document, and acknowledged that he executed the same for the purposes therein contained as ~~Senior~~ Vice President of the duly authorized signatories of said bank by himself as ~~Senior~~ Vice President.

WITNESS my hand and Notarial Seal.


Notary Public



My commission expires: 07-05-2013

SCHEDULE A
TO THE
PATENT SECURITY AGREEMENT
DATED JANUARY 11, 2011
BY MILLENNIUM ENGINEERING AND INTEGRATION, CO.
IN FAVOR OF
BANK OF AMERICA, N.A.

LIST OF PATENT REGISTRATIONS AND PATENT APPLICATIONS

<u>Patent Number</u>	<u>Issuance Date</u>	<u>Title of Application</u>
7186978	3/06/2007	Compact Emissivity and Temperature Measuring Infrared Detector
7629075	12/8/2009	Chloride-Free Thermal Batteries Using Molten Nitrate Electrolytes