

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
Emerging Acquisitions, LLC	04/26/2012
RECEIVING PARTY DATA	
Name:	Caltius Partners III, LP, as Agent
Street Address:	11766 Wilshire Boulevard
Internal Address:	Suite 850
City:	Los Angeles
State/Country:	CALIFORNIA
Postal Code:	90025
PROPERTY NUMBERS Total: 20	
Property Type	Number
Patent Number:	5450966
Patent Number:	5484247
Patent Number:	5485925
Patent Number:	5647473
Patent Number:	5799801
Patent Number:	5960964
Patent Number:	6149018
Patent Number:	6371305
Patent Number:	6726028
Patent Number:	7261209
Patent Number:	7434695
Patent Number:	7584856
Patent Number:	7677396
Patent Number:	7942273

OP \$800.00 5450966

Application Number:	11959361
Application Number:	12466322
Application Number:	12616521
Application Number:	12709447
Application Number:	12780585
Application Number:	12818339

CORRESPONDENCE DATA

Fax Number: (303)592-3140

Phone: 303-592-3128

Email: katherine.duplay@bartlit-beck.com

Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.

Correspondent Name: Katherine E. Duplay / Bartlit Beck

Address Line 1: 1899 Wynkoop Street

Address Line 2: 8th Floor

Address Line 4: Denver, COLORADO 80202

ATTORNEY DOCKET NUMBER:	0751.003
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NAME OF SUBMITTER:	Michael A. Kane
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Total Attachments: 5

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**AMENDED AND RESTATED
PATENT SECURITY AGREEMENT**

This AMENDED AND RESTATED PATENT SECURITY AGREEMENT (this “*Agreement*”) dated as of April 26, 2012, is between Emerging Acquisitions, LLC, an Oregon limited liability company d/b/a Bulk Handling Systems (the “*Grantor*”), and Caltius Partners III, LP (“*CP III*”), in its capacity as agent for certain lenders under the Investment Agreement referred to below (together with its successors and assigns, the “*Secured Party*”), and amends and restates in its entirety the Patent Security Agreement dated as of February 15, 2008 by and between Grantor and the Secured Party.

WITNESSETH:

WHEREAS, the Grantor is a party to that Investment Agreement, dated as of February 15, 2008 with CP III and Caltius Partners Executive III, LP (“*CPE III*” and together with CP III, “*Caltius*”) and certain other parties, as amended by the First Amendment to Investment Agreement dated as of February 26, 2010, the Second Amendment to Investment Agreement dated as of October 26, 2010, the Third Amendment to Investment Agreement dated as of April 15, 2011, and the Fourth Amendment to Investment Agreement dated as of the date hereof (the “*Fourth Amendment*”) (as such Investment Agreement may be further amended, restated, supplemented or otherwise modified from time to time, the “*Investment Agreement*”), pursuant to which Caltius made an investment in the Grantor of \$9,500,000 in the aggregate (the “*Investment*”);

WHEREAS, in connection with the Fourth Amendment, the Grantor, the Secured Party and certain other parties entered into that certain Amended and Restated Security Agreement dated as of the date hereof (as it may be further amended, restated, supplemented or otherwise modified from time to time, the “*Security Agreement*”), pursuant to which the Grantor granted to the Secured Party a security interest in and continuing lien on, all of the Grantor’s right, title and interest in, to and under all Collateral, including the Patent Collateral (as defined below), in each case whether now owned or existing or hereafter acquired or arising and wherever located to secure the prompt and complete payment and performance in full when due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise, of all Obligations (as defined in the Investment Agreement).

WHEREAS, the parties to the Investment Agreement contemplate and intend that the Secured Party shall have all rights of a secured party in and to the Patent Collateral and any proceeds thereof, including, without limitation, if an Event of Default (as defined in the Investment Agreement) shall occur and be continuing, the right to exercise its remedies under the Investment Agreement in connection with all of the Grantor’s right, title and interest in such Patent Collateral; and

WHEREAS, pursuant to the Investment Agreement, the Grantor is required to execute and deliver this Agreement.

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the Grantor agrees as follows:

Section 1. Defined Terms

Unless otherwise defined herein, terms defined in the Security Agreement and used herein have the meaning given to them in the Security Agreement.

Section 2. Grant of Security Interest in Patents

The Grantor hereby grants to the Secured Party a security interest in, and continuing lien on, all of such Grantor's right, title and interest in, to and under the Patents, including the Patents listed in Schedule A, in each case whether owned or existing or hereafter acquired or arising and wherever located (collectively, the "Patent Collateral").

Section 3. Security for Obligations

This Agreement secures, and the Patent Collateral is collateral security for, the prompt and complete payment or performance in full when due, whether at stated maturity, by required prepayment, declaration, acceleration, demand or otherwise (including the payment of amounts that would become due but for the operation of the automatic stay under Section 362(a) of the Bankruptcy Code, 11 U.S.C. §362(a) (and any successor provision thereof)), of all Obligations.

Section 4. Security Agreement

The security interests granted pursuant to this Agreement are granted in conjunction with the security interests granted to the Secured Party on behalf of and for the ratable benefit of the Holders of Notes (as such terms are defined in the Investment Agreement), pursuant to the Security Agreement and the Grantor hereby acknowledges and affirms that the rights and remedies of the Secured Party 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 the event of any irreconcilable conflict between the terms of this Agreement and the terms of the Security Agreement, the terms of the Security Agreement shall control.

Section 5. Recordation

The Grantor hereby authorizes and requests that the Commissioner of Patent and Trademarks and any other applicable United States government officer record this Agreement.

Section 6. Miscellaneous

This Agreement shall be governed by, and construed in accordance with the laws of the State of California (excluding conflicts of laws provisions).

This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single agreement.

IN WITNESS WHEREOF, the Grantor has caused this Amended and Restated Patent Security Agreement to be duly executed and delivered by its duly authorized officer as of the date first set forth above.

GRANTOR:

EMERGING ACQUISITIONS, LLC

By: 
Name: Steve Miller
Title: Manager

SECURED PARTY:

CALTIVUS PARTNERS III, LP

By: CPIII, LP, its general partner

By: _____
Name: Michael A. Kane
Title: Managing Director

IN WITNESS WHEREOF, the Grantor has caused this Amended and Restated Patent Security Agreement to be duly executed and delivered by its duly authorized officer as of the date first set forth above.

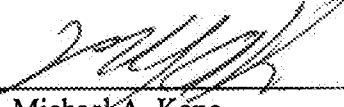
GRANTOR:

EMERGING ACQUISITIONS, LLC

By: _____
Name: Steve Miller
Title: Manager

SECURED PARTY:

CALTUS PARTNERS III, LP
By: CPIII, LP, its general partner

By:  _____
Name: Michael A. Kane
Title: Managing Director

[Signature Page to Amended and Restated Patent Security Agreement]

SCHEDULE A
TO
PATENT SECURITY AGREEMENT
U.S. PATENTS

Patent Description	Patent No.	Issued
MULTI-STAGE DISC SCREEN FOR CLASSIFYING MATERIALS BY SIZE	5,450,966	Sept. 19, 1995
BAG BREAKER	5,484,247	Jan. 16, 1996
SYSTEM AND METHOD FOR SEPARATING RECYCLED DEBRIS	5,485,925	Jan. 23, 1996
METHOD AND APPARATUS FOR ALIGNING AND SPACING ARTICLES ON A CONVEYOR BELT	5,647,473	Jul. 15, 1997
METHOD AND APPARATUS FOR SEPARATING PAPER FROM CARDBOARD	5,799,801	Sept. 1, 1998
METHOD AND APPARATUS FOR SORTING RECYCLED MATERIAL	5,960,964	Oct. 5, 1999
METHOD AND APPARATUS FOR SORTING RECYCLED MATERIAL	6,149,018	Nov. 21, 2000
METHOD AND APPARATUS FOR SORTING RECYCLED MATERIAL	6,371,305	Apr. 16, 2002
DE-INKING SCREEN	6,726,028	Apr. 27, 2004
MULTI-DISC MODULE AND METHOD OF APPLICATION	7,261,209	Aug. 28, 2007
DE-INKING SCREEN	7,434,695	Oct. 14, 2008
AIR SEPARATION OF RECYCLABLE MATERIAL	7,584,856	Sep. 8, 2009
DE-INKING SCREEN	7,677,396	Mar. 16, 2011
CROSS FLOW AIR KNIFE	7,942,273	May 17, 2011

U.S. PATENT APPLICATIONS

Patent Description	Application No.	Filing Date
SEPARATION SYSTEM FOR RECYCLABLE MATERIAL	11/959,361	Dec. 18, 2007
SCREEN HEATING	12/466,322	May 14, 2009
MULTI DIAMETER DISC ASSEMBLY	12/616,521	Nov. 11, 2009
DE-INKING SCREEN	12/709,447	Feb 19, 2010
DE-INKING SCREEN	12/780,585	May 14, 2010
AIR DRUM SEPARATOR	12/818,339	June 18, 2010