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Form PTO-1595  
(Rev. 03/01)

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U.S. DEPARTMENT OF COMMERCE  
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OMB No. 0651-0027 (exp. 5/31/2002)

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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

## 1. Name of conveying party(ies):

SenseGene Therapeutics, Inc.

## 2. Name and address of receiving party(ies)

Name: Donald R. Parfet

Internal Address: \_\_\_\_\_

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

## 3. Nature of conveyance:

- ☐ Assignment ☐ Merger
- ☒ Security Agreement ☐ Change of Name
- ☐ Other \_\_\_\_\_

Street Address: 259 East Michigan AvenueSuite 409City: Kalamazoo State: MI Zip: 49007Execution Date: December 4, 2001Additional name(s) & address(es) attached? ☐ Yes ☒ No

## 4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the application is: \_\_\_\_\_

A. Patent Application No.(s) \_\_\_\_\_

B. Patent No.(s) 5,874,416Additional numbers attached? ☐ Yes ☒ No

## 5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Phillip D. Torrence, Esq.Internal Address: Miller, Canfield,Paddock and Stone P.L.C.Re: SenseGene Therapeutics, Inc.Street Address: 444 West Michigan AvenueCity: Kalamazoo State: MI Zip: 490076. Total number of applications and patents involved: 17. Total fee (37 CFR 3.41).....\$ 40.00☒ Enclosed☐ Authorized to be charged to deposit account

## 8. Deposit account number:

DO NOT USE THIS SPACE

## 9. Signature.

Mina Patel Sooch, President

Name of Person Signing

Mina Sooch  
Signature2-27, 2002

Date

04/25/2002 DBYRNE 00000128 5874416 Total number of pages including cover sheet, attachments, and documents: 40.00

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Mail documents to be recorded with required cover sheet information to:  
Commissioner of Patents & Trademarks, Box Assignments  
Washington, D.C. 20231PATENT  
REEL: 012813 FRAME: 0721

# INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (the "Agreement") is entered into as of December 4, 2001 by and between DONALD R. PARFET ("Lender") and SENSEGENE THERAPEUTICS, INC., a Michigan corporation ("Borrower").

## BACKGROUND

Pursuant to that certain Note Purchase Agreement, dated as of the date hereof (as the same may be amended, modified or supplemented from time to time, the "Note Purchase Agreement"), between Lender and Borrower, Lender has loaned Borrower \$450,000 in principal amount (the "Loan").

The obligation of Borrower to repay the Loan is evidenced by that certain Convertible Promissory Note made by Borrower in favor of Lender in the principal amount of the Loan (the "Note")

Pursuant to the Note Purchase Agreement and in order to secure the repayment obligations of Borrower under the Note, Borrower agreed to grant Lender a first priority security interest in all of the intellectual property assets of Borrower.

NOW, THEREFORE, in consideration of the Note Purchase Agreement and the Loan, Borrower hereby represents, warrants, covenants and agrees as follows:

## TERMS AND CONDITIONS

1. Grant of Security Interest. To secure its obligations under the Note Purchase Agreement and the Note, Borrower grants and pledges to Lender a security interest in all of Borrower's right, title and interest in, to and under the Collateral (as hereinafter defined)(such as, by way of example but not by way of limitation, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all re-issues, divisions continuations, renewals, extensions and continuations-in-part thereof. For purposes of this Agreement, the term "Collateral" means all of Borrower's right, title, and interest in and to the following:

(a) All copyrights, trademarks and patents of Borrower, whether now existing or hereafter acquired, including, without limitation, those described on Schedules A, B and C, respectively (collectively and respectively, the "Copyrights", "Trademarks" and "Patents").

(b) Any and all trade secrets and any and all intellectual property rights in computer software and computer software products now or hereafter existing, created, acquired or held;

(c) Any and all design rights now or hereafter created or acquired by Borrower;

(d) Any and all claims for damages by way of past, present and future infringement of any of the rights included above, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the intellectual property rights identified above;

(e) All licenses or other rights to use any of the Copyrights, Patents or Trademarks, and all license fees and royalties arising from such use to the extent permitted by such license or rights;

(f) All amendments, renewals and extensions of any of the Copyrights, Trademarks or Patents; and

(g) All proceeds and products of the foregoing, including without limitation all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.

2. Representations and Warranties. Borrower represents and warrants to Lender that:

(a) The security interest created by Section 1 hereof constitutes a valid, first priority security interest in the presently existing Collateral, and will constitute a valid, first priority security interest in the Collateral acquired after the date hereof.

(b) Schedules A, B, and C attached hereto set forth any and all intellectual property rights in connection to which Borrower has registered or filed an application with either the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

(c) Borrower is the sole owner of the Collateral.

(d) Each of the Patents have been validly issued, and no part of the Collateral has been judged invalid or unenforceable, in whole or in part, and no claim has been made that any part of the Collateral violates the rights of any third party.

(e) Borrower is not a party to, or bound by, any agreement that restricts the grant by Borrower of a security interest in Borrower's rights under such agreement.

3. Registration of Intellectual Property Rights.

(a) Borrower shall register or cause to be registered on an expedited basis (to the extent not already registered) with the United States Patent and Trademark Office or the United States Copyright Office, as applicable: (i) those intellectual property assets listed on Schedules A, B and C hereto within one hundred twenty (120) days of the date of this Agreement, (ii) all registerable intellectual property rights Borrower has developed as of the date of this Agreement but heretofore failed to register, within one hundred twenty (120) days of the date of this Agreement, and (iii) those additional intellectual property rights developed or acquired by Borrower from time to time in connection with any product or service, prior to the

sale or licensing of such product or the rendering of such service to any third party, and prior to Borrower's use of such product (including without limitation major revisions or additions to the intellectual property rights listed on such Schedules A, B and C). Borrower shall give Lender notice of all such applications or registrations.

(b) Borrower shall execute and deliver such additional instruments and documents from time to time as Lender shall reasonably request to perfect Lender's security interest in the Collateral.

(c) Borrower shall, at its sole cost and expense, (i) protect, defend and maintain the validity and enforceability of the Patents, Patents and Copyrights, (ii) use its best efforts to detect infringements of the Patents, Trademarks and Copyrights and promptly advise Lender in writing of material infringements detected and (iii) not allow any material Patents, Trademarks or Copyrights to be abandoned, forfeited or dedicated to the public without the written consent of Lender, which shall not be unreasonably withheld.

(d) Lender may audit Borrower's Collateral to confirm compliance with this Section. Lender shall have the right, but not the obligation, to take, at Borrower's sole expense, any actions that Borrower is required under this Section to take but which Borrower fails to take, after fifteen (15) days' notice to Borrower. Borrower shall reimburse and indemnify Lender for all reasonable costs and reasonable expenses incurred in the reasonable exercise of its rights under this Section.

4. Delivery of Additional Documentation Required. Borrower shall from time to time execute and deliver to Lender, at the request of Lender, all financing statements and other documents that Lender may reasonably request, in form satisfactory to Lender, to perfect and continue the perfection of Lender's security interests in the Collateral and in order to fully consummate all of the transactions contemplated under the Note Purchase Agreement.

5. Events of Default. Any one or more of the following events shall constitute an "Event of Default" under this Agreement:

(a) Payment Default. The Borrower fails to pay, when due, its obligations under the Note.

(b) Covenant Default. The Borrower fails to (i) perform any obligation under the Note Purchase Agreement, the Note or this Security Agreement, or (ii) perform, keep, or observe any other material term, provision, condition, covenant, or agreement contained this Security Agreement, the Note Purchase Agreement or the Note and then fails to cure such failure, violation or neglect that can be cured within thirty (30) days after written notice thereof from the Holder; provided, however, that if such failure, violation or neglect cannot by its nature be cured within such thirty (30) day period or cannot after diligent attempts by Borrower be cured within such thirty (30) day period, and such default is likely to be cured within a reasonable time, then Borrower shall have an additional reasonable period (which shall not in any case exceed ninety (90) days) to attempt to cure such default, and within such reasonable time period the failure to have cured such default shall not be deemed an Event of Default).

(c) Attachment. If any material portion of Borrower's assets is attached, seized, subjected to a writ or distress warrant, or is levied upon, or comes into the possession of any trustee, receiver or person acting in a similar capacity and such attachment, seizure, writ or distress warrant or levy has not been removed, discharged or rescinded within thirty (30) days, or if Borrower is enjoined, restrained, or in any way prevented by court order from continuing to conduct all or any material part of its business affairs, or if a judgment or other claim becomes a lien or encumbrance upon any material portion of Borrower's assets, or if a notice of lien, levy, or assessment is filed of record with respect to any of Borrower's assets by the United States Government, or any department, agency, or instrumentality thereof, or by any state, county, municipal, or governmental agency, and the same is not paid dismissed or within thirty (30) days after Borrower receives notice thereof, provided that none of the foregoing shall constitute an Event of Default where such action or event is stayed or an adequate bond has been posted pending a good faith contest by Borrower.

(d) Insolvency. If Borrower becomes insolvent, or if any proceeding is commenced by or against Borrower under any provision of the United States Bankruptcy Code, or under any other bankruptcy or insolvency law, including assignments for the benefit of creditors, formal or informal moratoria, compositions, extension generally with its creditors, or proceedings seeking reorganization, arrangement, or other relief and, with respect to any proceeding commenced against Borrower, the same is not dismissed or stayed within sixty (60) days.

(e) Judgments. If a judgment or judgments for the payment of money in an amount, individually or in the aggregate, of at least \$50,000 shall be rendered against Borrower and shall remain unsatisfied and unstayed for a period of thirty (30) days.

(f) Misrepresentations. If any material misrepresentation or material misstatement exists now or hereafter in any warranty or representation set forth herein or to induce Lender to enter into the Note Purchase Agreement or the Security Agreement.

(g) Liquidation. The Borrower is liquidated or dissolved.

6. Lender's Rights And Remedies. Upon the occurrence and during the continuance of an Event of Default, Lender may, at its election, without notice of its election and without demand, do any one or more of the following, all of which are authorized by Borrower:

(a) Declare the indebtedness under the Note immediately due and payable upon notice to Borrower;

(b) Make such payments and do such acts as Lender considers necessary or reasonable to protect its security interest in the Collateral. Borrower agrees to assemble the Collateral that is tangible if Lender so requires, and to make the Collateral available to Lender as Lender may designate. Borrower authorizes Lender to enter the premises where such Collateral is located, to take and maintain possession of such Collateral, or any part of it, and to pay, purchase, contest, or compromise any encumbrance, charge, or lien which in Lender's determination appears to be prior or superior to its security interest and to pay all expenses

incurred in connection therewith. With respect to any of Borrower's owned premises but subject to the rights of tenants in possession, Borrower hereby grants Lender a license to enter into possession of such premises and to occupy the same, without charge, in order to exercise any of Lender's rights or remedies provided herein, at law, in equity, or otherwise;

(c) Ship, reclaim, recover, store, finish, maintain, repair, prepare for sale, advertise for sale, and sell (in the manner provided for herein) the Collateral. Lender is hereby granted a license or other right, solely pursuant to the provisions of this Section to use, without charge, Borrower's labels, patents, copyrights, rights of use of any name, trade secrets, trade names, trademarks, service marks, and advertising matter, or any property of a similar nature, as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral and, in connection with Lender's exercise of its rights under this Section, Borrower's rights under all licenses and all franchise agreements shall inure to Lender's benefit;

(d) Dispose of the Collateral by way of one or more contracts or transactions, for cash or on terms, in such manner and at such places (including Borrower's premises) as is commercially reasonable; and

(e) Credit bid and purchase all or any portion of the Collateral at any public sale.

Borrower shall immediately pay Lender any deficiency that exists after disposition of the Collateral as provided above will be paid immediately by Borrower. Any proceeds received by Lender for the Collateral shall be first applied to the payment of all costs and expenses incurred by Lender in connection with the sale or other disposition of the Collateral and the balance of such proceeds shall be then applied to the unpaid indebtedness on the Note with the remainder to be distributed to Borrower.

7. Power of Attorney. Effective only upon the occurrence and during the continuance of an Event of Default, Borrower hereby irrevocably appoints Lender (and any of Lender's designated agents, officers or employees) as Borrower's true and lawful attorney to: (a) endorse Borrower's name on any checks or other forms of payment or security that may come into Lender's possession; (b) dispose of any Collateral; (c) to file, in its sole discretion, one or more financing or continuation statements and amendments thereto, relative to any of the Collateral without the signature of Borrower where permitted by law; and (d) to transfer the Collateral into the name of Lender or a third party to the extent permitted under the Michigan Uniform Commercial Code and Federal law; provided Lender may exercise such power of attorney to sign the name of Borrower to modify, in its sole discretion, Schedules A, B, and C hereof, as appropriate, to include reference to any right, title or interest in any Copyrights, Patents or Trademarks acquired by Borrower after the execution hereof or to delete any reference to any right, title or interest in any Copyrights, Patents or Trademarks in which Borrower no longer has or claims to have any right, title or interest. The appointment of Lender as Borrower's attorney in fact, and each and every one of Lender's rights and powers, being coupled with an interest, is irrevocable until all of the indebtedness under the Note shall have been fully repaid and performed.

8. Lender's Liability for Collateral. So long as Lender complies with reasonable banking practices and the Michigan Uniform Commercial Code, Lender shall not in any way or manner be liable or responsible for: (a) the safekeeping of the Collateral; (b) any loss or damage thereto occurring or arising in any manner or fashion from any cause; (c) any diminution in the value thereof; or (d) any act or default of any carrier, warehouseman, bailee, forwarding agency, or other person whomsoever. All risk of loss, damage or destruction of the Collateral shall be borne by Borrower absent the gross negligence or willful misconduct of Lender or its employees or agents.

9. Termination. For purposes of this Agreement, the security interest granted under Section 1 of this Agreement shall automatically terminate upon conversion of all of the outstanding indebtedness under the Note to capital stock as provided therein. Upon any such conversion, Lender shall execute and deliver such instruments, documents and financing statements as the Borrower may deem necessary or advisable to evidence such termination.

10. Remedies Cumulative. Lender's rights and remedies under this Agreement, the Note and the Note Purchase Agreement shall be cumulative. Lender shall have all other rights and remedies not inconsistent herewith at law or in equity. No exercise by Lender of one right or remedy shall be deemed an election, and no waiver by Lender of any Event of Default on Borrower's part shall be deemed a continuing waiver. No delay by Lender shall constitute a waiver, election, or acquiescence by it. No waiver by Lender shall be effective unless made in a written document signed on behalf of Lender and then shall be effective only in the specific instance and for the specific purpose for which it was given.

11. Demand; Protest. Borrower waives demand, protest, notice of protest, notice of default or dishonor, notice of payment and nonpayment, notice of any default, nonpayment at maturity, release, compromise, settlement, extension, or renewal of accounts, documents, instruments, chattel paper, and guarantees at any time held by Lender on which Borrower may in any way be liable.

12. Notices. Unless otherwise provided in this Agreement, all notices or demands by any party relating to this Agreement or any other agreement entered into in connection herewith shall be in writing and (except for financial statements and other informational documents which may be sent by first-class mail, postage prepaid) shall be personally delivered or sent by a recognized overnight delivery service, certified mail, postage prepaid, return receipt requested, or by telefacsimile to Borrower or to Lender, as the case may be, at Its address set forth below. The parties hereto may change the address at which they are to receive notices hereunder, by notice in writing in the foregoing manner given to the other.

13. Choice of Law And Venue; Jury Trial Waiver. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of Michigan, without regard to principles of conflicts of law. Each of Borrower and Lender hereby submits to the exclusive jurisdiction of the state and Federal courts located in the Kalamazoo County, Michigan. BORROWER AND LENDER EACH HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THE NOTE PURCHASE

AGREEMENT, THE NOTE, THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. EACH PARTY RECOGNIZES AND AGREES THAT THE FOREGOING WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR IT TO ENTER INTO THIS AGREEMENT. EACH PARTY REPRESENTS AND WARRANTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

14. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

The parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.


BORROWER:

SENSEIGENE THERAPEUTICS, INC.

Address of Borrower:

259 East Michigan Avenue, Suite 409  
Kalamazoo, Michigan 49007

Attn: Ms. Mina Patel Sooch

By:   
Mina Patel Sooch  
Its President

LENDER:

Address of Lender:

259 East Michigan Avenue, Suite 409  
Kalamazoo, Michigan 49007

  
Donald R. Parfet



AGREEMENT, THE NOTE, THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. EACH PARTY RECOGNIZES AND AGREES THAT THE FOREGOING WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR IT TO ENTER INTO THIS AGREEMENT. EACH PARTY REPRESENTS AND WARRANTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

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BORROWER:


SENSEGENE THERAPEUTICS, INC.

Address of Borrower:

259 East Michigan Avenue, Suite 409  
Kalamazoo, Michigan 49007

Attn: Ms. Mina Patel Sooch

By: \_\_\_\_\_

  
Mina Patel Sooch  
Its President

LENDER:

Address of Lender:

259 East Michigan Avenue, Suite 409  
Kalamazoo, Michigan 49007

\_\_\_\_\_  
Donald R. Parfet

SCHEDULE A

Copyrights

<u>Description</u>	Registration <u>Number</u>	Registration <u>Date</u>
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## SCHEDULE B

### Patents

<u>Description</u>	Registration/ Application <u>Number</u>	Registration/ Application <u>Date</u>
That certain domestic patent referenced by U.S. Patent and Trademark Office Number 5,874,416, issued on February 23, 1999, bearing the title: " <u>RAS antisense inhibition</u> "	5,874,416	February 23, 1999

SCHEDULE C

Trademarks

Description

Registration/  
Application  
Number

Registration/  
Application  
Date

KZLIB:380227.3\115932-00001