

PATENT ASSIGNMENT

Electronic Version v1.1

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SUBMISSION TYPE:

NEW ASSIGNMENT

NATURE OF CONVEYANCE:

Grant of Security Interest in Patent Rights - Second Lien

CONVEYING PARTY DATA

Name	Execution Date
Morflex, Inc.	07/10/2006

RECEIVING PARTY DATA

Name:	Wilmington Trust Company, as Second Lien Collateral Agent
Street Address:	Rodney Square North
Internal Address:	1100 North Market Street
City:	Wilmington
State/Country:	DELAWARE
Postal Code:	19890

PROPERTY NUMBERS Total: 12

Property Type	Number
Application Number:	60720626
Patent Number:	4870204
Patent Number:	4892967
Patent Number:	4931583
Patent Number:	5055609
Patent Number:	4845265
Patent Number:	5286835
Application Number:	60720627
Patent Number:	5139872
Patent Number:	4775732
Patent Number:	4749807
Patent Number:	RE33211

CORRESPONDENCE DATA

PATENT

500162037

REEL: 018362 FRAME: 0639

OP \$480.00 60720626

Fax Number: (212)455-2502

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

Phone: (212) 455-7609

Email: ksolomon@stblaw.com

Correspondent Name: Kirstie Howard, Esq.

Address Line 1: Simpson Thacher & Bartlett LLP

Address Line 2: 425 Lexington Avenue

Address Line 4: New York, NEW YORK 10017

ATTORNEY DOCKET NUMBER:

509265/1232

NAME OF SUBMITTER:

Kirstie Howard

Total Attachments: 5

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GRANT OF
SECURITY INTEREST IN PATENT RIGHTS

This GRANT OF SECURITY INTEREST IN PATENT RIGHTS ("Agreement"), dated as of July 10, 2006 is made by MORFLEX, INC., a North Carolina corporation (the "Grantor"), in favor of WILMINGTON TRUST COMPANY, a Delaware banking association, as Second Lien Collateral Agent (the "Agent") for the several banks and other financial institutions (the "Lenders"), parties to the Second Lien Credit Agreement, dated as of July 10, 2006 (as amended, supplemented or otherwise modified from time to time, the "Second Lien Credit Agreement"), among Vertellus Specialties Holdings Corp., Vertellus Specialties Inc. (the "Borrower"), JPMorgan Chase Bank, N.A. (as Administrative Agent), the Lenders, the Agent and the syndication agent party thereto.

W I T N E S S E T H:

WHEREAS, pursuant to the Second Lien Credit Agreement, the Lenders have severally agreed to make extensions of credit to the Borrower upon the terms and subject to the conditions set forth therein; and

WHEREAS, in connection with the Second Lien Credit Agreement, the Grantor and certain other related entities of the Borrower have executed and delivered a Second Lien Guarantee and Collateral Agreement, dated as of July 10, 2006, in favor of the Agent (together with all amendments and modifications, if any, from time to time thereafter made thereto, the "Second Lien Guarantee and Collateral Agreement");

WHEREAS, pursuant to the Second Lien Guarantee and Collateral Agreement, the Grantor pledged and granted to the Agent for the benefit of the Agent and the Lenders a continuing second priority security interest in all Intellectual Property, including the Patents; and

WHEREAS, the Grantor has duly authorized the execution, delivery and performance of this Agreement;

NOW THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and in order to induce the Lenders to make extensions of credit and financial accommodations to the Borrower pursuant to the Second Lien Credit Agreement, the Grantor agrees, for the benefit of the Agent and the Lenders, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided or provided by reference in the Second Lien Credit Agreement and the Second Lien Guarantee and Collateral Agreement.

SECTION 2. Grant of Security Interest. The Grantor hereby pledges and grants a continuing second priority security interest in, and a right of setoff against, and agrees to assign, transfer and convey, upon demand made upon the occurrence and during the continuance of an Event of Default without requiring further action by either party and to be effective upon such demand, all of the Grantor's right, title and interest in, to and under the Patents (including, without limitation, those items listed on Schedule A hereto) (collectively, the "Collateral"), to the Agent for the benefit of the Agent and the Lenders as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of such Grantor's Obligations.

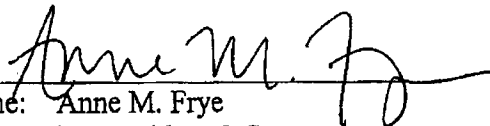
SECTION 3. Purpose. This Agreement has been executed and delivered by the Grantor for the purpose of recording the grant of security interest herein with the United States Patent and Trademark Office. The security interest granted hereby has been granted to the Lenders in connection with the Second Lien Guarantee and Collateral Agreement and is expressly subject to the terms and conditions thereof. The Second Lien Guarantee and Collateral Agreement (and all rights and remedies of the Lenders thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Acknowledgment. The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Lenders with respect to the security interest in the Collateral granted hereby are more fully set forth in the Second Lien Credit Agreement and the Second Lien Guarantee and Collateral Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein. In the event of any conflict between the terms of this Agreement and the terms of the Second Lien Guarantee and Collateral Agreement, the terms of the Second Lien Guarantee and Collateral Agreement shall govern.

SECTION 5. Counterparts. This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together constitute one and the same original.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

MORFLEX, INC.

By: 
Name: Anne M. Frye
Title: Vice President & Secretary

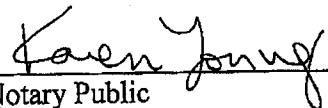

WILMINGTON TRUST COMPANY
as Second Lien Collateral Agent for the Lenders

By: _____
Name:
Title:

ACKNOWLEDGMENT OF GRANTOR

STATE OF)
) ss
COUNTY OF)

On the 6th day of October, 2006, before me personally came Anne M. Frye, who is personally known to me to be the Vice President & Secretary of Morflex, Inc., a North Carolina corporation; who, being duly sworn, did depose and say that she/he is the Vice President & Secretary in such corporation, the corporation described in and which executed the foregoing instrument; that she/he executed and delivered said instrument pursuant to authority given by the Board of Directors of such corporation; and that she/he acknowledged said instrument to be the free act and deed of said corporation.


Notary Public
Commission Expires: 7/18/2013


(PLACE STAMP AND SEAL ABOVE)

SCHEDULE A

U.S. Patents and Applications

Title	Patent or Application Number
Citrate acid ester plasticizers and method of making	60/720,626
Method for preparing citrate esters	4,870,204
Citrate esters	4,892,967
Citrate esters	4,931,583
Method for producing citrates by esterification in the presence of organic titanates	5,055,609
Polyfunctional vinyl ether terminated ester oligomers	4,845,265
Preparation of vinyl ether terminated polyesters	5,286,835
Trimellitic ester plasticizers and methods of making	60/720,627
Vinyl ether based optical fiber coatings	5,139,872
Vinyl ether terminated ester and urethane resins from bis(hydroxyalkyl) cycloalkanes	4,775,732
Vinyl ether terminated ester oligomers	4,749,807
Vinyl ether terminated urethane resins	RE33,211