

PATENT ASSIGNMENT

Electronic Version v1.1
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SUBMISSION TYPE:	NEW ASSIGNMENT
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NATURE OF CONVEYANCE:	Grant of Security Interest in Patent Rights - Second Lien
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CONVEYING PARTY DATA	
Name	Execution Date
Vertellus Specialties Inc. (F/K/A Reilly Industries, 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: 44

Property Type	Number
Patent Number:	5658844
Patent Number:	5892049
Patent Number:	5247093
Patent Number:	5484929
Patent Number:	5567480
Patent Number:	5713393
Patent Number:	6220305
Patent Number:	5756750
Patent Number:	6184384
Patent Number:	5002641
Patent Number:	5403906
Patent Number:	5013843
Patent Number:	5808081
Patent Number:	5371160

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Patent Number:	5420223
Patent Number:	6391995
Patent Number:	5015706
Patent Number:	5444137
Patent Number:	5932736
Patent Number:	6365738
Application Number:	07969791
Application Number:	08214380
Patent Number:	5508410
Patent Number:	6596872
Application Number:	10566868
Patent Number:	5700942
Patent Number:	6218543
Patent Number:	5149816
Patent Number:	5405524
Patent Number:	6369231
Application Number:	11351783
Patent Number:	5908557
Patent Number:	6051714
Patent Number:	6258955
Patent Number:	6118003
Patent Number:	5218122
Patent Number:	5780635
Patent Number:	6046336
Patent Number:	6369230
Patent Number:	6603010
Patent Number:	6958400
Patent Number:	5484873
Application Number:	11370334
Patent Number:	6403825

CORRESPONDENCE DATA

Fax Number: (212)455-2502

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

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Email: ksolomon@stblaw.com

Correspondent Name: Kirstie Howard, Esq.
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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: 6

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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 VERTELLUS SPECIALTIES INC. (F/K/A REILLY INDUSTRIES, INC.), a Indiana 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., Grantor, the Lenders, the Agent, JPMorgan Chase Bank, N.A. (as Administrative 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 Grantor 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 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 Grantor 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.

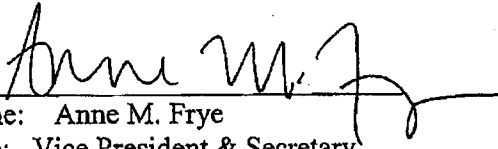
SECTION 3. Purpose. This Agreement has been executed and delivered by the Grantor for the purpose of recording the grant of security interest herein with the United States Patent and Trademark Office. The security interest granted hereby has been granted to the Lenders in connection with the Second Lien 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.

VERTELLUS SPECIALTIES INC. (F/K/A REILLY
INDUSTRIES, INC.)

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

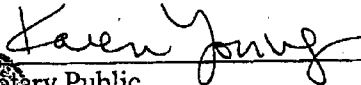
WILMINGTON TRUST COMPANY
as Second Lien Collateral Agent for the Lenders

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 of Vertellus Specialties Inc. (f/k/a Reilly Industries, Inc.), a Indiana corporation; who, being Vice President & Secretary duly sworn, did depose and say that she 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
Catalyst for the production of cyanopyridines	5,658,844
Catalyst for the production of cyanopyridines	5,892,049
Chlorination process	5,247,093
Chlorination process	5,484,929
Coal tar enamel coated steel pipe and process for producing same	5,567,480
Coal tar enamel coated steel pipe and process for same	5,713,393
Coal tar enamel coated steel pipe and process for same	6,220,305
Continuous processes for the hydrolysis of cyanopyridines under substantially adiabatic conditions	5,756,750
Dechlorination of pyridines in acidic, zinc-containing mediums	6,184,384
Electrochemical synthesis of niacin and other N-heterocyclic compounds	5,002,641
H2O2-catalyzed solution polymerizations for linear polyvinylpyridines	5,403,906
High yield of pyridine and/or alkylpyridine(s) in condensation reaction of ternary aldehydes and/or ketones with ammonia	5,013,843
Chichibabin animations of pyridine bases	5,808,081
Linear polyvinylpyridine polymers and processes	5,371,160
Curing agents/accelerators, curable compositions and processes	5,420,223
PDHP acrylic adhesion technology	
Polymer compositions useful as dye complexing agents, and processes for preparing same	6,391,995
Polymer-supported 4-(N-benzyl-N-methylamino) pyridine catalyst and process for same	5,015,706
Highly selective chelating resins and monomers for their preparation	5,444,137
Preparation of heterocycles using 1,3-dihalopropenes	5,932,736
Preparation of heterocycles using 1,3-dihalopropenes	6,365,738
Process for acetic acid preparation and heterogenous catalyst for same	07/969,791
Process for acetic acid preparation and heterogenous catalyst for same	08/214,380
Process for preparing 2-halo-5 substituted pyridines	5,508,410
Process for preparing alkenyl-substituted heterocycles	6,596,872
Process for preparing cyanopyridines and suitable catalysts therefor	10/566,868
Process for preparing quinoline bases	5,700,942
Process for producing highly pure nicotinamide	6,218,543
High temperature process for selective production of 3-methylpyridine	5,149,816
Process for the catalytic conversion of low molecular weight aromatic hydrocarbons	5,405,524

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Title	Patent or Application Number
Process for preparation of 2-chloropyridine	6,369,231
Process for the preparation of 3,5-diethyl-1,2-dihydro-1-phenyl-2-propylpyridine	11/351,783
Process for the removal of pentavalent arsenic from water	5,908,557
Processes for dechlorinating pyridines	6,051,714
Process for preparing 2-piperidineethanol compounds	6,258,955
Process for producing 3-cyanopyridine from 2-methyl-1,5-pentanediamine	6,118,003
Pyridine base synthesis process and catalyst for same	5,218,122
Pyridine base synthesis	5,780,635
Supernucleophilic 4-substituted-pyridine catalysts, and processes useful for preparing same	6,046,336
Supernucleophilic 4-substituted-pyridine catalysts, and processes useful for preparing same	6,369,230
Supernucleophilic 4-substituted-pyridine catalysts, and processes useful for preparing same	6,603,010
Supernucleophilic 4-substituted-pyridine catalysts, and processes useful for preparing same	6,958,400
Triethylenediamine and bicyclic amidine based catalysts and use in thermosettable compositions	5,484,873
Water based polymerizations for linear polyvinylpyridine	11/370,334
Processes for producing citrate esters	6,403,825