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OMB No. 0651-0027 (exp. 6/30/2008)

DEPT. OF COMMERCE
Patent and Trademark Office



103328811

RECORDATION FOR
PATENTS ONLY

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

10.25.06

1. Name of conveying party(ies)

CHROMOS MOLECULAR SYSTEMS INC.
CELEXSYS, INC.
CHROMOS CORPORATION

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

2. Name and address of receiving party(ies)

Name: PENDER NDI LIFE SCIENCES FUND (VCC) INC.

Internal Address: Suite 2200

Street Address: 885 West Georgia Street

City: Vancouver

State: British Columbia

Country: Canada Zip: V6C 3E8

Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance/Execution Date(s):

Execution Date(s) October 18, 2006

- Assignment
- Security Agreement
- Joint Research Agreement
- Government Interest Assignment
- Executive Order 9424, Confirmatory License
- Other _____
- Merger
- Change of Name

4. Application or patent number(s):

This document is being filed together with a new application.

A. Patent Application No.(s)

09/815,979
10/161,403
09/799,462
10/151,078

B. Patent No.(s)

6,743,967
6,077,697
6,025,155
6,133,503

Additional numbers attached? Yes No

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

Name: LANG MICHENER LLP (Att.: Orin Del Vecchio)

Internal Address: Suite 2500

Street Address: 181 Bay Street

City: Toronto

State: Ontario Zip: M5J 2T7

Phone Number: 416-307-4161

Fax Number: 416-304-3868

Email Address: odelvecchio@langmichener.ca

6. Total number of applications and patents involved: 30

7. Total fee (37 CFR 1.21(h) & 3.41) \$ 1200.00

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed
- None required (government interest not affecting title)

8. Payment Information

a. Credit Card Last 4 Numbers _____
Expiration Date _____

b. Deposit Account Number _____

Authorized User Name _____

00000016 0915979 1200.00

9. Signature:

Orin Del Vecchio

Signature

October 24, 2006

Date

Orin Del Vecchio

Name of Person Signing

Total number of pages including cover sheet, attachments, and documents: 35

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O.Box 1450, Alexandria, V.A. 22313-1450

10/27/2006 11:11:11 AM 01 FEB 2007

**RECORDATION FORM COVER SHEET
PATENTS ONLY**

Continuation of Item 4 [Additional Applications or patent number(s)]

Additional Patent Numbers:

5,731,178
5,610,053
5,770,400
5,827,642
6,890,753
6,040,177
6,316,257

Additional Application Numbers:

10/151,081
10/782,129
11/417,983
11/006,076
09/724,726
10/219,694
10/287,313
10/808,689
11/284,877
11/355,288
11/321,257
11/082,154
60/738,303
08/360,888
11/078,897

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS AGREEMENT is dated effective October 18th, 2006

BETWEEN:

CHROMOS MOLECULAR SYSTEMS INC., a British Columbia corporation, **CELEXSYS, INC.**, a Washington State corporation, and **CHROMOS CORPORATION**, a California Corporation

(the "Grantors")

AND:

PENDER NDI LIFE SCIENCES FUND (VCC) INC., as Collateral Agent, for the benefit of the holders of the Notes (as defined)

(each such Note holder is a "Secured Party" and collectively the "Secured Parties")

WHEREAS:

(A) Chromos has issued to the Secured Parties Cdn.\$2,000,000 in aggregate principal amount of Grantors' Convertible Secured Promissory Notes (as from time to time amended, supplemented or otherwise modified, the "Notes");

(B) As collateral security for payment and performance of its obligations under the Note Purchase Agreement, the Notes and the other Transaction Documents, Grantors are willing to grant to the Collateral Agent (for the benefit of the Secured Parties) a security interest in certain of their intellectual property and assets; and

(C) Grantors are contemporaneously entering into that certain Security Agreement dated as of the date hereof in favour of the Collateral Agent (for the benefit of the Secured Parties)(as from time to time amended, supplemented or otherwise modified, the "Security Agreement");

NOW THEREFORE THIS AGREEMENT WITNESSES that in order to induce the Secured Parties to enter into the Note Purchase Agreement and the other Transaction Documents and in consideration of the premises and the mutual covenants contained herein, the parties hereto hereby agree as follows:

PART 1

GRANT OF SECURITY

Grant of Security

1.1 Grantors hereby grant to the Collateral Agent (for the benefit of the Secured Parties) a first priority continuing security interest, subject to Permitted Liens (as defined in the Security Agreement), in all of the following (collectively, the "Collateral"):

(a) **Patents.** All of Grantors' right, title and interest, whether now owned or hereafter acquired, in and to all United States issued patents and patent applications (including without limitation the patents and patent applications identified on Schedule I attached hereto and incorporated herein by reference), including, without limitation, the inventions and improvements described and claimed therein, and all reissues, divisions, continuations, continuations-in-part, substitutes, renewals, and extensions thereof, all foreign patent applications based thereof and foreign patents issuing therefrom, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing, and all other rights of any kind whatsoever of Grantors accruing thereunder or pertaining thereto including any rights to the foreign patents and applications described in any schedule hereto (collectively, the "Patents").

(b) **Trademarks.** All of Grantors' right, title and interest, whether now owned or hereafter acquired, in and to all United States trademarks, trade names, trade dress, domain names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other business identifiers, prints and labels on which any of the foregoing have appeared or appear, all registrations and recordings thereof, and all applications (other than "intent to use" applications until a verified statement of use is filed with respect to such applications) in connection therewith (including without limitation each trademark, trade name, trade dress, domain name, registration and application identified in Schedule II attached hereto and incorporated herein by reference), and any renewals thereof, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing, and all rights corresponding thereto throughout the world (but only such rights as now exist or may come to exist under applicable local law) and all other rights of any kind whatsoever of Grantors accruing thereunder or pertaining thereto (collectively, the "Trademarks"), together in each case with the goodwill of the business connected with the use of, and symbolized by, each such Trademark.

(c) **Copyrights.** All of Grantors' right, title and interest, whether now owned or hereafter acquired, in and to all United States copyrights and copyright applications

(including without limitation the copyrights and copyright applications identified on Schedule III attached hereto and incorporated herein by reference) and all reissues, divisions, continuations, continuations-in-part, substitutes, renewals, and extensions thereof, all improvements thereon, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing, and all other rights of any kind whatsoever of Grantors accruing thereunder or pertaining thereto (collectively, the "Copyrights").

(d) **Licenses.** All license agreements regarding Patents, Trademarks or Copyrights (other than "off the shelf" software) with any other party, whether Grantors are licensors or licensees under any such license agreement (including without limitation the licenses listed on Schedule IV attached hereto and incorporated herein by reference), as from time to time amended, supplemented or otherwise modified, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, and the right to prepare for sale, sell and advertise for sale, all inventory now or hereafter owned by Grantors and now or hereafter covered by such licenses, and all other rights of any kind whatsoever of Grantors accruing thereunder or pertaining thereto (collectively, the "Licenses").

(e) **Proceeds.** To the extent not otherwise included, all proceeds of any of the foregoing, including without limitation (i) any and all proceeds of any guarantee, insurance or indemnity payable to Grantors from time to time with respect to any of the Collateral; (ii) any and all payments (in any form whatsoever) made or due and payable to Grantors from time to time as consideration for any confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any governmental authority; (iii) all proceeds of any sale, lease, license or other disposition of any of the Collateral or rights therein whether or not the lien therein purportedly granted hereunder is valid or attaches or is perfected; and (iv) any and all other amounts from time to time paid or payable with respect to or in connection with any of the Collateral.

PART 2

SECURED OBLIGATIONS

Secured Obligations

2.1 The security interests granted under this Agreement (the "Security Interests") by Grantors secure the prompt and complete payment and performance of all Secured Obligations (as such term is defined herein). For purposes of this Agreement, "Secured Obligations" shall mean:

(a) all obligations and liabilities to the Secured Parties, whether now existing or hereafter arising, under the Note Purchase Agreement, the Notes, this Agreement, the Security Agreement, and/or any document or agreement related to any of the foregoing

and the due performance and compliance with the terms of the Note Purchase Agreement, the Notes, this Agreement, the Security Agreement, and/or any document or agreement related to any of the foregoing;

(b) any and all sums advanced by the Collateral Agent in order to preserve the Collateral or to preserve the Secured Parties' security interest in the Collateral; and

(c) in the event of any proceeding for the collection or enforcement of any obligations or liabilities of Grantors referred to in the immediately preceding clauses (a) and (b) in accordance with the terms of the Note Purchase Agreement, the Notes, this Agreement, the Security Agreement, and/or any document or agreement related to the foregoing, the expenses of re-taking, holding, preparing for sale, selling or otherwise disposing of or realizing on the Collateral, or of any other exercise by the Collateral Agent (for the benefit of the Secured Parties) of its rights hereunder, together with reasonable attorneys' fees and court costs.

The Security Interests granted by this Agreement are granted in conjunction with the security interests granted to the Collateral Agent (for the benefit of the Secured Parties) in certain assets of Grantors under the Security Agreement.

PART 3

FURTHER ASSURANCES

3.1 Grantors agree that from time to time, at the expense of Grantors, Grantors will promptly execute and deliver all further instruments and documents and take all further actions that may be necessary or desirable in the Collateral Agent's reasonable determination, or that the Collateral Agent may reasonably request, in order to (a) continue, perfect and protect any Security Interest granted or purported to be granted hereby and (b) enable the Collateral Agent (for the benefit of the Secured Parties) to exercise and enforce its rights and remedies hereunder with respect to any part of the Collateral. Without limiting the generality of the foregoing, Grantors will execute and file (with the appropriate governmental offices, authorities, agencies and regulatory bodies in the United States) such supplements to this Agreement and such financing or continuation statements, or amendments thereto, and such other instruments or notices, including executed Notices, with the U.S. Patent and Trademark Office and the U.S. Copyright Office, as may be necessary or desirable, or as the Collateral Agent may reasonably request, in order to perfect and preserve the Security Interests granted hereby.

3.2 If, before the Secured Obligations have been indefeasibly paid and/or performed in full, Grantors shall

(a) adopt, use, acquire or apply for registration of any trademark, service mark or trade name (each deemed a "Future Trademark"),

(b) apply for any U.S. and foreign patent or obtain any U.S. and foreign patent or patent application (each deemed a "Future Patent");

- (c) create or acquire any published or material unpublished works of authorship that is registered with the U.S. Copyright Office (each deemed a "Future Copyright"); or
- (d) enter into any license agreement in respect of any Patent, Trademark or Copyright that is not now identified on Schedule IV (each deemed a "Future License");

then the provisions of Part 1 above shall automatically apply thereto, and Grantors shall give to Collateral Agent reasonably prompt notice thereof in writing. Such written notice shall act to modify this Agreement unilaterally by amending Schedule I, Schedule II, Schedule III or Schedule IV hereto, as appropriate, to include any Future Trademark, Future Patent, Future Copyright or Future License described therein.

3.3 Grantors agree that simultaneously with the execution of this Agreement, and thereafter upon any amendment of Schedule I, Schedule II or Schedule III, Grantors shall execute notices in the form requested by the Collateral Agent (each, a "Notice"), as appropriate, with respect to all of the Collateral, now owned or hereafter acquired, and shall deliver each Notice to Collateral Agent for the purpose of recordation at the U.S. Patent and Trademark Office or the U.S. Copyright Office, as appropriate.

3.4 Grantors agree that they

- (a) will not take any action, nor enter into any license, royalty, assignment or other agreement which will conflict with Grantors' obligations under this Agreement;
- (b) will not take any action, nor enter into any license, royalty, assignment or other agreement, except for commercially reasonable purposes, which has the effect of diluting, reducing the distinctiveness of or otherwise reducing the value of the Collateral, including the unreasonable failure to maintain any patent or patent pending or unreasonably allowing for the abandonment of any trademark or service mark application or the cancellation or expiration of any trademark or service mark registration;
- (c) will give Collateral Agent thirty (30) days prior written notice of any proposed license, royalty, assignment or other agreement, other than in the ordinary course of Grantors' business as presently conducted, relating to the Collateral; and
- (d) will actively defend any claim or allegation that any of the Collateral infringes upon or misappropriates the proprietary rights of any third party and will actively pursue any third-party infringers of the Collateral unless otherwise agreed to by the Collateral Agent, which agreement shall not be unreasonably withheld.

3.5 Grantors shall have the duty

- (a) with respect to the Trademarks, to prosecute diligently any applications for any Trademarks pending as of the date of this Agreement or thereafter filed, to maintain any trademark/service mark registrations in effect as of the date of this Agreement or thereafter obtained, and to preserve and maintain all rights in the Trademarks and any registrations thereof and/or the applications therefor;

(b) with respect to the Patents, to prosecute diligently any patent applications pending as of the date of this Agreement or thereafter acquired or filed and to maintain any Patents issued as of the date of this Agreement or thereafter issued and

(c) with respect to the Copyrights, to register in the U.S. Copyright Office any works of authorship material to the businesses of Grantors; unless, in each case, Grantors determine in their good faith business judgment that Grantors' businesses would be better served by not taking such actions. Any expenses incurred in connection with such applications, registrations and/or maintenance activities shall be borne by Grantors.

3.6 Grantors shall not do any act or omit to do any act whereby any of the Collateral may become dedicated or abandoned, except where such dedication or abandonment

(a) will not materially adversely affect the business, condition (financial or otherwise), operations, performance, or properties of Grantors, and

(b) is in the ordinary course of Grantors' business.

Grantors agree to notify the Collateral Agent promptly and in writing if they learn that any of the Collateral may become abandoned or dedicated or of any adverse determination or any development (including without limitation the institution of any proceeding in the U.S. Patent and Trademark Office, the U.S. Copyright Office, or any court) regarding any material part of the Collateral.

3.7 Grantors shall have the duty to take any and all action which reasonably may be necessary or desirable to protect the Collateral, including, without limitation, the prosecution and defense of infringement actions involving the Collateral unless otherwise agreed to by the Collateral Agent, which agreement shall not be unreasonably withheld. During the continuance of an Event of Default, the Collateral Agent shall have the right, but shall in no way be obligated, to bring suit in its own or in Grantors' names to enforce and protect rights to the Collateral in which event Grantors shall, at the request of the Collateral Agent, do any and all lawful acts and execute any and all proper documents reasonably required by the Collateral Agent in aid of such enforcement and Grantors shall promptly, upon demand, reimburse and indemnify the Collateral Agent for all reasonable costs and expenses incurred by the Collateral Agent in the exercise of its rights under this subsection.

3.8 To preserve and protect the goodwill associated with the Trademarks, Grantors covenant that they shall maintain the quality of the products and services sold under or in connection with the Trademarks and shall not at any time permit any impairment of the quality of such products and services, and will provide the Collateral Agent with a certificate to such effect signed by an officer of each of the Grantors upon the reasonable request of the Collateral Agent.

3.9 Grantors shall continue to mark their products as required by statute with the numbers of all appropriate Patents.

PART 4

FINANCING STATEMENTS

Financing Statements

4.1 Grantors hereby irrevocably authorize the Collateral Agent at any time and from time to time to file in any Uniform Commercial Code jurisdiction (and any foreign jurisdictions with similar provisions) any initial financing statements and amendments or continuations thereto that describe the Collateral. Grantors shall execute and deliver as reasonably required by the Collateral Agent any additional financing statements or other documents, together with any necessary amendments or continuation statements so long as this Agreement remains in effect.

PART 5

RECEIPT OF PAYMENT

Receipt of Payment

5.1 In the event an Event of Default (as hereinafter defined) shall occur and be continuing and Grantors (or any of their affiliates, subsidiaries, stockholders, directors, officers, employees or agents) shall receive any proceeds of Collateral, including without limitation monies, checks, notes, drafts or any other items of payment, Grantors shall hold all such items of payment in trust for the Collateral Agent (for the benefit of the Secured Parties), and as the property of the Collateral Agent (for the benefit of the Secured Parties), separate from the funds of Grantors, and no later than the first business day following the receipt thereof, Grantors shall cause the same to be forwarded to the Collateral Agent (for the benefit of the Secured Parties) for its custody and possession as additional Collateral.

PART 6

COVENANTS

Grantors covenant with the Collateral Agent (for the benefit of the Secured Parties) that from and after the date of this Agreement until termination hereof in accordance with Part 27 hereof:

Transfer of Collateral

6.1 Except for Permitted Liens or as otherwise expressly permitted herein, other than the disposition of items of Collateral in the ordinary course of Grantors' business as presently conducted, Grantors shall not sell, assign, transfer, encumber or otherwise dispose of any Collateral without the prior written consent of the Collateral Agent, which consent shall not be unreasonably withheld. For purposes of this provision, "dispose of Collateral" shall include, without limitation, the creation of a Lien (whether voluntary or involuntary) on such Collateral.

Further Identification of Collateral

6.2 Grantors will furnish to the Collateral Agent from time to time, upon the request of the Collateral Agent, statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Collateral Agent may reasonably request, all in reasonable detail.

PART 7

GENERAL WARRANTIES AND REPRESENTATIONS

General Warranties and Representations

7.1 Grantors represent and warrant to the Collateral Agent (for the benefit of the Secured Parties) that:

(a) Grantors are and, except as permitted by the Note Purchase Agreement, will continue to be the owners of the Collateral hereunder, now owned and upon the acquisition of the same, free and clear of all Liens other than the security interest in favour of the Collateral Agent (for the benefit of the Secured Parties) hereunder and under the Security Agreement and Permitted Liens, and that they will defend such Collateral and any products and proceeds thereof against all claims and demands of all third parties at any time claiming the same or any interest therein adverse to the Collateral Agent.

(b) Grantors have the full legal right and power and all authority and approval required to enter into, execute and deliver this Agreement, to grant the security interest of the Collateral Agent (for the benefit of the Secured Parties) hereunder and to perform fully each of their obligations hereunder. This Agreement has been duly executed and delivered and constitutes the valid and binding obligation of Grantors enforceable in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to creditor's rights generally. No approval or consent of any foreign, federal, state, country, local or other governmental or regulatory body, and no approval or consent of any other Person is required in connection with the execution and delivery by Grantors of this Agreement, the grant of the security interest of the Collateral Agent (for the benefit of the Secured Parties) hereunder and the consummation and performance by Grantors of the transactions contemplated hereby. The execution and delivery of this Agreement, the grant of the security interest of the Collateral Agent (for the benefit of the Secured Parties) hereunder and the consummation and performance by Grantors of the transactions contemplated hereby will not conflict with or result in the breach or violation of any of the terms or conditions of, or constitute (or with notice or lapse of time or both would constitute) a default under any material instrument, contract or other agreement to which Grantors are parties or by or to which they or their assets or properties are bound or subject or any statute or any regulation, order, judgment or decree of any court or governmental or regulatory body.

- (c) To the best of Grantors' knowledge, the Collateral does not infringe any rights owned or possessed by any third party.
- (d) There are no claims, judgments or settlements to be paid by Grantors or pending claims or litigation relating to the Collateral.
- (e) No action or proceeding is pending or, to Grantors' knowledge, threatened seeking to limit, cancel or question the scope or validity of any of the Collateral.
- (f) The actions contemplated under or in connection with the Transaction Documents will not impair the legal right of Grantors to use any of the Collateral.
- (g) Grantors have no knowledge of the existence of any right under any patent, trademark, license agreement, trade name, trade secret, know-how, confidential research, development and commercial information, or other proprietary information held by any other person that would preclude Grantors from publishing, distributing, marketing, selling, or using any product currently made by them, being made for them or sold or used by them, imported by them or exported by them, as the case may be, or to use any processes currently used by them, or materially interfere with the ability of Grantors to carry on their businesses as currently carried on, and Grantors have no knowledge of any claim to the contrary that is reasonably likely to be made.
- (h) To the best of Grantors' knowledge, there are no other users of the Trademarks or variations thereof that are similar enough to the Trademarks, with due regard to goods and services with which the respective Trademarks are used, as to be likely to cause confusion or mistake among consumers.
- (i) Grantors have complied with, and will continue for the duration of this Agreement to comply with, the requirements set forth in 15 U.S.C. Sections 1051-1127, 17 U.S.C. Section 101, et seq., 35 U.S.C. Section 101 et seq. and any other applicable statutes, rules and regulations in connection with its use of the Collateral.
- (j) Set forth on Schedule IV is a list, which is complete and accurate in all material respects as of the date hereof, of Licenses of Grantors necessary for the conduct of their businesses as currently conducted or used in the selling or marketing of Grantors' products, including the expiration date of such Licenses. Each License of Grantors identified on Schedule IV is validly subsisting and has not been adjudged invalid or unenforceable, in whole or in part, and is, to Grantors' knowledge, valid and enforceable.

PART 8

PATENT REPRESENTATIONS AND WARRANTIES

Patent Representations and Warranties

8.1 Grantors represent and warrant as follows:

- (a) They are the legal and beneficial owners of the entire right, title and interest in and to each of the Patents, free and clear of any lien, security interest, option, charge, pledge, registered user agreement, assignment (whether conditional or not), or any other encumbrance except for the security interests created hereunder and under the Security Agreement and Permitted Liens. No effective financing statement or other instrument similar in effect covering all or any part of such Collateral is on file in any recording office, except such as may have been filed in favour of the Collateral Agent (for the benefit of the Secured Parties).
- (b) Set forth on Schedule I is a list of all of the Patents owned by Grantors necessary for the conduct of their businesses as currently conducted or used in the selling or marketing of Grantors' products.
- (c) Each Patent of Grantors identified on Schedule I hereto is subsisting and has not been adjudged unpatentable, invalid or unenforceable, in whole or in part, and to the knowledge of Grantors are patentable, valid and enforceable, and each Patent application of Grantors identified on Schedule I hereto has been filed in conformity with applicable rules and procedures of the U.S. Patent and Trademark Office.

PART 9

TRADEMARK REPRESENTATIONS AND WARRANTIES

Trademark Representations and Warranties

9.1 Grantors represent and warrant as follows:

- (a) They are the legal and beneficial owners of the entire right, title and interest in and to each of the Trademarks, free and clear of any lien, security interest, option, charge, pledge, registered user agreement, assignment (whether conditional or not), or covenant, or any other encumbrance, except for the security interests created hereunder and under the Security Agreement and Permitted Liens. No effective financing statement or other instrument similar in effect covering all or any part of such Collateral is on file in any recording office, including, without limitation, the U.S. Patent and Trademark Office, except such as may have been filed in favour of the Collateral Agent (for the benefit of the Secured Parties).
- (b) Set forth on Schedule II is a list of all of the Trademarks owned by Grantors necessary for the conduct of their businesses as currently conducted or used in the selling or marketing of Grantors' products.
- (c) Each Trademark of Grantors identified on Schedule II is validly subsisting and has not been abandoned or adjudged invalid, unregistrable or unenforceable, in whole or in part, and is, to Grantors' knowledge, valid, registrable and enforceable.

(d) Grantors have used consistent standards of quality in manufacturing, distribution and marketing of each product sold and provision of each service provided under any Trademark.

PART 10

COPYRIGHT REPRESENTATIONS AND WARRANTIES

Copyright Representations and Warranties

10.1 Grantors represent and warrant as follows:

(a) They are the legal and beneficial owners of the entire right, title and interest in and to each of the Copyrights, free and clear of any lien, security interest, option, charge, pledge, registered user agreement, assignment (whether conditional or not), or covenant, or any other encumbrance, except for the security interests created hereunder and under the Security Agreement and Permitted Liens. No effective financing statement or other instrument similar in effect covering all or any part of such Collateral is on file in any recording office, including, without limitation, the U.S. Copyright Office, except such as may have been filed in favour of the Collateral Agent (for the benefit of the Secured Parties).

(b) Set forth on Schedule III is a list of all of the Copyrights owned by Grantors necessary for the conduct of their businesses as currently conducted or materially used in the selling or marketing of Grantors' products.

(c) Each Copyright of Grantors identified on Schedule III is validly subsisting and has not been abandoned or adjudged invalid, unregistrable or unenforceable, in whole or in part, and is, to Grantors' knowledge, valid and enforceable.

PART 11

COLLATERAL AGENT APPOINTED ATTORNEY-IN-FACT

Collateral Agent Appointed Attorney-in-Fact

11.1 Without limiting any other provision of this Agreement, upon the occurrence and during the continuance of an Event of Default and the upon receipt subsequent to such Event of Default of the prior written consent of the holders of at least 66 2/3% of the then outstanding aggregate unpaid principal amount of all Notes, the Grantors hereby irrevocably appoint the Collateral Agent (for the benefit of the Secured Parties), as Grantors' attorney-in-fact, with full authority in the place and stead of Grantors and in the names of Grantors or otherwise, from time to time in the Collateral Agent's discretion to take any action and to execute any instrument that the Collateral Agent may reasonably deem necessary or advisable to accomplish the purposes of this Agreement, including without limitation:

- (a) to ask, demand, collect, receive and give acquittances and receipts for any and all moneys due and to become due under any License and, in the names of Grantors or its own name or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any License and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Collateral Agent for the purpose of collecting any and all such moneys due under any License whenever payable;
- (b) to pay or discharge taxes, liens, security interests or other encumbrances levied or placed on or threatened against the Collateral, to effect any repairs or any insurance called for by the terms of this Agreement and to pay all or any part of the premiums therefor and the costs thereof; and
- (c) to direct any party liable for any payment under any of the Licenses to make payment of any and all moneys due and to become due thereunder directly to the Collateral Agent or as the Collateral Agent shall direct;
- (d) to receive payment of and receipt for any and all moneys, claims and other amounts due and to become due at any time in respect of or arising out of any Collateral;
- (e) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any part thereof and to enforce any other right in respect of any Collateral;
- (f) to defend any suit, action or proceeding brought against Grantors with respect to any Collateral;
- (g) to settle, compromise, or adjust any suit, action or proceeding described above and, in connection therewith, to give such discharges or releases as the Collateral Agent may deem appropriate; and
- (h) generally to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Collateral Agent was the absolute owner thereof for all purposes, and to do, at the Collateral Agent's option all acts and things which the Collateral Agent deems necessary to protect, preserve or realize upon the Collateral and the Collateral Agent's (for the benefit of the Secured Parties') security interest therein, in order to effect the intent of this Agreement, all as fully and effectively as Grantors might do.

11.2 This power of attorney is a power coupled with an interest and shall be irrevocable. Notwithstanding the foregoing, Grantors further agree to execute any additional documents which the Collateral Agent may reasonably require in order to confirm this power of attorney, or which the Collateral Agent may reasonably deem necessary to enforce any of its rights contained in this Agreement. The powers conferred on the Collateral Agent hereunder are solely to protect its interests in the Collateral and shall not impose any duty upon it to exercise any such powers. The Collateral Agent shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, directors, employees or agents shall be responsible to Grantors for any act or failure to act, except for their

own gross (not mere) negligence or wilful misconduct. The Grantors also authorize the Collateral Agent to execute, in connection with any sale provided for herein, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral.

PART 12

COLLATERAL AGENT MAY PERFORM

Collateral Agent May Perform

12.1 If Grantors fail to perform any agreement contained herein after any applicable cure period, the Collateral Agent may itself perform, or cause performance of, such agreement, and the expenses of the Collateral Agent incurred in connection therewith shall be payable by Grantors to the fullest extent permitted by applicable law.

PART 13

COLLATERAL AGENT'S DUTIES

Collateral Agent's Duties

13.1 The powers conferred on the Collateral Agent hereunder are solely to protect the interest of the Collateral Agent (for the benefit of the Secured Parties) in the Collateral and shall not impose any duty upon it to exercise any such powers. Except for the safe custody of any Collateral in its possession and the accounting for moneys actually received by it hereunder the Collateral Agent shall have no duty as to any Collateral or as to the taking of any necessary steps to preserve rights against other parties or any other rights pertaining to any Collateral. The Collateral Agent shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral in its possession if such Collateral is accorded treatment substantially equal to that which such party accords its own similar property.

PART 14

EVENTS OF DEFAULT

Events of Default

14.1 It is understood and agreed that the occurrence of any one or more of the following shall constitute an "Event of Default" hereunder and shall entitle the Collateral Agent (for the benefit of the Secured Parties) to take such actions as are elsewhere provided in this Agreement in respect of Events of Default:

- (a) an "Event of Default" as defined in the Notes shall have occurred and be continuing; or

- (b) any representation or warranty made by Grantors herein shall prove to have been false in any material respect when made; or
- (c) any covenant made by Grantors herein is breached, violated, or not complied with and not cured within ten (10) days after notice thereof from the Collateral Agent; or
- (d) any material uninsured damage to or loss, theft or destruction of any of the Collateral shall occur; or
- (e) the security interests granted herein do not constitute for any reason a first priority perfected security interest in the Collateral covered thereby.

PART 15

RIGHTS AND REMEDIES UPON AN EVENT OF DEFAULT

Rights and Remedies Upon an Event of Default

15.1 If an Event of Default shall have occurred and be continuing:

- (a) The Collateral Agent (for the benefit of the Secured Parties) may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party upon default under the Uniform Commercial Code as in effect in the State of Delaware (the "Code") and also may
 - (i) exercise any and all rights and remedies of Grantors under, in connection with, or otherwise in respect of, such Collateral, including the completion and filing of any Notice,
 - (ii) require Grantors to, and Grantors hereby agree that they will at their expense and upon request of the Collateral Agent forthwith, assemble all or part of the documents embodying such Collateral as directed by the Collateral Agent and make it available to the Collateral Agent, at a place to be designated by the Collateral Agent that is reasonably convenient to both the Collateral Agent and Grantors,
 - (iii) subject to the rights of any lessor, occupy any premises owned or leased by Grantors where documents embodying such Collateral or any part thereof are assembled for a reasonable period in order to effectuate the rights and remedies of the Collateral Agent (for the benefit of the Secured Parties) hereunder or under applicable law, without obligation to Grantors in respect of such occupation,
 - (iv) license such Collateral or any part thereof,
 - (v) with notice as specified below, sell such Collateral or any part thereof in one or more parcels at public or private sale, at any of the Collateral Agent's

offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as the Collateral Agent may deem commercially reasonable, and

(vi) without prior notice to Grantors, direct any licensee of any Collateral to pay all royalties and other payments which may be or which may thereafter become payable to Grantors directly to the Collateral Agent or any designee of the Collateral Agent, but the Collateral Agent shall give notice to Grantors of any such direction no later than five (5) business days after giving any such direction.

Grantors agree that at least ten (10) days' notice to Grantors of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Collateral Agent shall not be obligated to make any sale of the Collateral regardless of notice of sale having been given. The Collateral Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, with further notice to Grantors, be made at the time and place to which it was so adjourned.

(b) All payments made under or in connection with or otherwise in respect of the Collateral, and all cash proceeds received by the Collateral Agent in respect of any sale of, collection from, or other realization upon all or any part of such Collateral may, in the discretion of the Collateral Agent, be held by the Collateral Agent, as collateral for, and then or at any time thereafter applied against all or any part of the Secured Obligations. Any sale or other disposition of the Collateral and the possession thereof by the Collateral Agent shall be in compliance with all provisions of applicable law (including applicable provisions of the Code).

PART 16

CONDUCT OF BUSINESS AFTER DEFAULT

Conduct of Business After Default

16.1 The parties understand and agree that the security interest granted to the Collateral Agent (for the benefit of the Secured Parties) with respect to the Collateral, as defined in this Agreement, together with the other Collateral, as defined in the Security Agreement (the "Other Collateral"), will and is intended to permit the Collateral Agent and its successors and assigns, during the continuance of an Event of Default as provided herein, to take title to and make use of all rights to the Collateral in conjunction with the Other Collateral, all of which will permit the Collateral Agent to manufacture and sell the products and/or provide the services with which the Collateral is associated and maintain substantially the same product specifications and quality and/or quality of services as maintained by Grantors.

PART 17

PERFORMANCE BY COLLATERAL AGENT OF GRANTORS' OBLIGATIONS

Performance by Collateral Agent of Grantors' Obligations

17.1 If Grantors fail to perform or comply with any of their agreements contained herein after any applicable cure period and the Collateral Agent, as provided for by the terms of this Agreement, shall itself perform or comply, or otherwise cause performance or compliance, with such agreements, the expenses of the Collateral Agent incurred in connection with such performance or compliance shall be payable by Grantors to the Collateral Agent on demand and shall constitute Secured Obligations secured hereby.

PART 18

RIGHTS AND REMEDIES CUMULATIVE; NON-WAIVER; ETC.

Rights and Remedies Cumulative, Non-Waiver, Etc.

18.1 The enumeration of the rights and remedies of the Collateral Agent (for the benefit of the Secured Parties), set forth in this Agreement is not intended to be exhaustive and the exercise by the Collateral Agent of any right or remedy shall not preclude the exercise of any other rights or remedies, all of which shall be cumulative, and shall be in addition to any other right or remedy given hereunder, or under any other agreement between Grantors and the Collateral Agent and/or any Secured Party or which may now or hereafter exist in law or in equity or by suit or otherwise. No delay or failure to take action on the part of the Collateral Agent in exercising any right, power or privilege shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude other or further exercise thereof or the exercise of any other right, power or privilege or shall be construed to be a waiver of any Event of Default. No waiver by a party hereunder shall be effective unless it is in writing and signed by the party making such waiver, and then only to the extent specifically stated in such writing. No course of dealing between Grantors and the Collateral Agent or the Collateral Agent's agents or employees shall be effective to change, modify or discharge any provision of this Agreement or to constitute a waiver of any Event of Default. Neither the Collateral Agent nor any Secured Party shall have any liability for any error, omission or delay of any kind occurring in the handling or liquidation of the Collateral or for any damages resulting therefrom, other than as a result of its gross negligence or wilful misconduct.

PART 19

SUPPLEMENTAL DOCUMENTATION

Supplemental Documentation

19.1 At the Collateral Agent's request, Grantors shall execute and deliver to the Collateral Agent, at any time or times hereafter, all documents, instruments and other written

matter that the Collateral Agent may reasonably request to perfect and maintain perfected the security interest of the Collateral Agent (for the benefit of the Secured Parties) in the Collateral in the United States and in any other jurisdiction where such filing is deemed by the Collateral Agent to be necessary or desirable, in form and substance reasonably acceptable to the Collateral Agent, and pay all charges, expenses and fees the Collateral Agent may reasonably incur in filing any of such documents, and all taxes relating thereto. Grantors agree that a carbon, photographic, photostatic, or other reproduction of this Agreement or a financing statement is sufficient as a financing statement and may be filed by the Collateral Agent in any filing office.

PART 20

WAIVERS

Waivers

20.1 In addition to the other waivers contained herein, Grantors hereby expressly waive, to the extent permitted by law: presentment for payment, demand, protest, notice of demand, notice of protest, notice of default or dishonour, notice of payments and non-payments and all other notices and consents to any action taken by the Collateral Agent (on behalf of the Secured Parties) unless expressly required by this Agreement.

PART 21

NOTICE

Notice

21.1 Any notice shall be conclusively deemed to have been received by any party hereto and be effective on the day on which delivered to such party (against receipt therefor) at the address set forth below or such other address as such party shall specify to the other parties in writing (or, in the case of telephonic notice or notice by telecopy (where the receipt of such message is verified by return) expressly provided for hereunder, when received at such telephone or telecopy number as may from time to time be specified in written notice to the other parties hereto or otherwise received), or if sent prepaid by certified or registered mail return receipt requested on the third business day after the day on which mailed, or if sent prepaid by a national overnight courier service, on the first business day after the day on which delivered to such service against receipt therefor, addressed to such party at said address:

- (a) if to the Grantors:
Chromos Molecular Systems Inc.
8081 Lougheed Highway,
Burnaby, B.C., V5A 1W9

Facsimile: (604) 415-7151

Celexsys, Inc.
8081 Lougheed Highway,
Burnaby, B.C., V5A 1W9

Facsimile: (604) 415-7151

Chromos Corporation
8081 Lougheed Highway,
Burnaby, B.C., V5A 1W9

Facsimile: (604) 415-7151

with a copy simultaneously transmitted by like means to (which transmittal shall not constitute notice hereunder):

Fasken Martineau DuMoulin LLP,
2100 -- 1075 West Georgia Street,
Vancouver, British Columbia V6E 3G2,
Attention Iain Mant

- (b) if to the Collateral Agent:
Pender 7NDI Life Sciences Fund (VCC) Inc.
Suite 2200 - 885 West Georgia Street
Vancouver, B.C.
V6C 3E8

Attention: Dave Barr

with a copy simultaneously transmitted by like means to (which transmittal shall not constitute notice hereunder):

Lang Michener LLP
1500 - 1055 West Georgia Street
Vancouver, B.C.
V6E 4N7

Facsimile: (604) 685-7084
Attention: Bernhard Zinkhofer

or to such other address as each party may designate for itself by like notice given in accordance with this Part 21.

PART 22

DEFINITIONS

Definitions

22.1 All terms defined in Article 9 of the Uniform Commercial Code of the State of California (the "Code") and used in this Agreement shall have the same definitions herein as specified in Article 9 of the Code, and such definitions are hereby incorporated herein by reference and made a part hereof.

PART 23

ENTIRE AGREEMENT

Entire Agreement

23.1 This Agreement and the other Transaction Documents constitute and express the entire understanding between the parties hereto with respect to the subject matter hereof and thereof, and supersede all prior agreements and understandings, inducements, commitments or conditions, express or implied, oral or written, except as herein contained. The express terms hereof control and supersede any course of performance or usage of the trade inconsistent with any of the terms hereof. Neither this Agreement nor any portion or provision hereof may be changed, altered, modified, supplemented, discharged, cancelled, terminated, or amended orally or in any manner other than by an agreement, in writing signed by the parties hereto.

PART 24

SEVERABILITY

Severability

24.1 The provisions of this Agreement are independent of and separable from each other. If any provision hereof shall for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of any other provision hereof, but this Agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

PART 25

SUCCESSORS AND ASSIGNS

Successors and Assigns

25.1 This Agreement shall be binding upon the successors and assigns of Grantors, and the rights, remedies, powers, and privileges of the Collateral Agent (for the benefit of the Secured Parties) hereunder shall inure to the benefit of the successors and assigns of the Collateral Agent; provided, however, that Grantors shall not make any assignment hereof without the prior written consent of the Collateral Agent.

PART 26

COUNTERPARTS; FACSIMILE SIGNATURES

Counterparts, Facsimile Signatures

26.1 This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. A telephone line facsimile transmission of this Agreement bearing a signature on behalf of a party hereto shall be legal and binding on such party.

PART 27

TERMINATION; RELEASE

Termination, Release

27.1 Upon the indefeasible payment in full of all Secured Obligations, this Agreement and all obligations of Grantors hereunder shall terminate without delivery of any instrument or performance of any act by any party, and the Collateral shall automatically be released from the Liens created by this Agreement and all rights to such Collateral shall automatically revert to Grantors. Notwithstanding the immediately preceding sentence, upon such termination of this Agreement, the Collateral Agent, at the expense of Grantors, shall reassign and redeliver such Collateral then held by or for the Secured Parties and execute and deliver to Grantors such documents as Grantors shall reasonably request to evidence such termination.

PART 28

PARAGRAPH HEADINGS

Paragraph Headings

28.1 The paragraph headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

PART 29

INDEMNIFICATION

Indemnification

29.1 Grantors agree to pay, and to save the Collateral Agent and each Secured Party harmless from, any and all liabilities, costs and expenses (including, without limitation, legal fees and expenses)

- (a) with respect to, or resulting from, any delay in paying, any and all excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Collateral,
- (b) with respect to, or resulting from, any delay by Grantors in complying with any law or regulation applicable to any of the Collateral,
- (c) in connection with any action taken by the Collateral Agent in exercising its rights under this Agreement, except to the extent caused by Collateral Agent's or such Secured Party's gross negligence or wilful misconduct, and
- (d) in connection with the preparation and enforcement of this Agreement and/or and document or agreement related thereto.

The obligations under this Part 29 shall survive termination of this Agreement.

PART 30

GOVERNING LAW

Governing Law

30.1 This Agreement and the rights and obligations of Grantors hereunder shall be governed by, and construed and interpreted in accordance with, the law of the State of California, except to the extent that under the Code the laws of another jurisdiction govern matters of

perfection and the effect of perfection or non-perfection of any security interest granted hereunder.

30.2 Each party hereby expressly and irrevocably agrees and consents that any suit, action or proceeding arising out of or relating to this Agreement and the transactions contemplated herein may be instituted in any state or federal court sitting in the State of Delaware, and, by the execution and delivery of this Agreement, each party expressly waives any objection that it may have now or hereafter to the laying of the venue or to the jurisdiction of any such suit, action or proceeding, and irrevocably submits generally and unconditionally to the jurisdiction of any such court in any such suit, action or proceeding.

30.3 Each party agrees that service of process may be made by personal service of a copy of the summons and complaint or other legal process in any such suit, action or proceeding, or by registered or certified mail (postage prepaid) to the address of such party provided by Part 21 hereof, or by any other method of service provided for under the applicable laws in effect in the State of Delaware.

30.4 Nothing contained in §30.2 or §30.3 hereof shall preclude any party from bringing any suit, action or proceeding arising out of or relating to this Agreement in the courts of any place where any party or any of such party's property or assets may be found or located. To the extent permitted by the applicable laws of any such jurisdiction, each party hereby irrevocably submits to the jurisdiction of any such court and expressly waives, in respect of any such suit, action or proceeding, the jurisdiction of any other court or courts which now or hereafter, by reason of its present or future domicile, or otherwise, may be available to it.

30.5 IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS OR REMEDIES UNDER OR RELATED TO THIS AGREEMENT OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR THAT MAY IN THE FUTURE BE DELIVERED IN CONNECTION WITH THE FOREGOING, EACH PARTY HEREBY AGREES, TO THE EXTENT PERMITTED BY APPLICABLE LAW, THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY AND EACH PARTY HEREBY WAIVES, TO THE EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY HAVE THAT EACH ACTION OR PROCEEDING HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

IN WITNESS WHEREOF, Grantors have caused this Agreement to be duly executed and delivered as of the date first above written.

CHROMOS MOLECULAR SYSTEMS INC.

Per:




Authorized Signatory

CELEXSYS, INC.

Per: 
Authorized Signatory

CHROMOS CORPORATION

Per: 
Authorized Signatory

Acknowledged and agreed to by the Collateral Agent:

PENDER NDI LIFE SCIENCES FUND (VCC) INC.

Per: _____
Authorized Signatory

SCHEDULE I

PATENTS

Owned by Chromos Molecular Systems

Portfolio Category	Country	File Number	Serial Number	Publication Number	Patent Number	Date Issued	Status		
							Issued	Pending	
ACE	Australia	402BAU	38957/01	n/a	773728	4/22/2004	x		
		402CAU	2004/201732	n/a	n/a			x	
		416BAU	2005/225124	n/a	n/a	n/a			x
		420AU	2002/310275	n/a	n/a	n/a			x
	Brazil	402BR	9708855-2	n/a	n/a	n/a			x
		420BR	PI 0209989-6	n/a	n/a	n/a			x
	Canada	402BCA	2429724	n/a	n/a	2429724	10/25/2005	x	
		402CA	2250682	n/a	n/a	2250682	9/27/2005	x	
		402CCA	2429726	n/a	n/a	n/a			x
		416CA	2441535	n/a	n/a	n/a			x
	Europe	420BCA	2522166	n/a	n/a	n/a			x
		420CA	2441937	n/a	n/a	n/a			x
		402EP	97920284.3	EP 0929689	n/a	n/a			x
		416EP	2753692.9	EP 1383541	n/a	n/a			x
	Hungary	420EP	2737341.4	EP 1390384	n/a	n/a			x
		402HU	P9901482	n/a	n/a	n/a			x
	Israel	420HU	P0402659	n/a	n/a	n/a			x
		402IL	126126	n/a	n/a	n/a			x
	Japan	420IL	157746	n/a	n/a	n/a			x
		402BJP	2003-029830	n/a	n/a	n/a			x
402JP		538116/97	n/a	n/a	3754457	12/22/2005	x		
416JP		2002-575020	n/a	n/a	n/a			x	
Mexico	420JP	2003-500228	n/a	n/a	n/a			x	
	402MX	988376	n/a	n/a	n/a			x	
		420MX	PA/a/2003-010626	n/a	n/a			x	

PATENT

REEL: 018454 FRAME: 0349

Portfolio Category	Country	File Number	Serial Number	Publication Number	Patent Number	Date Issued	Status			
							Issued	Pending		
	New Zealand	402BNZ	n/a	n/a	503055	11/24/2002	x			
		402CNZ	n/a	n/a	516885	12/9/2002	x			
		402NZ	n/a	n/a	331815	4/21/2000	x			
		416NZ	527972	n/a	527972	7/28/2006	x			
		420BNZ	545697	n/a	n/a			x		
		420NZ	528003	n/a	n/a			x		
		416	09/815,979	2003/00599 40	n/a				x	
		420	10/161,403	2003/01191 04	n/a				x	
	United States	402A	09/096,648	n/a	n/a	6743967	6/1/2004	x		
		402B	08/682,080	n/a	n/a	6077697	6/20/2000	x		
		402C	08/695,191	n/a	n/a	6025155	2/15/2000	x		
		402H	09/799,462	2002/01609 70	n/a				x	
		402K	10/151,078	2005/01539 09	n/a				x	
		402L	10/151,081	2003/00832 93	n/a				x	
		402O	10/782,129	2004/01438 61	n/a				x	
		416F	11/417,983	n/a	n/a				x	
		420B	11/006,076	2005/01815 06	n/a				x	
		ACE - in-licensed	Australia	203AU	36683/89	n/a	629554	1/29/1993	x	
			Canada	203CA	603465	n/a	1339413	9/2/1997	x	
			Europe	203EP	89111481.1	EP 351585	EP 351585B1	11/2/1994	x	
Germany	203DE		89111481.1	n/a	DE6891914 0T	11/2/1994	x			
	Japan	201JP	3210001	n/a	n/a			x		

Portfolio Category	Country	File Number	Serial Number	Publication Number	Patent Number	Date Issued	Status	
							Issued	Pending
ACE-Plant ¹	United States	203JP	88-312444	n/a	2824433	9/11/1998	x	
		200	89-309785	n/a	2824434	9/11/1998	x	
		201	09/024,472	n/a	6133503	10/17/2000	x	
	Korea	202	451308	n/a	5731178	3/24/1998	x	
		203	283125	n/a	5610053	3/11/1997	x	
		203KR	08/814468	n/a	5770400	6/23/1998	x	
	Australia	419AU	008734/89	n/a	196741	2/22/1999	x	
	Brazil	419BR	2002/312268	n/a	n/a			x
	Canada	419CA	PI 0209745-1	n/a	n/a			x
	Europe	419EP	2448096	n/a	n/a			x
	Israel	419IL	2739627.4	EP1401849	n/a			x
	Japan	419CJP	158885	n/a	n/a			x
	Mexico	402CJP	2004-227303	n/a	n/a			x
		402DJP	2005-210480	n/a	n/a			x
		419JP	2003-500102	n/a	n/a			x
	New Zealand	419BNZ	PA/a/2003/010967	n/a	n/a			x
	Singapore	419NZ	542162	n/a	n/a			x
	United States	419BSG	529597	n/a	529597	4/6/2006	x	
		419SG	200508623-6	n/a	n/a			x
		402E	200306647-9	n/a	100485	1/27/2006	x	
United States	402M	09/724,726	n/a	n/a			x	
	402N	10/219,694	2003/01089	14	n/a		x	
	402P	10/287,313	2003/01014	80	n/a		x	
	402Q	10/808,689	2004/01631	47	n/a		x	
		11/284,877	2006/00959	84	n/a		x	

Portfolio Category	Country	File Number	Serial Number	Publication Number	Patent Number	Date Issued	Status	
							Issued	Pending
		402R	11/355,288	2006/01502 71	n/a			x
		419B	11/321,257	2006/01437 32	n/a			x
		420C	11/082,154	2006/00248 20	n/a			x

Note 1: These patents and all plant related applications of the File #'s 402,420 and 416 are exclusively licensed to Agrisoma Bioscience

Owned by Chromos Corporation

Portfolio Category	Country	File Number	Serial Number	Publication Number	Patent Number	Date Issued	Status	
							Issued	Pending
CHR-1103	United States	P390	60/738,303	n/a	n/a			x

Owned by Celexsys, Inc.

Portfolio Category	Country	File Number	Serial Number	Publication Number	Patent Number	Date Issued	Status	
							Issued	Pending
REM ²	Australia	310AU	3503195	n/a	707880	11/4/1999	x	
		320AU	2194797	n/a	726198	2/15/2001	x	
	Canada	310CA	2198633	n/a	n/a	n/a		x
		320CA	2247131	n/a	n/a	n/a		x
	Europe	310EP	959316902	EP 778887	n/a	n/a		x
		320EP	979148418	EP 0904350	n/a	n/a		x
	Israel	320IL	125884	n/a	n/a	n/a		x
	Japan	310JP	8508988	n/a	n/a	n/a		x
		320JP	5318771997	n/a	n/a	n/a		x
	Mexico	320MX	987178	n/a	n/a	n/a		x
300		08/360,888	n/a	n/a	n/a		x	
United States	310	08/317,100	n/a	n/a	5827642	10/27/1998	x	

Portfolio Category	Country	File Number	Serial Number	Publication Number	Patent Number	Date Issued	Status	
							Issued	Pending
		320	09/956,581	2002/01977 16	6890753	5/10/2005	x	
		310C	08/614,585	n/a	6040177	3/21/2000	x	
		320A	08/793,707	n/a	6316257	11/13/2001	x	
		320B	11/078,897	2005/01643 87	n/a			x

Note 2: All 320 cases noted above are exclusively licensed to Chromos Molecular Systems

SCHEDULE II**TRADEMARKS**

Trademark	Country	Application Number	Registration Number	Date Filed	Date Issued	Status
CHROMOS	Canada	1,014,343	TMA 573,998	3-May-99	20-Jan-03	Issued
CHROMOS	United States	75/838,727	TM 2,749,138	3-Nov-99	12-Aug-03	Issued

SCHEDULE III

COPYRIGHT

Chromos has not explicitly filed for copyright protection for any of its written works however, Chromos benefits from automatic copyright protection and as such believes Chromos to have copyright protection for all written works protectable by copyright in Canada and countries of the World Trade Organization.

SCHEDULE IV**LICENSES**

Licensor	Technology	Corporate Entity	Patents licensed by file number	License Expiry
Chemo-Sero-Therapeutic Research Institute(CSTRI)	CX promoter	Chromos Molecular Systems	203	End of patent term
NIH	CHS4 Insulator	Chromos Molecular Systems	202	End of patent term
Aventis	MAR Insulator	Chromos Molecular Systems	201	End of patent term
University of San Diego	Use of Artificial Chromosome in transgenic mice	Chromos Molecular Systems	200	End of patent term
Robarts Research Institute	BHA 2.1 (parent of CHR-1103)	Chromos Corporation	n/a	When cumulative royalties paid = \$300,000 USD
Fred Hutch Cancer Institute	Rapid Expansion Method technology	Celexsys, Inc.	300, 310	End of patent term
Lonza	Use of CHOK1SV cell line in combination with Chromos' ACE Technology	Chromos Molecular Systems	n/a	June 2014
Biological Research Center	Joint ownership of SATAC	Chromos Molecular Systems	402	End of patent term