

## PATENT ASSIGNMENT

Electronic Version v1.1  
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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
Vaxion Therapeutics Inc.	03/14/2013
RECEIVING PARTY DATA	
Name:	Western States Investment Company, LLC
Street Address:	4025 Sorrento Valley Blvd.
City:	San Diego
State/Country:	CALIFORNIA
Postal Code:	92122
PROPERTY NUMBERS Total: 10	
Property Type	Number
Patent Number:	7183105
Patent Number:	7396822
Patent Number:	7871815
Patent Number:	8101396
Patent Number:	8129166
Application Number:	13294911
Application Number:	12490273
Application Number:	13412559
Application Number:	13397313
Application Number:	61709102
CORRESPONDENCE DATA	
Fax Number:	
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	(206) 903-8839
Email:	haggerty.patchen@dorsey.com

CH \$400.00 7183105

Correspondent Name: Patchen M. Haggerty  
Address Line 1: 701 Fifth Ave., Ste. 6100  
Address Line 2: Dorsey & Whitney LLP  
Address Line 4: Seattle, WASHINGTON 98104

ATTORNEY DOCKET NUMBER: 458247-00004

NAME OF SUBMITTER: Patchen M. Haggerty

This document serves as an Oath/Declaration (37 CFR 1.63).

**Total Attachments: 8**

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## COLLATERAL ASSIGNMENT (PATENTS)

This COLLATERAL ASSIGNMENT (PATENTS) (the "**Assignment**"), dated as of March 14, 2013, made and given by Vaxiion Therapeutics Inc., a California corporation, (the "**Assignor**"), Western States Investment Company, LLC (the "**Assignee**").

### RECITALS

A. The Assignee is the holder of that certain Promissory Notice & Security Agreement of even date herewith made by Assignor (the "**Security Agreement**") pursuant to which the Assignee may, at its sole discretion, loan up to \$100,000 to the Assignor on the terms and conditions set forth therein.

B. To secure all the obligations of the Assignor to the Assignee and arising under the Security Agreement, wherever located and whether now existing or hereafter arising (the "**Obligations**"), the Assignor has pledged and granted to the Assignee a security interest in the property described in the Security Agreement, which property includes general intangibles including without limitation patents and inventions.

C. The Assignor owns the patent registrations set forth in Exhibit A attached hereto, and the patents so listed are registered or application has been made for such registration as noted in Exhibit A in the United States Patent and Trademark Office or applicable foreign patent office.

NOW, THEREFORE, in consideration of the premises and to induce the Assignee and the Lenders to extend credit accommodations under the Credit Agreement, the parties hereto agree as follows:

### AGREEMENT

1. The Assignor does hereby assign all of its right, title, and interest in and to all of the present United States patents and patent applications and their respective foreign counterparts, including all divisionals, continuations, and continuations-in-part, therefore owned by the Assignor together with the inventions disclosed therein (the "**Patents**"), including without limitation those federally registered patents set forth on Exhibit A hereto, and including without limitation all proceeds thereof together with the right to recover for past, present, and future infringements, all rights corresponding thereto throughout the world, and all renewals and extensions thereof, said Patents to be held and enjoyed by the Assignee for its own use and behalf, and for its legal representatives, successors, and assigns, as fully and entirely as the same would have been held by the Assignor had this Assignment not been made. The foregoing assignment shall be effective only upon (a) the occurrence and during the continuance of any event upon which Assignor may declare the entire amount of the Security Agreement and all accrued but unpaid interest thereon immediately due and payable ("**Event of Default**") as set forth in the Security Agreement and (b) upon written notice by the Assignee to the Assignor of

the acceptance by the Assignee of this Assignment, which written notice shall constitute conclusive proof of the matters set forth therein; unless and until the occurrence and during the continuance of such an Event of Default, such assignment shall have no effect. After the occurrence and during the continuance of an Event of Default, the Assignee shall be entitled to transfer the Patents pursuant to an Assignment of Patents attached hereto as Exhibit B. Assignor hereby irrevocably authorizes the Assignee to complete the undated Assignments of Patents at the time of transfer.

2. The Assignor hereby covenants and warrants that:

(a) except for applications pending, the Patents listed on Exhibit A have been duly issued and are registered and subsisting and, as of the date hereof, have not been adjudged invalid or unenforceable in whole or in part;

(b) as of the date hereof or, if later, the date on which Exhibit A is amended as described in Section 4 hereof, each of the Patents listed on Exhibit A are valid and enforceable;

(c) as of the date hereof, no written claim has been made to the Assignor or, to the knowledge of the Assignor, to any other person, that use of any of the Patents or use of the inventions described therein does or may violate the rights of any third person and no claim has been made by the Assignor that any other person is infringing upon the rights of the Assignor under the Patents;

(d) the Assignor has the unqualified right to enter into this Assignment and perform its terms;

(e) the Assignor will be, until the Obligations have been satisfied in full, in compliance with statutory notice requirements and will pay all renewal, maintenance, and other fees relating to the Patents;

(f) the Assignor is the sole and exclusive owner of the entire and unencumbered right, title, and interest in and to the Patents listed on Exhibit A, free and clear of any liens, charges, and encumbrances, including without limitation licenses and covenants by the Assignor not to sue third persons;

(g) as of the date hereof or, if later, the date on which Exhibit A is amended as described in Section 4 hereof, the Patents listed on Exhibit A are all of the federally registered Patents and applications therefor now owned by the Assignor; and

(h) the Assignor will, at any time upon reasonable request by the Assignee, communicate to the Assignee and its successors and assigns any facts relating to the Patents or the history thereof as may be known to the Assignor or its officers, employees, and agents, and cause such officers, employees, and agents to testify as to the same in any infringement or other litigation at the request of the Assignee.

3. The Assignor agrees that, until the rights of the Assignee in the Patents are terminated pursuant to Section 12 hereof, it will not enter into any agreement that is in conflict with its obligations under this Assignment.

4. If, before the Obligations have been satisfied in full, the Assignor shall obtain rights to any new Patents, or become entitled to the benefit of any Patents application or registration or any renewal or extension of any patent registration, such shall be included in the definition of "Patents" as used in this Assignment, Section 1 hereof shall automatically apply thereto, and the Assignor shall give to the Assignee prompt notice thereof in writing following a request from the Assignee and in any event within 30 days thereafter. The Assignor authorizes the Assignee to modify this Assignment by amending Exhibit A hereto to include any future patents or patent applications.

5. The Assignor shall (a) prosecute diligently any pending Patent application as of the date of this Assignment or thereafter until the Obligations have been satisfied in full, (b) file applications for the patentable inventions, products, and processes that are unregistered but capable of being federally registered and that a prudent person would reasonably cause to be registered, and (c) preserve and maintain all rights in all Patents that a prudent person would reasonably preserve and maintain, provided that Assignor shall not be obligated to perform any of clauses (a), (b), or (c) above in the event that Assignor determines, in the reasonable business judgment of Assignor, that the same is not material to the business of Assignor. Any expenses incurred in connection with applications that constitute Patents shall be borne by the Assignor. The Assignor shall not abandon any material application presently pending that constitutes Patents without the written consent of the Assignee.

6. Upon the occurrence and during the continuance of an Event of Default, the Assignee shall have the right but shall in no way be obligated to bring suit in its own name to enforce or to defend the Patents or any license thereunder if the Assignor has failed to bring such suit in circumstances in which a prudent person would have brought such suit. The Assignor shall at the reasonable request of the Assignee do any and all lawful acts and execute any and all proper documents required by the Assignee in aid of such enforcement or defense (including without limitation participation as a plaintiff or defendant in any proceeding), and if Assignor has failed to bring such suit in circumstances in which a prudent person would have brought such suit, the Assignor shall promptly, upon demand, reimburse and indemnify the Assignee for all reasonable costs and expenses incurred by the Assignee in the exercise of its rights under this Section.

7. This Assignment shall also serve to evidence the security interest in the Patents granted by the Assignor to the Assignee pursuant to the Security Agreement.

8. No course of dealing between the Assignor and the Assignee, failure to exercise, nor any delay in exercising, on the part of the Assignee, with respect to any right, power, or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power, or privilege.

9. All of the Assignee's rights and remedies with respect to the Patents, whether established hereby, by any other agreements, or by law, shall be cumulative and may be exercised singularly or concurrently.

10. This Assignment is subject to modification only by a writing signed by the parties, except as provided in Section 4 hereof.

11. This Assignment shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

12. At such time as the Obligations have been satisfied in full, this Assignment shall terminate and all rights to the Patents shall revert to the Assignor. The Assignor agrees that it will authorize, execute, and deliver to Assignee all documents reasonably requested by the Assignee to facilitate the purposes of this Assignment, including without limitation documents required to record the Assignee's interest in any appropriate office in any domestic or foreign jurisdiction. At such time as the Obligations have been satisfied in full, the Assignee shall on demand of the Assignor execute and deliver to the Assignor all termination statements and other instruments as may be necessary or proper to terminate this Assignment and assign to the Assignor all the Assignee's rights in the Patents, subject to any disposition thereof the may have been made by the Assignee pursuant hereto or pursuant to the Security Agreement.

13. **THIS ASSIGNMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS (WITHOUT GIVING EFFECT TO THE CONFLICTS OF LAW PRINCIPLES THEREOF) OF (I) ANY STATE AS TO RIGHTS AND INTERESTS HEREUNDER WHICH ARISE UNDER THE LAWS OF SUCH STATE, (II) THE UNITED STATES OF AMERICA AS TO RIGHTS AND INTERESTS HEREUNDER THAT ARE REGISTERED OR FOR THE REGISTRATION OF WHICH APPLICATION IS PENDING WITH THE UNITED STATES PATENT AND TRADEMARK OFFICE, AND (III) THE STATE OF CALIFORNIA IN ALL OTHER RESPECTS.** Whenever possible, each provision of this Assignment and any other statement, instrument or transaction contemplated hereby or relating hereto shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Assignment or any other statement, instrument, or transaction contemplated hereby or relating hereto shall be held to be prohibited or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Assignment or any other statement, instrument, or transaction contemplated hereby or relating hereto. In the event of any conflict within, between or among the provisions of this Assignment, the Security Agreement, or any other statement, instrument, or transaction contemplated hereby or thereby or relating hereto or thereto, those provisions giving the Assignee the greater right shall govern.

[Signature page follows.]

IN WITNESS WHEREOF, the Assignor has executed this instrument as of the date first above written.

**ASSIGNOR:**  
**VAXION THERAPEUTICS INC.**


By:   
Scott Pancoast, Director

EXHIBIT A  
to  
COLLATERAL ASSIGNMENT (PATENTS)

**U.S. Patents**

<b>U.S. Patent No.</b>	<b>Issue Date</b>	<b>Assignee</b>	<b>Title</b>
7,183,105	2007-02-27	Vaxion Therapeutics	<u>Eubacterial minicells and their use as vectors for nucleic acid delivery and expression</u>
7,396,822	2008-07-08	Vaxion Therapeutics	Immunogenic minicells and methods of use
7,871,815	2011-01-11	Vaxion Therapeutics	Rhamnose inducible expression constructs and methods of use
8,101,396	2012-01-24	Vaxion Therapeutics	Minicells displaying antibodies or derivatives thereof and comprising biologically active compounds
8,129,166	2012-03-06	Vaxion Therapeutics	Immunogenic minicells and methods of use

**U.S. Patent Applications**

<b>U.S. Application Serial No.</b>	<b>Filing Date</b>	<b>Assignee</b>	<b>Title</b>
13/294,911	2011-11-01	Vaxion Therapeutics	Minicell-based delivery of biologically active molecules
12/490,273	2009-06-23	Vaxion Therapeutics	Regulated genetic suicide mechanism compositions and methods
13/412,559	2012-03-05	Vaxion Therapeutics	IMMUNOGENIC MINICELLS AND METHODS OF USE
13/397,313	2012-02-15	Vaxion Therapeutics	THERAPEUTIC COMPOSITIONS AND METHODS FOR ANTIBODY AND FC-CONTAINING TARGETING MOLECULE-BASED TARGETED DELIVERY OF BIOACTIVE MOLECULES BY BACTERIAL MINICELLS
61/709,102	2012-10-02	Vaxion Therapeutics	Immunomodulatory minicells and methods of use



EXHIBIT B  
to  
COLLATERAL ASSIGNMENT (PATENTS)

**ASSIGNMENT OF PATENTS**

**(Issued Patents and Pending Applications)**

This Assignment of Patents, effective as of March 14, 2013, is made by and between Vaxiion Therapeutics Inc., a California corporation (“**Assignor**”), and Western States Investment Company, LLC (the “**Assignee**”).

**WHEREAS**, Assignor is the owner by assignment of the entire right, title, and interest in and to the issued patents and patent applications set forth on Exhibit A hereto and the inventions disclosed therein (hereinafter referred to collectively as “**Patents**”); and

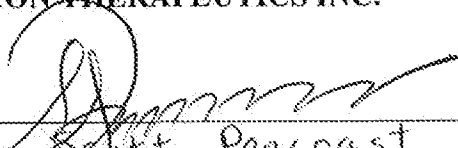
**WHEREAS**, Assignee is desirous of acquiring the entire right, title, and interest for the United States and in all countries foreign to the United States, including the full right to claim for any such applications all benefits and priority rights under an applicable convention, in and to said Patents (and/or patents that may be granted therefrom), and any nonprovisional, continuations, divisions, substitutions, reissues, reexamination, extensions, or validations of the included patents and patent applications, together with any and all causes of action and rights of recovery for past infringements of the Patents, pursuant to the terms of said instruments of assignment.

**NOW, THEREFORE**, for good and valuable consideration received by Assignor from Assignee, the receipt in full of which is hereby acknowledged, Assignor does hereby sell, assign, and transfer unto Assignee, and its successors and assigns, all of its right, title and interest in and to the Patents together with the invention(s) disclosed therein, including each and every patent which is granted on any application that is a division, substitution, or continuation of said Patents, and in and to each and every reissue or extension of said Patents, and including Assignor’s entire right, title, and interest in and to any and all causes of action and rights of recovery for past infringement of the Patents. Assignor hereby covenants that it has full right to convey the entire interest herein assigned, and that it has not executed, and will not execute, any agreements inconsistent herewith. Assignor hereby irrevocably authorizes Assignee to date this undated Assignment and otherwise complete this Assignment at the time of transfer.

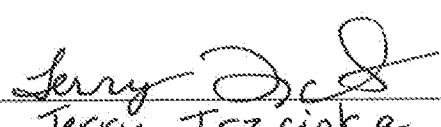
[Signature page follows.]

IN WITNESS WHEREOF, the parties have executed this Assignment of Patents as of the date first above written.

**ASSIGNOR:**  
**VAXION THERAPEUTICS INC.**

By:   
Name: Scott Pancoast  
Title: Director

**ASSIGNEE:**  
**Western States Investment Company, LLC**

By:   
Name: Terry Trzcinka  
Title: Director of Accounting

[Signature Page to Assignment of Patents]