

## PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1  
 Stylesheet Version v1.2

EPAS ID: PAT2732300

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
IMMUNE PHARMACEUTICALS LTD.	02/19/2014
RECEIVING PARTY DATA	
Name:	MIDCAP FUNDING III, LLC
Street Address:	7255 WOODMONT AVENUE
Internal Address:	SUITE 200
City:	BETHESDA
State/Country:	MARYLAND
Postal Code:	20814
PROPERTY NUMBERS Total: 2	
Property Type	Number
Application Number:	61643368
Application Number:	11902194
CORRESPONDENCE DATA	
Fax Number:	(404)443-5697
Phone:	404-443-5742
Email:	lallen@mcguirewoods.com
<i>Correspondence will be sent via US Mail when the email attempt is unsuccessful.</i>	
Correspondent Name:	LIZZIE GARNER, ESQ.
Address Line 1:	MCGUIREWOODS LLP
Address Line 2:	1230 PEACHTREE ST., NE, STE. 2100
Address Line 4:	ATLANTA, GEORGIA 30309
ATTORNEY DOCKET NUMBER:	2061695-0002 EPICEPT
NAME OF SUBMITTER:	LATOSHA E. ALLEN
Signature:	/Latosha E. Allen/

Date:

02/19/2014

**Total Attachments: 9**

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## EXECUTION VERSION

### INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of the 19th day of February, 2014 by and between **MIDCAP FUNDING III, LLC**, a Delaware limited liability company ("Agent") and **IMMUNE PHARMACEUTICALS LTD.** (the "Grantor").

#### RECITALS

A. The Lenders have made and have agreed to make certain advances of money and to extend certain financial accommodation to the Borrower (the "Loans") in the amounts and manner set forth in that certain Loan and Security Agreement by and between Agent, the Lenders and Borrower dated the Effective Date, as amended by that certain First Amendment to Loan and Security Agreement, dated as of August 27, 2012, that certain Second Amendment and Waiver to Loan and Security Agreement, dated as of July 31, 2013 and that certain Third Amendment and Consent to Loan and Security Agreement, dated as of August 23, 2013 (as amended, and as the same may be further amended, modified or supplemented from time to time, the "Loan Agreement"; capitalized terms used herein but not otherwise defined herein are used as defined in the Loan Agreement). The Lenders have made and are willing to make the Loans to the Borrower, but only upon the condition, among others, that Grantor shall grant to Agent, for the ratable benefit of the Lenders, a security interest in certain Copyrights, Trademarks, Patents, and Mask Works (as each term is described below) to secure the obligations of the Borrower under the Loan Agreement.

B. Grantor has guaranteed all of the Loans and other Obligations of Borrower under the Loan Agreement pursuant to the Charge (as defined in the Loan Agreement) and the Unconditional Guaranty (as defined in the Loan Agreement).

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, as collateral security for the prompt and complete payment when due of its obligations under the Loan Agreement, Grantor hereby represents, warrants, covenants and agrees as follows:

#### AGREEMENT

I. To secure the payment and performance in full of all of its obligations under the Unconditional Guaranty, Grantor grants and pledges to Agent, for the ratable benefit of the Lenders, a continuing security interest in, all of Grantor's right, title and interest in, to and under its intellectual property (all of which shall collectively be called the "Intellectual Property Collateral"), including, without limitation, the following:

(a) Any and all copyright rights, copyright applications, copyright registrations and like protections in each work or authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret, now or hereafter existing, created, acquired or held, including without limitation those set forth on Exhibit A attached hereto (collectively, the "Copyrights");

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

(c) Any and all design rights that may be available to Grantor now or hereafter existing, created, acquired or held;

(d) All patents, patent applications and like protections including, without limitation, improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same, including without limitation the patents and patent applications set forth on Exhibit B attached hereto (collectively, the “Patents”);

(e) Any trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Grantor connected with and symbolized by such trademarks, including without limitation those set forth on Exhibit C attached hereto (collectively, the “Trademarks”);

(f) All mask works or similar rights available for the protection of semiconductor chips, now owned or hereafter acquired, including, without limitation those set forth on Exhibit D attached hereto (collectively, the “Mask Works”);

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

(h) All licenses or other rights to use any of the Copyrights, Patents, Trademarks, or Mask Works and all license fees and royalties arising from such use to the extent permitted by such license or rights; provided, that, such licenses or other rights shall exclude the rights arising under the Excluded Licenses, but include any and all IP Proceeds relating to the Excluded Licenses. As used herein, (i) “Excluded Licenses” means, collectively, that certain Research and License Agreement between Yissum Research Development Company of the Hebrew University of Jerusalem, Ltd. and the Company, dated as of April 6, 2011, as amended prior to the date hereof, and that certain the Product Sublicense Agreement by and between iCo Therapeutics Incorporated and the Company, dated as of December 7, 2010, as amended, and (ii) “IP Proceeds” means, collectively, all cash, Accounts, license and royalty fees, claims, products, awards, judgments, insurance claims, and other revenues, proceeds or income, arising out of, derived from or relating to Excluded Licenses, and any claims for damage by way of any past, present or future infringement of Excluded Licenses (including, without limitation, all cash, royalty fees, other proceeds, Accounts and General Intangibles that consist of rights of payment to or on behalf of a Credit Party and the proceeds from the sale, licensing or other disposition of all or any part of, or rights in, Excluded Licenses by or on behalf of a Credit Party) but excluding any amounts in connection with amounts received due to reimbursements for research and development costs and patent costs;

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

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

II. Grantor hereby authorizes Agent to file financing statements, without notice to Grantor, with all appropriate jurisdictions to perfect or protect Agent’s and each Lender’s interest or rights hereunder, including a notice that any disposition of the Intellectual Property Collateral, by either Grantor or any other Person, shall be deemed to violate the rights of Agent and the Lenders under the Code. Grantor represents, warrants, and covenants that the security interest granted herein is and shall at all times continue to be a first priority perfected security interest in the Intellectual Property Collateral, subject only to Permitted Liens that may have priority by operation of applicable Law.

III. This security interest is granted in conjunction with the security interest granted to Agent, for the ratable benefit of the Lenders, under the Charge. The rights and remedies of Agent with respect to the security interest granted hereby are in addition to those set forth in the Loan Agreement, the Charge, the Unconditional Guaranty and the other Loan Documents, and those which are now or hereafter available to Agent as a matter of law or equity. Each right, power and remedy of Agent provided for herein or in the Loan Agreement, the Charge, the Unconditional Guaranty or any of the Loan Documents, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or remedy provided for herein and the exercise by Agent of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Loan Agreement, the Charge, the Unconditional Guaranty or any of the other Loan Documents, or now or hereafter existing at law or in equity, shall not preclude the simultaneous or later exercise by any person, including Agent, of any or all other rights, powers or remedies.

*[Remainder of page intentionally blank; signature pages follows.]*

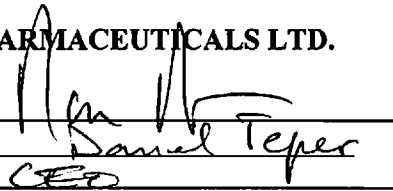
IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

**GRANTOR:**

Address of Grantor:

777 Old Saw Mill River Road  
Tarrytown, NY 10591  
Attn: Robert W. Cook, Chief Financial Officer

**IMMUNE PHARMACEUTICALS LTD.**

By:   
Name: Samuel Teper  
Title: CEO

IMMUNE PHARMACEUTICALS LTD.  
INTELLECTUAL PROPERTY SECURITY AGREEMENT  
SIGNATURE PAGE

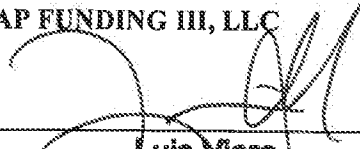
**PATENT**  
**REEL: 032277 FRAME: 0137**

Address of Agent:

7255 Woodmont Avenue, Suite 200  
Bethesda, Maryland 20814  
Attn: Portfolio Management- Life Sciences

AGENT:

MIDCAP FUNDING III, LLC

By:   
Name: Luis Viera  
Title: Managing Director

IMMUNE PHARMACEUTICALS LTD.  
INTELLECTUAL PROPERTY SECURITY AGREEMENT  
SIGNATURE PAGE

**EXHIBIT A**

Copyrights

Description

Registration/  
Application  
Number

Registration/  
Application  
Date



**EXHIBIT B**

Patents

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
METHOD OF GENERATING HUMAN MONOCLONAL ANTIBODIES	61/643,368	May 7, 2012
NUCLEOTIDE AND PROTEIN SEQUENCES OF ANTIBODY DIRECTED AGAINST AN EPITOPE COMMON TO HUMAN ACIDIC AND BASIC FERRITINS, MONOCLONAL ANTIBODIES OR ANTIBODY- LIKE MOLECULES COMPRISING THESE SEQUENCES AND USE THEREOF	11/902,194	September 19, 2007

**EXHIBIT C**

Trademarks

Description

Registration/  
Application  
Number

Registration/  
Application  
Date

**EXHIBIT D**

Mask Works

Description

Registration/  
Application  
Number

Registration/  
Application  
Date