

PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
 Stylesheet Version v1.2

EPAS ID: PAT4402062

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST
CONVEYING PARTY DATA	
Name	Execution Date
PERFORMANCE ASSESSMENT NETWORK INC.	01/20/2017
RECEIVING PARTY DATA	
Name:	MIDCAP FINANCIAL TRUST, AS ADMINISTRATIVE AGENT
Street Address:	7255 WOODMONT AVENUE, SUITE 200
Internal Address:	C/O MIDCAP FINANCIAL SERVICES, LLC, AS SERVICER
City:	BETHESDA
State/Country:	MARYLAND
Postal Code:	20814
PROPERTY NUMBERS Total: 3	
Property Type	Number
Patent Number:	6681098
Patent Number:	6996367
Patent Number:	6999714
CORRESPONDENCE DATA	
Fax Number:	(617)526-9899
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>	
Phone:	6175269628
Email:	cslattery@proskauer.com
Correspondent Name:	CHRISTINE SLATTERY
Address Line 1:	PROSKAUER ROSE LLP
Address Line 2:	ONE INTERNATIONAL PLACE, 23RD FLOOR
Address Line 4:	BOSTON, MASSACHUSETTS 02110
ATTORNEY DOCKET NUMBER:	11964 / 090
NAME OF SUBMITTER:	CHRISTINE SLATTERY
SIGNATURE:	/Christine Slattery/
DATE SIGNED:	05/08/2017
Total Attachments: 6	
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PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT (this “**Patent Security Agreement**”) is entered into as of January 20, 2017 among Grantors listed on the signature pages hereof (collectively, jointly and severally, “**Grantors**” and each individually, “**Grantor**”) and MIDCAP FINANCIAL TRUST, in its capacity as administrative agent for the Lenders (together with its successors and assigns in such capacity, “**Administrative Agent**”).

W I N E S S E T H:

WHEREAS, pursuant to that certain First Lien Credit and Guaranty Agreement, dated as of January 20, 2017 (as amended, restated, amended and restated, replaced, supplemented, or otherwise modified from time to time, including all annexes, exhibits and schedules thereto, the “**Credit Agreement**”), among PSI SERVICES LLC, a Delaware limited liability company (“**Borrower**”), PSI INTERMEDIATE HOLDINGS, LLC, a Delaware limited liability company (“**Holdings**”), the other Subsidiaries (as defined therein) of Holdings from time to time party thereto, as Guarantors (as defined therein), the financial institutions from time to time party thereto, as Lenders (as defined therein), and Administrative Agent, Lenders have agreed to make Loans (as defined therein) to Borrowers from time to time pursuant to the terms and subject to the conditions set forth therein; and

WHEREAS, Lenders are willing to make Loans to Borrowers and issue Letters of Credit as provided for in the Credit Agreement, but only upon the condition, among others, that Grantors shall have executed and delivered to Administrative Agent, for the benefit of the Secured Parties (as defined in the Security Agreement, defined below), that certain First Lien Security and Pledge Agreement dated as of January 20, 2017 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, including all schedules and exhibits thereto, the “**Security Agreement**”); and

WHEREAS, pursuant to the Security Agreement, Grantors are required to execute and deliver to Administrative Agent, for the benefit of the Secured Parties, this Patent Security Agreement.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor hereby agrees as follows:

1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Security Agreement or the Credit Agreement, as applicable.

2. GRANT OF SECURITY INTEREST IN PATENT COLLATERAL. Each Grantor hereby grants to Administrative Agent, for the benefit of the Secured Parties, a valid and continuing first priority security interest in and Lien on all of such Grantor’s right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the “**Patent Collateral**”):

(a) all of such Grantor's Patent registrations, Patent applications and Patent Licenses, including, without limitation, those referred to on Schedule 1 hereto;

(b) all reissues, divisionals, continuations, continuations in part, substitutes, extensions, modifications or renewals of and improvements on the foregoing; and

(c) all products and proceeds of the foregoing, including any claim by such Grantor against third parties for past, present or future infringement, misappropriation or dilution of any Patent.

3. SECURITY FOR OBLIGATIONS. This Patent Security Agreement and the security interest created hereby secure the payment and performance of all the Secured Obligations of each Grantor, whether now existing or arising hereafter. Without limiting the generality of the foregoing, this Patent Security Agreement secures the payment of all amounts which constitute part of the Secured Obligations and would be owed by Grantors, or any of them, to Administrative Agent, the other Secured Parties, or any of them, whether or not they are unenforceable or not allowable due to the existence of an insolvency proceeding involving any Grantor.

4. SECURITY AGREEMENT. The security interests granted pursuant to this Patent Security Agreement are granted in conjunction with and in furtherance of the security interests and Liens granted to Administrative Agent, for the benefit of the Secured Parties, pursuant to the Security Agreement. Each Grantor hereby acknowledges and affirms that the rights and remedies of Administrative Agent with respect to the security interest in the Patent Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein, and to the extent a conflict exists, the terms of the Security Agreement control.

5. AUTHORIZATION TO SUPPLEMENT. If any Grantor shall obtain rights to any new patentable inventions or become entitled to the benefit of any patent application or patent for any reissue, division, or continuation, of any patent, the provisions of this Patent Security Agreement shall automatically apply thereto. If any Grantor shall file an application for the registration of any patent with the United States Patent and Trademark Office, such Grantor shall report such filing to Administrative Agent within forty-five (45) days (or sixty (60) days in the case of the first two fiscal quarters after the Closing Date) after the last day of the fiscal quarter in which such filing occurs (in accordance with Section 4(k) of the Security Agreement). Without limiting Grantors' obligations under this Section 5, Grantors hereby authorize Administrative Agent (but Administrative Agent shall be under no obligation) to unilaterally modify this Patent Security Agreement by amending Schedule 1 to include any such new patent rights of Grantors, which become part of the Patent Collateral under the Security Agreement. Notwithstanding the foregoing, no delay or failure to so modify this Patent Security Agreement or amend Schedule 1 shall in any way affect, invalidate or detract

from Administrative Agent's valid and continuing security interest in all Collateral (including without limitation the Patent Collateral), whether or not listed on Schedule 1.

6. SUCCESSORS IN INTEREST. This Patent Security Agreement shall be binding upon each Grantor, its successors and permitted assigns and shall insure, together with the rights and remedies of Administrative Agent and the other Secured Parties hereunder, to the benefit of Administrative Agent and the other Secured Parties and their respective successors and permitted assigns.

7. COUNTERPARTS; INTEGRATION. This Patent Security Agreement (or any amendments, waivers, consents, or supplements hereto) may be executed in any number of counterparts, each of which shall be deemed an original with the same effect as if the signatures thereto and hereto were upon the same instrument. This Patent Security Agreement and the other Financing Documents constitute the entire agreement and understanding among the parties hereto and supersede any and all prior agreements and understandings, oral or written, relating to the subject matter hereof. Delivery of an executed signature page of this Patent Security Agreement (or any amendments, waivers, consents, or supplements hereto) by facsimile transmission or electronic transmission shall be as effective as delivery of a manually executed counterpart hereof or thereof.

8. GOVERNING LAW. THIS PATENT SECURITY AGREEMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.

9. MISCELLANEOUS. The terms and provisions of Article 9 (*Expenses and Indemnity*), Sections 1.3 (*Other Definitional Provisions*), 12.1 (*Survival*), 12.2 (*No Waivers*), 12.3 (*Notices*), 12.4 (*Severability*), 12.5 (*Amendments and Waivers; Extensions*), 12.7 (*Headings*), 12.10 (*GOVERNING LAW; SUBMISSION TO JURISDICTION*), 12.11 (*WAIVER OF JURY TRIAL*), and 12.15 (*No Strict Construction*) of the Credit Agreement are hereby incorporated herein by reference and shall apply to this Patent Security Agreement mutatis mutandis as if fully set forth herein.

[Signature pages follow]

IN WITNESS WHEREOF, each Grantor has caused this Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

GRANTORS:

**PERFORMANCE ASSESSMENT NETWORK
INC.**, as a Grantor

By: 

Name: Jeffrey Moxie

Title: Chief Financial Officer

ACCEPTED AND ACKNOWLEDGED:

MIDCAP FINANCIAL TRUST,
a Delaware statutory trust

By: Apollo Capital Management, L.P.,
its investment manager

By: Apollo Capital Management GP, LLC,
its general partner

By: 
Name: Maurice Amsellem
Title: Authorized Signatory

SCHEDULE 1
TO
PATENT SECURITY AGREEMENT

REGISTERED PATENTS

Grantor	Title	Pat. No./ Issue Date	Applic. No./ Filing Date
Performance Assessment Network, Inc.	TEST ADMINISTRATION SYSTEM USING THE INTERNET	66/81098 1/20/2004	1/10/2001
Performance Assessment Network, Inc.	TEST ADMINISTRATION SYSTEM USING THE INTERNET	69/96367 2/7/2006	1/14/2004
Performance Assessment Network, Inc.	TEST ADMINISTRATION SYSTEM USING THE INTERNET	69/99714 2/14/2006	11/30/2004

PATENT APPLICATIONS

None.

LICENSES

None.