

PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
 Stylesheet Version v1.2

EPAS ID: PAT4676284

SUBMISSION TYPE:	NEW ASSIGNMENT	
NATURE OF CONVEYANCE:	SECURITY INTEREST	
CONVEYING PARTY DATA		
	Name	Execution Date
	CELERION, INC.	11/03/2017
RECEIVING PARTY DATA		
Name:	CANTOR FITZGERALD SECURITIES, AS COLLATERAL AGENT	
Street Address:	110 E. 59TH STREET	
City:	NEW YORK	
State/Country:	NEW YORK	
Postal Code:	10022	
PROPERTY NUMBERS Total: 2		
Property Type	Number	
Application Number:	15473033	
Patent Number:	9645134	
CORRESPONDENCE DATA		
Fax Number:	(704)444-8857	
<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:	7043432000	
Email:	twitcher@mcguirewoods.com	
Correspondent Name:	TERRY L. WITCHER, PARALEGAL	
Address Line 1:	MCGUIREWOODS LLP	
Address Line 2:	201 N. TRYON STREET, SUITE 3000	
Address Line 4:	CHARLOTTE, NORTH CAROLINA 28202	
ATTORNEY DOCKET NUMBER:	2063300-0034	
NAME OF SUBMITTER:	TERRY L. WITCHER	
SIGNATURE:	/s/ Terry L. Witcher	
DATE SIGNED:	11/06/2017	
Total Attachments: 9		
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ANYTHING HEREIN TO THE CONTRARY NOTWITHSTANDING, THE LIENS AND SECURITY INTERESTS SECURING THE OBLIGATIONS EVIDENCED BY THIS AGREEMENT, THE EXERCISE OF ANY RIGHT OR REMEDY WITH RESPECT THERETO, AND CERTAIN OF THE RIGHTS OF THE PARTIES HERETO ARE SUBJECT TO THE PROVISIONS OF THE INTERCREDITOR AGREEMENT DATED AS OF NOVEMBER 3, 2017 (AS AMENDED, RESTATED, SUPPLEMENTED, OR OTHERWISE MODIFIED FROM TIME TO TIME, THE "INTERCREDITOR AGREEMENT"), BY AND BETWEEN MIDCAP FINANCIAL TRUST, AS FIRST LIEN AGENT, AND CANTOR FITZGERALD SECURITIES, AS SECOND LIEN AGENT. IN THE EVENT OF ANY CONFLICT BETWEEN THE TERMS OF THE INTERCREDITOR AGREEMENT AND THIS AGREEMENT, THE TERMS OF THE INTERCREDITOR AGREEMENT SHALL GOVERN AND CONTROL.

SECOND LIEN PATENT SECURITY AGREEMENT

THIS SECOND LIEN PATENT SECURITY AGREEMENT (the "**Agreement**") made as of this 3rd day of November, 2017, by **CELERION, INC.**, a Delaware corporation ("**Grantor**"), in favor of **CANTOR FITZGERALD SECURITIES**, a New York general partnership, as collateral agent (the "**Collateral Agent**") for the Purchasers party to the Second Lien Note Purchase Agreement (defined below) (the Collateral Agent, together with its successors and assigns, "**Grantee**"):

RECITALS

A. Grantor, CSC CELERION ACQUISITION CORP., a Delaware corporation ("**CSC Celerion**" and the "**Initial Borrower**"), and upon and after the consummation of the Closing Date Acquisition, CELERION, INC., a Delaware corporation ("**Celerion**"), as the successor entity pursuant to the Borrower Assumption (the "**Borrower**"), CSC CELERION HOLDCO CORP., a Delaware corporation ("**Holdings**"), the other Note Parties party thereto, Teachers Insurance and Annuity Association of America ("**TIAA**") and AEA Mezzanine Fund III LP (collectively, the "**Initial Purchasers**" and each, an "**Initial Purchaser**" and together with the other financial institutions from time to time party to this Agreement as purchasers, collectively, the "**Purchasers**" and each, a "**Purchaser**"), and Grantee are parties to that certain Second Lien Note Purchase Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, including amendments and restatements thereof in its entirety, being hereinafter referred to as the "**Note Purchase Agreement**"), pursuant to which the Purchasers have severally agreed, subject to certain terms and conditions, to purchase one or more senior secured second lien notes from the Borrower and make certain other financial accommodations available to the Borrower.

B. Grantor is party to that certain Second Lien Security Agreement dated as of the date hereof among Grantee, the Initial Borrower, the Borrower, Holdings, and the other Note Parties party thereto (as the same may be amended, restated, supplemented, or otherwise modified from time to time, the "**Security Agreement**"), pursuant to which Grantor is required to execute and deliver this Agreement.

C. Pursuant to the terms of the Note Purchase Agreement and certain other Collateral Documents now and/or hereafter executed by Grantor in favor of Grantee, Grantor has granted to Grantee, for the benefit of Purchasers, a security interest in substantially all of the assets of Grantor including all right, title and interest of Grantor in, to and under all now owned and hereafter acquired: (i) all patents and patent applications, the inventions and improvements described and claimed therein, and all patentable inventions and (ii) all reissues, divisions, continuations, renewals, extensions and

continuations-in-part thereof ((i) and (ii), collectively, "**Patents**"), (iii) any agreement, written or oral, providing for the grant by or to a Grantor of any right to use any Patent (collectively, the "**Patent Licenses**"), and (iv) all products and proceeds thereof, to secure the payment of all amounts owing by Grantor and the Borrower under the Note Purchase Agreement.

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

1. Incorporation of Note Purchase Agreement and Collateral Documents. The Note Purchase Agreement and the Collateral Documents and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Note Purchase Agreement.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the payment and performance of the Obligations, and without limiting any other grant of any security interest or lien in any assets of Grantor provided for or created under the Note Purchase Agreement or any other Collateral Document, Grantor hereby grants to Grantee, for its benefit and the benefit of Purchasers, and hereby reaffirms its prior grant pursuant to the Note Purchase Agreement and the other Collateral Documents of, a continuing security interest in Grantor's entire right, title and interest in and to the following (all of the following items or types of property being herein collectively referred to as the "**Patent Collateral**"), whether now owned or existing and hereafter created, acquired or arising:

(a) each Patent License and Patent listed on Schedule 1 annexed hereto, together with any reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof; and

(b) all products and proceeds of the foregoing, including without limitation, any claim by Grantor against third parties for past, present or future infringement of any Patent.

3. Agreement to Deliver Supplements. Grantor hereby covenants and agrees that, in connection with the delivery by Grantor of the Compliance Certificate required to be delivered by Grantor under Section 4.1 of the Note Purchase Agreement in connection with the financial statements of Grantor and its affiliates, Grantor shall (i) provide Grantee a listing of any new Patent or Patent License (including any new patent application and any new patent registered with respect to any patent application previously listed on Schedule 1 hereto or on Schedule 1 to any other supplement delivered to Grantee in accordance with this paragraph, "**New Patents**") acquired during the fiscal quarter corresponding to such financial statement and (ii) deliver to Grantee a duly executed supplement to this Agreement in the form of Exhibit A hereto, listing all such New Patents on Schedule 1 thereto, pursuant to which Grantor shall grant and reconfirm the grant of a security interest in such New Patents and the proceeds thereof to Grantee to secure the Obligations, which such supplement may be and is intended by the parties to be filed with the United States Patent and Trademark Office.

4. Events of Default and Remedies. Upon the occurrence of and during the continuance of any Event of Default, Grantee, in addition to all other rights, options, and remedies granted to Grantee under the Note Purchase Agreement or any other Collateral Document, or otherwise available to Grantee at law or in equity, may exercise, either directly or through one or more assignees or designees, with respect to the Patent Collateral all rights and remedies granted to it as a secured creditor under the Uniform Commercial Code as in effect in the State of New York from time to time.

5. Governing Law. THIS AGREEMENT AND ALL MATTERS RELATING HERETO OR ARISING HEREFROM (WHETHER SOUNDING IN CONTRACT LAW, TORT LAW OR OTHERWISE), 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.

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IN WITNESS WHEREOF, intending to be legally bound, Grantor has duly executed this Patent Security Agreement as of the day and year first hereinabove set forth.

GRANTOR:

CELERION, INC., a Delaware corporation

By: JoAnne P. Rosal
Name: JoAnne Rosal
Title: Chief Financial Officer and Treasurer

Accepted and agreed to as of the date first above written.

GRANTEE:

CANTOR FITZGERALD SECURITIES,
as Collateral Agent

By: 

Name: James Bond

Title: Chief Operating Officer



Signature Page to
Second Lien Patent Security Agreement (Colerick)

PATENT
REEL: 044044 FRAME: 0469

SCHEDULE 1 TO PATENT SECURITY AGREEMENT

Patent Licenses

None

Patent Applications

Owner	Serial/ Patent No.	Title	Status	Filing Date	Issue Date
Celerion, Inc.	15/473,033	Isotopically-Labeled Solvents and the Use of Same In Testing E-Cigarettes	Application	March 29, 2017	

Patents

Owner	Serial/ Patent No.	Title	Status	Filing Date	Issue Date
Celerion, Inc.	9,645,134	Isotopically-Labeled Solvents and the use of Same In Testing E-Cigarettes	Issued	September 9, 2014	May 9, 2017

EXHIBIT A

SUPPLEMENT TO PATENT SECURITY AGREEMENT

THIS SUPPLEMENT TO PATENT SECURITY AGREEMENT (the "**Supplement**") made as of this ___ day of _____, 201__ by **CELERION, INC.**, a Delaware corporation ("**Grantor**"), in favor of **CANTOR FITZGERALD SECURITIES**, a New York General Partnership, as collateral agent (the "**Collateral Agent**") for the Purchasers party to the Second Lien Note Purchase Agreement (defined below) (together with its successors and assigns, "**Grantee**");

W I T N E S S E T H:

WHEREAS, Grantor, certain affiliates of the Grantor, Grantee and certain financial institutions are parties to that certain Second Lien Note Purchase Agreement dated as of November 3, 2017 (as the same heretofore may have been and hereafter may be amended, restated, supplemented or otherwise modified from time to time, the "**Note Purchase Agreement**");

WHEREAS, Grantor and Grantee are parties to a certain Second Lien Patent Security Agreement dated as of November 3, 2017 (as the same heretofore may have been and hereafter may be amended, restated, supplemented or otherwise modified from time to time, the "**Patent Agreement**"); capitalized terms used herein but not otherwise defined shall have the meanings given thereto in the Patent Agreement);

WHEREAS, pursuant to the terms of the Patent Agreement, Grantor has granted to Grantee to secure the Obligations a security interest in and to all of Grantor's now existing and hereafter New Patents and all proceeds thereof; and

WHEREAS, also pursuant to the Patent Agreement, Grantor has agreed that in connection with the acquisition by Grantor of any New Patents, Grantor shall deliver to Grantee a Supplement to the Patent Agreement in the form of Exhibit A to such Patent Agreement pursuant to which Grantor shall grant and reconfirm the grant by them of a security interest in all such New Patents and the proceeds thereof, which such Supplement may be and is intended by the parties to be filed with the United States Patent and Trademark Office.

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, and with the foregoing background and recitals incorporated by reference, Grantor agrees as follows:

1. Grant and Reaffirmation of Grant of Security Interests. To secure the payment and performance of the Obligations, and without limiting any other grant of any security interest or lien in any assets of Grantor provided for or created under the Note Purchase Agreement or any other Collateral Document, Grantor hereby grants to Grantee, for its benefit and the benefit of the Purchasers, and hereby reaffirms its prior grant pursuant to the Note Purchase Agreement and the other Collateral Documents, specifically including the Patent Agreement of, a continuing security interest in Grantor's entire right, title and interest in and to the New Patents listed on Schedule A to this Supplement, including any reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, and all products and proceeds of the foregoing, including without limitation, any claim by Grantor against third parties for past, present or future infringement, and agrees that all such New Patents and the proceeds thereof shall be included in and be part of the Patent Collateral and otherwise subject to all of the terms and provisions of the Patent Agreement.

2. Representations and Warranties. Grantor hereby represents and warrants to Grantee and to the Purchasers that Schedule A sets forth a full, complete and correct list of all issued New Patents and pending applications for Patents owned by Grantor as of the date hereof that were not (i) listed on the Schedule 1 delivered in connection with the original Patent Agreement or (ii) listed on the Schedule A delivered in connection with any Supplement to the Patent Agreement delivered by Grantor to Grantee prior to the date hereof.

3. Incorporation of the Patent Agreement. The terms and provisions of the Patent Agreement are hereby incorporated by reference and this Supplement shall be considered an amendment and supplement to and part of the Patent Agreement, all of the provisions of which Patent Agreement are and remain in full force and effect. Any reference after the date hereof in any Note Document to the Patent Agreement shall be a reference to the Patent Agreement as amended and supplemented by this Supplement.

4. Governing Law. THIS SUPPLEMENT AND ALL MATTERS RELATING HERETO OR ARISING HEREFROM (WHETHER SOUNDING IN CONTRACT LAW, TORT LAW OR OTHERWISE), 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.

IN WITNESS WHEREOF, intending to be legally bound, the undersigned have duly executed this Supplement to the Patent Security Agreement as of the day and year first hereinabove set forth.

GRANTOR:

CELERION, INC., a Delaware corporation

By: _____
Name: _____
Title: _____

Accepted and agreed to as of the date first above written.

GRANTEE:

CANTOR FITZGERALD SECURITIES,
as Collateral Agent

By: _____
Name: _____
Title: _____

**SCHEDULE A
TO SUPPLEMENT TO PATENT SECURITY AGREEMENT**

DATED: _____

Patent Applications

Patent	Application Number	Filing Date

Patents

Patent	Patent Number	Issue Date