

PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
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EPAS ID: PAT6291355

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST
CONVEYING PARTY DATA	
Name	Execution Date
SOMNETICS INTERNATIONAL, INC.	03/25/2020
RECEIVING PARTY DATA	
Name:	WHITECLIFF INVESTMENT LLC XXXVI
Street Address:	603 EAST LAKE STREET
Internal Address:	STE 200
City:	WAYZATA
State/Country:	MINNESOTA
Postal Code:	55391
PROPERTY NUMBERS Total: 12	
Property Type	Number
Patent Number:	7845353
Patent Number:	8020557
Patent Number:	8631791
Patent Number:	9694153
Patent Number:	D555235
Patent Number:	8567397
Patent Number:	9016276
Patent Number:	8074645
Patent Number:	8602025
Patent Number:	9597477
Application Number:	15040040
Application Number:	14571479
CORRESPONDENCE DATA	
Fax Number:	
<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:	6123051227
Email:	ahoernemann@mrgs.com
Correspondent Name:	MATTHEW W. ADAMS
Address Line 1:	111 WASHINGTON AVENUE SOUTH

PATENT

Address Line 2: SUITE 700
Address Line 4: MINNEAPOLIS, MINNESOTA 55401

ATTORNEY DOCKET NUMBER: 0417.A00000US00

NAME OF SUBMITTER: MATTHEW W. ADAMS

SIGNATURE: /Matthew W. Adams, Reg# 43459/

DATE SIGNED: 09/10/2020

Total Attachments: 3

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PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT, dated as of March 25, 2020, is entered into by SOMNETICS INTERNATIONAL, INC., a Minnesota corporation (the "Grantor"), for the benefit of those Persons who have each executed a signature page to the Security Agreement (as defined below) as a secured party (each a "Secured Party" and collectively, the "Secured Parties") following making a financial accommodation to Debtor, and Whitecliff Investment LLC XXXVI., a Minnesota limited liability company ("Collateral Agent"), solely in its capacity as Collateral Agent.

WITNESSETH:

WHEREAS, pursuant to those certain Secured Convertible Notes (the "Notes") issued to the Secured Parties by the Grantor and those certain Note Purchase Agreements executed by the Grantor and each Secured Party (the "Purchase Agreements") the Secured Parties have agreed to make extensions of credit to the Grantor upon the terms and subject to the conditions set forth therein;

WHEREAS, the Grantor has, pursuant to a Security Agreement dated March 25, 2020 executed by the Grantor in favor of the Secured Parties (as the same has heretofore and may hereafter be amended, restated, supplemented and/or modified from time to time, the "Security Agreement"), granted the Secured Parties a security interest in all of the Grantor's assets to secure the Secured Obligations (as defined in the Security Agreement) including, among other things, all of the Grantor's patents and patent rights; and

WHEREAS, pursuant to the Security Agreement, the Grantor is required to execute and deliver this Patent Security Agreement to the Collateral Agent on behalf of the Secured Parties;

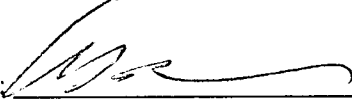
NOW, THEREFORE, in consideration of the premises and to induce the Secured Parties to make extensions of credit to the Grantor under the Notes and the Purchase Agreements, the Grantor hereby agrees with the Secured Parties as follows:

1. Defined Terms. Capitalized terms used herein without definition are used as defined in the Security Agreement.
2. Grant of Security Interest in Patent Collateral. The Grantor, as collateral security for the prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of the Secured Obligations of the Grantor, hereby mortgages, pledges and hypothecates to the Collateral Agent, for the benefit of each Secured Party, and grants to the Collateral Agent, for the benefit of each Secured Party a lien on and security interest in, all of its right, title and interest in, to and under the following Collateral of the Grantor (the "Patent Collateral"):
 - (a) all Patents referred to on Schedule 1 hereto; and
 - (b) all foreign counterparts to, and all divisionals, reversions, continuations, continuations in part, reissues, reexaminations, renewals and extensions of, such Patents and all income, royalties and proceeds at any time due or payable or asserted under or with respect to any of the foregoing or otherwise with respect to such patents including all rights to sue or recover at law or in equity for any past, present or future infringement, misappropriation, dilution, violation or other impairment thereof.
3. Security Agreement. The security interest granted pursuant to this Patent Security Agreement is granted in conjunction with the security interest granted to the Lender pursuant to the Security Agreement and the Grantor hereby acknowledges and agrees that the rights and remedies of the Lender 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.

4. Grantor Remains Liable. The Grantor hereby agrees that, anything herein to the contrary notwithstanding, the Grantor shall assume full and complete responsibility for the prosecution, defense, enforcement or any other necessary or desirable actions in connection with the Patents and any related patent licenses subject to a security interest hereunder.
5. Counterparts. This Patent Security Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart.
6. Governing Law. This Patent Security Agreement and the rights and obligations of the parties hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of Minnesota.
7. Filing. The Secured Parties may record this Agreement, an abstract thereof, or any other document describing the Secured Parties' interest in the Collateral with the United States Patent and Trademark Office.

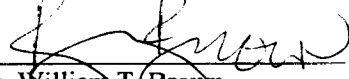
IN WITNESS WHEREOF, intending to be legally bound, the Grantor has caused this Agreement to be executed and delivered by duly authorized officer as of the date first above written.

Somnetics International, Inc.

By: 
Its: CEO

ACCEPTED AND AGREED
As of the date first above written

WHITECLIFF INVESTMENT LLC XXXVI
Solely in its capacity as Collateral Agent
for the benefit of the Secured Parties

By: 
Name: William T. Brown
Title: Chief Executive Officer

SCHEDULE I TO PATENT SECURITY AGREEMENT

#	File No.	Country	Title	App. No.	Filing Date	Status	Patent/Pub No.
1	1061-005-CIP (417.00050130)	US	Face Mask Support	11/805,161	21-May-07	Granted	7,845,353
2	1061-007 (417.00070101)	US	Apparatus and Methods for Administration of Positive Airway Pressure Therapies	11/786,403	10-Apr-07	Granted	8,020,557
3	1061-007-CON (417.00070102)	US	Apparatus and Methods for Administration of Positive Airway Pressure Therapies	13/211,053	16-Aug-11	Granted	8,631,791
4	1061-007-CON2 (417.00070103)	US	Apparatus and Methods for Administration of Positive Airway Pressure Therapies	14/100,305	9-Dec-13	Granted	9,694,153
5	1061-008 (417.00080101)	US	CPAP Blower Housing	29/260,914	1-Jun-06	Granted	D555,235
6	1061-013 (417.00130101)	US	Methods for Battery Power Management of Positive Airway Pressure Apparatus	12/496,967	2-Jul-09	Granted	8,567,397
7	1061-013-DIV (417.00130102)	US	Methods for Battery Power Management of Positive Airway Pressure Apparatus	14/030,071	18-Sep-13	Granted	9,016,276
8	1061-019 (417.00190101)	US	Apparatus and Methods for Providing Humidity in Respiratory Therapy	11/786,391	10-Apr-07	Granted	8,074,645
9	1061-019-CON (417.00190102)	US	Apparatus and Methods for Providing Humidity in Respiratory Therapy	13/301,353	21-Nov-11	Granted	8,602,025
10	1061-019-CON2 (417.00190103)	US	Apparatus and Methods for Providing Humidity in Respiratory Therapy	14/024,993	12-Sep-13	Granted	9,597,477
11	1061-037 (417.000037US01)	US	Systems and Methods for Estimating Flow in Positive Airway Pressure Therapy	15/040,040	10-Feb-16	Pending	US2016-0243325 A1
12	1061-038 (417.000038US01)	US	Humidification System and Positive Airway Pressure Apparatus Incorporating Same	14/571,479	16-Dec-14	Pending	US2015-0165146 A1

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REEL: 053731 FRAME: 0663

RECORDED: 09/10/2020