

## PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1  
 Stylesheet Version v1.2

EPAS ID: PAT6911042

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	SECURITY INTEREST
<b>CONVEYING PARTY DATA</b>	
<b>Name</b>	<b>Execution Date</b>
PARTICLE DYNAMICS INTERNATIONAL, LLC	09/10/2021
<b>RECEIVING PARTY DATA</b>	
<b>Name:</b>	FARRAGUT SBIC FUND II, LP
<b>Street Address:</b>	5301 WISCONSIN AVE. NW,
<b>Internal Address:</b>	SUITE 410
<b>City:</b>	WASHINGTON
<b>State/Country:</b>	D.C.
<b>Postal Code:</b>	20015
<b>PROPERTY NUMBERS Total: 3</b>	
<b>Property Type</b>	<b>Number</b>
<b>Application Number:</b>	16860442
<b>Patent Number:</b>	10682375
<b>Application Number:</b>	16615455
<b>CORRESPONDENCE DATA</b>	
<b>Fax Number:</b>	(703)712-5050
<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>	
<b>Phone:</b>	7037125000
<b>Email:</b>	patents@mcguirewoods.com
<b>Correspondent Name:</b>	MCGUIREWOODS, LLP
<b>Address Line 1:</b>	1750 TYSONS BLVD.,
<b>Address Line 2:</b>	SUITE 1800
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<b>ATTORNEY DOCKET NUMBER:</b>	2057556-0038
<b>NAME OF SUBMITTER:</b>	CAMILLE J. BUTLER
<b>SIGNATURE:</b>	/Camille J. Butler/
<b>DATE SIGNED:</b>	09/10/2021
<b>Total Attachments: 8</b>	
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## PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT ("Agreement") is made as of September 10, 2021, by PARTICLE DYNAMICS INTERNATIONAL, LLC, a Delaware limited liability company ("Grantor"), in favor of FARRAGUT SBIC FUND II, LP, a Delaware limited partnership, in its capacity as agent for the Purchasers (as defined the Note Purchase Agreement, as defined below) ("Agent").

### WITNESSETH:

**WHEREAS**, Grantor and Agent have entered into that certain Amended and Restated Note Purchase Agreement dated as of September 10, 2021 (as amended, modified or supplemented from time to time, the "Note Purchase Agreement"); and

**WHEREAS**, it is a condition of Purchasers to purchase the Notes under the Note Purchase Agreement that, among other things, Grantor execute and deliver to Agent this Agreement;

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

**1. Incorporation of Note Purchase Agreement.** The Note Purchase Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. Terms used herein which are not defined herein but are defined in the Note Purchase Agreement shall have the meanings ascribed to them therein.

**2. Grant of Security Interest, Etc.** To secure the complete and timely satisfaction of all of Grantor's Obligations to Agent, Grantor hereby grants to Agent and reaffirms its grant set forth in the Security Agreement of a security interest in and to all of Grantor's right, title and interest in, to and under all of the patents and patent applications, including, without limitation, the inventions and improvements described and claimed therein, and those United States registrations and applications for registration of patents listed on Schedule A attached hereto and made a part hereof, and (a) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing patents and applications, together with the items described in clauses (a) through (d), inclusive, in which Grantor now or hereafter has any right, title or interest are sometimes hereinafter individually and/or collectively referred to as the "Patents");

**3. Restrictions on Future Agreements.** Grantor agrees and covenants that until the Obligations shall have been satisfied in full and the Note Purchase Agreement shall have been terminated, Grantor will not, without Agent's prior written consent, take any action or enter into any agreement, including, without limitation entering into any license agreement outside the ordinary course of Grantor's business, which is inconsistent with Grantor's obligations under this Agreement, and Grantor further agrees and covenants, subject to Section 8 hereof, that without

Agreement, and Grantor further agrees and covenants, subject to Section 8 hereof, that without Agent's prior written consent it will not take any action, or permit any action to be taken by others subject to its control, including its licensees, or fail to take any action which would affect the validity or enforcement or nature of the rights transferred to Agent under this Agreement. Except to the extent expressly permitted by the Note Purchase Agreement, Grantor agrees and covenants not to sell or assign its interest in, or, other than in the ordinary course of Grantor's business, grant any license under, the Patents without receiving the prior written consent of Agent thereto.

**4. Certain Covenants, Representations and Warranties of Grantor.** Grantor covenants, represents and warrants that: (i) the Patents set forth in the Schedule hereto are subsisting, have not been adjudged invalid or unenforceable in whole or in part, and are not currently being challenged, in each case, in any way that could reasonably be expected to, individually or in the aggregate, have a Material Adverse Effect; (ii) except as otherwise expressly permitted under the Note Purchase Agreement, or other Transaction Documents, none of the Patents set forth in the Schedule hereto have lapsed or expired or have been abandoned, whether due to any failure to pay any maintenance or other fees or make any filing or otherwise; (iii) each of the Patents is valid and enforceable (except to the extent the failure to be valid or enforceable could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect) and Grantor is unaware of any invalidating prior art (including public uses and sales) relative to the Patents, and is unaware of any impairments to the Patents set forth in the Schedule hereto which would have a Material Adverse Effect on the validity and/or enforceability of the Patents; (iv) to the best of Grantor's knowledge, no claim has been made that the use of any of the material Patents constitutes an infringement; (v) Grantor owns the entire right, title and interest in and to each of the Patents set forth in the Schedule hereto free and clear of any Liens and encumbrances of every kind and nature (except to the extent the failure to be valid or subsisting could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect), free and clear of any Liens and encumbrances of every kind and nature arising by, through or under Grantor, in each case except for Permitted Encumbrances and any other Liens permitted by the Note Purchase Agreement; (vi) Grantor has the unqualified right to enter into this Agreement and perform its terms; and (vii) Grantor will use proper statutory notice in connection with its use of the Patents (except as to any thereof which is no longer material to Grantor's business).

**5. New Patents.** If, before the Obligations shall have been satisfied in full and the Loan Agreement shall have been terminated, Grantor shall (i) obtain rights to any new patentable inventions, or (ii) become entitled to the benefit of any patent or patent for any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent, the provisions of Section 2 above shall automatically apply thereto and Grantor shall give to Agent written notice thereof within ten (10) days of such occurrence. Grantor hereby authorizes Agent to modify this Agreement by noting any future acquired Patents on Schedule A, as applicable; provided, however, that the failure of Agent to make any such notation shall not limit or affect the obligations of Grantor or rights of Agent hereunder.

**6. Royalties; Terms.** Grantor hereby agrees that the security interest of Agent in all Patents, as described above shall be worldwide and, without any liability for royalties or other

related charges from Agent to Grantor. The term of the security interest granted herein shall extend until the earlier of (i) the expiration of each of the respective Patents assigned hereunder, or (ii) satisfaction in full of the Obligations and termination of the Note Purchase Agreement.

**7. Termination of Grantor's Interest.** This Agreement is made for collateral purposes only. Upon satisfaction in full of the Obligations, the security interest granted hereunder shall automatically be extinguished. Agent shall, at the request of Grantor and at Grantor's expense, execute and promptly deliver to Grantor, all termination statements and other instruments as may be necessary or proper to evidence the termination of Agent's security interest granted to Agent pursuant to this Agreement. Any such termination statements and instruments shall be without recourse upon or warranty by Agent.

**8. Duties of Grantor.** Except to the extent the same is no longer material to Grantor's business or to the extent in the Grantor's reasonable business judgment such action is unnecessary or otherwise not in the best interest of such Grantor, Grantor shall have the duty (i) to prosecute diligently any application with respect to Patents, in each case pending as of the date hereof or hereafter, (ii) to make application on unpatented but patentable inventions, and (iii) to preserve, maintain and enforce against infringement all rights in patent applications and patents constituting the Patents. Any expenses incurred in connection with the foregoing (including, but not limited to, maintenance or renewal fees) shall be borne by Grantor. Except to the extent the same is no longer material to Grantor's business or except to the extent expressly permitted by the Note Purchase Agreement or Security Agreement, Grantor shall not abandon any pending patent application or patent without the written consent of Agent.

**9. Agent's Right to Sue.** From and after the occurrence and during the continuance of an Event of Default, Agent shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Patents, and any licenses thereunder, and, if Agent shall commence any such suit, Grantor shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents reasonably required by Agent in aid of such enforcement, and Grantor shall promptly, upon demand, reimburse and indemnify Agent for all reasonable costs and expenses incurred by Agent in the exercise of its rights under this Section 9.

**10. Waivers.** No course of dealing between Grantor and Agent, nor any failure to exercise, nor any delay in exercising, on the part of Agent, 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 or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

**11. Severability.** The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction.

**12. Modification.** This Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 5 hereof or by a writing signed by the parties hereto.

**13. Further Assurances.** Grantor shall execute and deliver to Agent, at any time or times hereafter at the reasonable request of Agent, all papers (including, without limitation, any as may be deemed desirable by Agent for filing or recording with any Patent and Trademark Office, and any successor thereto). Grantor shall take all such actions (including, without limitation, paying the cost of filing or recording any of the foregoing in all public offices reasonably deemed desirable by Agent), as Agent may reasonably request, to evidence Agent's interest in the Patents and enforce Agent's rights under this Agreement.

**14. Cumulative Remedies; Power of Attorney; Effect on Financing Agreements.** All of Agent's rights and remedies with respect to the Patents, whether established hereby, by any of the Transaction Documents or otherwise, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Grantor hereby constitutes and appoints Agent as Grantor's true and lawful attorney-in-fact, with full power of substitution in the premises, with power at any time after the occurrence and during the continuance of an Event of Default, subject to the terms and conditions of the Note Purchase Agreement and the other Transaction Documents, to (i) endorse Grantor's name on all applications, documents, papers and instruments determined by Agent as necessary or desirable for Agent in the use of the Patents, (ii) take any other actions with respect to the Patents as Agent deems in good faith to be in the best interest of Agent, (iii) grant or issue any exclusive or non-exclusive license under the Patents to any Person, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Patents to any Person. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until the Obligations shall have been satisfied in full. Grantor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Agent under the Note Purchase Agreement or any of the other Transaction Documents but rather is intended to facilitate the exercise of such rights and remedies. Agent shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents may be enforced. Grantor hereby releases Agent from any and all claims, causes of action and demands at any time arising out of or with respect to any actions taken or omitted to be taken by Agent under the powers of attorney granted herein except, in each case, to the extent resulting from the gross negligence, bad faith or willful misconduct of the Agent as determined by a final order of a court of competent jurisdiction.

**15. Binding Effect; Benefits.** This Agreement shall be binding upon Grantor and its respective successors and assigns and shall inure to the benefit of Agent and its successors and assigns.

**16. Governing Law.** THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH, AND ANY DISPUTE BETWEEN THE PARTIES HERETO ARISING OUT OF, CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS AGREEMENT, THE NOTE PURCHASE AGREEMENT AND THE OTHER TRANSACTION DOCUMENTS, AND WHETHER ARISING IN CONTRACT, TORT, EQUITY, OR

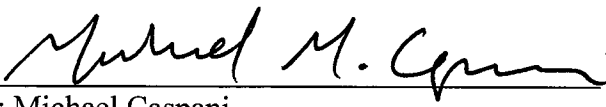
OTHERWISE, SHALL BE RESOLVED IN ACCORDANCE WITH, THE INTERNAL LAWS, AND NOT THE CONFLICTS OF LAW PROVISIONS, OF THE STATE OF DELAWARE.

**17. Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The delivery of an executed counterpart of a signature page or acceptance to this Agreement by telecopier or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Agreement.

[signature page follows]

**IN WITNESS WHEREOF**, the parties hereto have entered into this Patent Security Agreement as of the date first above written.

**PARTICLE DYNAMICS INTERNATIONAL,  
LLC**

By:   
Name: Michael Caspani  
Title: Secretary

The undersigned accepts and agrees to the foregoing Patent Security Agreement as of the date first written above.

**FARRAGUT SBIC FUND II, LP**

By: Farragut Capital Partners II, LLC,  
its General Partner

By: Farragut Capital Partners, Inc.,  
its Manager

By: \_\_\_\_\_  
Name: Philip A. McNeill  
Title: President

Signature Page to Patent Security Agreement



IN WITNESS WHEREOF, the parties hereto have entered into this Patent Security Agreement as of the date first above written.

**PARTICLE DYNAMICS INTERNATIONAL,  
LLC**

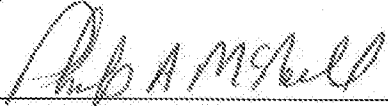
By: \_\_\_\_\_  
Name:  
Title:

The undersigned accepts and agrees to the  
foregoing Patent  
Security Agreement as of the  
date first written above.

**FARRAGUT SBIC FUND II, LP**

By: Farragut Capital Partners II, LLC,  
its General Partner

By: Farragut Capital Partners, Inc., its  
Manager

By:   
Name: Philip A. McNeill  
Title: President

Signature Page to Patent Security Agreement

**PATENT**  
**REEL: 057451 FRAME: 0369**

**SCHEDULE A**

**PATENTS**

<u>Patent Description</u>	<u>Country</u>	<u>Patent No.</u>	<u>Issue Date</u>
Iron-polysaccharide complexes and methods for the preparation thereof	US	US 10682375 B2	6/16/2020

**PATENT APPLICATIONS**

<u>Patent Application Description</u>	<u>Country</u>	<u>Serial No.</u>	<u>Publication No.</u>	<u>Publication Date</u>
Iron-polysaccharide complexes and methods for the preparation thereof	US	US 16/860,442	US 2020 0345765 A1	11/5/2020
Processes for producing lactitol granulates and granulates produced thereby	US	US 16/615,455	US 2020 0170291 A1	6/5/2020