

PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
 Stylesheet Version v1.2

EPAS ID: PAT7320434

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
ROBERT CLEAVE, AS SELLERS' REPRESENTATIVE	04/29/2022
RECEIVING PARTY DATA	
Name:	NSN HOLDINGS, INC.
Street Address:	2550 S. CLARK ST., SUITE 110
City:	ARLINGTON
State/Country:	VIRGINIA
Postal Code:	22202
PROPERTY NUMBERS Total: 3	
Property Type	Number
Application Number:	16910149
Application Number:	16910153
Application Number:	16910162
CORRESPONDENCE DATA	
Fax Number:	(720)293-9822
<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:	720-562-2280
Email:	janet@setterroche.com
Correspondent Name:	SETTER ROCHE SMITH SHELLENBERGER LLP
Address Line 1:	1860 BLAKE STREET, SUITE 500
Address Line 4:	DENVER, COLORADO 80202
ATTORNEY DOCKET NUMBER:	639.0001/0002/0003
NAME OF SUBMITTER:	DAVID J. BOVITZ
SIGNATURE:	/David J. Bovitz/
DATE SIGNED:	05/09/2022
Total Attachments: 12	
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SECURITY AGREEMENT

This SECURITY AGREEMENT, dated as of 29 April 2022 (as amended, restated, amended and restated, supplemented or otherwise modified from time to time in accordance with the provisions hereof, this “**Agreement**”), made by and among NSN Holdings, Inc., a Delaware corporation (the “**Grantor**”), in favor of Robert Cleave (the “**Secured Party**”), in his capacity as Sellers’ Representative and for the ratable benefit of the Sellers (the “**Sellers**”) as identified in the Securities Purchase Agreement defined below, and in accordance with each such Seller’s Seller Pro Rata Milestone Share.

WHEREAS, on the date hereof, pursuant to that certain Securities Purchase Agreement, dated as of the date hereof, by and among (i) the Grantor, (ii) the Sellers, and (iii) Q Networks, LLC d/b/a SEMPRE, a Delaware limited liability company, as purchaser (as amended, restated, amended and restated, supplemented or otherwise modified from time to time, the “**SPA**”), the Grantor has agreed to make certain Milestone Payments (as defined in the SPA) to the Sellers in an aggregate principal amount not exceeding [REDACTED] (the “**Milestone Payments**”) on the terms and subject to the conditions set forth therein;

WHEREAS, this Agreement is given by the Grantor in favor of the Secured Party to secure the payment and performance of all of the Secured Obligations (as defined in Section 3 of this Agreement); and

WHEREAS, it is a condition to the obligations of the Secured Party to enter into the SPA and consummate the transactions contemplated thereby that the Grantor execute and deliver this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Definitions.

(a) Unless otherwise specified herein, all references to Sections and Schedules herein are to Sections and Schedules of this Agreement.

(b) Unless otherwise defined herein, terms used herein that are defined in the UCC shall have the meanings assigned to them in the UCC. However, if a term is defined in Article 9 of the UCC differently than in another Article of the UCC, the term has the meaning specified in Article 9.

(c) For purposes of this Agreement, the following terms shall have the following meanings:

“**Financial Distress**” means the occurrence of one or more of the following:

(a) the Grantor making a general assignment for the benefit of creditors; (b) the Grantor applying for or consenting to the appointment of a receiver, a trustee, or liquidator of the Grantor or of all or a substantial part of the Grantor’s assets; (c) the Grantor is adjudicated bankrupt or insolvent; (d) the Grantor filing a voluntary petition in bankruptcy or filing a petition or answer seeking reorganization or an arrangement with creditors or seeking to take advantage of any other law (whether federal or state) relating to relief of debtors, or admits (by answer, by default, or otherwise) the material allegations of a petition filed against the Grantor in any

bankruptcy, reorganization, arrangement, insolvency, or other proceeding (whether federal or state) relating to relief or debtors; and (e) any judgment, decree, or order is entered by a court of competent jurisdiction approving a petition seeking reorganization of the Grantor; appointing a receiver, trustee, or liquidator of the Grantor or of all or a substantial part of the Grantor's assets.

“**First Priority**” means, with respect to any lien and security interest purported to be created in any Collateral pursuant to this Agreement, such lien and security interest is the most senior lien to which such Collateral is subject (subject only to liens permitted under the SPA).

“**Material Adverse Effect**” has the meaning set forth in the SPA.

“**Sellers' Representative**” has the meaning set forth in the SPA.

“**Seller Pro Rata Milestone Share**” has the meaning set forth in the SPA.

“**UCC**” means the Uniform Commercial Code as in effect from time to time in the State of Delaware or, when the laws of any other state govern the method or manner of the perfection or enforcement of any security interest in any of the Collateral, the Uniform Commercial Code as in effect from time to time in such state.

(d) All terms capitalized herein that are not otherwise defined shall have the meaning set forth in the SPA.

2. Grant of Security Interest. The Grantor hereby pledges and grants to the Secured Party, and hereby creates a continuing First Priority lien and security interest in favor of the Secured Party in and to all of its right, title and interest in the Purchased Equity Interests and to the following, wherever located, whether now existing or hereafter from time to time arising or acquired (collectively, the “**Collateral**”). The Collateral shall not include any SEMPRE Patents set forth in Schedule 1 hereto or any pending, provisional or issued patent that is owned by Q Networks, LLC or its affiliates as of the Closing. All such materials and any resulting patents, if any, shall remain the exclusive property of Q Networks LLC. Subject to this limitation, the Collateral is:

(a) the NewSpace Patents and NewSpace Unfiled Applications set forth in Schedule 1 hereto and all reissues, divisions, continuations, continuations-in-part, renewals, extensions, and reexaminations thereof and amendments thereto;

(b) such other intellectual property rights set forth in Schedule 2 hereto and all reissues, divisions, continuations, continuations-in-part, renewals, extensions, and reexaminations thereof and amendments thereto;

(c) all rights of any kind whatsoever of the Grantor accruing under any of the foregoing provided by applicable law of any jurisdiction, by international treaties and conventions, and otherwise throughout the world;

(d) any and all royalties, fees, income, payments, and other proceeds now or hereafter due or payable with respect to any and all of the foregoing; and

(e) any and all claims and causes of action with respect to any of the foregoing, whether occurring before, on, or after the date hereof, including all rights to and claims for damages, restitution, and injunctive and other legal and equitable relief for past, present, and future infringement, dilution, misappropriation, violation, misuse, breach, or default, with the right, but no obligation, to sue for such legal and equitable relief and to collect, or otherwise recover, any such damages.

3. Secured Obligations. The Purchased Equity Interests and Collateral secures the due and prompt payment of the Milestone Payments as and when due in accordance with the SPA (the “**Secured Obligations**”).

4. Representations and Warranties; Disclaimer. The Grantor represents and warrants as follows:

(a) It has previously delivered to the Secured Party a certificate signed by the Grantor and entitled “Perfection Certificate” (“**Perfection Certificate**”), and that: (i) the Grantor’s exact legal name is that indicated on the Perfection Certificate and on the signature page hereof, (ii) the Grantor is an organization of the type, and is organized in the jurisdiction, set forth in the Perfection Certificate, (iii) the Perfection Certificate accurately sets forth the Grantor’s organizational identification number (or accurately states that the Grantor has none), the Grantor’s place of business and its mailing address, (iv) all other information set forth on the Perfection Certificate relating to the Grantor is accurate and complete and (v) there has been no change in any such information since the date on which the Perfection Certificate was signed by the Grantor.

(b) All information set forth on the Perfection Certificate relating to the Purchased Equity Interests and Collateral is accurate and complete and there has been no change in any such information since the date on which the Perfection Certificate was signed by the Grantor.

(c) At the time the Purchased Equity Interests and Collateral becomes subject to the lien and security interest created by this Agreement, the Grantor will be the sole, direct, legal and beneficial owner thereof, free and clear of any lien, security interest, encumbrance, claim, option or right of others except for the security interest created by this Agreement and other liens permitted by the SPA.

(d) The pledge of the Purchased Equity Interests and Collateral pursuant to this Agreement creates a valid and perfected First Priority security interest in the Purchased Equity Interests and Collateral, securing the payment and performance when due of the Secured Obligations.

(e) Each of this Agreement and the SPA has been duly authorized, executed and delivered by the Grantor and constitutes a legal, valid and binding obligation of the Grantor enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors’ rights generally and subject to equitable principles (regardless of whether enforcement is sought in equity or at law).

(f) No authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the pledge

by the Grantor of the Purchased Equity Interests and Collateral pursuant to this Agreement or for the execution and delivery of the SPA and this Agreement by the Grantor or the performance by the Grantor of its obligations thereunder (other than such authorizations, approvals, acts or notices which, in the aggregate, would not result in a Material Adverse Effect).

(g) The execution and delivery of the SPA and this Agreement by the Grantor, and the performance by the Grantor of its obligations thereunder, will not violate any provision of any applicable law or regulation or any order, judgment, writ, award or decree of any court, arbitrator or governmental authority, domestic or foreign, applicable to the Grantor or any of its property, or the organizational or governing documents of the Grantor or any agreement or instrument to which the Grantor is party or by which it or its property is bound (other than such violations which, in the aggregate, would not result in a Material Adverse Effect).

(h) The Grantor has taken all action required on its part for control (as defined in sections 8-106, 9-104, 9-105, 9-106 and 9-107 of the UCC, section 201 of the federal Electronic Signatures in Global and National Commerce Act and, as the case may be, section 16 of the Uniform Electronic Transactions Act, as applicable) to have been obtained by the Secured Party over all Purchased Equity Interests and Collateral with respect to which such control may be obtained pursuant to the UCC. No person other than the Secured Party has control or possession of all or any part of the Collateral.

(i) Nothing herein shall be construed as a representation or admission by Grantor, Q Networks LLC, or their affiliates regarding the patentability, validity, scope, subject matter, inventorship, ownership or priority of the NewSpace Patents or the NewSpace Unfiled Applications set forth in Schedule 1 or any reissues, divisions, continuations, continuations-in-part and reexaminations thereof.

5. Covenants. The Grantor covenants as follows:

(a) The Grantor will not, without providing at least 30 days' prior written notice to the Secured Party, change its legal name, identity, type of organization, jurisdiction of organization, corporate structure, location of its chief executive office or its principal place of business or its organizational identification number. The Grantor will, prior to any change described in the preceding sentence, take all actions reasonably requested by the Secured Party to maintain the perfection and priority of the Secured Party's security interest in the Purchased Equity Interests and Collateral.

(b) The Grantor will not sell, offer to sell, dispose of, convey, assign or otherwise transfer, grant any option with respect to, restrict, or grant, create, permit or suffer to exist any mortgage, pledge, lien, security interest, option, right of first offer, encumbrance or other restriction or limitation of any nature whatsoever on, any of the Purchased Equity Interests and Collateral or any interest therein except with the prior written consent of the Secured Party.

(c) The Grantor will pay promptly when due all fees, assessments, governmental charges, and levies upon the Purchased Equity Interests and Collateral or incurred in connection with the use or operation of the Collateral or incurred in connection with this Agreement.

(d) Grantor will give prompt notice to the Secured Party of the occurrence of any development, financial or otherwise, which might materially and adversely affect the Purchased Equity Interests and Collateral, including, but not limited to, any, (a) any infringement, misappropriation, or dilution by a third party of any Collateral, or (b) any abandonment or dedication, or adverse determination or development regarding Grantor's ownership of any rights in the Collateral. Grantor shall: (a) prosecute diligently any patent or other application at any time pending, which is necessary for the protection of the Collateral; (b) preserve and maintain all rights in the Purchased Equity Interests and Collateral that are necessary for the conduct of Grantor's business; and (c) use its commercially reasonable efforts to obtain any consents, waivers, or agreements necessary to enable the Secured Party to exercise its remedies with respect to the Purchased Equity Interests and Collateral. Debtor shall not abandon any pending patent, copyright or trademark application, or patent, copyright or trademark, or any other intellectual property identified as Collateral in this Agreement, without the prior written consent of the Secured Party.

6. Intellectual Property Litigation. Unless there shall occur and be continuing any Event of Default, and the Grantor receives written notice from the Secured Party of its intent to exercise remedies hereunder, the Grantor shall have the right to commence and prosecute in its own name, as the party in interest, for its own benefit and at the sole cost and expense of the Grantor, such applications for protection of the Collateral and suits, proceedings or other actions to prevent the infringement, misappropriation, counterfeiting, unfair competition, dilution, diminution in value or other damage as are necessary to protect the Collateral.

7. Reasonable Care. The Secured Party shall have no duty with respect to the care and preservation of the Purchased Equity Interests and Collateral beyond the exercise of reasonable care. The Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of the Purchased Equity Interests and Collateral in its possession if the Purchased Equity Interests and Collateral is accorded treatment substantially equal to that which the Secured Party accords its own property, it being understood that the Secured Party shall not have any responsibility for (a) ascertaining or taking action with respect to any claims, the nature or sufficiency of any payment or performance by any party under or pursuant to any agreement relating to the Purchased Equity Interests and Collateral or other matters relative to any Purchased Equity Interests and Collateral, whether or not the Secured Party has or is deemed to have knowledge of such matters, or (b) taking any necessary steps to preserve rights against any parties with respect to any Purchased Equity Interests and Collateral. Nothing set forth in this Agreement, nor the exercise by the Secured Party of any of the rights and remedies hereunder, shall relieve the Grantor from the performance of any obligation on the Grantor's part to be performed or observed in respect of any of the Purchased Equity Interests and Collateral.

8. Remedies Upon Default.

(a) If the Grantor shall have failed to pay any of the Secured Obligations within thirty (30) days of the same becoming due or the Grantor experiences Financial Distress (each an "Event of Default"), the Secured Party, without any other notice to or demand upon the Grantor, may assert all rights and remedies of a secured party under the UCC or other applicable law, including, without limitation, the right to take

possession of, hold, collect, sell, lease, deliver, grant options to purchase or otherwise retain, liquidate or dispose of all or any portion of the Purchased Equity Interests and Collateral. To the extent permitted by applicable law, the Grantor waives all claims, damages and demands it may acquire against the Secured Party arising out of the exercise by it of any rights hereunder.

(b) If the Secured Party shall determine to exercise its rights to sell all or any of the Purchased Equity Interests and Collateral pursuant to this Section, the Grantor agrees that, upon request of the Secured Party, the Grantor will, at its own expense, do or cause to be done all such acts and things as may be necessary to make such sale of the Purchased Equity Interests and Collateral or any part thereof valid and binding and in compliance with applicable law.

(c) Upon and as a condition to any exercise of remedies by the Secured Party pursuant to this Section 8, the Secured Party shall execute an irrevocable perpetual, exclusive license to the Grantor with respect to the Purchased Equity Interests and Collateral in the form set forth in Exhibit A attached hereto.

9. No Waiver and Cumulative Remedies. The Secured Party shall not by any act (except by a written instrument pursuant to Section 10), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Event of Default. All rights and remedies herein provided are cumulative and are not exclusive of any rights or remedies provided by law.

10. Amendments. None of the terms or provisions of this Agreement may be amended, modified, supplemented, terminated or waived, and no consent to any departure by the Grantor therefrom shall be effective unless the same shall be in writing and signed by the Secured Party and the Grantor, and then such amendment, modification, supplement, waiver or consent shall be effective only in the specific instance and for the specific purpose for which made or given.

11. Addresses For Notices. All notices and other communications provided for in this Agreement shall be in writing and shall be given in the manner and become effective as set forth in the SPA, and addressed to the respective parties at their addresses as specified on the signature pages hereof or as to either party at such other address as shall be designated by such party in a written notice to each other party.

12. Continuing Security Interest; Further Actions. This Agreement shall create a continuing First Priority lien and security interest in the Purchased Equity Interests and Collateral and shall (a) subject to Section 13, remain in full force and effect until payment and performance in full of the Secured Obligations, (b) be binding upon the Grantor, its successors and assigns, and (c) inure to the benefit of the Secured Party and its successors, transferees and assigns; provided that the Grantor may not assign or otherwise transfer any of its rights or obligations under this Agreement without the prior written consent of the Secured Party.

13. Termination; Release. On the date on which all Secured Obligations have been paid and performed in full, the Secured Party will, at the request and sole expense of the Grantor execute and deliver to the Grantor a proper instrument or instruments acknowledging the satisfaction and termination of this Agreement.

14. Governing Law. This Agreement and any claim, controversy, dispute or cause of action (whether in contract or tort or otherwise) based upon, arising out of or relating to this Agreement and the transactions contemplated hereby and thereby shall be governed by, and construed in accordance with, the laws of the State of Delaware.

15. Counterparts. This Agreement and any amendments, waivers, consents or supplements hereto may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page to this Agreement by facsimile or in electronic (i.e., "pdf" or "tif") format shall be effective as delivery of a manually executed counterpart of this Agreement. This Agreement and the SPA constitute the entire contract among the parties with respect to the subject matter hereof and supersede all previous agreements and understandings, oral or written, with respect thereto.

16. No Third Party Rights. This Agreement is intended for the exclusive benefit of the Secured Party and the Grantor and their respective successors and assigns. Except as expressly noted in this Agreement, nothing contained in this Agreement shall be construed as granting any rights or benefits in or to any third party, and no person shall assert any rights as third-party beneficiary hereunder.

17. Sellers' Representative. Any and all remedies of the Secured Party shall be exercised exclusively by the Secured Party and not by any Seller individually or collectively.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

NSN Holdings, Inc., as Grantor

DocuSigned by:
By Rob Spalding
Name: Rob Spalding
Title: ceo

Address for Notices:
NSN Holdings, Inc.
2550 S. Clark St.
Suite 110
Arlington, VA 22202

Robert Cleave, as Secured Party

By _____
Robert Cleave

Sellers' Representative

Address for Notices:
1047 San Carlos Avenue
Half Moon Bay, CA 94109

[Signature Page to Security Agreement]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

NSN Holdings, Inc., as Grantor

By _____

Name:

Title:

Address for Notices:

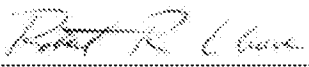
NSN Holdings, Inc.

2550 S. Clark St.

Suite 110

Arlington, VA 22202

Robert Cleave, as Secured Party

By  _____

Robert Cleave

Sellers' Representative

Address for Notices:

1047 San Carlos Avenue

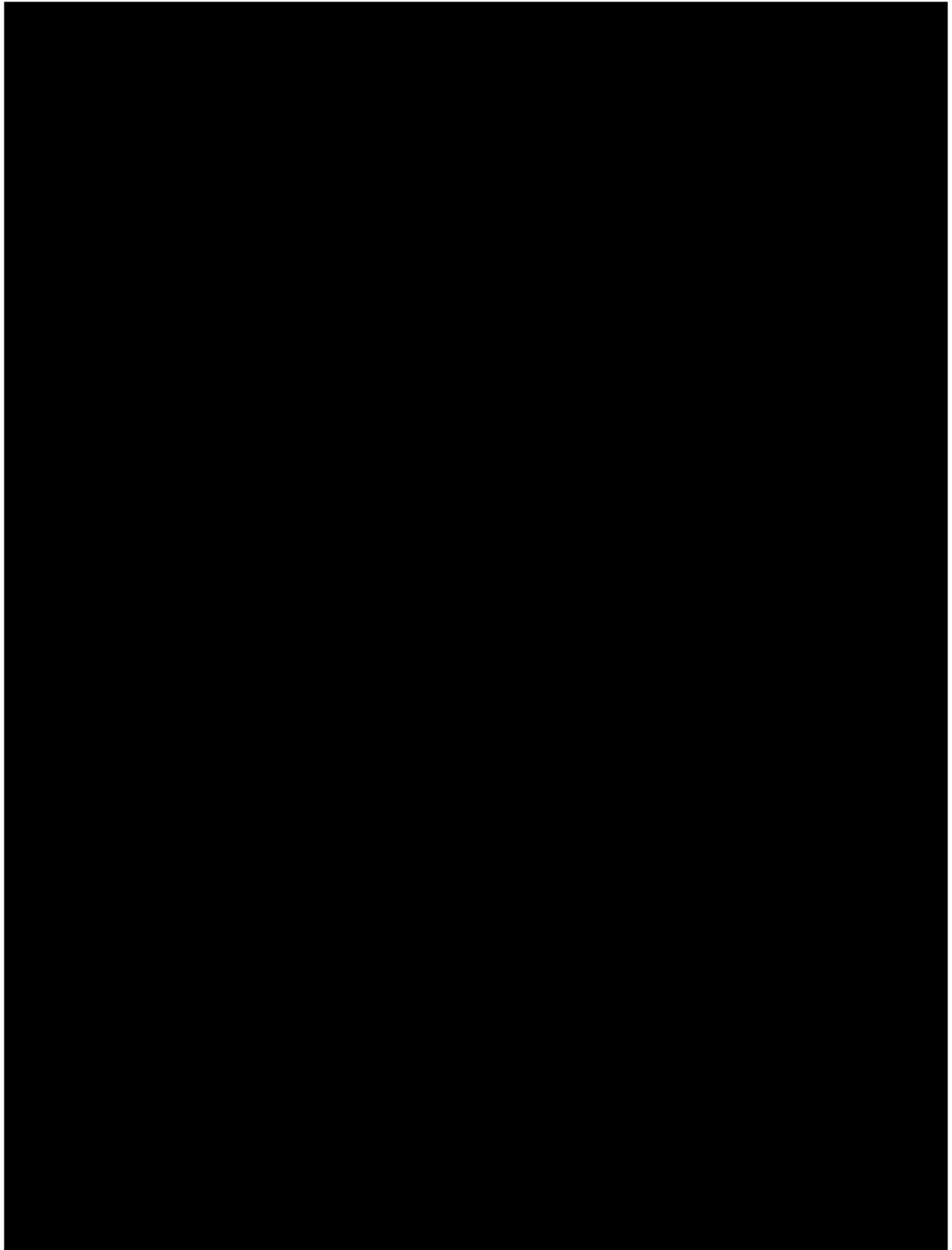
Half Moon Bay, CA 94109

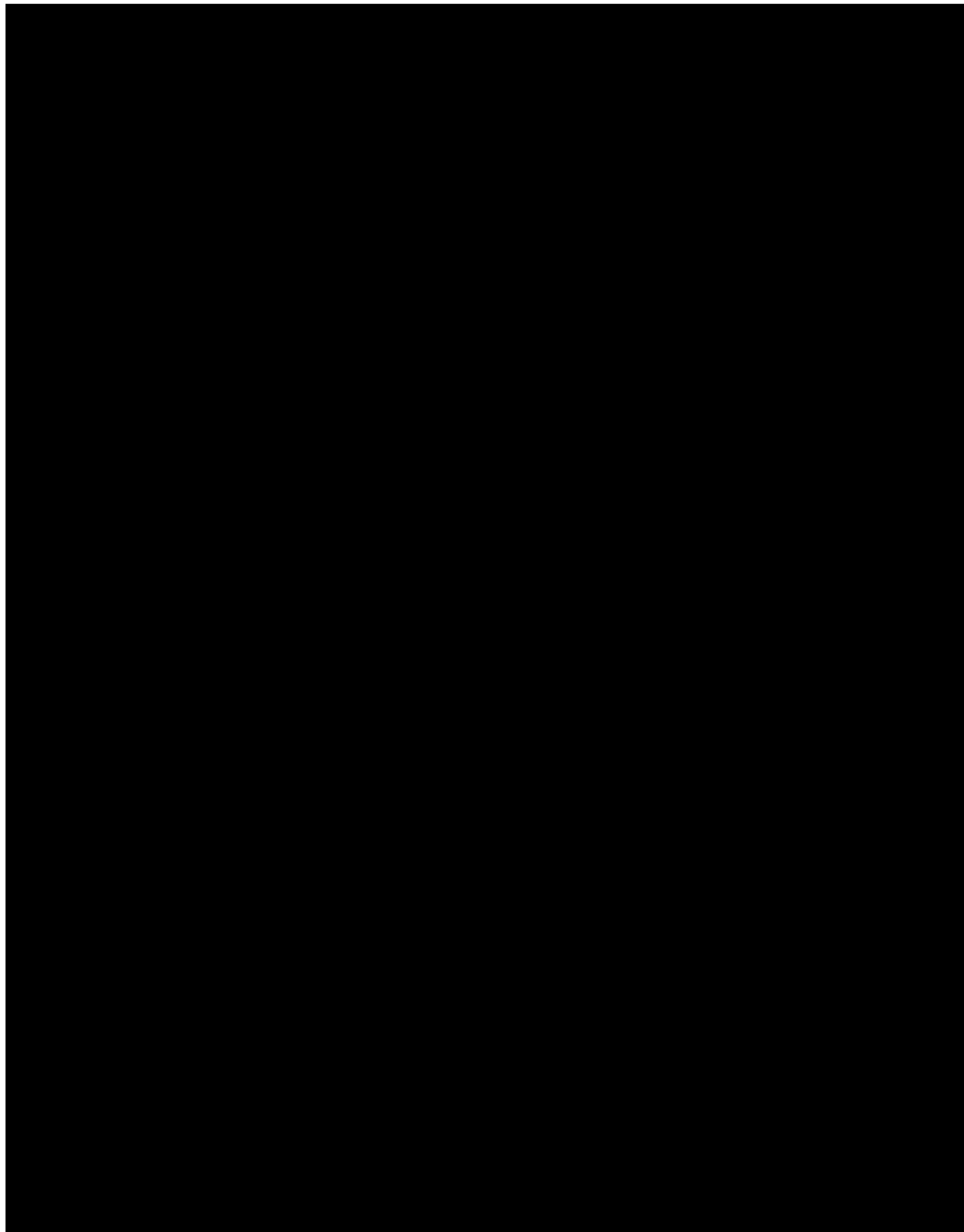
[Signature Page to Security Agreement]

PATENT
REEL: 059911 FRAME: 0322

SCHEDULE 1

Patents and Patent Applications





NewSpace Patents

Patent Number	Name	Inventors	Date Submitted
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16/910,149	"Satellite Communication Link Management For Communication Nodes"	Cleave, Robert Metzger, John Coleman, Shaun	24 June 20
16/910,153	"Satellite Edge Networks"	Metzger, John Coleman, Shaun Cleave, Robert	24 June 20
16/910,162	"Application Deployment To Satellite-Linked Communication Nodes"	Coleman, Shaun Cleave, Robert Metzger, John	24 June 20

