

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Bacterin International Holdings, Inc.		07/28/2011	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	MidCap Funding III, LLC
Street Address:	7255 Woodmont Avenue
Internal Address:	Suie 200
City:	Bethesda
State/Country:	MARYLAND
Postal Code:	20184
Entity Type:	LIMITED LIABILITY COMPANY: DELAWARE

PROPERTY NUMBERS Total: 9

Property Type	Number	Word Mark
Registration Number:	3794423	BACFAST
Registration Number:	3793867	OSTEOLOCK
Registration Number:	3758117	OSTEOSELECT
Registration Number:	3886606	HMATRIX
Registration Number:	3576966	OSTEOWRAP
Registration Number:	3576967	ELUTIA
Registration Number:	3366646	OSTEOSPONGE
Serial Number:	78890683	REGENCELL
Serial Number:	78890695	OSTEOFUSE

CORRESPONDENCE DATA

Fax Number: (302)636-5454
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: 800-927-9801 x2348

CH \$240.00 3794423

Email: jpaterso@cscinfo.com
Correspondent Name: Corporation Service Co.- J. Paterson
Address Line 1: 1090 Vermont Avenue NW, Suite 430
Address Line 4: Washington, DISTRICT OF COLUMBIA 20005

ATTORNEY DOCKET NUMBER:	870430
NAME OF SUBMITTER:	Jean Paterson
Signature:	/jep/
Date:	08/05/2011

Total Attachments: 12
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RECORDATION FORM COVER SHEET TRADEMARKS ONLY

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies):

Bacterin International Holdings, Inc.

- Individual(s)
- Association
- General Partnership
- Limited Partnership
- Corporation- State: DE
- Other _____

Citizenship (see guidelines) _____

Additional names of conveying parties attached? Yes No

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: MidCap Funding II, LLC

Internal Address: Suite 200

Street Address: 7255 Woodmont Ave

City: Bethesda

State: MD

Country: USA Zip: 20884

Association Citizenship _____

General Partnership Citizenship _____

Limited Partnership Citizenship _____

Corporation Citizenship _____

Other LLC Citizenship DE

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)

3. Nature of conveyance)/Execution Date(s) :

Execution Date(s) July 28, 2011

- Assignment
- Merger
- Security Agreement
- Change of Name
- Other _____

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

See Ex. C

B. Trademark Registration No.(s)

See Schedule 1 See Ex. C

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

5. Name & address of party to whom correspondence concerning document should be mailed:

Name: Corporation Service Company

Internal Address: Suite 210

Street Address: 1180 Avenue of the Americas

City: New York

State: ny Zip: 10036

Phone Number: 212-299-5600

Fax Number: 212-299-5656

Email Address: _____ ORDER# _____

6. Total number of applications and registrations involved:

9

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ _____

- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

Deposit Account Number _____

Authorized User Name _____

9. Signature: Lisa A. Corbett

Signature

8/4/11

Date

LISA A. CORBETT

Name of Person Signing

Total number of pages including cover sheet, attachments, and document: _____

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of July 28, 2011 by and among (a) **MIDCAP FUNDING III, LLC**, a Delaware limited liability company, individually as a Lender, and as Administrative Agent (“**Agent**”), and the financial institutions or other entities from time to time parties as lenders to the Loan Agreement (as defined below), each as a “**Lender**” and collectively as “**Lenders**”, and (b) **BACTERIN INTERNATIONAL, INC.**, a Nevada corporation (“**Grantor**”).

RECITALS

A. Lenders have agreed to make certain advances of money and to extend certain financial accommodation (the “**Loans**”) to Grantor and **BACTERIN INTERNATIONAL HOLDINGS, INC.**, in the amounts and manner set forth in that certain Loan and Security Agreement dated as of July 28, 2011, (as the same may be amended, modified or supplemented from time to time, the “**Loan Agreement**”). Capitalized terms used herein are used as defined in the Loan Agreement. Lenders are willing to make the Loans, but only upon the condition, among others, that Grantor shall grant to Agent, for the ratable benefit of the Lenders, and to each Lender, a security interest in certain Copyrights, Trademarks, Patents, and Mask Works (as each term is described below) to secure the obligations of Grantor under the Loan Agreement.

B. Pursuant to the terms of the Loan Agreement, Grantor has granted to Agent, for the ratable benefit of the Lenders, and to each Lender a security interest in all of Grantor's right, title and interest, whether presently existing or hereafter acquired, in, to and under all of the Collateral.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, as collateral security for the prompt and complete payment when due of its obligations, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its obligations under the Loan Agreement, Grantor grants and pledges to Agent, for the ratable benefit of the Lenders, and to each Lender a security interest in all of Grantor's right, title and interest in, to and under its intellectual property now owned or hereafter created, acquired or arising (all of which shall collectively be called the “**Intellectual Property Collateral**”), including, without limitation, the following:

1. Any and all copyright rights, copyright applications, copyright registrations and like protections in each work of authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret, whether now or hereafter existing, created, acquired or held, wherever located, including without limitation those set forth on Exhibit A attached hereto (collectively, the “**Copyrights**”);

2. Any and all trade secrets, and any and all intellectual property rights in computer software and computer software products, whether now or hereafter existing, created, acquired or held, wherever located;

3. Any and all design rights that may be available to Grantor, whether now or hereafter existing, created, acquired or held, wherever located;

4. All patents, patent applications and like protections including, without limitation, improvements, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same, whether now or hereafter existing, created, acquired or held, wherever located, including without limitation the patents and patent applications set forth on Exhibit B attached hereto (collectively, the “**Patents**”);

5. Any trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Grantor connected with and symbolized by such trademarks, whether now or hereafter existing, created, acquired or held, wherever located, including without limitation those set forth on Exhibit C attached hereto (collectively, the “**Trademarks**”);

6. All mask works or similar rights available for the protection of semiconductor chips, whether now or hereafter existing, created, acquired or held, wherever located, including, without limitation those set forth on Exhibit D attached hereto (collectively, the “**Mask Works**”);

7. Any and all claims for damages by way of past, present and future infringements of any of the rights included above, with the right, but not the obligation, to sue for and collect such damages for said use or infringement of the intellectual property rights identified above;

8. All licenses or other rights to use any of the Copyrights, Patents, Trademarks, or Mask Works and all license fees and royalties arising from such use to the extent permitted by such license or rights;

9. All amendments, extensions, renewals and extensions of any of the Copyrights, Trademarks, Patents, or Mask Works; and

10. All proceeds and products of the foregoing, including without limitation all payments under insurance or any indemnity or warranty payable in respect of any of the foregoing.

This security interest is granted in conjunction with the security interest granted to the Agent and the Lenders under the Loan Agreement. The rights and remedies of the Agent and the Lenders with respect to the security interest granted hereby are in addition to those set forth in the Loan Agreement and the other Loan Documents, and those which are now or hereafter available to the Agent and the Lenders as a matter of law or equity. Each right, power and remedy of the Agent and the Lenders provided for herein or in the Loan Agreement, the Loan Agreement or any of the Loan Documents, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or remedy provided for herein and the exercise by the Agent and the Lenders of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, Loan Agreement or any of the other Loan Documents, or now or hereafter existing at law or in equity, shall not preclude the simultaneous or later exercise by any person, including the Agent or any Lender, of any or all other rights, powers or remedies.

[Signature page follows.]

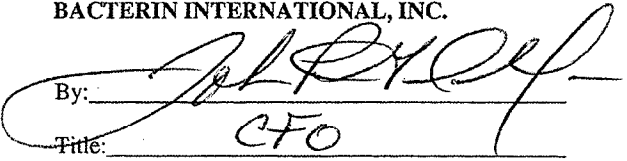
IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

GRANTOR:

Address of Grantor:

BACTERIN INTERNATIONAL, INC.

664 Cruiser Lane
Belgrade, Montana 59714
Attn: John Gandolfo

By: 
Title: CFO

AGENT:

Address of Agent:

MIDCAP FUNDING III, LLC,
as Agent and as a Lender

7255 Woodmont Avenue, Suite 200
Bethesda, Maryland 20814
Attn: _____

By: _____
Title: _____

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

GRANTOR:

Address of Grantor:

BACTERIN INTERNATIONAL, INC.

664 Cruiser Lane
Belgrade, Montana 59714
Attn: _____

By: _____


Title: _____

AGENT:

Address of Agent:

MIDCAP FUNDING III, LLC,
as Agent and as a Lender

7255 Woodmont Avenue, Suite 200
Bethesda, Maryland 20814
Attn: Josh Groman

By:  _____
Josh Groman

Title: Managing Director

EXHIBIT A

Copyrights

None.

EXHIBIT B

Patents

Title	Publication No.	Filing Date	Country	Status	Patent No.	Issue Date	Expiration Date	Assignee	Material?
Surgical Kit and Method for Bone Repair	Forthcoming	7/19/2011	US	Pending				Bacterin International, Inc.	No
Elastomeric Article Incorporated With a Broad Spectrum Antimicrobial	MX/a/2011/002593	9/11/2009	Mexico	Pending				Bacterin International, Inc.	No
Elastomeric Article Incorporated With a Broad Spectrum Antimicrobial	KR 10-2011-7008319	9/11/2009	Korea	Pending				Bacterin International, Inc.	No
Antimicrobial coating for inhibition of bacterial adhesion and biofilm formation	US20080063693	7/15/2004	US	Pending				Bacterin International, Inc.	Yes
Antimicrobial coating for inhibition of bacterial adhesion and biofilm formation	EP1742530	4/28/2005	IEP	Pending				Bacterin International, Inc.	No
Antimicrobial coating for inhibition of bacterial adhesion and biofilm formation	CA2564437	4/28/2005	Canada	Pending				Bacterin International, Inc.	No
Antimicrobial coating for inhibition of bacterial adhesion and biofilm formation	AU2005240104	4/28/2005	Australia	Issued/Sealed	AU2005240104	1/8/2011	Twenty years from April 28, 2005	Bacterin International, Inc.	Yes
Antimicrobial coating for inhibition of bacterial adhesion and biofilm formation	JP 2007535573	4/28/2005	Japan	Pending				Bacterin International, Inc.	No
Elastomeric Article Having a Broad Spectrum Antimicrobial Agent and Method of Making	EP2344215	9/11/2009	IEP	Pending				Bacterin International, Inc.	No
Elastomeric Article Having a Broad Spectrum Antimicrobial Agent and Method of Making	CA2736748	9/11/2009	Canada	Pending				Bacterin International, Inc.	No
Elastomeric article having a broad spectrum antimicrobial agent and method of making	AU2009292197	6/2/2008	Australia	Pending				Bacterin International, Inc.	No
Elastomeric Article Having a Broad Spectrum Antimicrobial Agent and Method of Making	Forthcoming	9/11/2009	Brazil	Pending				Bacterin International, Inc.	No
Elastomeric Article Having a Broad Spectrum Antimicrobial Agent and Method of Making	CN200980144808.4	9/11/2009	China	Pending				Bacterin International, Inc.	No
Elastomeric Article Having a Broad Spectrum Antimicrobial Agent and Method of Making	W00201101278	9/11/2009	Indonesia	Pending				Bacterin International, Inc.	No
Elastomeric Article Having a Broad Spectrum Antimicrobial Agent and Method of Making	211638	9/11/2009	Israel	Pending				Bacterin International, Inc.	No
Elastomeric Article Having a Broad Spectrum Antimicrobial Agent and Method of Making	2654/DEL/NP/2011	9/11/2009	India	Pending				Bacterin International, Inc.	No
Elastomeric Article Having a Broad Spectrum Antimicrobial Agent and Method of Making	Forthcoming	9/11/2009	Japan	Pending				Bacterin International, Inc.	No
Elastomeric Article Having a Broad Spectrum Antimicrobial Agent and Method of Making	US 2011017132	3/8/2011	US	Pending				Bacterin International, Inc.	No
Antimicrobial Agent and Method of Making	US 2011017132	3/8/2011	US	Pending				Bacterin International, Inc.	No
Process for Demineralization of Bone Matrix with Preservation of Natural Growth Factors	EP2166988	6/2/2008	IEP	Pending				Bacterin International, Inc.	Yes
Process for Demineralization of Bone Matrix with Preservation of Natural Growth Factors	CA2695492	6/2/2008	Canada	Pending				Bacterin International, Inc.	No
Process for Demineralization of Bone Matrix with Preservation of Natural Growth Factors	US20080305145	5/30/2008	US	Pending				Bacterin International, Inc.	Yes
Process for Demineralization of Bone Matrix with Preservation of Natural Growth Factors	KR 10-2009-7027606	6/2/2008	Korea	Pending				Bacterin International, Inc.	No
Process for Demineralization of Bone Matrix with Preservation of Natural Growth Factors	MX/a/2010/000156	9/11/2009	Mexico	Pending				Bacterin International, Inc.	No

EXHIBIT C

Trademarks

International Trademark/ Service Mark Owner Search - *BACTERIN*

21-Jul-2011

Country	Trademark	Image	Status	Application Number	Application Date	Registration Number	Registration Date	Goods and Services	Owner
U.S.	BACFAST	BacFast	REGISTERED	77675965	23-FEB-2009	3794423	25-MAY-2010	(INT. CL. 5) HUMAN ALLOGRAFT TISSUE; MILLED CORTICAL BIOLOGIC PLUG IN THE NATURE OF BIOLOGIC HYPER-DEMINERALIZED CORTICAL BONE TISSUE INTENDED FOR SUBSEQUENT IMPLANTATION (INT. CL. 10) MEDICAL AND SURGICAL APPARATUS AND INSTRUMENTS, NAMELY, ORTHOPEDIC FIXATION DEVICE USED IN ORTHOPEDIC TRANSPLANT AND/OR IMPLANT SURGERY	BACTERIN INTERNATIONAL, INC. NEVADA CORPORATION 600 CRUISER LANE BELGRADE, MONTANA 59714
U.S.	OSTELOCK	OsteoLock	REGISTERED	77518307	09-JUL-2008	3793867	25-MAY-2010	(INT. CL. 5) MILLED HUMAN ALLOGRAFT TISSUE FOR SPINAL SURGERY, NAMELY, FACET FUSION BONE DOWEL	BACTERIN INTERNATIONAL, INC NEVADA CORPORATION 600 CRUISER LANE BELGRADE, MONTANA 59714
U.S.	OSTEOSELECT	OsteoSelect	REGISTERED	77328137	13-NOV-2007	3758117	09-MAR-2010	(INT. CL. 5) HUMAN ALLOGRAFT BONE AND TISSUE; HUMAN ALLOGRAFT TISSUE; BIOLOGICAL DEMINERALIZED BONE MATRIX TISSUE INTENDED FOR SUBSEQUENT IMPLANTATION; BONE FILLERS CONSISTING OF LIVING MATERIALS (INT. CL. 10) PROSTHETIC AND FILLING MATERIALS, NAMELY, PUTTY FOR USE IN THE REPLACEMENT OF BONES; BONE REPAIR COMPOUND FOR USE IN ORTHOPEDIC SURGERY	BACTERIN INTERNATIONAL, INC. NEVADA CORPORATION 600 CRUISER LANE BELGRADE, MONTANA 59714
U.S.	HMATRIX	hMatrix	REGISTERED	77228718	12-JUL-2007	3886606	07-DEC-2010	(INT. CL. 5) BIOLOGICAL HUMAN ACELLULAR DERMAL MATRIX TISSUE INTENDED FOR SUBSEQUENT IMPLANTATION; HUMAN ALLOGRAFT TISSUE; BIOLOGICAL IMPLANTS, NAMELY, AVITAL PROCESSED HUMAN OR ANIMAL CONNECTIVE TISSUE	BACTERIN INTERNATIONAL, INC NEVADA CORPORATION 600 CRUISER LANE BELGRADE, MONTANA 59714
U.S.	OSTEOWRAP	OsteoWrap	REGISTERED	77165553	25-APR-2007	3576966	17-FEB-2009	(INT. CL. 5) BIOLOGICAL DEMINERALIZED CORTICAL BONE TISSUE INTENDED FOR SUBSEQUENT IMPLANTATION; HUMAN ALLOGRAFT TISSUE	BACTERIN INTERNATIONAL, INC NEVADA CORPORATION 600 CRUISER LANE BELGRADE, MONTANA 59714
U.S.	ELUTIA	Elutia	REGISTERED	77165588	25-APR-2007	3576967	17-FEB-2009	(INT. CL. 10) WOUND DRAINAGE APPARATUS; DRAINAGE APPLIANCES FOR SURGICAL PROCEDURES; WOUND SUCTION APPARATUS	BACTERIN INTERNATIONAL, INC. NEVADA CORPORATION 600 CRUISER LANE BELGRADE, MONTANA 59714

International Trademark/ Service Mark Owner Search - *BACTERIN*
21-JUL-2011


Country	Trademark	Image	Status	Application Number	Application Date	Registration Number	Registration Date	Goods and Services	Owner
U.S.	REGENCELL	R&CellCELL	ABANDONED Intent to Use	78890683	23-MAY-2006			(INT. CL. 1) BIOLOGICAL TISSUE, NAMELY, SHED STEM CELLS (STEM CELLS FROM HUMAN EXFOLIATED DECIDUOUS TEETH), DENTAL PULP AND HUMAN MAXILFACIAL BONE ELEMENTS FOR SCIENTIFIC USE AND RESEARCH IN CELLULAR HEALING THERAPIES (INT. CL. 5) CELLS FOR MEDICAL OR CLINICAL USE	BACTERIN INTERNATIONAL, INC. NEVADA CORPORATION 600 CRUISER LANE BELGRADE, MONTANA 59714
U.S.	OSTEOPUSE	OsteoFuse	ABANDONED Intent to Use	78890695	23-MAY-2006			(INT. CL. 5) BONE FILLERS CONSISTING OF LIVING MATERIALS (INT. CL. 10) ARTIFICIAL BONE PARTS TO BE IMPLANTED IN NATURAL BONES	BACTERIN INTERNATIONAL, INC. NEVADA CORPORATION 600 CRUISER LANE BELGRADE, MONTANA 59714
U.S.	OSTEOSPONGE		REGISTERED Section 2(f)	78564754	10-FEB-2005	3366646	08-JAN-2008	(INT. CL. 5) HUMAN ALLOGRAFT TISSUE, DEMINERALIZED BONE MATRIX, CANCELLOUS BONE	BACTERIN INTERNATIONAL, INC. NEVADA CORPORATION 600 CRUISER LANE BELGRADE, MONTANA 59714

EXHIBIT D

Mask Works

None.