

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Loan and Security Agreement		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Encapsule Medical, LLC		12/26/2012	LIMITED LIABILITY COMPANY: DELAWARE
RECEIVING PARTY DATA			
Name:	Darren Bechtel		
Street Address:	P.O. Box 194244		
City:	San Francisco		
State/Country:	CALIFORNIA		
Postal Code:	94119		
Entity Type:	INDIVIDUAL: UNITED STATES		
PROPERTY NUMBERS Total: 3			
Property Type	Number	Word Mark	
Serial Number:	85811955	SOLARA	
Registration Number:	3415292	PHANTOM	
Registration Number:	3415291	FLASH	
CORRESPONDENCE DATA			
Fax Number:	4159544480		
	<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>		
Phone:	415/954-4400		
Email:	dmarangio@fbm.com		
Correspondent Name:	David E. Stoll, Farella Braun + Martel		
Address Line 1:	235 Montgomery Street, 17th Floor		
Address Line 4:	San Francisco, CALIFORNIA 94104		
ATTORNEY DOCKET NUMBER:	23822 TRADEMARKS		
NAME OF SUBMITTER:	David E. Stoll		

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Signature:	/david e. stoll/
Date:	01/31/2013
Total Attachments: 4 source=2013 01 29 Encapsule Security Agreement#page1.tif source=2013 01 29 Encapsule Security Agreement#page2.tif source=2013 01 29 Encapsule Security Agreement#page3.tif source=2013 01 29 Encapsule Security Agreement#page4.tif	

SECURITY AGREEMENT

This **SECURITY AGREEMENT** (this “**Agreement**”) is entered into as of December 26, 2012, between Darren Bechtel, an individual (“**Lender**”), and Encapsule Medical, LLC, a Delaware limited liability company (“**Borrower**”).

RECITALS

A. On the date hereof, Lender and Borrower entered into a Loan and Security Agreement (the “**Loan Agreement**”), pursuant to which Lender agreed to extend credit to Borrower under the terms thereof.

B. The parties desire to enter into this Agreement to secure the obligations of Borrower to Lender under the Note and as hereinafter described.

C. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Loan Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, and intending to be legally bound, the parties hereto agree as follows:

I CREATION OF SECURITY INTEREST

1.1 Grant of Security Interest. Borrower grants Lender a continuing security interest in all presently existing and later acquired Collateral to secure all Obligations and performance of each of Borrower’s duties under the Loan Documents. Except for Permitted Liens, all such security interest shall be first priority security interests in the Collateral. Lender may place a “hold” on any deposit account pledged as Collateral and Borrower shall enter into a deposit control agreement reflecting Lender’s security interest in any of Borrower’s deposit accounts. If this Agreement is terminated, Lender’s lien and security interest in the Collateral will continue until Borrower fully and indefeasibly satisfies its Obligations.

1.2 Continuing Security Interest; Termination. This Agreement shall create a continuing security interest in the Collateral and shall (a) remain in full force and effect until the indefeasible payment in full of the Obligations, (b) be binding upon Borrower, its successors and assigns, and (c) inure, together with the rights and remedies of Lender hereunder, to the benefit of Lender and his successors, transferees and assigns. Upon the indefeasible payment in full of all Obligations, the security interest granted hereby shall terminate and all rights to the Collateral shall revert to Borrower. Upon any such termination, Lender will, at Borrower’s expense, execute and deliver to Borrower such documents as Borrower shall reasonably request to evidence such termination.

1.3 Perfection of Security Interest. Borrower agrees that from time to time, at the expense of Borrower, Borrower will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that Lender may reasonably request, in order to perfect and protect any security interest granted or purported to be granted hereby or to enable Lender to exercise and enforce his rights and remedies hereunder with respect to the Collateral. Without limiting the generality of the foregoing, Borrower hereby authorizes Lender to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral without the signature of Borrower.

2 DEFINITION OF COLLATERAL

As used herein, "Collateral" means all of Borrower's right, title and interest in and to the following:

All goods and equipment now owned or hereafter acquired, including, without limitation, all machinery, fixtures, vehicles (including motor vehicles and trailers), and any interest in any of the foregoing, and all attachments, accessories, accessions, replacements, substitutions, additions, and improvements to any of the foregoing, wherever located;

All inventory, now owned or hereafter acquired, including, without limitation, all merchandise, raw materials, parts, supplies, packing and shipping materials, work in process and finished products including such inventory as is temporarily out of Borrower's custody or possession or in transit and including any returns upon any accounts or other proceeds, including insurance proceeds, resulting from the sale or disposition of any of the foregoing and any documents of title representing any of the above;

All contract rights and general intangibles now owned or hereafter acquired, including, without limitation, goodwill, trademarks, servicemarks, trade styles, trade names, patents, patent applications, leases, license agreements, franchise agreements, blueprints, drawings, purchase orders, customer lists, route lists, infringements, claims, computer programs, computer discs, computer tapes, literature, reports, catalogs, design rights, income tax refunds, payments of insurance and rights to payment of any kind;

All now existing and hereafter arising accounts, contract rights, royalties, license rights and all other forms of obligations owing to Borrower arising out of the sale or lease of goods, the licensing of technology or the rendering of services by Borrower, whether or not earned by performance, and any and all credit insurance, guaranties, and other security therefor, as well as all merchandise returned to or reclaimed by Borrower;

All documents, cash, deposit accounts, securities, securities entitlements, securities accounts, investment property, financial assets, letters of credit, certificates of deposit, instruments and chattel paper now owned or hereafter acquired and Borrower's Books relating to the foregoing;

All copyright rights, copyright applications, copyright registrations and like protections in each work of authorship and derivative work thereof, whether published or unpublished, now owned or hereafter acquired; all trade secret rights, including all rights to unpatented inventions, know-how, operating manuals, license rights and agreements and confidential information, now owned or hereafter acquired; all mask work or similar rights available for the protection of semiconductor chips, now owned or hereafter acquired; all claims for damages by way of any past, present and future infringement of any of the foregoing;

All proceeds, profits, products, rents or offspring of any of the foregoing; and

All Borrower's Books relating to the foregoing and any and all claims, rights and interests in any of the above and all substitutions for, additions and accessions to and proceeds thereof.

Pursuant to the Loan Agreement, Borrower, in connection with Lender's loan or loans to Borrower, has agreed, among other things, not to sell, transfer, assign, mortgage, pledge, lease grant a security interest in, or encumber any of its property, without Lender's prior written consent.

3 LOAN AGREEMENT

The parties acknowledge that the Loan Agreement contains additional provisions relating to the Obligations, the Collateral and Lender's rights and remedies in connection therewith. This Agreement is not intended to modify or supercede those provisions in any way. In the event of any conflict between this Agreement and the Loan Agreement, the terms of the Loan Agreement shall prevail in all cases.

4 CHOICE OF LAW, VENUE AND JURY TRIAL WAIVER

California law governs this Agreement and the other Loan Documents without regard to principles of conflicts of law. Borrower and Lender each submit to the exclusive jurisdiction of the State and Federal courts in the City and County of San Francisco, California.

BORROWER AND LENDER EACH WAIVE THEIR RIGHT TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION ARISING OUT OF ANY OF THE LOAN DOCUMENTS OR ANY CONTEMPLATED TRANSACTION, INCLUDING CONTRACT, TORT, BREACH OF DUTY AND ALL OTHER CLAIMS. THIS WAIVER IS A MATERIAL INDUCEMENT FOR BOTH PARTIES TO ENTER INTO THIS AGREEMENT. EACH PARTY HAS REVIEWED THIS WAIVER WITH ITS COUNSEL.

5 COUNTERPARTS

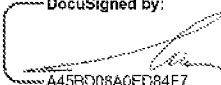
This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, are an original, and all taken together, constitute one Agreement.

[Signature page follows]

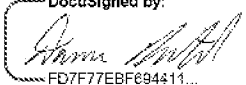
IN WITNESS WHEREOF, the parties hereto have executed this Security Agreement as of the date first written above.

BORROWER:

ENCAPSULE MEDICAL, LLC

DocuSigned by:

By: A45BD08A0ED84F7...
Name: Phil Mauritz
Title: Chief Operating Officer

LENDER:

DocuSigned by:

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Darren Bechtel