

RECORDED 06-12-1998

COVER SHEET U.S. DEPARTMENT OF COMMERCE Patent and Trademark Office



100737650

To the Honorable Commissioner

attached original documents or copy thereof.

1. Name of conveying party(ies): Obagi Medical Products, Inc. [] Individual(s) [] General Partnership [x] Corporation-State [] Other Additional names of conveying party(ies) attached? [] Yes [X] No

2. Name and address of receiving party(ies): Name: Imperial Bank Internal Address: Street Address: 695 Town Center Drive, Ste. 100 City: Costa Mesa State: CA ZIP: 92626-1924

3. Nature of conveyance: [] Assignment [] Merger [x] Security Agreement [] Change of Name [] Other Execution Date: As of May 19, 1998

[] Individual(s) citizenship [] Association [] General Partnership [] Limited Partnership [] Corporation-State [X] Other California chartered bank 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) Additional name(s) & address(es) attached? [] Yes [X] No

4. Application number(s) or registration number(s): A. Trademark Application No.(s) 74/442,512 74/442,192 74/691,164 74/691,165

B. Trademark Registration No.(s) 2,114,897 1,958,029 1,820,967 1,817,659 1,820,927 1,803,964 1,816,546 Additional numbers attached? [] Yes [X] No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Tony Adler, Esq. Internal Address: Mitchell, Silberberg & Knupp Street Address: 11377 West Olympic Boulevard City: Los Angeles State: California ZIP: 90064

6. Total number of applications and registrations involved: 11 7. Total fee (37 CFR 3.41).....\$ 290.00 [] Enclosed [] Any discrepancy or overpayment is authorized to be charged to deposit account 8. Deposit account number: 20-0052 (Attach duplicate copy of this page if paying by deposit account)

FC:481 40.00 CH FC:482 250.00 CH

DO NOT USE THIS SPACE

9. Statement and signature. To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Diane Mix Name of Person Signing Signature Date May 29, 1998 Total number of pages including cover sheet, attachments, and document: [6]

**MORTGAGE, ASSIGNMENT AND GRANT OF SECURITY INTEREST
WITH RESPECT TO TRADEMARKS**

KNOW ALL MEN BY THESE PRESENTS, that for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the undersigned, OBAGI MEDICAL PRODUCTS, INC., a California corporation (and formerly known as OMP Acquisition Corporation) (the "Debtor" or "Borrower"), having an office located at 310 Golden Shore, Second Floor, Long Beach, California 90802, does hereby irrevocably mortgage, pledge, assign and grant a continuing security interest to IMPERIAL BANK, a California chartered bank (the "Secured Party" or "Bank") having an office located at 695 Town Center Drive, Suite 100, Costa Mesa, California 92626-1924, and to the Secured Party's successors and assigns, in all right, title and interest of the Debtor, now owned or hereafter acquired throughout the universe, in and to all of the trade names, trademarks and/or service marks listed on Schedule A attached hereto, all applications pending with respect thereto, and all renewals and extensions thereof, and the goodwill associated with such marks and names (collectively, the "Trademarks"), as security for the payment and performance (whether presently existing or hereafter arising) of any and all indebtedness and obligations of the Debtor to the Bank (collectively, the "Obligations") pursuant to the terms of (i) that certain Credit Agreement dated December 1, 1997, by and between the Debtor and the Secured Party, (ii) that certain General Security Agreement dated December 1, 1997, by and between Debtor and Secured Party, (iii) all promissory notes of Debtor in favor of Secured Party (including, without limitation, that certain Promissory Note dated December 1, 1997, in the original principal amount of \$3,000,000.00 made by the Debtor in favor of the Secured Party, and that certain Promissory Note dated December 1, 1997, in the original principal amount of \$1,000,000.00 made by the Debtor in favor of the Secured Party), and (iv) all other agreements and documents between Debtor and Secured Party now existing or hereafter entered into, as any of the foregoing may be amended, modified, and/or restated from time to time (collectively, the "Loan Documents"). The repayment of the Obligations are also secured by all other personal property of the Debtor.

This Mortgage, Assignment and Grant of Security Interest With Respect to Trademarks is subject to all of the applicable terms and conditions in the Loan Documents. Upon the occurrence of a default or breach by Debtor under any of the Loan Documents, the Bank may exercise any and all rights and remedies of the Bank under the Loan Documents, and the laws of State of California and of the United States of America and any other relevant jurisdictions.

The Debtor does hereby irrevocably appoint the Bank as the Debtor's attorney in fact to do all acts and things permitted or contemplated by the terms hereof and/or any of the Loan Documents. This power of attorney is coupled with an interest and is irrevocable.

The Debtor agrees that if any person, corporation, partnership, trust, limited liability company or other entity shall do or perform any acts which the Bank believes infringes any right of the Debtor or any right of the Bank in the Trademarks to the extent herein provided, then the Bank may and shall have the right to take such steps and

institute such suits or proceedings as the Bank may deem advisable or necessary to prevent such acts and conduct and to secure damages and other relief by reason thereof and to generally take such steps as may be advisable or necessary or proper for the full protection of the rights of the parties, but the Bank shall not be obligated to do any of the foregoing. The Bank may take such steps or institute such suits or proceedings in its own name or in the name of the Debtor or in the names of the parties jointly.

This Mortgage, Assignment and Grant of Security Interest With Respect to Trademarks shall in all respects be subject to, construed in accordance with and governed by, the laws of the State of California without giving effect to that State's choice of law rules.

IN WITNESS WHEREOF, the undersigned has executed this instrument as of the 19th day of May, 1998.

OBAGI MEDICAL PRODUCTS, INC.,
a California corporation (formerly
known as OMP Acquisition Corporation)

By: I. Glan

Its: VP

DEBTOR: OBAGI MEDICAL PRODUCTS, INC., A CALIFORNIA CORPORATION
(FORMERLY KNOWN AS OMP ACQUISITION CORPORATION)

SECURED PARTY: IMPERIAL BANK, a CALIFORNIA CHARTERED BANK

SCHEDULE A

<u>Name of Trademark/Service Mark</u>	<u>Registration/Serial Number</u>
1. Obagi (stylized)	2,114,897
2. Obagi	74/442,512
3. Obagi Nu-Derm	74/442,192
4. Obagi Blue Peel	74/691,164
5. Obagi Skin Health Systems	74/691,165
6. Exfoderm	1,958,029
7. Program I Basic	1,820,967
8. Program II Sunfader	1,817,659
9. Program III Basic	1,820,927
10. Program I Monitoring Lotion	1,803,964
11. Complex 272	1,816,546

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

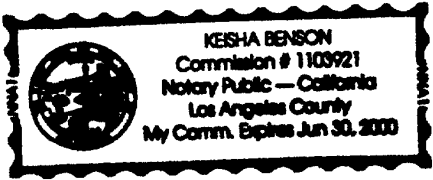
State of California

County of Los Angeles

On May 27, 1998 before me, Keshia R. Benson, Notary Public

personally appeared Ian G. Walker

personally known to me - OR - proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.
[Signature]
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Mortgage Assignment and Grant of Security Interest

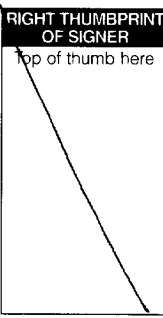
Document Date: 5/19/98 Number of Pages: 5

Signer(s) Other Than Named Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: Ian G. Walker

- Individual
- Corporate Officer
Title(s): Vice President
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing:
Obagi Medical Products, Inc.

Signer's Name: _____

- Individual
- Corporate Officer
Title(s): _____
- Partner — Limited General
- Attorney-in-Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing:

TRADEMARK