

02-22-2002

FORM PTO 1594
(Rev. 6-93)

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office



101990972

OMB No. 0651-0011 (exp. 4/94)

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
Bioglan Pharma Inc. **2-6-02**

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-Delaware
 Other _____

Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)
Name: National Westminster Bank plc
Internal Address: ATTN: Agency Group Manager, 5th Flr
Street Address: Juno Court, 24 Prescott Street
City: London Country: England Postal Code: E18BB

Individual(s) _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation-State _____
 Other Bank formed under the laws of England and Wales

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 No

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: December 20, 2001

4. Application number(s) or patent number(s):

A. Trademark Application No.(s)
78/054,140

B. Trademark Registration No.(s)
See Attachment 1

Additional numbers attached? Yes No

FEB - 6 2002

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

Name: Devan V. Padmanabhan
Internal Address: Dorsey & Whitney LLP
Street Address: Suite 1500, 50 South Sixth Street
City: Minneapolis State: MN ZIP: 55402-1498

6. Total Number of applications and registrations involved: 13

7. Total fee (37 CFR 3.41): \$.340.00
 Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:
04-1420
(Attach duplicate copy of this page if paying by deposit account)

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.

Devan V. Padmanabhan Devan V. Padmanabhan Feb 6, 2002
Name of person Signing Signature Reg. No. 38,262 Date

Total number of pages comprising cover sheet: 2

OMB No. 0651-0011 (exp. 4/94)

Do not detach this portion

Mail documents to be recorded with required cover sheet information to:

02/22/2002 6TOM11 00000023 78054140
 01 FC:481 40.00 OP
 02 FC:482 300.00 OP

Director - U.S. Patent and Trademark Office
 Attention: BOX ASSIGNMENT
 Washington, D.C. 20231

Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document

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TRADEMARK
REEL: 002447 FRAME: 0362

ATTACHMENT 1 TO RECORDAL COVER SHEET

<u>Mark</u>	<u>Registration/Application No.</u>	<u>Registration Filing Date</u>
ZOSTRIX	1,423,561	01-06-87
ACTIVATED CONDITIONING SYSTEM (Supp., Reg.)	1,732,211	11-10-92
ACTIVATED DELIVERY SYSTEM (Supp. Reg.)	1,744,076	12-29-92
TERAPLEX CLEARLOTION	1,797-498	10-12-93
ACTIVATED HYDROSILICONE	1,853,452	09-13-94
ZOSTRIX	1,978,408	06-04-96
ZOSTRIX (Stylized)	1,989,291	07-23-96
ZOSTRIX HP TRIPLE STRENGTH & Design	1,992,073	08-06-96
EXOREX	2,049,968	04-01-'97
ACTIVATED DELIVERY SYSTEM	2,305,353	01-04-00
ACTIVATED CONDITIONING SYSTEM	2,315,415	02-08-00
TXSYSTEMS	2,442,940	04-10-01

Mark: ZOSTRIX, et al.

SEE ATTACHED EXHIBIT A FOR
ADDITIONAL MARKS AND
CORRESPONDING REGISTRATION/
APPLICATION DATA

DESIGNATION OF DOMESTIC REPRESENTATIVE

In accordance with 15 U. S. C. Section 1051(e), 37 CFR 2.24 and TMEP 604, National Westminster Bank plc. hereby appoints the following parties as a domestic representative, upon whom notice or process in proceedings affecting the mark may be served:

Elizabeth C. Buckingham, David N. Fronek, Stuart R. Hemphill, , Devan V. Padmanabhan, A. Minnie Alexander, Travis L. Bachman, Gregory M. Krakau, and Jamie N. Nafziger, all of the firm of:

Dorsey & Whitney LLP
50 South Sixth Street
Suite 1500
Minneapolis, MN 55402-1498
Telephone: 612/340-2600

Date: 22.1.02.

NATIONAL WESTMINSTER BANK PLC

By:  _____

Title: MANAGER

EXHIBIT A TO
DESIGNATION OF DOMESTIC REPRESENTATIVE

UNITED STATES TRADEMARK REGISTRATIONS & APPLICATIONS

MARK	REGISTRATION NO.	REGISTRATION DATE
ZOSTRIX	1,423,561	01-06-87
ACTIVATED CONDITIONING SYSTEM (Supp., Reg.)	1,732,211	11-10-92
ACTIVATED DELIVERY SYSTEM (Supp. Reg.)	1,744,076	12-29-92
TERAPLEX CLEARLOTION	1,797-498	10-12-93
ACTIVATED HYDROSILICONE	1,853,452	09-13-94
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ACTIVATED CONDITIONING SYSTEM	2,315,415	02-08-00
TXSYSTEMS	2,442,940	04-10-01

MARK	APPLICATION NO.	FILING DATE
ADOXA (Pending Application)	78/054140	03-20-01

COLLATERAL ASSIGNMENT OF TRADEMARKS

THIS COLLATERAL ASSIGNMENT OF TRADEMARKS (the "Assignment"), dated as of December 20, 2001 is by and between Bioglan Pharma Inc., a Delaware corporation (the "Assignor") and National Westminster Bank plc, as security trustee and as agent for the Secured Parties, defined below (the "Assignee").

WITNESSETH

A. By a credit agreement dated as of November 22, 2000 made between Bioglan Pharma plc, a corporation organized under the laws of England and Wales (the "Debtor"), the Assignee and the Banks, the Arranger, the Facility Agent and the Overdraft Banks (as each such term is defined therein) (the Assignee, the Banks, the Facility Agent and the Overdraft Banks being referred to collectively in this Assignment as the "Secured Parties") as supplemented by a supplemental agreement dated January 4, 2001, a second supplemental agreement dated as of July 3, 2001 and a third supplemental agreement dated as of August 10, 2001 (as the same may hereafter be amended, restated or otherwise modified from time to time, the "Loan Agreement"), the Banks made available certain facilities thereunder.

B. The Assignor has previously given a guarantee (the "Guarantee") to the Assignee to secure the obligations of the Charging Group Companies (as defined therein) to the Secured Parties pursuant to the Financing Documents (as defined therein).

C. It is a condition precedent to the obligation of the Banks to continue to extend credit accommodations pursuant to the terms of the Loan Agreement that this Assignment be executed and delivered by the Assignor.

D. The Assignor is a wholly owned indirect subsidiary of the Debtor.

E. The Assignor received and expects to continue to derive benefits from the extension of credit accommodations to the Debtor by the Banks and finds it advantageous, desirable and in its best interests to execute and deliver this Assignment to the Assignee to further evidence a security interest in the property hereafter described, as granted pursuant to a Security Agreement of even date herewith (the "Security Agreement").

NOW, THEREFORE, in consideration of the premises and to induce the Banks to continue to extend credit accommodations to the Debtor under the Loan Agreement, the parties hereto agree as follows:

1. The Assignor does hereby assign all of its right, title and interest in and to all of the present trademarks and trade names and the registrations and applications therefor owned by the Assignor, excluding applications for Federal registration of trademarks filed under 15 U.S.C. §1051(b), as to which neither a Statement of Use under 15 U.S.C. §1051(d) nor an Amendment to Allege Use under 15 U.S.C. §1051(a) ("U.S. ITU Applications") has been filed in the U.S. Patent and Trademark Office (the "Trademarks"), including but not limited to those set forth on Exhibit A, and including, without limitation, all proceeds thereof together with the right

to recover for past, present and future infringements, all rights corresponding thereto throughout the world and all renewals and extensions thereof, together with the goodwill of the business associated with said Trademarks, said Trademarks to be held and enjoyed by the Assignee for the Secured Parties' use and behalf, and for the Secured Parties' legal representatives, successors and assigns, as fully and entirely as the same would have been held by the Assignor had this Assignment not been made. The foregoing assignment shall be effective only upon demand being made under the Guarantee and upon written notice by the Assignee to the Assignor of the acceptance by the Assignee of this Assignment; unless and until the acceptance of this Assignment, this Assignment shall have no effect. Upon demand being made under the Guarantee, the Assignee shall be entitled to transfer the Trademarks pursuant to an Assignment of Trademarks substantially in the form of Exhibit B. The Assignor hereby irrevocably authorizes the Assignee to date undated Assignments of Trademarks and otherwise complete such Assignment at the time of transfer.

2. The Assignor hereby covenants and warrants that:

(a) except for applications pending, to the best of the Assignor's knowledge, the Trademarks listed on Exhibit A have been duly issued and are registered and subsisting and have not been adjudged invalid or unenforceable in whole or in part;

(b) no claim has been made in writing to the Assignor or, to the knowledge of the Assignor, to any other person, that use of any of the Trademarks does or may violate the rights of any third person and no claim has been made by the Assignor that any other person is infringing upon the rights of the Assignor under the Trademarks;

(c) the Assignor has the unqualified right to enter into this Assignment and perform its terms;

(d) the Assignor will be, until the Obligations (as defined in the Security Agreement, hereinafter, the "Obligations") shall have been satisfied in full to the satisfaction of the Assignee, in substantial compliance with statutory notice requirements relating to its use of the Trademarks;

(e) to the best of the Assignor's knowledge, the Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks listed on Exhibit A, free and clear of any liens, charges and encumbrances;

(f) the Trademarks listed on Exhibit A and Exhibit C are all of the United States Trademark Registrations and applications therefor now owned by the Assignor; and

(g) the Assignor will, at any time upon request, communicate to the Assignee, its successors and assigns, any facts relating to the Trademarks or the history thereof as may be known to the Assignor or its officers, employees and agents, and cause such officers, employees and agents to testify as to the same in any litigation alleging infringement of any of the Trademarks at the request of the Assignee.

3. The Assignor agrees that, until the rights of the Assignee in the Trademarks are terminated pursuant to Section 6, it will not enter into any agreement that is in conflict with its obligations under this Assignment.

4. If, before the Obligations shall have been satisfied in full, the Assignor shall obtain rights to any new trademark or trade name, or become entitled to the benefit of any trademark application (other than a U.S. ITU Application), registration, trademark or trade name or any renewal or extension of any trademark registration, such shall be included in the definition of "Trademarks" as used in this Assignment (except for purposes of Section 2 hereof), Section 1 hereof shall automatically apply thereto, and the Assignor shall give to the Assignee prompt notice thereof in writing. The Assignor authorizes the Assignee to modify this Assignment by amending Exhibit A to include any future trademark or trade name to which Section 1 automatically applies by operation of the foregoing sentence.

5. The Assignor agrees not to sell, assign or encumber its interest in, or grant any license with respect to, any of the Trademarks, except for the licenses listed on Exhibit D attached hereto and licenses granted in the ordinary course of the Assignor's business.

6. The Assignor agrees that it will authorize, execute and deliver to Assignee all documents requested by Assignee to facilitate the purposes of this Assignment, including, but not limited to, documents required to record Assignee's interest in any appropriate office in any domestic or foreign jurisdiction. At such time as the Obligations have been discharged in full to the satisfaction of the Assignee, the Assignee shall on demand of the Assignor and at the expense of the Assignor, execute and deliver to the Assignor all termination statements and other instruments as may be necessary or proper to terminate this Assignment and assign to the Assignor all the Assignee's rights in the Trademarks, subject to any disposition thereof which may have been made by the Assignee pursuant hereto or pursuant to the Security Agreement.

7. The Assignor shall have the duty, through counsel reasonably acceptable to the Assignee, (i) to prosecute diligently any pending Trademark application as of the date of this Assignment or thereafter until the Obligations have been discharged in full to the satisfaction of the Assignee; provided, that the Assignor may abandon any such application upon thirty days' written notice to the Assignee, (ii) to make application on those trademarks and trade names which are unregistered but capable of being registered and which a prudent person would reasonably cause to be registered and (iii) to preserve and maintain all rights in all Trademarks which a prudent person would reasonably preserve and maintain. Any expenses incurred in connection with applications that constitute Trademarks shall be borne by the Assignor.

8. The Assignee shall have the right but shall in no way be obligated to bring suit in its own name to enforce or to defend the Trademarks and any license thereunder if the Assignor has failed to bring such suit in circumstances in which a prudent person would have brought such suit. The Assignor shall at the request of the Assignee do any and all lawful acts and execute any and all proper documents required by the Assignee in aid of such enforcement or defense (including, without limitation, participation as a plaintiff or defendant in any proceeding) and if Assignor has failed to bring such suit in circumstances in which a prudent person would have brought such suit, the Assignor shall promptly, upon demand, reimburse and

indemnify the Assignee for all reasonable costs and expenses incurred by the Assignee in the exercise of its rights under this Section.

9. The Assignee shall not engage in any conduct that constitutes or may constitute an assignment of any of the Trademarks or any interest therein without the appurtenant goodwill.

10. This Assignment shall also serve to evidence the security interest in the Trademarks granted by the Assignor to the Assignee pursuant to the Security Agreement.

11. No course of dealing between the Assignor and the Assignee, failure to exercise, nor any delay in exercising, on the part of the Assignee, with respect to 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 preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

12. All of the Assignee's rights and remedies with respect to the Trademarks, whether established hereby, by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently.

13. This Assignment is subject to modification only by a writing signed by the parties, except as provided in Section 4 hereof.

14. This Assignment shall inure to the benefit of and be binding upon the respective successors of and permitted assigns of the Assignor, the Assignee and the Secured Parties provided that the Assignor may not assign its rights or delegate its duties hereunder.

15. Upon payment in full of all Obligations (other than any Charging Group Company's unmatured indemnity obligations under any Financing Document) and the expiration of any obligation of the Banks to extend credit accommodations to the Borrower, this Assignment shall terminate and all rights to the Trademarks shall revert to the Assignor.

16. THIS ASSIGNMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS (WITHOUT GIVING EFFECT TO THE CONFLICTS OF LAW PRINCIPLES THEREOF) OF (I) THE UNITED STATES OF AMERICA AS TO RIGHTS AND INTERESTS HEREUNDER WHICH ARE REGISTERED OR FOR THE REGISTRATION OF WHICH APPLICATION IS PENDING WITH THE UNITED STATES PATENT AND TRADEMARK OFFICE AND (II) THE STATE OF DELAWARE IN ALL OTHER RESPECTS. WHENEVER POSSIBLE, EACH PROVISION OF THIS ASSIGNMENT AND ANY OTHER STATEMENT, INSTRUMENT OR TRANSACTION CONTEMPLATED HEREBY OR RELATING HERETO SHALL BE INTERPRETED IN SUCH MANNER AS TO BE EFFECTIVE AND VALID UNDER APPLICABLE LAW, BUT IF ANY PROVISION OF THIS ASSIGNMENT OR ANY OTHER STATEMENT, INSTRUMENT OR TRANSACTION CONTEMPLATED HEREBY OR RELATING HERETO SHALL BE HELD TO BE PROHIBITED OR INVALID UNDER APPLICABLE LAW, SUCH PROVISION SHALL BE INEFFECTIVE ONLY TO THE EXTENT OF SUCH PROHIBITION OR INVALIDITY, WITHOUT INVALIDATING THE REMAINDER OF

SUCH PROVISION OR THE REMAINING PROVISIONS OF THIS ASSIGNMENT OR ANY OTHER STATEMENT, INSTRUMENT OR TRANSACTION CONTEMPLATED HEREBY OR RELATING HERETO. IN THE EVENT OF ANY CONFLICT WITHIN, BETWEEN OR AMONG THE PROVISIONS OF THIS ASSIGNMENT, ANY OTHER FINANCING DOCUMENT OR ANY OTHER STATEMENT, INSTRUMENT OR TRANSACTION CONTEMPLATED HEREBY OR THEREBY OR RELATING HERETO OR THERETO, THOSE PROVISIONS GIVING THE ASSIGNEE THE GREATER RIGHT SHALL GOVERN.

IN WITNESS WHEREOF, the Assignor has executed this instrument.

BIOGLAN PHARMA, INC.

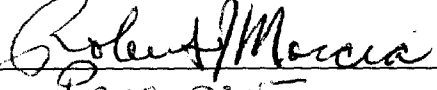
By 
Title PRESIDENT

EXHIBIT A TO
COLLATERAL ASSIGNMENT OF TRADEMARKS

UNITED STATES TRADEMARK REGISTRATIONS & APPLICATIONS

<u>Mark</u>	<u>Registration/Application No.</u>	<u>Registration Filing Date</u>
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TXSYSTEMS	2,442,940	04-10-01

<u>Mark</u>	<u>Application No.</u>	<u>Filing Date</u>
ADOXA (Pending Application)	78/054140	03-20-01

ASSIGNMENT OF TRADEMARKS

This Assignment having an effective date of _____, ___ is made by and between Bioglan Pharma, Inc., a corporation organized under the laws of Delaware, located and doing business at 7 Great Valley Parkway, Suite 301, Malvern, Pennsylvania 19355 ("Assignor"), and _____, a _____, located and doing business at _____ ("Assignee").

WHEREAS, Assignor has adopted and owns certain trademarks which are registered in the U.S. Patent and Trademark Office or which are the subject of a pending application in the U.S. Patent and Trademark Office (hereinafter the "Marks") and,

WHEREAS, Assignee is desirous of acquiring the Marks and registration therefor.

NOW THEREFORE, in consideration of and in exchange for good and valuable consideration, the receipt of which is hereby acknowledged, Assignor does hereby sell, assign and transfer unto Assignee, and its successors and assigns, all of its right, title and interest in and to the Marks, and the registrations and applications therefor, together with that part of the good will of the business connected with the use of and symbolized by the Marks, and including Assignor's entire right, title and interest in and to any and all causes of action and rights of recovery for past infringement of the Marks. Assignor hereby covenants that it has full right to convey the entire interest herein assigned, and that it has not executed, and will not execute, any agreements inconsistent herewith. Assignor hereby irrevocably authorizes NATIONAL WESTMINSTER BANK PLC to date this undated Assignment and otherwise complete this Assignment at the time of transfer.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties have executed this assignment as of the dates identified below.

BIOGLAN PHARMA, INC. (Assignor)

Date: _____

By _____
Title _____

_____ (Assignee)

Date: _____

By _____
Title: _____

EXHIBIT C TO
COLLATERAL ASSIGNMENT OF TRADEMARKS

PENDING U.S. INTENT TO USE TRADEMARK APPLICATIONS

Mark

Application No.

Filing Date

NONE

EXHIBIT D TO
COLLATERAL ASSIGNMENT OF TRADEMARKS

EXISTING LICENSES

Licensee

Date License Expires

NONE