

9/6/02

09-16-2002

Form PTO-1594
Rev. 03/01
OMB No. 0651-0027 (exp. 5/31/2002)
Tab settings

RECORDATION
TRADE



DEPARTMENT OF COMMERCE
Patent and Trademark Office

102221488

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

1. Name of conveying party(ies):
Danam Acquisition Corp.

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

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

3. Nature of conveyance:

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

Execution Date: 8/31/02

2. Name and address of receiving party(ies)

Name: Synbiotics Corporation

Internal Address:

Street Address: 11011 Frontera

City: San Diego State: CA Zip: 92127

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State
- Other

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

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s) 2,299,123;

1,902,542

Additional number(s) attached Yes No

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

Name: David Clark, Esq.

Internal Address:

Brobeck, Phleger & Harrison LLP

Street Address: 12390 El Camino Real

City: San Diego State: CA Zip: 92130

6. Total number of applications and registrations involved: 2

7. Total fee (37 CFR 3.41) \$ 80.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

DO NOT USE THIS SPACE

9. Signature.

David Clark

Name of Person Signing

Signature

9/3/02

Date

Total number of pages including cover sheet, attachments, and document: 7

09/13/2002 JFALLANE 00000021 2299123

01 FC:481
02 FC:482

40.00 OP
25.00 OP

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

TRADEMARK
REEL: 002582 FRAME: 0033



PATENT AND TRADEMARK SECURITY AGREEMENT

This PATENT AND TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of August 31, 2002, is entered into between Danam Acquisition Corp., a Delaware corporation ("Grantor") and Synbiotics Corporation, a California corporation ("Lender).

RECITALS

A. Grantor is contemporaneously herewith, executing to the order of Lender that certain secured promissory note (as amended from time to time, the "Note") in the original principal amount of \$500,000 (the "Principal Amount") pursuant to which Lender shall make advances to Grantor from time to time in accordance with the terms of the Note which shall not at any time exceed the Principal Amount; and

B. Grantor is the owner of certain intellectual property, identified below, in which Grantor is granting a security interest to Lender.

NOW THEREFORE, the parties hereto mutually agree as follows:

1. GRANT OF SECURITY INTEREST.

To secure the complete and timely payment and performance of all obligations under the Note and this Agreement and any other document executed in connection with or pursuant to either of them, including without limitation the Security Agreement dated as of the date hereof (the "Security Agreement") between Grantor and Lender (collectively, the "Obligations"), and without limiting any other security interest Grantor has granted to Lender, Grantor hereby grants, assigns, and conveys to Lender a security interest in Grantor's entire right, title, and interest in and to the following, whether now owned or hereafter acquired (the "Collateral"):

(i) Each of the trademarks and rights and interest which are capable of being protected as trademarks (including trademarks, service marks, designs, logos, indicia, tradenames, corporate names, company names, business names, fictitious business names, trade styles, and other source or business identifiers, and applications pertaining thereto), which are presently, or in the future may be, owned, created, acquired, or used (whether pursuant to a license or otherwise) by Grantor, in whole or in part, and all trademark rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), and rights to renew and extend such trademarks and trademark rights;

(ii) Each of the patents and patent applications which are presently, or in the future may be, owned, issued, acquired, or used (whether pursuant to a license or otherwise) by Grantor, in whole or in part, and all patent rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), foreign filing rights, and rights to extend such patents and patent rights;

(iii) All of Grantor's right to the trademarks and trademark registrations listed on Exhibit A attached hereto, as the same may be updated hereafter from time to time;

(iv) All of Grantor's right, title, and interest, in and to the patents and patent applications listed on Exhibit B attached hereto, as the same may be updated hereafter from time to time;

(v) All of Grantor's right, title and interest to register trademark claims under any state or federal trademark law or regulation of any foreign country and to apply for, renew, and extend the trademark registrations and trademark rights, the right (without obligation) to sue or bring opposition or cancellation proceedings in the name of Grantor or in the name of Lender for past, present, and future infringements of the trademarks, registrations, or trademark rights and all rights (but not obligations) corresponding thereto in the United States and any foreign country;

(vi) All of Grantor's right, title, and interest in all patentable inventions, and to file applications for patent under federal patent law or regulation of any foreign country, and to request reexamination and/or reissue of the patents, the right (without obligation) to sue or bring interference proceedings in the name of Grantor or in the name of Lender for past, present, and future infringements of the patents, and all rights (but not obligations) corresponding thereto in the United States and any foreign country;

(vii) the entire goodwill of or associated with the businesses now or hereafter conducted by Grantor connected with and symbolized by any of the aforementioned properties and assets;

(viii) All general intangibles relating to the foregoing and all other intangible intellectual or other similar property of the Grantor of any kind or nature, associated with or arising out of any of the aforementioned properties and assets and not otherwise described above; and

(ix) All products and proceeds of any and all of the foregoing (including, without limitation, license royalties and proceeds of infringement suits) and, to the extent not otherwise included, all payment intangibles, payments under insurance, or any payments under any indemnity, warranty, or guaranty payable by reason of loss or damage to or otherwise with respect to the Collateral.

2. AFTER-ACQUIRED PATENT OR TRADEMARK RIGHTS.

If Grantor shall obtain rights to any new trademarks, any new patentable inventions or become entitled to the benefit of any patent application or patent for any reissue, division, or continuation, of any patent, or if Grantor shall notify or Lender shall discover that Grantor has rights in other patents or trademarks, then, in any such event, the provisions of this Agreement shall automatically apply thereto. Grantor shall give prompt notice in writing to Lender with respect to any such new trademarks or patents, or renewal or extension of any trademark registration. Without limiting Grantor's obligation under this Section 2, Grantor authorizes Lender to modify this Agreement by amending Exhibits A or B to include any such new patent or trademark rights. Notwithstanding the foregoing, no failure to so modify this Agreement or amend Exhibits A or B shall in any way affect, invalidate or detract from Lender's continuing security interest in all Collateral, whether or not listed on Exhibit A or B.

3. GENERAL PROVISIONS.

3.1 Rights Under Note. This Agreement has been granted in conjunction with the Note and the Security Agreement. The rights and remedies of Lender with respect to the security interests granted herein are without prejudice to, and are in addition to those set forth in the Note and/or the Security Agreement.

3.2 Successors. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties; provided that Grantor may not transfer any of the Collateral or any rights hereunder, without the prior written consent of Lender, except as specifically permitted hereby.

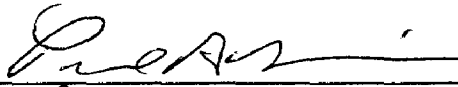
3.3 Amendment; No Conflict. This Agreement is subject to modification only by a writing signed by the parties, except as provided in Section 2 of this Agreement. To the extent that any provision of this Agreement conflicts with any provision of the Note or the Copyright Security Agreement, the provision giving Lender greater rights or remedies shall govern, it being understood that the purpose of this Agreement is to add to, and not detract from, the rights granted to Lender under those documents.

3.4 Governing Law. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

SYNBIOTICS CORPORATION:

DANAM ACQUISITION CORP.:

By: 
Title: President & C.E.O.

By: _____
Title: _____

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SYNBIOTICS CORPORATION:

DANAM ACQUISITION CORP.:

By: _____
Title: _____

By: W. B. Able
Title: CEO

Exhibit "A"

REGISTERED TRADEMARKS

Trademark/Serial No.	Date
PROCHEM, Reg. No. 2299123	Registered: December 14, 1999
QVET, Reg. No. 1902542	Registered: July 4, 1995

Exhibit "B"

PATENTS

Patent/Application No.	Date
U.S. Patent No. 5,128,104 (CUEVETTE FOR AUTOMATED TESTING MACHINE)	Issued: July 7, 1992
CANADA Patent Application No. 2137672 (CUEVETTE FOR AUTOMATED TESTING MACHINE)	Filed: June 9, 1992