



02-26-2003



102374059 TRADEMARK

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

PTO-1594 (Rev. 10/02) OMB No. 0651-0027 (exp. 6/30/2005)

Tab settings

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

1. Name of conveying party(ies): 2-20-03
 Ovation Pharmaceuticals, Inc.

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

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

2. Name and address of receiving party(ies)
 Name: LaSalle Bank National Association
 Internal Address: _____
 Address: _____
 Street Address: 135 S. LaSalle Street
 City: Chicago State: IL Zip: 60603

Individual(s) citizenship _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation-State _____
 Other national banking association

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: 01/06/03

4. Application number(s) or registration number(s):
 A. Trademark Application No.(s) _____
 B. Trademark Registration No.(s) 1,317,567
627,656

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
 Name: Anne K. Berg, Esq.
 Internal Address: Suite 2700

 Street Address: 180 N. LaSalle Street

 City: Chicago State: IL Zip: 60603

6. Total number of applications and registrations involved: 2

7. Total fee (37 CFR 3.41)..... \$65.00
 Enclosed
 Authorized to be charged to deposit account

8. Deposit account number: _____

(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.

Anne K. Berg [Signature] 02/18/03
 Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and document: 14

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

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01 FC:8521 40.00 OP
02 FC:8522 25.00 OP

TRADEMARK REEL: 002677 FRAME: 0487

TRADEMARK SECURITY AGREEMENT

WHEREAS, OVATION PHARMACEUTICALS, INC., an Illinois corporation ("Grantor"), with its principal place of business at 1 Overlook Pointe, Suite 110, Lincolnshire, Illinois 60069, owns the Trademark Collateral (as hereinafter defined) listed on Schedule 1 annexed hereto, and is a party to the trademark licenses listed on Schedule 1 annexed hereto; and

WHEREAS, Grantor has entered into a Credit Agreement dated as of August 16, 2002, 2002 (the same, as it may be amended, restated, supplemented or otherwise modified and in effect from time to time, the "Credit Agreement") with various financial institutions (each such financial institution a "Lender", and collectively, the "Lenders") and LaSalle Bank National Association, a national banking association in its capacity as agent (in such capacity, the "Grantee"), providing for extensions of credit to be made to Grantor by the Lenders; terms defined in the Credit Agreement and not otherwise defined herein have the respective meanings provided for in the Credit Agreement; and

WHEREAS, pursuant to the terms of the Credit Agreement and the Collateral Documents, Grantor has granted to Grantee, for the benefit of the Lenders, a security interest in substantially all the assets of Grantor including all right, title and interest of Grantor in, to and under all now owned and hereafter acquired Trademark Collateral (as defined herein), and all products and proceeds thereof, to secure the payment of all amounts owing by Grantor under the Credit Agreement and the other Loan Documents;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant to Grantee, for the benefit of the Lenders, a continuing security interest in all of Grantor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Trademark Collateral"), whether presently existing or hereafter created or acquired:

- 1) each trademark, trade name, trade style, service mark, logo, emblem, print and label, all elements of package or trade dress of goods, and all General Intangibles (as such term is defined in that certain Security Agreement between Grantor and Grantee dated as of August 16, 2002) of like nature, together with the goodwill of Grantor's business connected with the use thereof and symbolized thereby, and all applications, registrations and recordings thereof, including, without limitation, applications, registrations and recordings in the United States Patent and Trademark Office or in any similar office or agency of the United States or in any office of the Secretary of State (or equivalent) of any state thereof, or in any similar office or agency of any country or political subdivision thereof throughout the world, whether now owned or hereafter acquired by Grantor, together with all extensions, renewals and corrections thereof and all licenses thereof or pertaining thereto, including without limitation, the Trademark Collateral listed on Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof;
- 2) each trademark license, including, without limitation, each trademark license listed on Schedule 1 annexed hereto (exclusive of the license granted under the

Trademark Agreement dated August 16, 2002 between Grantor and Sanofi-Synthelabo); and

- 3) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (a) infringement or dilution of any of the Trademark Collateral including, without limitation, the Trademark Collateral referred to in Schedule 1 annexed hereto, or (b) injury to the goodwill associated with any of the Trademark Collateral, including, without limitation, the Trademark Collateral referred to in Schedule 1 annexed hereto.

This security interest is granted in conjunction with the security interest granted to Grantee, for the benefit of the Lenders, pursuant to the Credit Agreement and the Collateral Documents. Grantor hereby acknowledges and affirms that the rights and remedies of Grantee, for the benefit of the Lenders, with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Credit Agreement and the Collateral Documents, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[Balance of page intentionally left blank; signature page follows.]

IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be duly executed by its duly authorized officer hereunto as of the date first above written.

OVATION PHARMACEUTICALS, INC.,
an Illinois corporation

By: *AJS Alon*
Name: *Jeffrey S. Alon*
Title: *Pres. East*

Acknowledged:

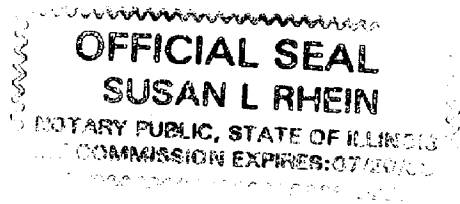
LASALLE BANK NATIONAL ASSOCIATION,
as Agent

By: *JLR*
Name: *JAMES L ROLFE*
Title: *FIRST VICE PRESIDENT*

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this 16th day of August, 2002, before me personally appeared Jeffrey S. Aronin to me known, who, being duly sworn, did depose and say that he is the President of Ovation Pharmaceuticals, Inc., the corporation described in and which executed the above instrument; and that he signed his name thereto by authority of the Board of Directors of said corporation.

Susan L. Rhein
Notary Public

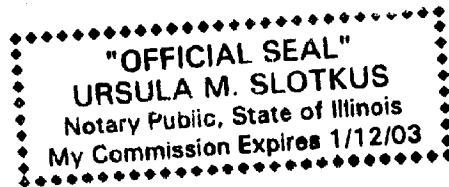


STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this 16th day of August, 2002, before me personally appeared JAMES L ROFFE to me known, who, being duly sworn, did depose and say that he is a Vice ^{First} President of LaSalle Bank National Association, a national banking association, which executed the above instrument; and that he signed his name thereto by authority of said banking association.

Ursula M. Slotkus

Notary Public



Schedule 1 to Trademark Security Agreement

TRADEMARK COLLATERAL

United States Registrations

<u>Trademark</u>	<u>Registration No.</u>	<u>Date of Issue</u>
T-Tab	1,598,120	
T & Design	1,583,299	
Desoxyn	1,521,495	1/24/1989
Desoxyn Gradumet	687,128	10/27/1959

State Registrations

<u>Trademark</u>	<u>Registration No.</u>	<u>Date of Issue</u>
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Unregistered Marks

Pending Applications

Licenses

FIRST AMENDMENT TO TRADEMARK SECURITY AGREEMENT

This First Amendment to Trademark Security Agreement (this "First Amendment") is dated as of the 10th day of January, 2003 and is among Ovation Pharmaceuticals, Inc., an Illinois corporation (the "Company"), and LaSalle Bank National Association ("LaSalle"), in its capacity as Agent for the Lenders party to the Credit Agreement described below, and as a Lender.

WITNESSETH:

WHEREAS, the parties hereto are all of the parties to that certain Credit Agreement dated as of August 16, 2002 (as it may be amended, restated, modified or supplemented and in effect from time to time, the "Credit Agreement"), and as of the date hereof LaSalle is the sole Lender under the Credit Agreement; and

WHEREAS, in connection with entering into the Credit Agreement, the Company executed and delivered to LaSalle that certain Trademark Security Agreement dated as of August 16, 2002 (as it may be amended, restated, modified or supplemented and in effect from time to time, the "Trademark Agreement"); and

WHEREAS, the Company has requested that LaSalle consent to the Second Abbott Acquisition and that the credit facilities under the Credit Agreement be increased by \$2,000,000, consisting of an increase in the Revolving Commitment Amount by \$500,000 and a term loan in the amount of \$1,500,000; and

WHEREAS, as a condition to LaSalle consenting to the Second Abbott Acquisition and to the increase in the credit facilities, LaSalle has requested that the Company execute this First Amendment;

NOW, THEREFORE, the parties hereto hereby agree as follows:

1. Definitions. Capitalized terms used in this First Amendment and not otherwise defined herein are used with the meanings given such terms in the Credit Agreement. In addition, for purposes of this First Amendment the following terms shall have the meanings indicated:

"First Amendment Effective Date" means the date upon which the First Amendment to Credit Agreement is executed by the Company and LaSalle and each of the other conditions specified in Section 3 of this First Amendment have been satisfied.

2. Amendments to the Trademark Agreement. Effective on the First Amendment Effective Date, the Trademark Agreement shall be amended as follows:

(A) The address in the first paragraph of the Trademark Agreement shall be deleted in its entirety and replaced with "Four North Parkway, Deerfield, Illinois 60015;"

(B) Schedule 1 to the Trademark Agreement is hereby deleted in its entirety and replaced by the Schedule 1 attached hereto and made a part hereof.

3. Conditions to First Amendment Effective Date. This First Amendment shall become effective and the First Amendment Effective Date shall occur upon completion of each of the following conditions to the reasonable satisfaction of LaSalle:

(A) Execution and Delivery of The First Amendment to Credit Agreement. All the conditions to the First Amendment to Credit Agreement shall have been completed by the Company to the satisfaction of LaSalle, and such First Amendment to Credit Agreement shall have become effective;

(B) Execution and Delivery of This First Amendment. This First Amendment shall have been duly executed by the Company and LaSalle; and

(C) Other Documents and Actions. The Company, Holdings and Services shall have executed and delivered to LaSalle such other instruments, documents and agreements as LaSalle may reasonably request in connection with this First Amendment and the transaction contemplated hereby.

4. Representations and Warranties. To induce LaSalle to enter into this First Amendment, the Company represents and warrants that:

(A) the execution, delivery and performance by the Company of this First Amendment and the other instruments, documents and agreements of the Company contemplated hereby have been duly authorized by all requisite corporate action on the part of the Company;

(B) this First Amendment has been, and each other instrument, document or agreement of the Company to be delivered in connection herewith will be when delivered, duly executed and delivered by the Company and will constitute a valid and binding obligation of the Company, enforceable in accordance with its terms except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally or by general principals of equity; and

(C) no Default or Event of Default exists as of the date of this First Amendment.

5. Consent. Upon the Company's compliance with the requirements of Section 4 hereof and LaSalle's determination that the conditions have been met thereunder and the First Amendment Effective Date shall occur, LaSalle shall be deemed to have consented to the Second Abbott Acquisition and shall so notify the Company by funding the \$1,500,000 Term Loan provided for in this First Amendment and such funding by LaSalle shall also evidence LaSalle's consent to the Company's entering into the Second Abbott Acquisition Agreement and the related Drug Production Agreement and other instruments, documents and agreements called for by the Second Abbott Acquisition Agreement and closing of the transactions thereunder by the Company.

6. Miscellaneous.

(A) Counterparts. This First Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all of which shall constitute one and the same instrument. It shall not be necessary in making proof of this First Amendment to produce or account for more than one such counterpart for each of the parties hereto. Delivery by facsimile by any of the parties hereto of an executed counterpart of this First Amendment shall be effective as an original executed counterpart hereof and shall be deemed a representation that an original executed counterpart hereof will be delivered.

(B) Headings. The headings of the sections and subsections hereof are provided for convenience only and shall not in any way affect the meaning or construction of any provision of this First Amendment.

(C) Governing Law. This First Amendment and the rights and obligations of the parties shall be construed and interpreted in accordance with the laws of the State of Illinois.

(D) Severability. If any provision of any of this First Amendment is determined to be illegal, invalid or enforceable, such provision shall be fully severable and the remaining provisions shall remain full force and effect and shall be construed without giving effect to the illegal, invalid or enforceable provisions.

(E) Successors and Assigns. This First Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

(F) References; Loan Document. From and after the date of execution of this First Amendment, any reference to the Trademark Agreement contained in any notice, request, certificate or other instrument, document or agreement executed concurrently with or after the execution and delivery of this First Amendment shall be deemed to include this First Amendment unless the context shall otherwise require. This First Amendment is a Loan Document.

(G) Continued Effectiveness. Notwithstanding anything contained herein, the terms of this First Amendment are not intended to and do not serve to effect a novation as to the Trademark Agreement. The parties hereto expressly do not intend to extinguish the Trademark Agreement. Instead, it is the express intention of the parties hereto to reaffirm the obligations created under the Trademark Agreement and to confirm that the Trademark Agreement, as amended hereby, remains in full force and effect and is hereby reaffirmed in all respects.

[Balance of page left intentionally blank; signature page follows.]

IN WITNESS WHEREOF, the parties have executed this First Amendment to Trademark Security Agreement as of the date first set forth above.

OVATION PHARMACEUTICALS, INC.

By: Jeffrey S. Aron
Name: Jeffrey S. Aron
Title: President

LASALLE BANK NATIONAL ASSOCIATION

By: [Signature]
Name: James L. Roth
Title: VP

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On this 6th day of January, 2003, before me personally appeared Jeffrey S. Aronin to me known, who, being duly sworn, did depose and say that he is the President of Ovation Pharmaceuticals, Inc., the corporation described in and which executed the above instrument; and that he signed his name thereto by authority of the Board of Directors of said corporation.

Susan L. Rhein
Notary Public

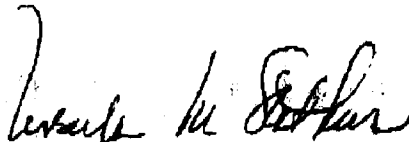


STATE OF ILLINOIS)

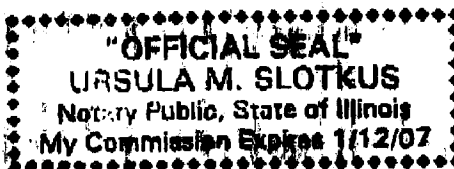
) SS

COUNTY OF COOK)

On this 6th day of January, 2003, before me personally appeared James Rolfe to me known, and, being duly sworn, did depose and say that he is a Vice President of LaSalle Bank National Association, a national banking association, which executed the above instrument; and that he signed his name thereto by authority of said banking association.



Notary Public



Schedule 1 - Trademark Collateral

United States Registrations

<u>Trademark</u>	<u>Registration No.</u>	<u>Date of Issue</u>
T-Tab	1,598,120	
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Desoxyn	1,521,495	1/24/1989
Desoxyn Gradumet	687,128	10/27/1959
Panhematin	1,317,567	
Peganone	627,656	

State Registrations

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