

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

Our Ref.: 4379-4

Mail Stop Assignment Recordation Services

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

To the Commissioner for Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
GUILFORD PHARMACEUTICALS INC.

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

3. Nature of conveyance:

Assignment Merger
 Security Assignment Change of Name
 Other:

Execution Date: October 28, 2003

2. Name and address of receiving party(ies):
Name(s): **PAUL ROYALTY FUND, L.P. and
PAUL ROYALTY FUND HOLDINGS II**
Attention: Chief Financial Officer
c/o Paul Capital Management, L.L.C.
Address: 50 California Street
Suite 3000
City: San Francisco
State/Country: California
Zip: 94111

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):
If this document is being filed together with a new application, the execution date of the application is:

A. Trademark Application No.(s)	B. Trademark Registration No.(s)
(1)	(1) 2,027,788 (4) 2,717,403
(2)	(2) 1,650,461
(3)	(3) 2,713,360

Additional numbers attached? Yes No

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

Street Address Nixon & Vanderhye P.C.
1100 North Glebe Road
8th Floor
City Arlington State: VA Zip: 22201


6. Total number of applications and registrations involved: 4

7. Total fee (37 CFR 3.41) \$ 115.00
 Enclosed
 Authorized to be charged to deposit account #14-1140

8. The Commissioner is hereby authorized to charge any deficiency, or credit any overpayment, in the fee(s) filed, or asserted to be filed, or which should have been filed herewith (or with any paper thereafter filed in this application by this firm) to our Account No. 14-1140.

DO NOT USE THIS SPACE

9. Statements 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.

Willem F. Gadiano  _____
Name of Person Signing Signature Date

November 7, 2003

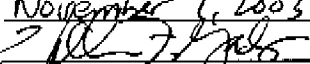
Total number of pages including cover sheet, attachments and document: 7

WFG:ewm

CERTIFICATE OF FACSIMILE TRANSMISSION

I hereby certify that this document (including any paper referred to as being attached or enclosed) is being sent to the U.S. Patent and Trademark Office via facsimile transmission to (703) 306-5995 on the date indicated below, with a coversheet addressed to Commissioner for Patents, U.S. Patent and Trademark Office.

Date: November 7, 2003

By: 
Willem F. Gadiano, Reg. No. 37,136

CH \$115.00 141140 2027788

TRADEMARK SECURITY AGREEMENT

(by Guilford Pharmaceuticals Inc. in favor of Paul Royalty)

WHEREAS, GUILFORD PHARMACEUTICALS INC., a Delaware corporation ("Grantor") owns the trademarks, service marks, trademark applications and service mark applications listed on Schedule I annexed hereto, and is a party to the trademark licenses and service mark licenses listed on Schedule I annexed hereto;

WHEREAS, Grantor, Artery, LLC, a Delaware limited liability company ("Artery"), Paul Royalty Fund, L.P., a Delaware limited partnership ("PRF"), and Paul Royalty Fund Holdings II, a California general partnership ("PRIF"; and together with PRF, "Grantee") are parties to a Revenue Interest Assignment Agreement dated as of October 28, 2003 (the "Revenue Interest Agreement"), pursuant to which, among other things, Artery sells, assigns, transfers and conveys to Grantee, and Grantee purchases from Artery, all of Artery's rights and interests in and to the Assigned Interests (as defined in the Revenue Interest Agreement); and

WHEREAS, pursuant to the terms of the Security Agreement dated as of October 28, 2003 (the "Security Agreement"; all capitalized terms defined in the Security Agreement and not otherwise defined herein have the meanings provided for in the Security Agreement), between Grantor and Grantee, Grantor has granted to Grantee a security interest as contemplated by the Security Agreement, including, without limitation, in all right, title and interest of Grantor in, to and under all now owned and hereafter acquired trademarks, service marks, trademark applications, service mark applications, trademark licenses and service mark licenses, in each case solely to the extent included in the Intellectual Property (as defined in the Security Agreement), to secure the prompt, full and faithful payment and performance when due of the Obligations.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, as collateral security for the prompt, full and faithful payment and performance when due of the Obligations, Grantor does hereby grant to Grantee 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, service mark, trademark application and service mark application included in the Intellectual Property, including, without limitation, each trademark, service mark, trademark application and service mark application referred to in Schedule I annexed hereto, together with all of the goodwill of the business conducted or connected with the use of, or symbolized by, each such trademark or service mark, trademark application and service mark application;
- (2) each trademark license and service mark license included in the Intellectual Property, including, without limitation, each trademark license and service mark license listed on Schedule I annexed hereto; and

(3) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future infringement of any of the foregoing property, including, without limitation, any trademark or service mark referred to in Schedule I annexed hereto, any trademark or service mark issued pursuant to a trademark application referred to in Schedule I and any trademark or service mark licensed under any trademark license listed on Schedule I annexed hereto.

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

Grantor authorizes and requests that the Commissioner of Patents and Trademarks record this Trademark Security Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be duly executed by its duly authorized officer thereunto as of the 28th day of October, 2003.

GULFORD PHARMACEUTICALS INC.

By: 

Name:

Title:

Andrew R. Jordan
Executive V.P. and CFO

Agreed and Accepted as of the

28th day of October, 2003

PAUL ROYALTY FUND, L.P.

By: Paul Capital Management, LLC,
its General Partner

By: _____

Name: Walter Flamenbaum, M.D.

Title: Managing Member

PAUL ROYALTY FUND HOLDINGS II

By: Paul Royalty Fund II, L.P.,
its Managing Partner

By: Paul Capital Royalty Management, LLC,
its General Partner

By: _____

Walter Flamenbaum, M.D.

Managing Member

[Signature Page to Trademark Security Agreement]

10/28/2003 16:49 FAX 846 284 1101

PAUL CAPITAL PARTNERS

006

IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be duly executed by its duly authorized officer thereunto as of the ____ day of October, 2003.

GULFORD PHARMACEUTICALS INC.

By: _____
Name:
Title:

Agreed and Accepted as of the
28th day of October, 2003

PAUL ROYALTY FUND, L.P.

By: Paul Capital Management, LLC,
its General Partner

By: 
Name: Walter Flamenbaum, M.D.
Title: Managing Member

PAUL ROYALTY FUND HOLDINGS II

By: Paul Royalty Fund II, L.P.,
its Managing Partner

By: Paul Capital Royalty Management, LLC,
its General Partner

By: 
Walter Flamenbaum, M.D.
Managing Member

[Signature Page to Trademark Security Agreement]

SCHEDULE 1
(Trademark Security Agreement)

COUNTRY	TRADEMARK	REG. NO.	REG. DATE
UNITED STATES	AGGRASTAT	2,027,788	12/31/96

COUNTRY	SERVICE MARK	REG. NO.	REG. DATE
UNITED STATES	PROLONG	2,713,360	05/06/03
UNITED STATES	CARE	2,717,403	05/20/03

SCHEDULE 1
(Trademark Security Agreement)

TRADEMARK: GLIADEL		
COUNTRY	REG. NO.	REG. DATE
UNITED STATES	1,650,461	07/09/91
ARGENTINA	1848791	10/26/01
AUSTRALIA	673953	01/31/97
AUSTRIA	161295	12/05/95
BENELUX	582765	09/02/96
BRAZIL	N/A (App. no. 820581488)	N/A (Filed: 02/17/98)
CANADA	475,108	04/23/97
CHILE	513147	05/26/98
CHINA (PRC)	1032540	06/21/97
COLOMBIA	212145	08/25/99
DENMARK	7341 1995	10/24/95
ECUADOR	5532-98	10/06/98
FINLAND	201128	07/15/96
FRANCE	95591029	03/15/96
GERMANY	39541840	05/09/96
GREECE	135860	08/17/99
IRELAND	168898	03/24/97
ISRAEL	101178	07/02/97
ITALY	750817	05/22/98
JAPAN	4046979	08/22/97
JAPAN	4131704	04/03/98
KOREA	361871	05/12/97
MEXICO	575836	03/30/98
NEW ZEALAND	254244	10/07/097
NORWAY	178037	11/14/96
PERU	044624	02/18/98
PORTUGAL	312918	08/08/96
SINGAPORE	T95/09679Z	11/11/99
SOUTH AFRICA	95/13155	04/12/99
SPAIN	1994128	01/20/97
SWEDEN	311551	04/12/96
SWITZERLAND	432358	12/09/96
TAIWAN	737210	12/01/96
TURKEY	163927	07/23/98
UNITED KINGDOM	2039450	06/26/98
URUGUAY	298274	05/27/98
VENEZUELA	P208835	10/30/08