

Form PTO-1594  
(rev 3/1)

**RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY**

U. S. Department of Commerce  
Patent and Trademark Office

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

1. Name of conveying party(ies):

**Questcor Pharmaceuticals, Inc.**  
**3620 Whipple Road**  
**Union City, CA 94587**

Individual(s)       Association  
 General Partnership       Limited Partnership  
 Corporation - **California**  
 Other

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

2. Name and Address of receiving party(ies)

**Defiante Farmaceutica Lda.**  
**Rua dos Ferreiros**  
**260 Funchal-Madeira**  
**Portogallo, 9000-082**

Individual(s) citizenship  
 Association  
 General Partnership  
 Limited Partnership  
 Corporation - **Portuguese**  
 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

3. Nature of conveyance:

Assignment       Merger  
 Security Agreement       Change of Name  
 Other: **Trademark Security Agreement**

Execution Date: **July 31, 2004**

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

A. Trademark Application No(s).

Additional numbers attached?  Yes  No

B. Trademark Registration No(s).

**2157783**

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

**Elaine D. Ziff, Esq.**  
**SKADDEN, ARPS, SLATE, MEAGHER**  
**& FLOM LLP**  
**Four Times Square**  
**New York, New York 10036**

6. Total number of applications/registrations involved: 1


7. Total fee (37 CFR 3.41) **\$40**

All fees and any deficiencies are authorized to be charged to Deposit Account  
 (Our Ref. 075790/2)  
**Authorized User: Michael McGuire**

8. Deposit Account No. **19-2385**

DO NOT USE THIS SPACE

9. Signature.

Elaine D. Ziff            August 16, 2004  
 Name      Signature      Date

Total number of pages including cover sheet, attachments, and document: 6

CH \$40.00 192385 2167783

## SECURITY AGREEMENT

This SECURITY AGREEMENT ("Agreement") is entered into as of July 31, 2004, by and between Questcor Pharmaceuticals, Inc., a California corporation located at 3260 Whipple Road, Union City, California, 94587 ("Borrower"), and Defiante Farmaceutica Lda, a Portuguese corporation located at Rua dos Ferreiros, 260 Funchal-Madeira, Portogallo, 9000-082 ("Lender").

A. WHEREAS, Borrower owns or controls intellectual property rights relating to the cyanocobalamin-containing drug presently marketed under the brand name "NASCOBAL" (such drug, as it may be enhanced, reformulated, or modified after the date hereof, in all strengths, dosages and delivery forms and regardless of the names or name under which it is or may become known, is herein referred to as "NASCOBAL");

B. Borrower has issued to Lender that certain Secured Promissory Note dated of even date herewith, evidencing indebtedness in the principal amount of \$2,200,000.00 (the "Note"); and

C. As a condition precedent to the effectiveness of the Note, Lender has required Borrower to execute and deliver this Agreement.

NOW, THEREFORE, in consideration of the above recitals, the mutual covenants hereinafter set forth, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged hereto agrees as follows:

1. Creation of Security Interest. In order to secure the payment and performance of the Secured Obligation (as defined below). Borrower hereby pledges and grants to Lender, a security interest in all of Borrower's right, title and interest in and to the following property, whether now owned or hereafter acquired or arising, and wherever located:

(i) trademarks, trade names, Internet domain names, trade styles, service marks, logos, other source or business identifiers, general intangibles of like nature, all registrations and applications for any of the foregoing, in each case, associated with NASCOBAL, including the registered trademarks and trademark applications set forth in Schedule A hereto; all renewals of any of the foregoing; the goodwill of the business connected with the use of and symbolized by the foregoing trademarks, trade names, trade styles, service marks, logos and other source or business identifiers; the right to sue for past infringement or dilution of any of the foregoing or for any injury to goodwill,

(ii) patents and applications for patents which cover the making, using, formulation, or commercialization of NASCOBAL, including, each patent and patent application listed in Schedule B hereto, all reissues, divisions, continuations, substitutions supplementary protection certificates continuations-in-part, extensions, renewals, reexaminations and equivalents to any of the foregoing, the right to sue for past infringements of any of the foregoing (collectively, the "Patents").

(iii) technical and other information which is not in the public domain, including information comprising or relating to concepts, discoveries, data, designs, formulae, ideas, inventions, methods, models, assays, research plans, procedures, designs for experiments and tests and results of experimentation and testing (including results of research or development), processes (including manufacturing processes, specifications and techniques), laboratory records, chemical, pharmacological, toxicological, clinical, analytical and quality control data, trial data, case report forms, data analyses, reports, manufacturing data, summaries, information contained in submissions to and information from ethical committees and regulatory authorities, data concerning pricing or reimbursement including discounts and rebates to particular customers, data concerning dealings with managed and similar healthcare providers including lists of customers and key prescribers, data concerning trade inventory levels, data concerning returns and chargebacks and any other data covering the supply chain, which relates to NASCOBAL or to its development ("Know How");

(iv) copyrights, including copyrights in software and databases, in the items set forth in Section (iii) above or otherwise in the works of authorship pertaining to the development, manufacture, or marketing of NASCOBAL, including the registered copyrights and copyright applications set forth on Schedule C hereto, registrations and applications for, and renewals and extensions of, any the foregoing, the right to sue for past infringement of any of the foregoing (collectively, the "Copyrights");

(v) license agreements granting rights to use any Trademarks, Patents, Copyrights, or Know-How (whether the Borrower is the licensor or the licensee thereunder);

(vi) New Drug Applications ("NDAs") filed with the FDA, and other regulatory filings and approvals for NASCOBAL;

(vii) all of Borrower's contractual rights and remedies in connection with that certain Asset Purchase Agreement between Nasteck Pharmaceutical Company, Inc. and Borrower, dated as of June 16, 2003;

(viii) all proceeds and products of any of the foregoing.

All of the foregoing are, collectively, referred to as the "Collateral", and the items in subparagraphs (i) through (v) are, collectively, referred to as the "Intellectual Property Collateral."

Notwithstanding anything to the contrary herein, the foregoing grant of Lien shall not attach to (i) applications filed in the U.S. Patent and Trademark Office to register Trademarks filed on the basis of Borrower's "intent to use" such Trademarks unless and until the filing of a "Statement of Use" or "Amendment to Allege Use" has been filed, whereupon such applications shall be automatically subject to the lien granted herein and deemed included in the Intellectual Property Collateral and (ii) any license, contract, property rights or agreement to

which the Borrower is a party or any of its rights or interests thereunder if the grant of such security interest shall constitute or result in (x) the abandonment, invalidation or unenforceability of any right, title or interest of the Borrower therein or (y) in a breach or termination pursuant to the terms of, or a default under, any such license, contract property rights or agreement (other than to the extent that any such term would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the Uniform Commercial Code (or any successor provision or provisions) of any relevant jurisdiction or any other applicable law or principles of equity).

2. Secured Obligation. For purposes of this Agreement, "Secured Obligation" shall mean the obligation of Borrower to repay Lender for the indebtedness and other obligations evidenced by the Note (including principal, interest, and any other amounts payable hereunder or thereunder).

3. Perfection of Security Interest. Borrower will, at its sole expense, execute, acknowledge, and deliver all such instruments, and take all such actions, as Lender may, from time to time, reasonably request or require so that Lender shall have a first priority perfected security interest in the Collateral. In furtherance thereof, Borrower shall file such financing statements, continuation statements, or amendments thereto, and other documents, agreements, instruments, endorsements, powers of attorney or notices, as may be necessary or as Lender may require, in order to perfect the security interest granted hereunder, including:

(a) Furnishing to Lender, from time to time, statements and schedules further identifying and describing the Intellectual Property Collateral and such other reports in connection with the Intellectual Property Collateral as Lender may reasonably request, all in reasonable detail;

(b) initially, filing UCC-1 financing statements in the State of California. In the event that Borrower changes its name or the location of its chief executive office it will give Lender written notice clearly describing such new name or location. If such new location is in a state other than California, then Borrower shall additionally file a UCC-1 filing statement in such state evidencing the security interest granted hereby, and shall during the remaining term of this Agreement (or, if earlier, until Borrower moves its chief executive office to another state), upon the request of Lender, file such continuation statements as are required to prevent expiration of such UCC-1 financing statement in such state. Such UCC-1 financing statement and continuation statements shall describe the Collateral in the same manner as described herein;

(c) recording appropriate evidence of the liens granted hereunder in the Intellectual Property Collateral in the United States Patent and Trademark Office, the United States Copyright Office, or any other jurisdiction within the United States.

Borrower authorizes and requests that the U.S. Patent and Trademark Office and, U.S. Copyright Office to file and record this Agreement in order to reflect the interests of the Lender in the Intellectual Property Collateral.

4. Representation and Warranties. Borrower represents and warrants as follows:

(a) Existence and Power. Borrower is a duly formed and validly existing corporation in good standing under the laws of the State of California, and has the requisite power and authority to own its property and assets and to execute, deliver and perform its obligations under this Agreement and the Note.

(b) Enforceability. This Agreement and the Note have each been duly authorized, executed and delivered by Borrower and each constitutes the legal, valid and binding obligation of Borrower, enforceable against Borrower in accordance with its terms.

(c) No Conflict. The execution, delivery, and performance of this Agreement and the Note by Borrower, and the consummation of the transactions contemplated hereby and thereby, will not (i) conflict with or result in a breach of any of the terms and provisions of, or constitute a default (or an event which with the giving of notice or the lapse of time or both would constitute a default) under, or result in the creation or imposition of (or the obligation to create or impose) any lien (except as provided herein) upon any assets of the Borrower or any of its subsidiaries pursuant to, any agreement, indenture, mortgage, deed of trust, equipment lease, license instrument or other document to which Borrower is a party or to which it or any of its assets or subsidiaries assets may be subject, except for such conflicts which have been duly waived; (ii) conflict with any law, order, rule or regulation of any court or any federal or state government, regulatory body or administrative agency, or any other governmental body having jurisdiction over Borrower or its properties; or (iii) violate any provision of the organizational documents of the Borrower or any of its subsidiaries.

(d) Governmental Approvals. No order, consent, approval, or other authorization or filing, recording, or registration with, or exemption by, any governmental or public body or authority is required to authorize, or is required in connection with, (i) the execution, delivery, and performance by the Borrower of this Agreement and the Note or (ii) the legality, validity, or enforceability of this Agreement and the Note.

(e) Collateral.

(i) Schedules A, B and C set forth a true and accurate list of all registrations of and applications for Trademarks, and Patents and Copyrights which are owned by or exclusively licensed to Borrower and included in the Intellectual Property Collateral;

(ii) The Borrower has good and marketable title to the Collateral, free and clear of all liens, security interests, charges or encumbrances or adverse claims or other interests whatsoever. There is no financing statement or other document or instrument now executed, or on file or recorded in any public office, granting a security interest, in or otherwise encumbering, any part of the Collateral.

(iii) All Intellectual Property Collateral is subsisting and has not been adjudged invalid or unenforceable, in whole or in part, except as disclosed on schedules A, B and C, and Borrower has performed all acts and has paid all renewal, maintenance, and other fees and taxes required to maintain each and every registration and application pertaining to the Intellectual Property Collateral in the United States in full force and effect;

(iv) All Intellectual Property Collateral is valid and enforceable; no holding, decision, or judgment has been rendered in any action or proceeding before any court or administrative authority challenging the validity of, Borrower's right to register, or Borrower's rights to own or use, any Intellectual Property Collateral and no such action or proceeding is pending or, to the best of Borrower's knowledge, threatened;

(v) Borrower is the sole and exclusive owner of the entire right, title, and interest in and to all Intellectual Property Collateral set forth on Schedules A, B and C, all registrations and applications for Intellectual Property Collateral are standing in the name of Borrower without gaps in the chain of title, and none of the Intellectual Property Collateral has been licensed by Borrower to any affiliate or third party, except as disclosed in Schedule D;

(vi) Neither Borrower's use of the Intellectual Property Collateral, nor the conduct of Borrower's business, infringes, misappropriates or otherwise violates any mark, patent, copyright, trade secret or similar intellectual property right owned or controlled by a third party; no such claim has been made and remains outstanding, and Borrower has not received any written notification that Borrower (or its licensee's) use of any Intellectual Property Collateral, violates the rights of any third party;

(vii) To the Borrower's knowledge, no third party is infringing upon or otherwise violating any Intellectual Property Collateral;

(viii) No settlement or consents, covenants not to sue, non-assertion assurances, co-existence agreements, or releases have been entered into by Borrower or to which Borrower is bound that adversely affect its rights to own or use any Intellectual Property Collateral; and

(ix) There are no Patents, Trademark, Copyrights, Know-How, Licenses, Books and Records, or Regulatory Approvals, owned by or licensed to any affiliate or subsidiary of Borrower.

#### 5. Covenants.

(a) Borrower and Lender agree that the execution, delivery and performance of this Agreement by Borrower and the consummation of the transactions contemplated hereby do not violate, and shall not be considered a breach of, Section 8 of that certain 8% Convertible Debenture dated March 15, 2002.

(b) Borrower represents that it is the true and lawful owner of the Collateral and agrees to use commercially reasonable efforts to protect the Collateral in any lawful manner from any third party claims.

6. No Transfer; Maintenance of Collateral.

(a) Borrower shall not sell, assign, license, exchange or otherwise voluntarily or involuntarily transfer or dispose of the Collateral or encumber, or hypothecate, or create or permit to exist any lien, security interest, charge or encumbrance, or adverse claim upon or other interest in the Collateral except the lien created by this Agreement without the prior written consent of Lender.

(b) Borrower shall not do any act or omit to do any act whereby any of the Intellectual Property Collateral may lapse, or become abandoned, dedicated to the public, or unenforceable, or which would adversely affect the validity, grant, or enforceability of the security interest granted herein, and Borrower agrees to pay all renewal, maintenance, and other fees and taxes required to maintain each and every registration and application of Intellectual Property Collateral in the United States in full force and effect.

(c) In the event that any Intellectual Property Collateral owned by or exclusively licensed to Borrower is infringed otherwise violated or challenged by a third party, Borrower shall promptly take all reasonable actions to stop such infringements or other violations, defend such challenges, and protect its exclusive rights in such Intellectual Property Collateral including, but not limited to, the initiation of a suit for injunctive relief and to recover damages.

7. New Collateral.

(a) Borrower shall promptly (but in no event more than thirty (30) days after Borrower obtains knowledge thereof) report to Lender (i) the filing of any application to register any Intellectual Property Collateral with the United States Patent and Trademark Office or United States Copyright Office or elsewhere in the world (whether such application is filed by Borrower or through any agent, employee, licensee, or designee thereof) and (ii) the registration of any Intellectual Property Collateral by any such office. Borrower hereby authorizes Lender to modify this Agreement by amending Schedules A, B or C to reference such Intellectual Property Collateral, and will otherwise cooperate with Lender in effecting any such amendment to this Agreement deemed necessary by Lender, to include any Trademarks, Patents or Copyrights which shall become part of the Intellectual Property Collateral after the date hereof.

(b) Borrower will not change the name of NASCOBAL without prior notice to Lender. For the avoidance of doubt, the parties acknowledge that all such new names shall be considered within the definition of "Trademarks" hereunder.

8. Right to Enter. Lender shall have, with reasonable notice to Borrower, the right to enter into and upon any premises where the Collateral or records with respect thereto are located for the purpose of inspecting the same, performing an audit, making copies of records,

protecting Lender's security interest in the Collateral, or otherwise determining whether Borrower is in compliance with the terms of this Agreement.

9. Further Assurances. Borrower hereby authorizes the filing or recording of any financing statements or continuation statements, and amendments to financing statements, notices of lien or the recording in any jurisdictions and with any filing offices or Intellectual Property registries as the Lender may determine, in its sole discretion, are necessary or advisable from time to time to record or perfect the security interest granted to the Lender in connection herewith. Borrower hereby agrees to take such further actions and to execute, acknowledge and/or deliver such further instruments or agreements as the Lender may determine, in its reasonable discretion, are necessary or advisable from time to time to record or perfect the security interest granted to the Lender in connection herewith or to establish and maintain the validity and effectiveness of this Agreement or the Note and the validity, perfection, and priority of the liens intended to be created thereby.

10. Defaults. Borrower shall be in default under this Agreement upon the happening of any one or more of the following events (an "Event of Default"):

(a) Payments. Borrower shall fail to make any payment required under the Note, subject to the applicable cure period;

(b) Representations and Warranties. Any representation or warranty made by Borrower in this Agreement shall prove to have been untrue, incorrect or misleading in any material respect when made;

(c) Other Covenants. Borrower shall fail to duly observe or perform any covenant contained in this Agreement or the Note, subject to the applicable cure period;

(d) Collateral. Borrower shall fail to pay and discharge any judgment or levy of any attachment, execution or other process against the Collateral and such judgment shall not be satisfied, or such levy or other process shall not be removed within twenty (20) calendar days after the entry or levy thereof, or at least ten (10) calendar days prior to the time of any proposed sale under any such judgment levy; or

(e) Insolvency. Borrower commences or proposes to commence any bankruptcy, reorganization or insolvency proceeding, or other proceeding under any federal, state or other law for the relief of debtors; Borrower fails to obtain the dismissal, within thirty (30) days after the commencement thereof, of any bankruptcy, reorganization or insolvency proceeding, or other proceeding under any law for the relief of debtors, instituted by one or more third parties, fails actively to oppose any such proceeding, or, in any such proceeding, defaults or files an answer admitting the material allegations upon which the proceeding was based or alleges its willingness to have an order for relief entered or its desire to seek liquidation, reorganization or adjustment of its debts; or any receiver, trustee or custodian is appointed to take possession of all or any substantial portion of the assets of Borrower or any committee of Borrower's creditors, or any class thereof, is formed for the purpose of monitoring or investigating the financial affairs of Borrower or enforcing such creditors' rights.



(f) Remedies.

(i) Foreclosure and Other Rights. Upon an Event of Default, the Secured Obligation shall be immediately due and payable. Upon the occurrence and continuance of such Even of Default, in addition to any not in limitation of any other rights and remedies of Holder, hereunder or otherwise, all of such rights and remedies being cumulative, Lender shall have the remedies of a secured party under the California Uniform Commercial Code and may require Borrower to assemble the Collateral and turn it over to Lender at a place designated by Lender. Borrower hereby expressly waives and releases all rights to have the Collateral marshaled upon the exercise of any remedies under this Agreement. Without limiting the generality of the foregoing, if an Event of Default shall occur and be continuing, Lender may immediately, without demand of performance, which is expressly waived, endorse the Borrower's name on all applications, documents, papers and instruments necessary or desirable for Lender in the use of the Collateral, and Lender may sell, assign, lease, license (on an exclusive or non-exclusive basis) given an option or options to purchase or to otherwise dispose of the Collateral, and after deducting from proceeds of sale or other disposition of the Collateral all documented expenses (including all reasonable expenses for broker's fees and legal services), Lender shall apply the residue of such proceeds toward the payment of the obligations. Any remainder of the proceeds after payment in full of the obligations immediately shall be paid over to Borrower. Notice of any sale or other disposition of the Collateral shall be given to Borrower at least ten (10) days before the time of any intended public or private sale or other disposition of the Collateral, which Borrower hereby agrees shall be reasonable notice of such sale or other disposition. As to any such sale or other disposition, Lender may, to the extent permissible under applicable law, purchase the whole or any part of the Collateral, free from any right of redemption on the part of Borrower, which right is hereby waived and released.

(ii) Grants of License. In addition, solely for the purpose of enabling Lender to exercise rights and remedies under this Section 10, and at such time as Lender shall be lawfully entitled to exercise such rights and remedies, Borrower hereby grants to Lender, an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to Borrower), with rights of sublicense, subject, in the case of Trademarks, to sufficient rights to quality control and inspection in favor of the Borrower to avoid the risk of invalidation of said Trademarks, to use, operate under, or license, any Intellectual Property Collateral.

11. Power of Attorney. Borrower hereby irrevocably grants to Lender a power of attorney, to act, following the occurrence of any Event of Default, as Borrower's attorney-in-fact, with full authority in the name, place and stead of Borrower, from time to time in Lender's discretion, to take any action and to execute any instrument that Borrower may deem necessary or advisable in its discretion to accomplish the purposes of this Agreement, and in connection with the exercising of its rights and remedies hereunder, such power of attorney being coupled with an interest.

12. Notices. All notices, requests and other communications required or permitted to be made hereunder shall, except as otherwise provided, be in writing and may be delivered personally or sent by telegram, telecopy, telex, overnight courier or certified mail, postage prepaid, to the parties. Such notices, requests and other communications sent shall be effective upon receipt, unless sent by (i) overnight courier, in which case they shall be effective exactly one (1) business day after deposit with such overnight courier, or (ii) mail, in which case they shall be effective exactly three (3) business days after deposit in the United States mail. Either party may change its address or other information by giving notice thereof to the other party hereto in conformity with this Section 8.

13. Termination of Security Agreement. This Agreement and the security interest hereunder shall terminate upon the full and final payment and performance of the Secured Obligation. Notwithstanding anything to the contrary herein, this Agreement (including all representations, warranties and covenants contained herein) shall continue to be effective or be reinstated, as the case may be, if at any time any amount received by Lender in respect of the Secured Obligation is rescinded or must otherwise be restored or returned by Lender upon or in connection with the insolvency, bankruptcy, dissolution, liquidation or reorganization of Borrower or otherwise, all as though such payment had not been made.

14. Headings. The various headings in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement or any provision hereof.

15. Amendments. This Agreement or any provision hereof may be changed, waived, or terminated only by a statement in writing signed by the party against which such change, waiver or termination is sought to be enforced, and then any such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

16. Entire Agreement. This Agreement is intended by the parties as a final expression of their agreement and is intended as a complete and exclusive statement of the terms and conditions thereof. Acceptance of or acquiescence in a course of performance rendered under this Agreement shall not be relevant to determine the meaning of this Agreement even though the accepting or acquiescing party had knowledge of the nature of the performance and opportunity for objection.

17. Severability. If any provision or obligation of this Agreement should be found to be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions and obligations or any other agreement executed in connection herewith, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby and shall nonetheless remain in full force and effect to the maximum extent permitted by law.

18. Successors and Assigns. All rights of Lender hereunder shall inure to the benefit of its successor and assigns. Borrower shall not assign any of its interest under this Agreement without the prior written consent of Lender. Any purported assignment inconsistent with this provision shall, at the option of Lender, be null and void.

19. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without giving effect to the principles thereof relating to conflicts of law.

20. Delay; Waiver. No delay in enforcing or failing to enforce any right under this Agreement by Lender shall constitute a waiver by Lender of such right. No waiver by Lender of any default hereunder shall be effective unless in writing, nor shall any waiver operate as a waiver of any other default or of the same default on a future occasion.

21. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all of which shall together constitute one and the same agreement.

22. Consent to Jurisdiction. Each party hereto irrevocably and unconditionally hereby consents to the jurisdiction and venue of any court of competent jurisdiction within the State of California with respect to any suit, action or other legal proceeding arising out of this Agreement, and waives any right to contest the appropriateness of any action brought in any such court based upon lack of personal jurisdiction or forum non-conveniens.

23. Construction.

(a) Borrower and Lender have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

(b) Except where expressly stated otherwise in this Agreement, the following rules of interpretation apply to this Agreement: (i) "either" and "or" are not exclusive and "include", "includes" and "including" are not limiting; (ii) "hereof", "hereto", "hereby", "herein" and "hereunder" and words of similar import when used in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement; (iii) "date hereof" refers to the date set forth in the initial caption of this Agreement; (iv) "extent" in the phrase "to the extent" means the degree to which a subject or other thing extends, and such phrase does not mean simply "if"; (v) definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms; (vi) references to an agreement, instrument or schedule mean such agreement, instrument or schedule as from time to time amended, modified or supplemented, in each case to the extent not prohibited by such agreement or instrument; (vii) references to a "person" are also to its permitted successors and assigns; (viii) references to a "Section" or "Schedule" refer to a Section of or Schedule to this Agreement; and (ix) references to a law include any amendment or modification to such law and any rules, regulations and delegated legislation issued thereafter, whether such amendment or modification is made, or issuance of such rules, regulations or delegated legislation occurs, before or after the date of this Agreement.

24. WAIVER OF JURY TRIAL. EACH PARTY HERETO BY ITS  
ACCEPTANCE HEREOF WAIVES THE RIGHT TO A TRIAL BY JURY OF ANY CLAIM  
OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR IN CONNECTION  
WITH THIS AGREEMENT.

[remainder of page intentionally blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers as of the date first above written

DEFIANTE FARMACEUTICA LDA, a Portuguese corporation

By: [Signature]  
Name: Carlos Quintas  
Title: Director

QUESTCOR PHARMACEUTICALS, INC., a California corporation

By: \_\_\_\_\_  
Name: Timothy E. Morris  
Title: Chief Financial Officer

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers as of the date first above written.

DEFIANTE FARMACEUTICA LDA, a Portuguese corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

QUESTCOR PHARMACEUTICALS, INC., a California corporation

By:   
Name: Timothy E. Morris  
Title: Chief Financial Officer

Schedule A to Security Agreement  
(Trademarks)

Country	Mark	Registration No. (Serial No.)	Date Registered (Date Filed)
Australia	Nascobal	733,493	11/12/97
Switzerland	Nascobal	446,146	10/17/97
Community -CTM	Nascobal	528455	10/20/99
Hungary	Nascobal	150,653	4/14/98
Japan	Nascobal	4,190,179	9/18/98
Norway	Nascobal	187,774	12/23/97
Taiwan	Nascobal	798240	3/16/98
South Africa	Nascobal	97/06437	10/12/00
United States	Nascobal	2,157,783	5/12/98

Schedule B to Security Agreement  
(Patents)

<b>Country</b>	<b>Patent Title (issued patents only)</b>	<b>Patent No. (Serial No.)</b>	<b>Date Issued (Date Filed)</b>
United States	Nasal Compositions Containing Vitamin B12	4,724,231	2/9/88

Lien release submitted on July 21, 2004.



Schedule C to Security Agreement  
(Copyrights)

Title of Work	Nature of Work	Registration No.	Date Registered Date Filed
NONE			

Schedule D to Security Agreement  
(Foreign Patents and applications)

Questcor has not made and does not intend to make any annuity payments with respect to the following foreign Nascoval patents and patent applications.

Title of Work	Nature of Work	Registration No.	Date Registered Date Filed
PCT (Closed)	Aerosol Compositions for Nasal Delivery of Vitamin B12	Appl No. (PCT/US86/00793)	(4/15/86)
Canada	Aerosol Compositions for Nasal Delivery of Vitamin B12	1317881	5/18/93
Europe	Aerosol Compositions for Nasal Delivery of Vitamin B12	0218679	12/11/91
Belgium	Aerosol Compositions for Nasal Delivery of Vitamin B12	0218679	12/11/91
France	Aerosol Compositions for Nasal Delivery of Vitamin B12	0218679	12/11/91
Great Britain	Aerosol Compositions for Nasal Delivery of Vitamin B12	0218679	12/11/91
Germany	Aerosol Compositions for Nasal Delivery of Vitamin B12	P3682862.9	12/11/91
Italy	Aerosol Compositions for Nasal Delivery of Vitamin B12	0218679	12/11/91
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Netherlands	Aerosol Compositions for Nasal Delivery of Vitamin B12	0218679	12/11/91
Sweden	Aerosol Compositions for Nasal Delivery of Vitamin B12	0218679	12/11/91
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France	Nasal Compositions Containing Vitamin B12	0216917	7/4/90
Great Britain	Nasal Compositions Containing Vitamin B12	0216917	7/4/90
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Italy	Nasal Compositions Containing	0216917	7/4/90

	Vitamin B12		
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A lien on the below patents exists but a Lien release submitted on July 21, 2004.

Country	Patent Title (issued patents only)	Patent No. (Serial No.)	Date Issued (Date Filed)
United States	Nasal Compositions Containing Vitamin B12	4,724,231	2/9/88