

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Axiom Pharmaceutical Corporation		09/16/2005	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	Galen Partners III, L.P.		
Street Address:	610 Fifth Avenue		
Internal Address:	5th Floor		
City:	New York		
State/Country:	NEW YORK		
Postal Code:	10019		
Entity Type:	LIMITED PARTNERSHIP: DELAWARE		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Registration Number:	2960329	AXIOM PHARMACEUTICAL CORPORATION	
Serial Number:	76510680	AXIOM PHARMACEUTICAL CORPORATION	
CORRESPONDENCE DATA			
Fax Number:	(312)698-2168		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	312-861-8686		
Email:	lisa.p.gates@bakernet.com		
Correspondent Name:	Lisa Parker Gates		
Address Line 1:	130 E. Randolph		
Address Line 2:	Suite 3500		
Address Line 4:	Chicago, ILLINOIS 60601		
NAME OF SUBMITTER:	Lisa Parker Gates		
Signature:	/Lisa Parker Gates/		

CH \$65.00 2960329

Date:

09/19/2005

Total Attachments: 10

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TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "Agreement") is made and entered into on September ~~16~~, 2005, by Axiom Pharmaceutical Corporation, a Delaware corporation ("Debtor"), in favor of Galen Partners III, L.P., a Delaware limited partnership, acting in its capacity as agent for the Lenders as defined below (the "Agent").

WITNESSETH:

WHEREAS, Acura Pharmaceuticals, Inc. ("Acura"), the parent corporation of Debtor, has entered into a Loan Agreement, of even date herewith with the lenders party thereto (the "Lenders") (as amended or otherwise modified from time to time, the "Loan Agreement"), providing for the extension of credit by the Lenders to Acura;

WHEREAS, Debtor has executed and delivered to Agent, for the benefit of the Lenders, a Continuing Unconditional Secured Guaranty of even date herewith (the "Guaranty") of the obligations of Acura under the Loan Agreement and other Transaction Documents; and

WHEREAS, the Lenders have required, as a condition to the extension of credit under the Loan Agreement, that Debtor grant to Agent a security interest in and to the Collateral (as defined herein). Capitalized terms appearing herein but not defined herein shall have the respective meanings ascribed thereto in the Loan Agreement.

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the receipt of and adequacy of which are hereby acknowledged, Debtor hereby agrees with Agent as follows:

1. Security Interest. Debtor hereby grants to Agent a security interest in and to the Collateral described in Section 2 herein (the "Collateral") in order to secure the payment and performance of all obligations of Debtor to the Lenders and the Agent under the Guaranty and the other Transaction Documents (the "Obligations").

2. Collateral. The Collateral is: all of Debtor's trademarks and trademark registrations, tradenames, and trademark applications which, in each case are now or hereafter filed with the United States Patent and Trademark Office, any similar office or agency of any state, territory or possession of the United States or any similar office or agency of any other countries or used in the United States, any state, territory or possession thereof or any other country, including, without limitation, the trademarks, tradenames trademark registrations and trademark applications listed on Schedule A attached hereto and made a part hereof and (i) all reissues, divisions, continuations, renewals, reexaminations, extensions and continuations-in-part of any of the foregoing, (ii) all income, royalties, damages and payments now and hereafter due or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, (iv) all rights

corresponding thereto throughout the world, and (v) the goodwill of the Debtor's business associated therewith (all of the foregoing trademarks and trademark applications, together with the items described in clauses (i)-(v) above, are referred to herein, either individually or collectively, as the "Trademarks").

Debtor represents and warrants that, to the best of its knowledge, the Trademarks listed on Schedule A constitute all of the Trademarks and Trademark applications which are as of the date hereof owned by or are pending on behalf of Debtor in the United States or any state of the United States (as set forth on Schedule A) and that Debtor is not aware of any such Trademarks which are not registered in the United States or any state thereof.

3. Agent's Right to Sue. From and after the occurrence and during the continuance of an Event of Default, Agent shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks, and any licenses thereunder, and, if Agent shall commence any such suit, Debtor shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents required by Agent in aid of such enforcement and Debtor shall indemnify and shall, upon demand, promptly reimburse Agent for all damages, costs and expenses, including attorneys' and paralegal fees and expenses, incurred by Agent in the exercise of its rights under this Section 3.

4. Agent's Right to Maintain Quality. Debtor agrees that from and after the occurrence of an Event of Default, Agent shall have the right to establish such additional product quality controls as Agent, in its sole judgment, may deem necessary to assure maintenance of the quality of products sold by Debtor under the Trademarks. Debtor agrees (i) not to sell or assign its interest in, or grant any license under the Trademarks without prior written consent of Agent; (ii) to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with the quality of such products as of the date hereof; (iii) not reduce the quality of such products without Agent's express written consent; and (iv) to provide Agent, upon request, with a certificate of an officer of Debtor certifying Debtor's compliance with the foregoing.

5. Remedies. If any Event of Default shall have occurred, then Agent shall be entitled to exercise in respect of the Collateral, in addition to other rights and remedies provided for herein, in the Guaranty, Loan Agreement and other Transaction Documents or otherwise available to it, all of the rights and remedies of a secured party under the Uniform Commercial Code in effect in the State of Delaware (the "UCC") whether or not the UCC applies to the affected Collateral, and also may (i) require Debtor, and Debtor hereby agrees that it will upon the request of Agent, forthwith, (A) execute and deliver an assignment, substantially in the form of Exhibit A hereto, of all right, title and interest in and to the Collateral, and (B) take such other action as Agent may request to effectuate the outright assignment of such Collateral or to exercise, register or further perfect and protect its rights and remedies with respect to such assigned Collateral, and (ii) without notice except as specified below, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any of Agent's offices or elsewhere, for cash, on credit or for future delivery, and upon such terms as Agent may deem commercially reasonable. Debtor agrees that at least ten (10) days notice to Debtor, given by Agent in accordance with the terms of the Transaction Documents, of the time and place of any

public sale or the time which any private sale is to be made shall constitute reasonable notification. Agent shall not be obligated to make any sale of the Collateral regardless of notice of sale having been given. Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. Agent may purchase all or any part of the Collateral at public or, if permitted by law, private sale and, in lieu of actual payment of such purchase price, may setoff the amount of such price against the Obligations. The proceeds realized from the sale of any Collateral shall be, applied first to the reasonable costs, expenses and attorneys and paralegal fees and expenses incurred by Agent and the Lenders for collection and for acquisition, protection, and sale of the Collateral; second to interest due upon any of the Obligations; and third to the principal of the Obligations. If any deficiency shall arise, Debtor shall remain liable to the Lenders and, if applicable, Agent therefor. The commencement of any action, legal or equitable, or the rendering of any judgment or decree for deficiency shall not affect Agent's security interest in the Collateral until the Obligations are fully paid. Debtor agrees that Agent has no obligation to preserve rights to Collateral against any other parties.

6. Cumulative Remedies: Power of Attorney: Effect on Loan Agreement. All of Agent's rights and remedies with respect to the Trademarks, whether established hereby, by the Loan Agreement, by the Guaranty, by any other Transaction Documents, or by law shall be cumulative and may be exercised singularly or concurrently. Debtor hereby authorizes Agent to make, constitute and appoint any officer or agent of Agent as Agent may select, in its sole discretion, as Debtor's true and lawful attorney-in-fact, with power, from and after the occurrence of an Event of Default to (a) endorse Debtor's name on all applications, documents, papers and instruments necessary or desirable for Agent in the use of the Trademarks, (b) take any other actions with respect to the Trademarks as Agent deems in the best interest of Agent, (c) grant or issue any exclusive or non-exclusive license under the Trademarks to anyone, or (d) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone. Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable until all Obligations shall have been paid in full and the Loan Agreement and the Transaction Documents have been terminated. Debtor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Agent under the Guaranty, the Loan Agreement and the other Transaction Documents but rather is intended to facilitate the exercise of such rights and remedies.

7. Notices. Any notice, approval, consent or other communication to any party hereunder shall be in the form and manner, and to the addresses as set forth in the Transaction Documents.

8. Miscellaneous. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which shall together constitute one and the same agreement. This Agreement shall be governed by the laws of the State of New York. In connection with any dispute arising under this Agreement, the Debtor consents and agrees to be bound by the jurisdictions identified for dispute resolution in the Transaction Documents.

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

IN WITNESS WHEREOF, Debtor has duly executed and delivered this Trademark Security Agreement as of the day and year first above written.

AXIOM PHARMACEUTICAL CORPORATION

By: Arthur D. Kordich
Name: Arthur D. Kordich
Title: President & CEO

By its acceptance hereof, as of the day and year first above written, the Agent agrees to be bound by the provisions hereof applicable to it.

GALEN PARTNERS III, L.P.

By: Claudius, L.L.C., General Partner
610 Fifth Avenue, 5th Fl.
New York, New York 10019

By: _____
Srini Conjeevaram, its General Partner

IN WITNESS WHEREOF, Debtor has duly executed and delivered this Trademark Security Agreement as of the day and year first above written.

AXIOM PHARMACEUTICAL CORPORATION

By: _____
Name:
Title:

By its acceptance hereof, as of the day and year first above written, the Agent agrees to be bound by the provisions hereof applicable to it.

GALEN PARTNERS III, L.P.
By: Claudius, L.L.C., General Partner
610 Fifth Avenue, 5th Fl.
New York, New York 10019

By: Srini Conjeevaram
Srini Conjeevaram, its General Partner

CERTIFICATE OF ACKNOWLEDGEMENT

COMMONWEALTH OR STATE OF PA)
) SS
COUNTY OF Chester)

Before me, the undersigned, a Notary Public in and for the county aforesaid, on this 14th day of September, 2005, personally appeared Andrew D Redorick to me known personally, and who, being by me duly sworn, deposes and says that he is the President + CEO of Axiom Pharmaceutical Corporation, a Delaware corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said Andrew D Redorick acknowledged said instrument to be the free act and deed of said corporation.

Patrick McCullough
Notary Public

COMMONWEALTH OF PENNSYLVANIA

Notarial Seal
Patrick McCullough, Notary Public
West Whiteland Twp., Chester County
My Commission Expires Mar. 29, 2008

Member, Pennsylvania Association Of Notaries

My commission expires: 3/29/2008

SCHEDULE A

TO

TRADEMARK SECURITY AGREEMENT

Dated as of September 16, 2005

U.S. Trademarks Owned By Axiom Pharmaceutical Corporation

<u>TRADEMARK</u>	<u>DATE OF REGISTRATION OR APPLICATION</u>	<u>REGISTRATION OR SERIAL NUMBER</u>
AXIOM PHARMACEUTICAL CORPORATION	Registered 06/07/2005	2,960,329
AXIOM PHARMACEUTICAL CORPORATION	Filed 04/14/2003	76/510,680

EXHIBIT A

FORM OF ASSIGNMENT

ASSIGNMENT OF TRADEMARKS

THIS ASSIGNMENT OF TRADEMARKS ("Assignment") is made as of June 22, 2005 by and between Axiom Pharmaceutical Corporation, a Delaware corporation ("Assignor"), in favor of Galen Partners III, L.P., a Delaware limited partnership, as agent for the benefit of the Lenders ("Assignee").

Recitals

WHEREAS, Assignor and Assignee are parties to that certain Trademark Security Agreement dated September ___, 2005 made by Assignor to Assignee (the "Agreement") providing that under certain conditions specified therein Assignor shall execute this Assignment; and

WHEREAS, the aforementioned conditions have been fulfilled;

NOW THEREFORE, Assignor hereby agrees as follows:

1. Assignment of Trademarks. Assignor hereby grants, assigns and conveys to Assignee its entire right, title and interest in and to all of Debtor's Trademarks and Trademark applications including, without limitation, the Trademarks and Trademark applications listed on Schedule I attached hereto and made a part hereof, and (i) all reissues, divisions, continuations, renewals, reexaminations, extensions and continuations-in-part of any of the foregoing, (ii) all income, royalties, damages and payments now and hereafter due or payable with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, (iv) all rights corresponding thereto throughout the world and (v) the goodwill of the Assignor's business associated therewith (all of the foregoing Trademarks and Trademark applications, together with the items described in clauses (i)-(v) above, are referred to herein, either individually or collectively, as the "Trademarks").

2. Representations and Warranties. Assignor represents and warrants that it has the full right and power to make the assignment of the Trademarks made hereby and that, with the exception of the assignment to the Assignee in connection with that certain Loan Agreement, dated as of June 22, 2005, it has made no previous assignment, transfer, agreement in conflict herewith or constituting a present or future assignment or encumbrance of any or all of the Trademarks, except as set forth in the Agreement.

3. Modification. This Assignment cannot be altered, amended or modified in any way, except by a writing signed by the parties hereto.

4. Binding Effect, Governing Law. This Assignment shall be binding upon Assignor and its successors and shall inure to the benefit of Assignee and its successors and assigns. This Assignment shall, except to the extent that federal law or laws of another state apply to the Trademarks or any part thereof, be governed by and construed in accordance with the internal laws of the State of New York.

IN WITNESS WHEREOF, Assignor has caused this Assignment to be executed and delivered as of the date first above written.

AXIOM PHARMACEUTICAL CORPORATION

By: _____
Its: _____

SCHEDULE I

Trademarks (Axiom Pharmaceutical Corporation)

<u>TRADEMARK</u>	<u>DATE OF REGISTRATION OR APPLICATION</u>	<u>REGISTRATION OR SERIAL NUMBER</u>
AXIOM PHARMACEUTICAL CORPORATION	Registered 06/07/2005	2,960,329
AXIOM PHARMACEUTICAL CORPORATION	Filed 04/14/2003	76/510,680