

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
JDS Pharmaceuticals		11/01/2005	LIMITED LIABILITY COMPANY: DELAWARE
RECEIVING PARTY DATA			
Name:	Synthon Pharmaceuticals		
Street Address:	9000 Development Drive		
City:	Research Triangle Park		
State/Country:	NORTH CAROLINA		
Postal Code:	27709		
Entity Type:	CORPORATION: NORTH CAROLINA		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	1147470	LITHOBID	
CORRESPONDENCE DATA			
Fax Number:	(919)829-9696		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	919-829-4297		
Email:	fhatcher@hutchlaw.com		
Correspondent Name:	Holly A. Coldiron		
Address Line 1:	3110 Edwards Mill Road		
Address Line 2:	Suite 100		
Address Line 4:	Raleigh, NORTH CAROLINA 27612		
ATTORNEY DOCKET NUMBER:	SYP.00003		
NAME OF SUBMITTER:	Holly A. Coldiron		
Signature:	/hac/		

CH \$40.00 1147470

Date:

11/01/2005

Total Attachments: 7

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PLEDGE AND SECURITY AGREEMENT

Pledge and Security Agreement ("Pledge"), dated as of November 1, 2005, between JDS Pharmaceuticals, LLC, a Delaware limited liability company ("JDS") and Synthon Pharmaceuticals, Inc., a North Carolina corporation ("Synthon"), securing certain Purchase Price payments designated in Section 3.1(b) of the Asset Purchase Agreement (the "Purchase Agreement") dated October 17, 2005 by and between JDS and Synthon, up to the total amount of Eight Million Dollars (\$8,000,000) (the "Secured Payments").

Terms defined in the Purchase Agreement and not otherwise defined herein shall have the respective meanings provided for therein.

JDS acknowledges that it will receive considerable benefits as a result of the transfer of the Purchased Assets to JDS's wholly owned subsidiary, JDS Neuro, LLC ("JDS Neuro").

As part of the consideration to Synthon to transfer the Purchased Assets to JDS Neuro, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, JDS and Synthon hereby agree as follows:

1. Security Interest.

To secure the due payment and performance of JDS's payment obligations pursuant to section 3.1(b) of the Purchase Agreement (the "Obligations"), subject to the provisions of section 3 hereof, JDS hereby grants to Synthon a second priority security interest in and lien (the "Lien") on, all the JDS's right, title and interest in, to and under New Drug Application 18-207 and the "Lithobid®" trademark (US Reg No. 1147470), and all goodwill associated therewith, whether now owned or existing or hereafter acquired or arising and wherever located (the "Collateral").

2. Perfection of Security Interest.

By its execution below, JDS hereby authorizes Synthon to prepare and file one or more financing statements and all necessary continuation statements thereto pursuant to the Uniform Commercial Code as in effect on the date hereof and from time to time hereinafter in the jurisdiction where JDS is located or formed, or other notices appropriate under applicable law in form satisfactory to Synthon and its counsel to perfect the Lien hereby created under the Uniform Commercial Code of the State of Delaware (the "UCC"). In addition, Synthon is hereby authorized to file this Pledge, or any other document necessary or appropriate to perfect the security interest granted in Section 1 hereof, in the United States Patent and Trademark Office.

3. Subordination Upon an Event of Default.

Synthon's rights following an Event of Default (as defined below) are subject and subordinate to the prior payment of the principal of (and premium, if any) and the interest on, the indebtedness of JDS represented by that certain Promissory Note and Security Agreement dated as of August 6, 2004 between JDS and Solvay Pharmaceuticals, Inc., a Delaware corporation, and any deferrals, renewals, or extensions of such indebtedness or any notes evidencing such indebtedness, and including any refinancing of such indebtedness up to \$5,000,000 (the "Senior Indebtedness"). Upon any receivership, insolvency, assignment for the benefit of creditors, bankruptcy or reorganization, sale of all or substantially all of the assets, dissolution, liquidation, or any other marshaling of the assets and liabilities of JDS, or upon the occurrence of an Event of Default (as defined below) pursuant to which Synthon exercises its rights and remedies set forth in Section 5(a) below, no portion of the Proceeds shall be paid to

Synthon pursuant to Section 5 below unless and until the principal of, and interest on, the Secured Indebtedness then outstanding is paid in full.

4. Representations, Warranties and Covenants of JDS.

JDS represents, warrants, covenants and agrees as follows:

- (a) To pay and perform all of the Obligations secured by this Pledge according to their respective terms.
- (b) The execution and delivery of this Pledge and the granting of the security interest hereunder are within JDS's corporate powers, have been duly authorized by all necessary corporate action, are not in contravention of law or the terms of JDS's certificate of formation, operating agreement, the Senior Indebtedness, or any indenture, agreement or undertaking to which JDS is a party or by which it is bound.
- (c) JDS has good and marketable title to the Collateral, free and clear of any lien, other than the Senior Indebtedness.
- (d) JDS has not performed any acts that might prevent Synthon from enforcing any of the provisions of this Pledge. No financing statement, security agreement, mortgage, deed or similar or equivalent document or instrument covering all or part of the Collateral is on file or of record in any jurisdiction in which such filing or recording would be effective to perfect or record a lien on the Collateral, except for documents and instruments filed in connection with the liens created hereunder or under the Senior Indebtedness. After the date of this Pledge, no Collateral will be in the possession or under the control of any other person having a claim thereto or Security Interest therein, other than the Senior Indebtedness.
- (e) The principal office of JDS and the place where its records concerning the Collateral are kept is as follows: 122 East 42nd Street, 41st Floor, New York, New York 10168.
- (f) The exact legal name of JDS is, and for the immediately preceding four (4) months has been, as specified for it on the signature page hereto.
- (g) When financing statements have been filed in the office of the Secretary of State of the State of Delaware, the liens granted pursuant to this Pledge will constitute perfected liens in favor of Synthon under the UCC, which liens are second only in priority to the liens described in Section 3 above in existence on the date hereof and which are enforceable as such against all creditors of and purchasers from JDS.

5. Rights and Remedies on Default.

(a) Subject to the subordination provisions set forth in Section 3 above, in case an Event of Default (as defined below) shall occur and be continuing, Synthon shall have the right without further notice to JDS, by any available judicial procedure, to exercise any and all rights afforded to a secured party upon default under the United States Patent Act, the Lanham Act, the Copyright Act of 1976 and under the Uniform Commercial Code or other applicable law as in effect on the date of such Default in the jurisdiction where JDS is located. In such case, without limiting the generality of the foregoing, Synthon shall have the right to take possession of and title to the Collateral and to sell the Collateral, or any portion thereof, at public or private sale in a commercially reasonable manner. The proceeds from such sale (the "Proceeds") may be applied to the Obligations, subject to the prior payment of the Senior Indebtedness in accordance with Section 3. JDS agrees to execute and deliver all such instruments of assignment and conveyance and other documentation as may be reasonably requested Synthon to vest title in and to the Collateral in Synthon or, if such Collateral is sold as

contemplated by the immediately preceding sentence, in the purchaser or purchasers thereof, subject to the subordination provisions set forth in Section 3 above.

(b) Upon the occurrence of an Event of Default, Synthon's reasonable attorneys' fees and disbursements for pursuing, searching for, receiving, taking, keeping, storing, advertising, and selling the Collateral shall be chargeable to JDS.

(c) JDS shall remain liable for any deficiency resulting from a sale of the Collateral and, subject to Section 3 above, shall pay any such deficiency forthwith on demand.

(d) Each of the following events shall constitute an Event of Default:

(i) Failure to make all properly due and payable Purchase Price payments required pursuant to Section 3.1(b) of the Purchase Agreement when due, which failure is a default under the Purchase Agreement and is not cured within (10) business days following JDS's receipt of notice from Synthon that such amount is past due; or

(ii) JDS shall make an assignment for the benefit of creditors, file a petition in bankruptcy, be adjudicated insolvent or bankrupt, petition or apply to any tribunal for the appointment of a receiver or any trustee for it or a substantial part of its assets, or shall commence any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution, or liquidation law or statute of any jurisdiction, whether now or hereafter in effect; or if there shall have been filed any such petition or application, or any such proceeding shall have been commenced against JDS which JDS has not had dismissed within 90 days of such commencement or JDS by any act or omission shall indicate its consent to, approval of or acquiescence in any such petition, application or proceeding or the appointment of a receiver or any trustee for it or any substantial part of any of its properties; or if there shall be issued a warrant of attachment with respect to the Assets of JDS which warranty is not vacated within 30 days; or

(iii) The transfer, assignment or sale by JDS of the Collateral.

Article II. Term of Security Agreement.

The term of this Pledge shall commence as of the date hereof and this Pledge shall continue in full force and effect and be binding upon JDS until all of the Obligations have been fully paid and performed, whereupon this Pledge shall terminate and Synthon shall deliver to JDS at such time all appropriate termination statements, in recordable form, with respect to the Lien as may be reasonably required by JDS.

Article III. Miscellaneous.

Section 3.01 Consent to Jurisdiction and Service of Process. Any legal action, suit or proceeding arising out of or relating to this Pledge or the transactions contemplated hereby may be instituted in the Federal or District of Columbia courts located in the District of Columbia and each party waives any objection which such party may now or hereafter have to the laying of venue of any such action, suit or proceeding. Any and all service of process and any other notice in any such action, suite or proceeding shall be effective against any party if given by registered mail, return receipt requested, or by any other means of mail that requires a

signed receipt, postage prepaid, mailed to such party as herein provided. If for any reason such service of process by mail is ineffective, then each party shall be deemed to have appointed the Secretary of State of the State of North Carolina in the case of Synthon, and to the Secretary of State of the State of Delaware, in the case of JDS as such party's authorized agent to accept and acknowledge on such party's behalf service of any and all process which may be served in any such action, suit or proceeding. Nothing herein contained shall be deemed to affect the right of any party to serve process in any manner permitted by law or to commence legal proceedings or otherwise proceed against any other party in any jurisdiction other than the District of Columbia.

Section 3.02 Further Assurances. Each of the parties shall execute such documents and other papers and take such further action as may be reasonably required or desirable to effectuate the provisions hereof and the transactions contemplated hereby.

Section 3.03 No Implied Waivers; Remedies Not Exclusive. No failure by Synthon to exercise, and no delay in exercising and no course of dealing with respect to, any right or remedy under this Pledge or the Purchase Agreement shall operate as a waiver thereof; nor shall any single or partial exercise by Synthon of any right or remedy under the Purchase Agreement.

Section 3.04 Notice. Any notice or other communication required or permitted hereunder shall be in writing and shall be delivered personally, sent by certified, registered, or express mail, postage prepaid, or by overnight delivery service and shall be deemed given when so delivered personally, delivered or, if mailed, ten (10) days after the date of deposit in the United States mails, as follows:

If to JDS:	JDS Pharmaceuticals, LLC 122 East 42 nd Street, 41 st Floor New York, New York 10168 Facsimile No.: (212) 682-1946
With a copy to:	Dornbush Schaeffer Strongin & Weinstein, LLP 747 Third Avenue New York, NY 10017 Attn: Herschel S. Weinstein, Esq. Facsimile No.: (212) 753-7673
If to Synthon:	Synthon Pharmaceuticals, Inc. 9000 Development Drive Research Triangle Park, NC 27709 Attn: President & CEO Facsimile No.: (919) 493-6104
With a copy to:	Hutchison+Mason 3110 Edwards Mill Road, Suite 100 Raleigh, North Carolina 27612 Attn: Fred D. Hutchison, Esq. Facsimile No.: (919) 829-9696

Section 3.05 Entire Agreement. This Pledge contains the entire agreement between the parties with respect to the grant of the Lien and supersedes all prior agreements, written or oral, with respect thereof.

Section 3.06 Waiver and Amendments. This Pledge may be amended, modified, superseded, canceled, renewed or extended only by a written instrument signed by each of the parties hereto. No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party of any right, power or privilege hereunder, nor any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder. The rights and remedies provided herein are cumulative and are not exclusive of any rights or remedies which any party may otherwise have at law or in equity.

Section 3.07 Governing Law. This Pledge shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to conflict of law principles.

Section 3.08 No Assignment. This Pledge is not assignable except by operation of law.

Section 3.09 Variation in Pronouns. All pronouns and any variations thereof refer to the masculine, feminine or neuter, singular or plural, as the identity of the person or persons may require.


Section 3.10 Counterparts. This Pledge may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Any counterpart may be signed and transmitted by facsimile with the same force and effect as if such counterpart was an ink-signed original.

Section 3.11 Headings. The headings of this Pledge are for reference purposes only and shall not in any way affect the meaning or interpretation of this Pledge.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Pledge as of the date and year first above written.

JDS PHARMACEUTICALS, LLC

By: 

Michael Satow
COO

SYNTHON PHARMACEUTICALS, INC.

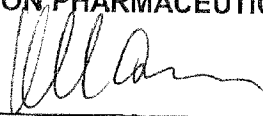
By: _____

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Pledge as of the date and year first above written.

JDS PHARMACEUTICALS, LLC

By: _____

SYNTHON PHARMACEUTICALS, INC.

By:  _____

Peter van Straelen
President