

Form PTO-1594 (Rev. 07/05)
 OMB Collection 0651-0027 (exp. 6/30/2008)

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

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies):
 Xsira Pharmaceuticals, Inc.

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

Citizenship (see guidelines) _____

Additional names of conveying parties attached? Yes No

2. Name and address of receiving party(ies) Yes No

Additional names, addresses, or citizenship attached? Yes No

Name: Square 1 Bank
 Internal
 Address: Suite 240
 Street Address: 406 Blackwell Street
 City: Durham
 State: North Carolina
 Country: USA Zip: 27701

Association Citizenship _____
 General Partnership Citizenship _____
 Limited Partnership Citizenship _____
 Corporation Citizenship _____
 Other _____ Citizenship _____

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)

3. Nature of conveyance)/Execution Date(s) :

Execution Date(s) January 27, 2006

Assignment Merger
 Security Agreement Change of Name
 Other _____

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No. (s)
78/497,635 78/488,274 78/505,052 78/501,254 78/502,735 78/583,541

B. Trademark Registration No. (s)

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):
Adenogestic, Pallacor, Xsira, Xsira Pharma, Xsira Pharmaceuticals, Xsiragesic

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

Name: Terri Finnegan
 Internal Address: Square 1 Bank
 Street Address: 406 Blackwell Street, Suite 240
 City: Durham
 State: North Carolina Zip: 27701
 Phone Number: 919-314-3086
 Fax Number: 919-314-3080
 Email Address: tfinnegan@square1bank.com

6. Total number of applications and registrations involved: 6

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 165

Authorized to be charged by credit card
 Authorized to be charged to deposit account
 Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers _____
 Expiration Date _____

b. Deposit Account Number 50-3822
 Authorized User Name Terri Finnegan

9. Signature: *Terri Finnegan* 3/31/2006
 Signature Date
Terri Finnegan
 Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 9

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:
 Mail Stop Assignment Recordation Services, Director of the USPTO, P. O. Box 1450, Alexandria, VA 22313-1450

CH \$165.00 503822 78497635

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of January 27, 2006 by and between SQUARE 1 BANK ("Bank") and XSIRA PHARMACEUTICALS, INC., a Delaware corporation ("Grantor").

RECITALS

A. Bank has agreed to make certain advances of money and to extend certain financial accommodations to Grantor (the "Loans") in the amounts and manner set forth in that certain Loan and Security Agreement by and between Bank and Grantor dated of even date herewith (as the same may be amended, modified or supplemented from time to time, the "Loan Agreement"; capitalized terms used herein are used as defined in the Loan Agreement). Bank is willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to Bank a security interest in certain Copyrights, Trademarks and Patents to secure the obligations of Grantor under the Loan Agreement.

B. Pursuant to the terms of the Loan Agreement, Grantor has granted to Bank a security interest in all of Grantor's right, title and interest, whether presently existing or hereafter acquired, in, to and under all of the Collateral.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, as collateral security for the prompt and complete payment when due of its obligations under the Loan Agreement and all other agreements now existing or hereafter arising between Grantor and Bank, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its obligations under the Loan Agreement and under any other agreement now existing or hereafter arising between Grantor and Bank, Grantor grants and pledges to Bank a security interest in all of Grantor's right, title and interest in, to and under its Intellectual Property Collateral (including without limitation those Copyrights, Patents and Trademarks listed on Schedules A, B and C hereto), and including without limitation all proceeds thereof (such as, by way of example but not by way of limitation, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all re-issues, divisions continuations, renewals, extensions and continuations-in-part thereof.

This security interest is granted in conjunction with the security interest granted to Bank under the Loan Agreement. The rights and remedies of Bank with respect to the security interest granted hereby are in addition to those set forth in the Loan Agreement and the other Loan Documents, and those which are now or hereafter available to Bank as a matter of law or equity. Each right, power and remedy of Bank provided for herein or in the Loan Agreement or any of the Loan Documents, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or remedy provided for herein and the exercise by Bank of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Loan Agreement or any of the other Loan Documents, or now or hereafter existing at law or in equity, shall not preclude the simultaneous or later exercise by any person, including Bank, of any or all other rights, powers or remedies.

Grantor represents and warrants that Exhibits A, B, and C attached hereto set forth any and all intellectual property rights in connection to which Grantor has registered or filed an application with either the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

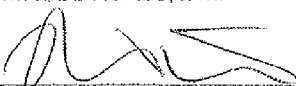
GRANTOR:

Address of Grantor:

7030 Kit Creek Road
Morrisville, NC 27560

Attn: Chief Executive Officer

XSIRA PHARMACEUTICALS, INC.

By: 

Title: VP-FINANCE AND CFO

BANK:

Address of Bank:

406 Blackwell Street, Suite 240
Crowe Building
Durham, NC 27701

Attn: Manager

~~SQUARE 1 BANK~~

By: 

Title: VP

EXHIBIT A

Copyrights

None

EXHIBIT B

Patents

<u>Description</u>	<u>Patent Application No./Issued Patent No.</u>	<u>Date</u>
B-Arrestin-2 Modulation in the Treatment of Allergic Asthma	pending	5/14/2004
Method of Arresting the Side Effects of u-Opioid Receptor Agonists During Their Administration	pending	8/25/2004
Bone Disorder Treatment with PTH Desensitization Modulation Analoges	pending	3/30/2005
Bone Disorder Treatment with PTHrP Desensitization Modulation Analoges	pending	3/30/2005
Hydrazides Useful for Blocking the Receptor Desensitization Activity of GRK-2	pending	7/11/2005
Isoquinolines Useful for Blocking the Receptor Desensitization Activity of GRK-2	pending	7/11/2005
Pyrazole-Pyrimidin-4-one Compounds as CB1 Receptor Antagonists	pending	12/13/2005

EXHIBIT C

United States Trademarks

<u>Description</u>	<u>Patent Application No./Issued Patent No.</u>	<u>Date</u>
ADENOGESIC	78/497,635	10/11/2004
PALLACOR	78/488,274	9/23/2004
XSIRA	78/505,052	10/25/2004
XSIRA PHARMA	78/501,254	10/18/2004
XSIRA PHARMACEUTICALS	78/502,735	10/20/2004
XSIRAGESIC	78/583,541	3/9/2005

13706.98-430357 v2

RECORDED: 03/31/2006

TRADEMARK
REEL: 003281 FRAME: 0892