

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
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<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	SECURITY INTEREST		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
CELLEGY PHARMACEUTICALS, INC.		09/26/2006	CORPORATION: DELAWARE
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	STRAKAN INTERNATIONAL LIMITED		
<b>Street Address:</b>	Galabank Business Park		
<b>City:</b>	Galashiels		
<b>State/Country:</b>	UNITED KINGDOM		
<b>Postal Code:</b>	TD1 1QH		
<b>Entity Type:</b>	COMPANY: BERMUDA		
<b>PROPERTY NUMBERS Total: 4</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
<b>Serial Number:</b>	78213349	FORTIGEL	
<b>Registration Number:</b>	2900107	RECTOGESIC	
<b>Serial Number:</b>	76360690	CELLEGESIC	
<b>Registration Number:</b>	2660062	TOSTRELLE	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(415)393-2286		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
<b>Phone:</b>	650-849-4842		
<b>Email:</b>	young.kim@bingham.com		
<b>Correspondent Name:</b>	Young Kim, Esq., Bingham McCutchen LLP		
<b>Address Line 1:</b>	Three Embarcadero Center		
<b>Address Line 4:</b>	San Francisco, CALIFORNIA 94111-4067		
<b>ATTORNEY DOCKET NUMBER:</b>	0000102802 CELLEGY PHARMA		
<b>DOMESTIC REPRESENTATIVE</b>			

**CH \$115.00 78213349**

Name: Young Kim, Esq., Bingham McCutchen LLP  
Address Line 1: Three Embarcadero Center  
Address Line 4: San Francisco, CALIFORNIA 94111-4067

NAME OF SUBMITTER:	Mary Dougherty
Signature:	/Mary Dougherty/
Date:	09/27/2006

**Total Attachments: 11**

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**TRADEMARK COLLATERAL  
SECURITY AND PLEDGE AGREEMENT**

TRADEMARK COLLATERAL SECURITY AND PLEDGE AGREEMENT dated as of September 26, 2006, between CELLEGY PHARMACEUTICALS, INC., a Delaware corporation having its principal place of business at 1800 Byberry Road, Building 13, Huntington Valley, PA 19006, USA, (the "Assignor"), and STRAKAN INTERNATIONAL LIMITED, a company organized under the Laws of Bermuda having an office at Galabank Business Park, Galashiels TD1 1QH, UK (the "Assignee").

WHEREAS, the Assignor has issued to the Assignee a Promissory Note dated as of September 26, 2006 (as amended and in effect from time to time, the "Note");

WHEREAS, it is a condition precedent to the Assignee's making any loans to the Assignor under the Note that the Assignor execute and deliver to the Assignee a trademark agreement in substantially the form hereof; and

NOW, THEREFORE, in consideration of the premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

**1. DEFINITIONS.**

Capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Note. In addition, the following terms shall have the meanings set forth in this §1 or elsewhere in this Trademark Agreement referred to below:

Assignment of Marks. See §2.1.

Associated Goodwill. All goodwill of the Assignor and its business, products and services appurtenant to, associated with or symbolized by the Trademarks and the use thereof.

Pledged Trademarks. All of the Assignor's right, title and interest in and to all of the Trademarks, the Trademark Registrations, the Trademark License Rights, the Trademark Rights, the Associated Goodwill, the Related Assets, and all accessions to, substitutions for, replacements of, and all products and proceeds of any and all of the foregoing.

PTO. The United States Patent and Trademark Office.

Related Assets. All assets, rights and interests of the Assignor that uniquely reflect or embody the Associated Goodwill, including the following:

(a) all patents, inventions, copyrights, trade secrets, confidential information, formulae, methods or processes, compounds, recipes, know-how, methods and operating systems, drawings, descriptions, formulations, manufacturing and production and delivery procedures, quality control procedures, product and service specifications, catalogs, price lists, and advertising materials, relating to the manufacture, production, delivery, provision and sale of goods or services under or in association with any of the Trademarks; and

(b) the following documents and things in the possession or under the control of the Assignor, or subject to its demand for possession or control, related to the production, delivery, provision and sale by the Assignor, or any affiliate, franchisee, licensee or contractor, of products or services sold by or under the authority of the Assignor in connection with the Trademarks or Trademark Rights, whether prior to, on or subsequent to the date hereof:

(i) all lists, contracts, ancillary documents and other information that identify, describe or provide information with respect to any customers, dealers or distributors of the Assignor, its affiliates or franchisees or licensees or contractors, for products or services sold under or in connection with the Trademarks or Trademark Rights, including all lists and documents containing information regarding each customer's, dealer's or distributor's name and address, credit, payment, discount, delivery and other sale terms, and history, pattern and total of purchases by brand, product, style, size and quantity;

(ii) all agreements (including franchise agreements), product and service specification documents and operating, production and quality control manuals relating to or used in the design, manufacture, production, delivery, provision and sale of products or services under or in connection with the Trademarks or Trademark Rights;

(iii) all documents and agreements relating to the identity and locations of all sources of supply, all terms of purchase and delivery, for all materials, components, raw materials and other supplies and services used in the manufacture, production, provision, delivery and sale of products or services under or in connection with the Trademarks or Trademark Rights; and

(iv) all agreements and documents constituting or concerning the present or future, current or proposed advertising and promotion by the Assignor (or any of its affiliates, franchisees, licensees or contractors) of products or services sold under or in connection with the Trademarks or Trademark Rights.

Trademark Agreement. This Trademark Collateral Security and Pledge Agreement, as amended and in effect from time to time.

Trademark License Rights. Any and all past, present or future rights and interests of the Assignor pursuant to any and all past, present and future franchising or licensing agreements in favor of the Assignor, or to which the Assignor is a party, pertaining to any Trademarks, Trademark Registrations, or Trademark Rights owned or used by third parties in the past, present or future, including the right (but not the obligation) in the name of the Assignor or the Assignee to enforce, and sue and recover for, any breach or violation of any such agreement to which the Assignor is a party.

Trademark Registrations. All past, present or future federal, state, local and foreign registrations of the Trademarks, all past, present and future applications for any such registrations (and any such registrations thereof upon approval of such applications), together with the right (but not the obligation) to apply for such registrations (and prosecute such applications) in the name of the Assignor or the Assignee, and to take any and all actions necessary or appropriate to maintain such registrations in effect and renew and extend such registrations.

Trademark Rights. Any and all past, present or future rights in, to and associated with the Trademarks throughout the world, whether arising under federal law, state law, common law, foreign law or otherwise, including the following: all such rights arising out of or associated with the Trademark Registrations; the right (but not the obligation) to register claims under any state, federal or foreign trademark law or regulation; the right (but not the obligation) to sue or bring opposition or cancellation proceedings in the name of the Assignor or the Assignee for any and all past, present and future infringements or dilution of or any other damages or injury to the Trademarks, the Trademark Rights, or the Associated Goodwill, and the rights to damages or profits due or accrued arising out of or in connection with any such past, present or future infringement, dilution, damage or injury; and the Trademark License Rights.

Trademarks. All of the trademarks, service marks, designs, logos, indicia, trade names, corporate names, company names, business names, fictitious business names, trade styles, elements of package or trade dress, and other source and product or service identifiers, used or associated with or appurtenant to the products, services and businesses of the Assignor, that are set forth on Schedule A hereto.

use. With respect to any Trademark, all uses of such Trademark by, for or in connection with the Assignor or its business or for the direct or indirect benefit of the Assignor or its business, including all such uses by the Assignor itself, by any of the affiliates of the Assignor, or by any franchisee, licensee or contractor of the Assignor.

## 2. GRANT OF SECURITY INTEREST.

2.1. Security Interest; Assignment of Marks. As collateral security for the payment and performance in full of all of the Obligations, the Assignor hereby unconditionally grants to the Assignee a continuing security interest in and first priority lien on the Pledged Trademarks, and pledges and mortgages (but does not transfer title to) the Pledged Trademarks to the Assignee. In addition, the Assignor has executed in blank and delivered to the Assignee an assignment of federally registered trademarks in substantially the form of Exhibit 1 hereto (the "Assignment of Marks"). The Assignor hereby authorizes the Assignee to complete as assignee and record with the PTO the Assignment of Marks upon the occurrence and during the continuance of an Event of Default and the proper exercise of the Assignee's remedies under this Trademark Agreement.

2.2. Conditional Assignment. In addition to, and not by way of limitation of, the grant, pledge and mortgage of the Pledged Trademarks provided in §2.1, the Assignor grants, assigns, transfers, conveys and sets over to the Assignee the Assignor's entire right, title and interest in and to the Pledged Trademarks; provided that such grant, assignment, transfer and conveyance shall be and become of force and effect only (i) upon or after the occurrence and during the continuance of an Event of Default and (ii) either (A) upon the written demand of the Assignee at any time during such continuance or (B) immediately and automatically (without notice or action of any kind by the Assignee) upon an Event of Default for which acceleration of the Obligations is automatic under the Note or upon the sale or other disposition of or foreclosure upon any collateral securing the Note and pursuant to applicable law (including the transfer or other disposition of such collateral by the Assignor to the Assignee or its nominee in lieu of foreclosure).

## 3. REPRESENTATIONS, WARRANTIES AND COVENANTS.

The Assignor represents, warrants and covenants that: (i) Schedule A sets forth a true and complete list of all Trademarks and Trademark Registrations now owned, licensed, controlled or used by the Assignor; (ii) the Trademarks and Trademark Registrations are subsisting and have not been adjudged invalid or unenforceable, in whole or in part, and there is no litigation or proceeding pending concerning the validity or enforceability of the Trademarks or Trademark Registrations; (iii) to the best of the Assignor's knowledge, each of the Trademarks and Trademark Registrations is valid and enforceable; (iv) to the best of the Assignor's knowledge, there is no infringement by others of the Trademarks, Trademark Registrations or Trademark Rights; (v) no claim has been made that the use of any of the Trademarks does or may violate the rights of any third person, and to the best of the Assignor's knowledge, there is no infringement by the Assignor of the trademark rights of others; (vi) the Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks (other than ownership and other rights reserved by third party owners with respect to Trademarks that the Assignor is licensed to use), free and clear of any liens, charges, encumbrances and adverse claims, including pledges, assignments, licenses, registered user agreements and covenants by the Assignor not to sue third persons, other than the security interest and assignment created by this Trademark Agreement; (vii) the Assignor has the unqualified right to enter into this Trademark Agreement and to perform its terms and has entered and will enter into written agreements with each of its present and future employees, agents, consultants, licensors and licensees that will enable them to comply with the covenants herein contained; (viii) the Assignor has used, and will continue to use, proper statutory and other appropriate proprietary notices in connection with its use of the Trademarks; (ix) the Assignor has used, and will continue to use for the duration of this Trademark Agreement, consistent standards of quality in its manufacture and provision of products and services sold or provided under the Trademarks; (x) this Trademark Agreement will create in favor of the Assignee a valid and perfected first priority security interest in the Pledged Trademarks upon making the filings referred to in clause (xi) of this §3; and (xi) except for the filing of financing statements with the Secretary of State for the State of Delaware under the Uniform Commercial Code and the recording of this Trademark Agreement with the PTO, no authorization, approval or other action by, and no notice to or filing with, any governmental or regulatory authority, agency or office is required either (A) for the grant by the Assignor or the effectiveness of the security interest and assignment granted hereby or for the

execution, delivery and performance of this Trademark Agreement by the Assignor, or (B) for the perfection of or the exercise by the Assignee of any of its rights and remedies hereunder.

#### 4. INSPECTION RIGHTS.

The Assignor hereby grants to the Assignee and its employees and agents the right to visit the Assignor's plants and facilities that manufacture, inspect or store products sold under any of the Trademarks, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours.

#### 5. NO TRANSFER OR INCONSISTENT AGREEMENTS.

Without the Assignee's prior written consent and except for licenses of the Pledged Trademarks in the ordinary course of the Assignor's business consistent with its past practices, the Assignor will not (i) mortgage, pledge, assign, encumber, grant a security interest in, transfer, license or alienate any of the Pledged Trademarks, or (ii) enter into any agreement (for example, a license agreement) that is inconsistent with the Assignor's obligations under this Trademark Agreement.

#### 6. TRADEMARK PROSECUTION.

**6.1. Assignor Responsible.** The Assignor shall assume full and complete responsibility for the prosecution, defense, enforcement or any other necessary or desirable actions in connection with the Pledged Trademarks, and shall hold the Assignee harmless from any and all costs, damages, liabilities and expenses that may be incurred by the Assignee in connection with the Assignee's interest in the Pledged Trademarks or any other action or failure to act in connection with this Trademark Agreement or the transactions contemplated hereby. In respect of such responsibility, the Assignor shall retain trademark counsel acceptable to the Assignee.

**6.2. Assignor's Duties, etc.** The Assignor shall have the right and the duty, through trademark counsel acceptable to the Assignee, to prosecute diligently any trademark registration applications of the Trademarks pending as of the date of this Trademark Agreement or thereafter, to preserve and maintain all rights in the Trademarks and Trademark Registrations, including the filing of appropriate renewal applications and other instruments to maintain in effect the Trademark Registrations and the payment when due of all registration renewal fees and other fees, taxes and other expenses that shall be incurred or that shall accrue with respect to any of the Trademarks or Trademark Registrations. Any expenses incurred in connection with such applications and actions shall be borne by the Assignor. The Assignor shall not abandon any filed trademark registration application, or any Trademark Registration or Trademark, without the consent of the Assignee, which consent shall not be unreasonably withheld.

**6.3. Assignor's Enforcement Rights.** The Assignor shall have the right and the duty to bring suit or other action in the Assignor's own name to maintain and enforce the Trademarks, the Trademark Registrations and the Trademark Rights. The Assignor may require the Assignee to join in such suit or action as necessary to assure the Assignor's ability to bring and maintain any such suit or action in any proper forum if (but only if) the Assignee is completely satisfied that such joinder will not subject the Assignee to any risk of liability. The Assignor shall promptly, upon demand, reimburse and indemnify the Assignee for all damages, costs and expenses, including legal fees, incurred by the Assignee pursuant to this §6.3.

**6.4. Protection of Trademarks, etc.** In general, the Assignor shall take any and all such actions (including institution and maintenance of suits, proceedings or actions) as may be necessary or appropriate to properly maintain, protect, preserve, care for and enforce the Pledged Trademarks. The Assignor shall not take or fail to take any action, nor permit any action to be taken or not taken by others under its control, that would adversely affect the validity, grant or enforcement of the Pledged Trademarks.

**6.5. Notification by Assignor.** Promptly upon obtaining knowledge thereof, the Assignor will notify the Assignee in writing of the institution of, or any final adverse determination in, any proceeding in the PTO or any similar office or agency of the United States or any foreign country, or any court, regarding the validity of any of the

Trademarks or Trademark Registrations or the Assignor's rights, title or interests in and to the Pledged Trademarks, and of any event that does or reasonably could materially adversely affect the value of any of the Pledged Trademarks, the ability of the Assignor or the Assignee to dispose of any of the Pledged Trademarks or the rights and remedies of the Assignee in relation thereto (including but not limited to the levy of any legal process against any of the Pledged Trademarks).

#### 7. REMEDIES.

Upon the occurrence and during the continuance of an Event of Default, the Assignee shall have, in addition to all other rights and remedies given it by this Trademark Agreement (including, without limitation, those set forth in §2.2), the Note and the other Loan Documents, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in the State of Delaware, and, without limiting the generality of the foregoing, the Assignee may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to the Assignor, all of which are hereby expressly waived, sell or license at public or private sale or otherwise realize upon the whole or from time to time any part of the Pledged Trademarks, or any interest that the Assignor may have therein, and after deducting from the proceeds of sale or other disposition of the Pledged Trademarks all expenses incurred by the Assignee in attempting to enforce this Trademark Agreement (including all reasonable expenses for broker's fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations as set forth in the Note. Notice of any sale, license or other disposition of the Pledged Trademarks shall be given to the Assignor at least fifteen (15) days before the time that any intended public sale or other public disposition of the Pledged Trademarks is to be made or after which any private sale or other private disposition of the Pledged Trademarks may be made, which the Assignor hereby agrees shall be reasonable notice of such public or private sale or other disposition. At any such sale or other disposition, the Assignee may, to the extent permitted under applicable law, purchase or license the whole or any part of the Pledged Trademarks or interests therein sold, licensed or otherwise disposed of.

#### 8. COLLATERAL PROTECTION.

If the Assignor shall fail to do any act that it has covenanted to do hereunder, or if any representation or warranty of the Assignor shall be breached, the Assignee, in its own name or that of the Assignor (in the sole discretion of the Assignee), may (but shall not be obligated to) do such act or remedy such breach (or cause such act to be done or such breach to be remedied), and the Assignor agrees promptly to reimburse the Assignee for any cost or expense incurred by the Assignee in so doing.

#### 9. POWER OF ATTORNEY.

If any Event of Default shall have occurred and be continuing, the Assignor does hereby make, constitute and appoint the Assignee (and any officer or agent of the Assignee as the Assignee may select in its exclusive discretion) as the Assignor's true and lawful attorney-in-fact, with full power of substitution and with the power to endorse the Assignor's name on all applications, documents, papers and instruments necessary for the Assignee to use the Pledged Trademarks, or to grant or issue any exclusive or nonexclusive license of any of the Pledged Trademarks to any third person, or to take any and all actions necessary for the Assignee to assign, pledge, convey or otherwise transfer title in or dispose of any of the Pledged Trademarks or any interest of the Assignor therein to any third person, and, in general, to execute and deliver any instruments or documents and do all other acts that the Assignor is obligated to execute and do hereunder. The Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof and releases the Assignee from any claims, liabilities, causes of action or demands arising out of or in connection with any action taken or omitted to be taken by the Assignee under this power of attorney (except for the Assignee's gross negligence or willful misconduct). This power of attorney is coupled with an interest and shall be irrevocable for the duration of this Trademark Agreement.

#### 10. FURTHER ASSURANCES.

The Assignor shall, at any time and from time to time, and at its expense, make, execute, acknowledge and deliver, and file and record as necessary or appropriate with governmental or regulatory authorities, agencies or offices, such agreements, assignments, documents and instruments, and do such other and further acts and things

(including, without limitation, obtaining consents of third parties), as the Assignee may request or as may be necessary or appropriate in order to implement and effect fully the intentions, purposes and provisions of this Trademark Agreement, or to assure and confirm to the Assignee the grant, perfection and priority of the Assignee's security interest in the Pledged Trademarks.

**11. TERMINATION.**

At such time as all of the Obligations have been finally paid and satisfied in full, this Trademark Agreement shall terminate and the Assignee shall, upon the written request and at the expense of the Assignor, execute and deliver to the Assignor all deeds, assignments and other instruments as may be necessary or proper to reassign and reconvey to and re-vest in the Assignor the entire right, title and interest to the Pledged Trademarks previously granted, assigned, transferred and conveyed to the Assignee by the Assignor pursuant to this Trademark Agreement, as fully as if this Trademark Agreement had not been made, subject to any disposition of all or any part thereof that may have been made by the Assignee pursuant hereto.

**12. COURSE OF DEALING.**

No course of dealing between the Assignor and the Assignee, nor any failure to exercise, nor any delay in exercising, on the part of the Assignee, any right, power or privilege hereunder or under the Note or any other agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

**13. EXPENSES.**

Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and expenses incurred by the Assignee in connection the enforcement hereof, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance or renewal fees, encumbrances, or otherwise protecting, maintaining or preserving the Pledged Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Pledged Trademarks, shall be borne and paid by the Assignor.

**14. OVERDUE AMOUNTS.**

Until paid, all amounts due and payable by the Assignor hereunder shall be a debt secured by the Pledged Trademarks and other collateral and shall bear, whether before or after judgment, interest at the rate of interest for overdue principal set forth in the Note.

**15. NO ASSUMPTION OF LIABILITY; INDEMNIFICATION.**

**NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, THE ASSIGNEE ASSUMES NO LIABILITIES OF THE ASSIGNOR WITH RESPECT TO ANY CLAIM OR CLAIMS REGARDING THE ASSIGNOR'S OWNERSHIP OR PURPORTED OWNERSHIP OF, OR RIGHTS OR PURPORTED RIGHTS ARISING FROM, ANY OF THE PLEDGED TRADEMARKS OR ANY USE, LICENSE OR SUBLICENSE THEREOF, WHETHER ARISING OUT OF ANY PAST, CURRENT OR FUTURE EVENT, CIRCUMSTANCE, ACT OR OMISSION OR OTHERWISE. ALL OF SUCH LIABILITIES SHALL BE EXCLUSIVELY THE RESPONSIBILITY OF THE ASSIGNOR, AND THE ASSIGNOR SHALL INDEMNIFY THE ASSIGNEE FOR ANY AND ALL COSTS, EXPENSES, DAMAGES AND CLAIMS, INCLUDING LEGAL FEES, INCURRED BY THE ASSIGNEE WITH RESPECT TO SUCH LIABILITIES.**



**16. NOTICES.**

All notices and other communications made or required to be given pursuant to this Trademark Agreement shall be in writing and shall be delivered in hand, mailed by United States registered or certified first-class mail, postage prepaid, or sent by telegraph, teletype or telex and confirmed by delivery via courier or postal service, addressed as follows:

(a) if to the Assignor, at Cellegy Pharmaceuticals, Inc., 1800 Byberry Road, Building 13, Huntington Valley, PA 19006, Attention: John Chandler, or at such other address for notice as the Assignor shall last have furnished in writing to the person giving the notice, with copies to Weintraub Genshlea Chediak, 400 Capitol Mall, 11th Floor, Sacramento, CA 95814, Attention; Kevin Kelso, Esq., and

(b) if to the Assignee, at Strakan International Limited, Galabank Business Park, Galashiels TD1 1QH, UK, Attention: Andrew McLean, General Counsel and Company Secretary or at such other address for notice as the Assignee shall last have furnished in writing to the person giving the notice with copies to Bingham McCutchen LLP, 150 Federal Street, Boston, MA 02110, Attention: James C. Stokes, Esq.

Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by registered or certified first-class mail, postage prepaid, two (2) Business Days after the posting thereof, and (iii) if sent by telegraph, teletype, or telex, at the time of the dispatch thereof, if in normal business hours in the country of receipt, or otherwise at the opening of business on the following Business Day.

**17. AMENDMENT AND WAIVER.**

This Trademark Agreement is subject to modification only by a writing signed by the Assignee and the Assignor, except as provided in §6.2. The Assignee shall not be deemed to have waived any right hereunder unless such waiver shall be in writing and signed by the Assignee. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion.

**18. GOVERNING LAW; CONSENT TO JURISDICTION.**

**THIS TRADEMARK AGREEMENT IS INTENDED TO TAKE EFFECT AS A SEALED INSTRUMENT AND SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE.** The Assignor agrees that any suit for the enforcement of this Trademark Agreement may be brought in the courts of the State of Delaware or any federal court sitting therein and consents to the non-exclusive jurisdiction of such court and to service of process in any such suit being made upon the Assignor by mail at the address specified in §16. The Assignor hereby waives any objection that it may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient court.

**19. WAIVER OF JURY TRIAL.**

**THE ASSIGNOR WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS TRADEMARK AGREEMENT, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THE PERFORMANCE OF ANY SUCH RIGHTS OR OBLIGATIONS.** Except as prohibited by law, the Assignor waives any right which it may have to claim or recover in any litigation referred to in the preceding sentence any special, exemplary, punitive or consequential damages or any damages other than, or in addition to, actual damages. The Assignor (i) certifies that neither the Assignee nor any representative, agent or attorney of the Assignee has represented, expressly or otherwise, that the Assignee would not, in the event of litigation, seek to enforce the foregoing waivers, and (ii) acknowledges that, in entering into the Note, the Assignee is relying upon, among other things, the waivers and certifications contained in this §19.

To the extent not prohibited by applicable law which cannot be waived, the Assignor and the Assignee hereby waives, and covenants that it will not assert (whether as plaintiff, defendant or otherwise), any right to trial by jury in any forum in respect of any issue, claim, demand, action or cause of action arising out of or based upon this Trademark Agreement or the subject matter hereof or any obligation or in any way connected with or related or incidental to the dealings of the Assignor or the Assignee in connection with any of the above, in each case whether now existing or hereafter arising and whether in contract or tort or otherwise. The Assignor or the Assignee may file the original of this Trademark Agreement or a copy of this §19 with any court as written evidence of the consent of the Assignor and the Assignee to the waiver of its right to trial by jury.

**20. MISCELLANEOUS.**

The headings of each section of this Trademark Agreement are for convenience only and shall not define or limit the provisions thereof. This Trademark Agreement and all rights and obligations hereunder shall be binding upon the Assignor and its respective successors and assigns, and shall inure to the benefit of the Assignee and its successors and assigns. In the event of any irreconcilable conflict between the provisions of this Trademark Agreement and the Note, the provisions of the Note shall control. If any term of this Trademark Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby, and this Trademark Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. The Assignor acknowledges receipt of a copy of this Trademark Agreement.

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF, this Trademark Agreement has been executed as of the day and year first above written.

CELLEGY PHARMACEUTICALS, INC.

By: [Signature]  
Name: Richard Williams  
Title: Chairman & International CEO

STRAKAN INTERNATIONAL LIMITED

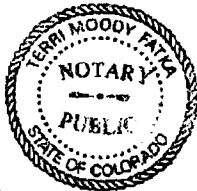
By: \_\_\_\_\_  
Name: Wilson Totten  
Title: CEO and Director

[NOTE: this notarial acknowledgement may not be in the form required by the state where this document is to be executed; acknowledgement should be properly modified]

CERTIFICATE OF ACKNOWLEDGMENT

COMMONWEALTH OR STATE OF Colorado )  
COUNTY OF Rowlett ) ss.

On this 26th day of September, 2006, before me, the undersigned notary public, personally appeared Richard Williams, proved to me through satisfactory evidence of identification, which were Passport & Driver's License, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he (she) signed it voluntarily for its stated purpose (as Chairman & CEO for Stylog Pharma, a Delaware Corporation).



MY COMMISSION EXPIRES:  
MAY 12, 2008

Terri Moody Fatica  
(official signature and seal of notary)

My commission expires: May 12, 2008

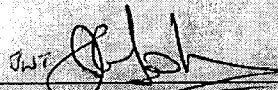
EXECUTION COPY

IN WITNESS WHEREOF, this Trademark Agreement has been executed as of the day and year first above written.

CELLEGY PHARMACEUTICALS, INC.

By: \_\_\_\_\_  
Name: Richard Williams  
Title:

STRAKAN INTERNATIONAL LIMITED

By:  \_\_\_\_\_  
Name: Wilson Totten  
Title: CEO and Director

[NOTE: this notarial acknowledgement may not be in the form required by the state where this document is to be executed; acknowledgement should be properly modified]

CERTIFICATE OF ACKNOWLEDGMENT

COMMONWEALTH OR STATE OF \_\_\_\_\_ )  
\_\_\_\_\_ ) ss.  
COUNTY OF \_\_\_\_\_ )

On this 26th day of September, 2006, before me, the undersigned notary public, personally appeared \_\_\_\_\_, proved to me through satisfactory evidence of identification, which were \_\_\_\_\_, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that (he)(she) signed it voluntarily for its stated purpose (as \_\_\_\_\_ for \_\_\_\_\_, a \_\_\_\_\_).

\_\_\_\_\_  
(official signature and seal of notary)

My commission expires:

**SCHEDULE A****TRADEMARKS AND TRADEMARK REGISTRATIONS**

<b><u>Trademark Name</u></b>	<b><u>Registration/ Serial No.</u></b>	<b><u>Registration Date/ Filing Date</u></b>	<b><u>Status of Trademark</u></b>
FORTIGEL	78/213,349	02/11/2003	PENDING
RECTOGESIC	2,900,107	11/02/2004	REGISTERED
CELLEGESIC	76/360,690	01/18/2002	PENDING
TOSTRELLE	2,660,062	12/10/2002	REGISTERED