

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Trademark Security Agreement		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Inkin Pharmaceutical Company, Inc.		02/22/2007	CORPORATION: NEW YORK
RECEIVING PARTY DATA			
Name:	Bank of America, N.A.		
Street Address:	101 North Tryon Street		
Internal Address:	Mail Code: NC1-001-04-39		
City:	Charlotte		
State/Country:	NORTH CAROLINA		
Postal Code:	28255		
Entity Type:	Natoinal Banking Association: UNITED STATES		
PROPERTY NUMBERS Total: 3			
Property Type	Number	Word Mark	
Registration Number:	2694133	IB-STAT	
Registration Number:	2619664	VISICOL	
Registration Number:	2719534	IK	
CORRESPONDENCE DATA			
Fax Number:	(704)353-3698		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	704 331 5792		
Email:	dmillard@kennedycovington.com		
Correspondent Name:	Karl S. Sawyer, Jr.		
Address Line 1:	214 N Tryon St., Hearst Tower 47th Floor		
Address Line 2:	Kennedy Covington Lobdell & Hickman, LLP		
Address Line 4:	Charlotte, NORTH CAROLINA 28202		
ATTORNEY DOCKET NUMBER:	16221.046 BANK OF AMERICA		

OP \$90.00 2694133

NAME OF SUBMITTER:	Karl S. Sawyer, Jr./
Signature:	/Karl S. Sawyer, Jr./
Date:	03/02/2007
Total Attachments: 4 source=InkineTMStoBOA#page1.tif source=InkineTMStoBOA#page2.tif source=InkineTMStoBOA#page3.tif source=InkineTMStoBOA#page4.tif	

TRADEMARK SECURITY AGREEMENT

Trademark Security Agreement (this "Agreement") dated as of February 22, 2007 by and between INKINE PHARMACEUTICAL COMPANY, INC., a New York corporation (the "Grantor"), having its chief executive office at 1700 Perimeter Park Drive, Morrisville, North Carolina 27560 and BANK OF AMERICA, N.A., as Administrative Agent (the "Administrative Agent"), with offices at 101 North Tryon Street, Mail Code: NC1-001-04-39, Charlotte, North Carolina 28255, for the ratable benefit of the banks and other financial institutions (the "Lenders") from time to time parties to the Credit Agreement dated as of February 22, 2007 (as amended, restated, supplemented or otherwise modified, the "Credit Agreement") by and among Salix Pharmaceuticals, Ltd. as the Borrower, the Lenders and the Administrative Agent.

This Agreement is executed pursuant to the terms of a Collateral Agreement dated as of February 22, 2007 by and among the Borrower, certain of its Subsidiaries party thereto and the Administrative Agent for the ratable benefit of the Secured Parties (as amended, restated, supplemented or otherwise modified, the "Collateral Agreement"). Capitalized terms used herein but not defined herein shall have the meaning assigned to them in the Collateral Agreement.

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the Grantor hereby grants to the Administrative Agent, for the ratable benefit of the Secured Parties, a continuing security interest in all of the Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter arising or acquired:


- (i) each Trademark, Trademark registration and Trademark application, and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark, Trademark registration and Trademark application of the Grantor, including, without limitation, each Trademark, Trademark registration and Trademark application described on Schedule A;
- (ii) all claims by the Grantor against third parties for (a) past, present or future infringement or dilution of any Trademark or Trademark registration, including, without limitation, any Trademark or Trademark registration described on Schedule A, or (b) injury to the goodwill associated with any Trademark or Trademark registration; and
- (iii) all products and proceeds of the foregoing.

The rights and remedies of the Administrative Agent, on behalf of the Secured Parties, with respect to the security interest granted herein are without prejudice to, and are in addition to those set forth in the Collateral Agreement, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this Agreement are deemed to conflict with the Collateral Agreement, the provisions of the Collateral Agreement shall govern.

[Signature Pages Follow]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first above written.

INKINE PHARMACEUTICAL COMPANY,
INC., as Grantor

By: 
Name: Adam C. Derbyshire
Title: SVP and CFO

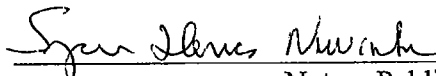
ACKNOWLEDGMENT

STATE OF North Carolina

COUNTY OF Wake

I, Suzanne Thomas Newcombe, a Notary Public for said County and State, do hereby certify that Adam C. Derbyshire personally appeared before me this day and stated that (s)he is Sr. V.P. of InKine Pharmaceutical Company, Inc. and acknowledged, on behalf of InKine Pharmaceutical Company, Inc. the due execution of the foregoing instrument.

Witness my hand and official seal, this 22ND day of February, 2007.


Notary Public


My commission expires:

August 15, 2011

[Signature Pages Continue]

Agreed and Accepted as of the
22nd day of February, 2007.

BANK OF AMERICA, N.A.,
as Administrative Agent

By: 

Name: Michael Brashler

Title: Vice President

Schedule A to Trademark Security Agreement

TRADEMARKS

<u>Trademarks</u>	<u>Reg. or Serial No.</u>	<u>Reg. or Filing Date</u>	<u>Affidavit of use</u>	<u>Renewal Due</u>
IB-STAT	2,694,133	03/04/2003		03/04/2009
VISICOL	2,619,664	09/17/2002		09/17/2008
IK Logo	2,719,534	05/27/2003		05/27/2009
ALI-PAK (Canada)	(1265703)	(07/21/2005)		
ALI-PAK (Costa Rica)	(N/A)	(07/21/2007)		
ALI-PAK (Dominican Republic)	(46966)	(07/21/2005)		
ALI-PAK (International Registration)	857201	07/21/2005		07/21/2015
ALI-PAK (Mexico)	905852	07/21/2005		07/21/2015
				Declaration of Use due
DIACOL (Canada)	(1027629)	(09/02/1999)		09/02/2007
DIACOL (Mexico)	688089	09/02/1999		09/02/2009
DIACOL (Norway)	200915	12/30/1999		12/30/2009
IK Logo (CTM)	870782	07/08/1998		07/08/2008
IK Logo (Japan)	4298209	07/23/1999		07/23/2009