

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
Pegasus Biologics, Inc.		05/22/2009	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	Frazier Healthcare IV, L.P., as agent
Street Address:	601 Union Street, Suite 3200
City:	Seattle
State/Country:	WASHINGTON
Postal Code:	98101
Entity Type:	LIMITED PARTNERSHIP: DELAWARE

PROPERTY NUMBERS Total: 7

Property Type	Number	Word Mark
Serial Number:	78528666	DURADAPT
Serial Number:	78528658	ORTHADAPT
Serial Number:	78528631	PEGASUS BIOLOGICS
Serial Number:	77666557	PROCUFF
Serial Number:	77464236	ULTISTER
Serial Number:	77120037	UNITE
Serial Number:	75079430	ULTIFIX

CORRESPONDENCE DATA

Fax Number: (415)693-2222
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: 4156932440
 Email: crhem@cooley.com
 Correspondent Name: Cooley Godward Kronish LLP
 Address Line 1: 101 California Street, 5th Floor
 Address Line 4: San Francisco, CALIFORNIA 94111

CH \$190.00 78528666

ATTORNEY DOCKET NUMBER:	ONSET V 155823/100
NAME OF SUBMITTER:	C. Rhem
Signature:	/CR/
Date:	06/05/2009
Total Attachments: 7 source=Onset V#page1.tif source=Onset V#page2.tif source=Onset V#page3.tif source=Onset V#page4.tif source=Onset V#page5.tif source=Onset V#page6.tif source=Onset V#page7.tif	

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of May 22, 2009 by and between PEGASUS BIOLOGICS, INC., a Delaware corporation ("Grantor") and FRAZIER HEALTHCARE IV, L.P., as agent ("Agent") for itself and the other Purchasers under the Purchase Agreement (as defined below).

RECITALS

A. The Purchasers have agreed to purchase secured promissory notes from the Grantor (the "Notes") in the amounts and manner set forth in that certain Note Purchase Agreement by and between the Purchasers and Grantor dated as of May 22, 2009 (as the same may be further amended, modified or supplemented from time to time, the "Purchase Agreement"). The Purchasers are willing to purchase the Notes from Grantor, but only upon the condition, among others, that Grantor shall grant to Agent for the benefit of the Purchasers a security interest in certain Copyrights, Trademarks and Patents to secure the obligations of Grantor under the Loan Documents (as defined in the Purchase Agreement).

B. Pursuant to the terms of that certain Security Agreement by and between Agent and Grantor dated as of May 22, 2009 (as the same may be further amended, modified or supplemented from time to time, the "Security Agreement"; capitalized terms used herein are used as defined in the Security Agreement), Grantor has granted to Agent for the benefit of the Purchasers 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 Documents and all other agreements now existing or hereafter arising between Grantor and Agent or the Purchasers, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its Obligations (as defined in the Security Agreement) under the Loan Documents, Grantor grants and pledges to Agent for the benefit of the Purchasers 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 Exhibits 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 Agent for the benefit of the Purchasers under the Security Agreement. The rights and remedies of Agent with respect to the security interest granted hereby are in addition to those set forth in the Security Agreement and the other Loan Documents, and those which are now or hereafter available to Agent as a matter of law or equity. Each right, power and remedy of Agent provided for herein or in the Security 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 Agent of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Security 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 Agent, 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.

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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:

6 Jenner Street, Suite 150
Irvine, CA 92618
Attn: Chief Financial Officer

PEGASUS BIOLOGICS, INC.

By:

Michael D. Hill 5/21/09

Title:

PRESIDENT & CEO

Agent:

Address of Agent:

Frazier Healthcare IV, L.P.
601 Union Street, Suite 3200
Seattle, WA 98101
Attn: Trevor Moody

FRAZIER HEALTHCARE IV, L.P.

By FHM IV, LP, its general partner
By FHM IV, LLC, its general partner

By: _____

Title: _____

FROM :

MAY-21-2009 03:15 PM

Frazier Ventures (s2)

FAX NO. :2127538575

2068211848

May. 21 2009 05:48PM P10

P. 10

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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:

6 Jenner Street, Suite 150
Irvine, CA 92618
Attn: Chief Financial Officer

PEGASUS BIOLOGICS, INC.

By: _____

Title: _____

Agent:

Address of Agent:

Frazier Healthcare IV, L.P.
601 Union Street, Suite 3200
Seattle, WA 98101
Attn: Trevor Moody

FRAZIER HEALTHCARE IV, L.P.

By FHM IV, LP, its general partner
By FHM IV, LLC, its general partner

By:  _____

Title: Authorized Representative

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EXHIBIT A

Copyrights

Description

Registration Number

Registration Date

None.

EXHIBIT B

Patents

<u>Description</u>	<u>Patent/App. No.</u>	<u>File Date</u>
Device for manipulation and placement of flexible implants	11276934	3/17/06
Stabilized, sterilized collagen scaffolds with active adjuncts attached	11686859	3/15/07
Stabilized, sterilized collagen scaffolds with active adjuncts attached	12349392	1/6/09
Composite implant for surgical repair	11777733	7/13/07

EXHIBIT C

Trademarks

<u>Description</u>	<u>Serial/Registration No.</u>	<u>File Date</u>
DURADAPT	78528666	12/7/04
ORTHADAPT	78528658	12/7/04
PEGASUS BIOLOGICS	78528631	12/7/04
PROCUFF	77666557	2/9/09
ULTISTER	77464236	5/2/08
UNITE	77120037	3/1/07
ULTIFIX	75079430	3/27/96