

05-12-2000



101354509

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

New

Resubmission (Non-Recordation)
Document ID # _____

Correction of PTO Error
Reel # _____ Frame # _____

Corrective Document
Reel # _____ Frame # _____

Conveyance Type

Assignment License

Security Agreement Nunc Pro Tunc Assignment

Merger

Change of Name

Other Trademark Collateral Agreement

Effective Date
Month Day Year
4 13 00

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name Morton Grove Pharmaceuticals, Inc.

4 13 00

Formerly _____

Individual General Partnership Limited Partnership Corporation Association

Other _____

Citizenship/State of Incorporation/Organization Delaware

Receiving Party

Mark if additional names of receiving parties attached

Name Harris Trust and Savings Bank, as Collateral Agent

DBA/AKA/TA _____

Composed of _____

Address (line 1) 111 West Monroe Street

Address (line 2) _____

Address (line 3) Chicago

Illinois

60603

City

State/Country

Zip Code

Individual General Partnership Limited Partnership

Corporation Association

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

Other an Illinois State chartered banking organization

Citizenship/State of Incorporation/Organization 1418112

01 FC:481
02 FC:482

40.00 OP
100.00 OP

FOR OFFICE USE ONLY

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:

TRADEMARK
REEL: 002070 FRAME: 0295

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)			Registration Number(s)		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1,418,112"/>	<input type="text" value="1,423,586"/>	<input type="text" value="1,423,581"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1,810,428"/>	<input type="text" value="1,423,591"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Jane P. Miles

Jane P. Miles

4/26/00

Name of Person Signing

Signature

Date Signed

TRADEMARK COLLATERAL AGREEMENT

This 13th day of April, 2000, Morton Grove Pharmaceuticals, Inc., a Delaware corporation ("*Debtor*") with its principal place of business and mailing address at 6451 West Main Street, Morton Grove, Illinois 60053, in consideration of ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, assigns, mortgages and pledges to Harris Trust and Savings Bank, an Illinois state chartered banking organization, with its mailing address at 111 West Monroe Street, Chicago, Illinois 60603, acting as Collateral Agent under the hereinafter defined Security Agreement, and its successors and assigns ("*Secured Party*"), and grants to Secured Party a continuing security interest in, the following property:

(i) Each trademark, trademark registration and trademark application listed on Schedule A-1 hereto, and all of the goodwill of the business connected with the use of, and symbolized by, each such trademark, trademark registration, and trademark application; and

(ii) Each trademark license listed on Schedule A-2 hereto and all royalties and other sums due or to become due under or in respect of each such trademark license, together with the right to sue for and collect all such royalties and other sums; and

(iii) All proceeds of the foregoing, including without limitation any claim by Debtor against third parties for damages by reason of past, present or future infringement of any trademark or trademark registration listed on Schedule A-1 hereto or of any trademark licensed under a trademark license listed on Schedule A-2 or by reason of injury to the goodwill associated with any such trademark, trademark registration or trademark license, in each case together with the right to sue for and collect said damages;

to secure performance of all Secured Obligations of Debtor as set out and defined in an Amended and Restated Security Agreement bearing even date herewith between Debtor, certain other signatories thereto and Secured Party (the "*Security Agreement*").

Notwithstanding anything herein to the contrary, this Trademark Collateral Agreement shall not operate as a sale, transfer, conveyance or other assignment to Secured Party of any applications by Debtor for a Trademark that is based on an intent to use the same, if and for so long as such application is pending without a Statement of Use having been filed and accepted (such pending applications which are based on intent to use being hereinafter referred to collectively as "*Intent-To-Use Applications*"), but rather, if and so long as Debtor's Intent-To-Use Application is pending without a statement of use having been filed and accepted, then this Trademark Collateral Agreement shall operate only to create a security interest for collateral purposes in favor of Secured Party on such Intent-To-Use Application as collateral security for the Obligations. When a Statement of Use is filed and accepted by the Trademark Office, then that application shall cease to be partly exempted from this Agreement.

Debtor does hereby further acknowledge and affirm that the rights and remedies of the Secured Party with respect to the assignment, mortgage, pledge, and security interest in the trademarks, trademark registrations, trademark applications, and trademark licenses made and granted hereby are more fully set forth in the Security Agreement of even date herewith.

IN WITNESS WHEREOF, Debtor has caused this Trademark Collateral Agreement to be duly executed as of the date and year last above written.

MORTON GROVE PHARMACEUTICALS,
INC.

By Richard J. Lupina
Its VP. CFO

Richard J. Lupina
(Type or Print Name)

HARRIS TRUST AND SAVINGS BANK, as
Collateral Agent

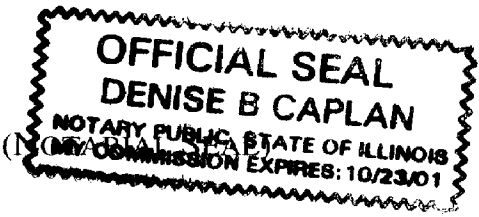
By Edward S. Klinger
Its VICEPRESIDENT

EDWARD S. KLINGER
(Type or Print Name)

STATE OF Illinois)
) SS
COUNTY OF Cook)

I, Denise B. Caplan a Notary Public in and for said County, in the State aforesaid, do hereby certify that Richard J. Lupatin of Morton Grove Pharmaceuticals, Inc., a Delaware corporation, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such VF-CTO appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

Given under my hand and notarial seal, this 13th day of April, 2000.



Denise B Caplan
Notary Public

Denise B. Caplan
(Type or Print Name)

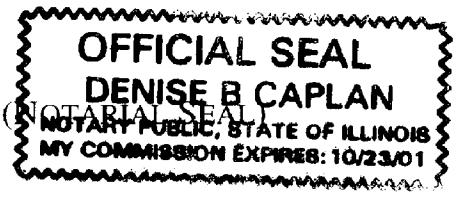
My Commission Expires:

10/23/01

STATE OF Illinois)
) SS
COUNTY OF Cook)

I, Denise B. Caplan, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Edward J. Klinger, of Harris Trust and Savings Bank, an Illinois state chartered banking organization, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such VP, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act and deed of said corporation for the uses and purposes therein set forth.

Given under my hand and notarial seal, this 13th day of April, 2000.



Denise B. Caplan
Notary Public

Denise B. Caplan
(Type or Print Name)

My Commission Expires:

10/23/01

**SCHEDULE A-1
TO TRADEMARK COLLATERAL AGREEMENT**

**REGISTERED TRADEMARKS
AND TRADEMARK APPLICATIONS**

FEDERAL TRADEMARK REGISTRATIONS

<u>Trademark</u>	<u>Registration #</u>
Mytussin DM	1,418,112
Myphetapp	1,423,586
Myphetane	1,423,581
Mytussin	1,810,428
Myminic	1,423,591

PENDING FEDERAL TRADEMARK APPLICATIONS

NONE

**SCHEDULE A-2
TO TRADEMARK COLLATERAL AGREEMENT**

TRADEMARK LICENSES

NONE