07-25-2003

U.S. DEPARTMENT OF COMMERCE

Form PTO-1594 U.S. Patent and Trademark Office (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) 1025074กล To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof. 2. Name and address of receiving party(ies) 1. Name of conveying party(ies): 7-22-03 SILICON VALLEY BANK Name: KEMIA, INC. Internal MAIL SORT HA155 Address: Association Individual(s) Street Address: 3003 TASMAN DRIVE Limited Partnership General Partnership City: SANTA CLARA State: CA Zip: 95054 Corporation-State Other _____ Individual(s) citizenship____ Association____ Additional name(s) of conveying party(ies) attached? Yes No General Partnership___ 3. Nature of conveyance: Limited Partnership _ Corporation-State___DELAWARE Merger Assignment Change of Name Security Agreement Other If assignee is not domiciled in the United States, a domestic Other representative designation is attached: Yes No (Designations must be a separate document from assignmen Execution Date: 6/6/2003 Additional name(s) & address(es) attached? 4. Application number(s) or registration number(s): A. Trademark Application No.(s) 78/168,756 B. Trademark Registration No.(s) 78/168,763 Yes 7 Additional number(s) attached 5. Name and address of party to whom correspondence 6. Total number of applications and 2 registrations involved: concerning document should be mailed: Name: SILICON VALLEY BANK 7. Total fee (37 CFR 3.41).....\$_65.00 Internal Address: MAIL SORT HA155 Enclosed Authorized to be charged to deposit account 8. Deposit account number: 3003 TASMAN DRIVE Street Address: 22 City:_SANTA CLARA State: CA Zip:95054 22 3 K DO NOT USE THIS SPACE 9. Signature.

Total number of pages including cover sheet, attachments, and document: Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

MARIBEL ARTEAGA

Name of Person Signing

Date

7/7/2003

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of June 6, 2003 by and between SILICON VALLEY BANK ("Bank") and KEMIA, INC. ("Grantor").

RECITALS

- A. Bank has agreed to make certain advances of money and to extend certain financial accommodation 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 August 5, 2002, as amended by that certain Amendment to Loan and Security Agreement dated May 19, 2003 (as so amended and as such agreement may be otherwise 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, Patents, and Mask Works 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, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its obligations under the Loan Agreement, 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, Trademarks and Mask Works listed on Schedules A, B, C, and D 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

PA\551989-1 September 25, 1996

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.

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

GRANTOR:

KEMIA, INC.

By: I waken

Title: Secretary

BANK:

77740

SILICON VALLEYBANK

Title:

PA\551989-1 September 25, 1996

EXHIBIT A

Copyrights

Description

Registration/ Application Number Registration/ Application <u>Date</u>

PA\551989-1 September 25, 1996

EXHIBIT B

Patents

Description

Registration/ Application Number Registration/ Application <u>Date</u>

Application or Patent No.	Description	Date Filed	Date Issued
5,877,030	PROCESS FOR CREATING MOLECULAR		03/02/1999
	DIVERSITY AND NOVEL PROTEASE		
	INHIBITORS PRODUCED THEREBY		
08/799,874	PROCESS FOR CREATING MOLECULAR	02/14/1997	
	DIVERSITY		
09/053,837	MOLECULAR SCAFFOLDS FOR THE	04/01/98	
	SYNTHESIS OF COMBINATORIAL LIBRARIES		
60/372,237	NON-NATURAL GALANIN RECEPTOR	04/12/2002	
	LIGANDS		
10/155,376	NON-NATURAL GALANIN RECEPTOR	05/24/2002	
	LIGANDS		
PCT/SE02/01002	(PCT) NON-NATURAL GALANIN RECEPTOR	05/24/2002	
	LIGANDS		
60/446,713	COMPOUNDS FOR THE TREATMENT OF HIV	02/11/2003	
	INFECTION		

PA\551989-1 September 25, 1996

EXHIBIT C

Trademarks

Description

Registration/ Application Number Registration/ Application <u>Date</u>

Application or Registration No.		Mark	Date Filed	Date Issued
78/168756	K and Design		09/27/02	
78/168763	Kemia		09/27/02	

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EXHIBIT D

Mask Works

Description

Registration/ Application Number

Registration/ Application <u>Date</u>

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