

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<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>
J.H. BAXTER & CO., A CALIFORNIA LIMITED PARTNERSHIP		07/20/2005	LIMITED PARTNERSHIP: CALIFORNIA
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	UNION BANK OF CALIFORNIA, N.A.		
<b>Street Address:</b>	200 PRINGLE AVENUE		
<b>Internal Address:</b>	SUITE 260		
<b>City:</b>	WALNUT CREEK		
<b>State/Country:</b>	CALIFORNIA		
<b>Postal Code:</b>	94596		
<b>Entity Type:</b>	NATIONAL ASSOCIATION:		
<b>PROPERTY NUMBERS Total: 1</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
Registration Number:	1088324	CHEMONITE	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(858)677-1401		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
<b>Phone:</b>	858-638-6717		
<b>Email:</b>	Erin.O'Brien@dlapiper.com		
<b>Correspondent Name:</b>	Erin O'Brien		
<b>Address Line 1:</b>	4365 Executive Drive		
<b>Address Line 2:</b>	Suite 1100		
<b>Address Line 4:</b>	San Diego, CALIFORNIA 92121		
<b>NAME OF SUBMITTER:</b>	Erin O'Brien		
<b>Signature:</b>	/Erin O'Brien/		

CH \$40.00 1088324

Date:

07/20/2005

Total Attachments: 5

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## **PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT**

THIS PATENT, TRADEMARK AND COPYRIGHT SECURITY AGREEMENT (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Agreement"), dated as of July 20, 2005, is made by J.H. BAXTER & CO., A CALIFORNIA LIMITED PARTNERSHIP ("Grantor"), in favor of UNION BANK OF CALIFORNIA, N.A. ("Bank").

### **RECITALS**

A. Pursuant to that certain Loan and Security Agreement of even date herewith by and between Grantor and Bank (including all annexes, exhibits and schedules thereto, and as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"), Bank has agreed to extend certain financial accommodations to or for the direct or indirect benefit of Grantor.

B. In order to induce Bank to enter into the Loan Agreement and the other Loan Documents (as defined in the Loan Agreement) and to induce Bank to extend the financial accommodations as provided for in the Loan Agreement, Grantor has agreed to execute and deliver to Bank this Agreement.

### **AGREEMENT**

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

1. **Definitions.** Unless otherwise defined herein, capitalized terms or matters of construction defined or established in Schedule A to the Loan Agreement shall be applied herein as defined or established therein. All other undefined terms contained in this Agreement, unless the context indicates otherwise, shall have the meanings provided for by the Code to the extent the same are used or defined therein. In addition, the following capitalized terms shall have the following respective meanings:

"Copyright License" shall mean any and all rights now owned or hereafter acquired by Grantor under any written agreement by virtue of which Grantor licenses or is licensed any right to use any Copyright or Copyright registration.

"Copyrights" shall mean all of the following now owned or hereafter adopted or acquired by Grantor: (a) all copyrights and General Intangibles of like nature (whether registered or unregistered), all registrations and recordings thereof, and all applications in connection therewith, including all registrations, recordings and applications in the United States Copyright Office or in any similar office or agency of the United States, any state or territory thereof, or any other country or any political subdivision thereof, and (b) all reissues, extensions or renewals thereof.

“Patent License” shall mean rights under any written agreement now owned or hereafter acquired by Grantor by virtue of which Grantor licenses or is licensed any right with respect to any invention on which a Patent is in existence.

“Patents” shall mean all of the following now owned or hereafter adopted or acquired by Grantor: (a) all patents of the United States or of any other country, all registrations and recordings thereof, and all applications for patents of the United States or any other country, including registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States or any territory thereof, or any other country, (b) all reissues, continuations, continuations-in-part, divisions, renewals and extensions thereof, and (c) all inventions and improvements described or claimed in any of the foregoing, and all trade secrets and know-how related to any of the foregoing or to Borrower's business.

“Trademark License” shall mean rights under any written agreement now owned or hereafter acquired by Grantor by virtue of which Grantor licenses or is licensed any right to use any Trademark.

“Trademarks” shall mean all of the following now owned or hereafter adopted or acquired by Grantor: (a) all trademarks, trade names, corporate names, business names, trade styles, service marks, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and General Intangibles of like nature (whether registered or unregistered), all registrations and recordings thereof, and all applications in connection therewith, including registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state or territory thereof, or any other country or any political subdivision thereof; (b) all extensions or renewals thereof; and (c) all goodwill associated with or symbolized by any of the foregoing.

**2. Grant of Security Interest in Intellectual Property Collateral.** To secure the prompt and complete payment, performance and observance of all of the Obligations, Grantor hereby grants, assigns, conveys, mortgages, pledges, hypothecates and transfers to Bank a Lien upon all its right, title and interest in, to and under the following property, whether now owned by or owing to, or hereafter acquired by or arising in favor of, Grantor (including under any trade names, styles or derivations of Grantor), and whether owned or used by, or licensed to or from, Grantor, and regardless of where located (collectively, the “Intellectual Property Collateral”):

2.1 all of Grantor’s Patents, application for Patents, and Patent Licenses to which it is a party, including the those referred to in Part A to Schedule I hereto;

2.2 all of Grantor’s Trademarks and Trademark Licenses to which it is a party, including those referred to in Part B to Schedule I hereto;

2.3 all of Grantor’s Copyrights and Copyright Licenses to which it is a party, including those referred to in Part C to Schedule I hereto;

2.4 all Goodwill, trade secrets, proprietary or confidential information, technical information, procedures, formulae, quality control standards, designs, operating and training manuals, customer lists, and other General Intangibles with respect to the foregoing; and

2.5 all Proceeds of the foregoing.

3. **Loan Agreement.** The Liens granted pursuant to this Agreement are granted in conjunction with, and restate the Liens granted to Bank pursuant to the Loan Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Bank with respect to the Liens granted under this Agreement are more fully set forth in the Loan Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

4. **Further Agreement.** Grantor further agrees that it has the obligation, at its own cost unless otherwise consented to in writing by Bank, to maintain the value of the Intellectual Property Collateral, including without limitation the obligation to protect the Intellectual Property Collateral from infringement, unfair competition, dilution or other violation or damage by all appropriate actions including the commencement of legal action seeking injunction, damages, and other appropriate remedies, and to defend the Intellectual Property Collateral from claims of third party ownership, infringement, invalidity, unfair competition, or damage including the defense or any legal actions making such claims, and to diligently prosecute and maintain the Intellectual Property Collateral including without limitation all registrations and applications for registration therefor.

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IN WITNESS WHEREOF, the parties have executed this Patent, Trademark and Copyright Security Agreement as of the date first set forth above.

“Grantor”

J.H. BAXTER & CO., A CALIFORNIA LIMITED PARTNERSHIP

By: J.H. Baxter & Co., Inc., a California corporation  
Its: General Partner

By: Robert C. Stockton  
Name: Robert C. Stockton  
Title: Vice President/CFO

Agreed to and Acknowledged by:

“Bank”

UNION BANK OF CALIFORNIA, N.A.

By: Greg Fennis  
Name: Greg FENNIS  
Title: Vice President

**SCHEDULE I**  
to  
**PATENT, TRADEMARK AND  
COPYRIGHT SECURITY AGREEMENT**

**(PART A)**

PATENTS

NONE

**(PART B)**

TRADEMARKS

<b>TRADEMARK</b>	<b>REGISTRATION NO.</b>	<b>REGISTRATION DATE</b>
Chemonite	1,088,324	March 28, 1978

**(PART C)**

COPYRIGHTS

NONE

PATENT, TRADEMARK AND COPYRIGHT  
SECURITY AGREEMENT

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**RECORDED: 07/20/2005**

**TRADEMARK  
REEL: 003124 FRAME: 0880**