

**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>
PFab LP		06/16/2005	LIMITED PARTNERSHIP: TEXAS
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Summit Bank, N.A.		
<b>Street Address:</b>	3859 Camp Bowie Blvd.		
<b>City:</b>	Ft. Worth		
<b>State/Country:</b>	TEXAS		
<b>Postal Code:</b>	76107		
<b>Entity Type:</b>	National Association: UNITED STATES		
<b>PROPERTY NUMBERS Total: 5</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
<b>Serial Number:</b>	78261829	DYNAMIC VARIABLE RELEASE	
<b>Serial Number:</b>	78595087	INNOVATION MEETS COLLABORATION	
<b>Registration Number:</b>	2871671	PHARMAFAB	
<b>Registration Number:</b>	2860241	PHARMAFAB	
<b>Registration Number:</b>	2499611	PHARMAFAB	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(214)200-0558		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
<b>Phone:</b>	214-651-5066		
<b>Email:</b>	jeff.becker@haynesboone.com		
<b>Correspondent Name:</b>	Jeffrey M. Becker		
<b>Address Line 1:</b>	901 Main Street, Suite 3100		
<b>Address Line 4:</b>	Dallas, TEXAS 75202-3789		
<b>NAME OF SUBMITTER:</b>	Jeffrey M. Becker		

CH \$140.00 78261829

Signature:

/Jeffrey M. Becker/

Date:

08/03/2005

**Total Attachments: 6**

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## SECURITY AGREEMENT

This Security Agreement (this "Security Agreement") is made and entered into by and between PFab LP, a Texas limited partnership, whose address is 2940 North Highway 360, Grand Prairie, Texas 75050 (hereinafter referred to as "Debtor") and Summit Bank, N.A., 3859 Camp Bowie Boulevard, Fort Worth, Texas 76107 ("Secured Party") as follows:

WHEREAS, Debtor has executed a revolving credit note dated November 10, 2004 payable to the order of Secured Party, a term note dated November 10, 2004 payable to the order of Secured Party and certain other promissory notes executed by Debtor payable to Secured Party (said promissory notes and all other obligations and indebtedness owed by Debtor to Secured Party, together with all modifications, renewals, extensions and increases thereof, are hereinafter collectively referred to as the "Notes"); and

WHEREAS, Debtor has agreed to grant a security interest in and pledge the Collateral (as hereinafter defined) to Secured Party as security for the payment of the Notes.

NOW THEREFORE, the parties hereto agree as follows:

1. Grant of Security Interest. As security for the due and punctual payment of the principal of, and accrued and unpaid interest on, the Notes, whether at maturity, by acceleration or otherwise, and all renewals, extensions, rearrangements, amendments and modifications thereof and all other indebtedness and obligations of Debtor to Secured Party, the Debtor hereby grants to the Secured Party a security interest in and lien on (1) all copyrights throughout the world of Debtor ("Copyrights"), now existing or hereafter created or acquired, all registrations thereof and applications in connection therewith, and all computer programs, computer data bases, computer program flow diagrams, source codes and object codes and all tangible property embodying or incorporating such Copyrights, (2) all trademarks, trade names, corporate names and service marks and general intangibles of a like nature throughout the world and the goodwill associated therewith ("Trademarks"), now existing or hereafter adopted or acquired, all registrations thereof and applications in connection therewith, including, but not limited to the registrations and applications listed on Schedule A attached hereto, (3) all inventions, know-how, patent applications and patents of Debtor throughout the world ("Patents") now existing or hereafter created or acquired, all registrations thereof and applications in connection therewith, including, but not limited to the patents and patent applications listed on Schedule B attached hereto, (4) all claims of Debtor against third parties for past, present or future infringement of any Copyright, Trademark or Patent or for any injury to the goodwill of Debtor associated with the use of any Copyright, Trademark or Patent, (5) all other general intangibles of Debtor, (6) all books, records, files, documents, tapes, programs, printouts and other materials of Debtor relating to any of the foregoing, (7) all reissuances, extensions, renewals, increases, substitutions, replacements and additions of Debtor to any of the foregoing, (8) all proceeds of any sale or other disposition of any of the foregoing; and (9) all rights of Debtor associated with any of the foregoing (hereinafter referred to collectively as the "Collateral").

2. Exclusion of Non-Securable Agreements. Notwithstanding anything herein to the contrary, in no event shall the Collateral include, and Debtor shall not be deemed to have granted a security interest in any of Debtor's rights or interests in any license, contract or agreement to which Debtor is a party or any of its rights or interests thereunder to the extent, but only to the extent, that such a grant would, under the terms of such license, contract or agreement, result in a breach of the terms of or constitute a default under such license, contract or agreement ("No Security Interest Provision"); provided, however, that immediately upon the ineffectiveness, lapse or termination of any such No Security Interest Provision, the Collateral shall include, and Debtor shall be deemed to have granted a security interest in, all of Debtor's rights and interests in such license, contract or agreement as if the No Security Interest Provision had never been in effect.

3. Title. The Debtor will, at the Debtor's cost and expense, defend any action which may affect the Debtor's title to the Collateral.

4. Financing Statement. At the Secured Party's request, the Debtor will join in executing all necessary financing statements in form satisfactory to the Secured Party and will further execute all other necessary instruments deemed necessary by the Secured Party.

5. Protection of Collateral. The Debtor will not knowingly use the Collateral in violation of any material statute or ordinance and the Secured Party will have the right to examine and inspect the Collateral at any reasonable time. The Debtor will defend and maintain the validity and enforceability of the material Copyrights, Trademarks and Patents included within the Collateral and not allow any material Copyrights, Trademarks and Patents (included within the Collateral) to be abandoned or dedicated to the public.

6. Time of Performance and Waiver. In performing any act under this Security Agreement, time shall be of the essence. The Secured Party's acceptance of partial or delinquent payments, or the failure of the Secured Party to exercise any right or remedy, shall not be a waiver of any obligation of the Debtor or right of the Secured Party or constitute a waiver of any other similar default subsequently occurring.

7. Default. The Debtor shall be in default under this Security Agreement on the happening of any of the following events or conditions (hereinafter sometimes called an "Event of Default"):

- (a) The occurrence of an event of default (as defined in the Loan Agreement dated August 13, 2004 by and among Debtor, Secured Party, PharmaFab Inc., PharmaFab Texas, LLC and PharmaFab Nevada, LLC), as amended; or
- (b) Failure of Debtor to comply with any of the covenants or agreements under this Security Agreement and the continuance of such failure for a period of thirty (30) days after Debtor receives written notice thereof from Secured Party.

8. Remedies. Upon the occurrence of an Event of Default, Secured Party may, at its option, without notice, demand, notice of intent to accelerate or notice of acceleration, all of which Debtor hereby expressly waives, declare the Notes secured hereby immediately due and payable and Secured Party shall thereupon have the rights and remedies of a secured party under the Texas Business and Commerce Code, including without limitation, the right to sell, lease or otherwise dispose of any or all of the Collateral and to apply the proceeds thereof toward payment of any reasonable and actual costs and expenses and attorney's fees and legal expenses thereby incurred by the Secured Party and toward payment of the Note in such order or manner as the Secured Party may elect. Upon an occurrence of an Event of Default, Secured Party shall have the right to take immediate possession of the Collateral, with or without process of law, and for that purpose Secured Party may enter upon any premises on which the Collateral or any part thereof may be situated (provided, however, nothing herein shall authorize Secured Party to commit a breach of the peace or to make such entry of the offices of Debtor without the explicit written consent of Debtor) and remove the same therefrom. Secured Party will send Debtor reasonable notice of the time and place of any public sale thereof or of the time after which any public sale or other disposition thereof is to be made. The requirement of sending a reasonable notice shall be met if such notice is mailed, postage prepaid, to Debtor at the address designated at the beginning of this Security Agreement at least ten (10) business days before the time of the sale or disposition. Expenses of retaking, holding, repairing,

improving, maintaining, preparing for sale, selling or the like shall include Secured Party's reasonable and actual attorneys' fees and legal expenses, plus interest thereon at a rate per annum at all times equal to the highest lawful contract rate permitted by applicable law of the State of Texas, and shall become a part of the Notes and which shall be secured by and entitled to the benefits of this Security Agreement. If the proceeds of any sale or other lawful disposition by Secured Party of the Collateral following its retaking, are insufficient to pay the reasonable and actual expenses of retaking, repairing, holding, preparing the Collateral for sale, selling it and the like, to satisfy the Notes, then Debtor agrees to pay any deficiency, but Debtor shall be entitled to any surplus if one results after lawful application of all such proceeds.

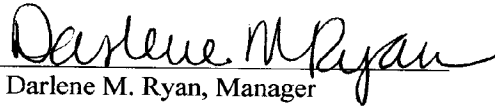
9. Miscellaneous.

- (a) It is the intention of the parties hereto to comply with all applicable usury laws; accordingly, it is agreed that notwithstanding any provision to the contrary in this Security Agreement, or in the Notes or otherwise in any manner relating thereto, no such provision shall require the payment or permit the collection of interest in excess of the maximum permitted by law. If any excess of interest in such respect is provided for, or shall be adjudicated to be so provided for, in this Security Agreement, or in the Notes or otherwise relating thereto, then in such event (a) the provisions of this paragraph shall govern and control, (b) neither the Debtor nor its successors or assigns or any other party liable for the payment hereof, shall be obligated to pay the amount of such interest to the extent that it is in excess of the maximum amount permitted by law, (c) any such excess which may have been collected shall be, at the option of the holder, either applied as a credit against the then unpaid principal amount thereof or refunded to the Debtor and (d) the effective rate of interest shall be automatically subject to reduction to the maximum lawful contract rate allowed under the usury laws of the State of Texas as now or hereafter construed by the courts having jurisdiction.
- (b) This Agreement shall be construed under and in accordance with the Texas Business and Commerce Code and other applicable laws of the State of Texas. The obligations under the Notes are performable in Tarrant County, Texas.
- (c) In case any one or more of the provisions contained in this Security Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision thereof and this Security Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
- (d) THIS WRITTEN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES RELATING TO THE SUBJECT MATTER THEREOF AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

EXECUTED the 16<sup>th</sup> day of June, 2005.

PFab LP, a Texas limited partnership

By: PharmaFab Texas, LLC, a Texas limited liability  
company, General Partner

By:   
Darlene M. Ryan, Manager

DEBTOR

SUMMIT BANK, N.A.

By:   
Jerry Colwell, Executive Vice President

SECURED PARTY

**SCHEDULE A**

<b>Trademarks (Mark)</b>	<b>Serial No.</b>	<b>Filing Date</b>	<b>Reg. No.</b>	<b>Issue Date</b>
DYNAMIC VARIABLE RELEASE	78/261,829	6/12/2003		
INNOVATION MEETS COLLABORATION	78/595,087	3/25/2005		
PHARMAFAB	78/261,823	6/12/2003	2,860,241	7/6/2004
PHARMAFAB	78/261,818	6/12/2003	2,871,671	8/10/2004
PHARMAFAB	75/848,120	11/15/1999	2,499,611	10/23/2001

**SCHEDULE B**

<b>Patents</b>	<b>Serial No.</b>	<b>Filing Date</b>	<b>Patent No.</b>	<b>Issue Date</b>
Sensory Limited Ingestible Caplet	10/739,466	12/18/2003		
Dynamic Variable Release Technology	10/764,177	1/23/2004		
Dynamic Kinetic Partitioning Technology	10/763,482	1/23/2004		
Dynamic Polymorphic Dissociation Technology	10/764,090	1/23/2004		
Improved Tablet Formulation	60/612,086	9/21/2004		
Improved Liquid Formulation	60/612,543	9/22/2004		
Improved Dynamic Variable Release	11/010,944	12/13/2004		
Compositions and Methods of Making Sustained Release Liquid Formulations	11/068,124	2/28/2005		