

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
Aeris Therapeutics, Inc.		07/28/2006	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	Bank of America, N.A.		
Street Address:	100 Federal Street		
City:	Boston		
State/Country:	MASSACHUSETTS		
Postal Code:	02110		
Entity Type:	national banking association: UNITED STATES		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Serial Number:	78356749		
Serial Number:	78354743	AERIS	
CORRESPONDENCE DATA			
Fax Number:	(617)439-4170		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	617-951-2247		
Email:	bcampbell@eapdlaw.com		
Correspondent Name:	Brenda S. Campbell, Paralegal		
Address Line 1:	101 Federal Street		
Address Line 2:	Edwards Angell Palmer & Dodge LLP		
Address Line 4:	Boston, MASSACHUSETTS 02205		
ATTORNEY DOCKET NUMBER:	51442/0099		
NAME OF SUBMITTER:	Brenda S. Campbell		
Signature:	/Brenda S. Campbell/		

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Date:

07/31/2006

Total Attachments: 5

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TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of July 28, 2006, is made between Aeris Therapeutics, Inc., a Delaware corporation (the "Grantor"), and Bank of America, N.A. (together with its successors and assigns, the "Lender").

WITNESSETH:

WHEREAS, the Grantor and the Lender are parties to a Credit Agreement of even date herewith (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement");

WHEREAS, in connection with the Credit Agreement, the Grantor and the Lender have entered into a Security Agreement of even date herewith (as amended, supplemented or otherwise modified from time to time, the "Security Agreement");

WHEREAS, pursuant to the Security Agreement, the Grantor is required to execute and deliver this Agreement and to grant to the Lender a continuing security interest in all of the Trademark Collateral (as defined below) to secure all of the Obligations of the Grantor; and

WHEREAS, the Grantor has duly authorized the execution, delivery and performance of this Agreement; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to induce the Lender to make Loans pursuant to the Credit Agreement, the Grantor agrees as follows:

Section 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided in the Security Agreement.

Section 2. Grant of Security Interest. The Grantor hereby assigns, pledges, hypothecates, charges, mortgages, delivers, and transfers to the Lender, and grants to the Lender, a continuing security interest in all of the following property, whether now or hereafter existing or acquired by the Grantor (the "Trademark Collateral");

(a) (i) all of its trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, certification marks, collective marks, logos and other source or business identifiers, and all goodwill of the business associated therewith, now existing or hereafter adopted or acquired including those referred to in Item A of Schedule I attached hereto, whether currently in use or not, all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications in the United States Patent and Trademark Office or in any office or agency of the

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United States of America or any State thereof or any other country or political subdivision thereof or otherwise, and all common-law rights relating to the foregoing, and (ii) the right to obtain all reissues, extensions or renewals of the foregoing (each, a "Trademark");

(b) all Trademark licenses for the grant by or to the Grantor of any right to use any Trademark, including each Trademark license referred to in Item B of Schedule I attached hereto; and

(c) all proceeds of, and rights associated with, the foregoing, including any claim by the Grantor against third parties for past, present or future infringement or dilution of any Trademark, Trademark registration or Trademark license.

Notwithstanding the foregoing, "Trademark Collateral" shall not include any general intangibles or other rights arising under any contracts, instruments, licenses or other documents relating to any of the foregoing Trademark Collateral as to which the grant of a security interest would (i) constitute a violation of a valid and effective restriction in favor of a third party on such grant, unless and until any required consents shall have been obtained or (ii) give any other party to such contract, instrument, license or other document the right to terminate its obligations thereunder pursuant to any valid and effective provision thereof.

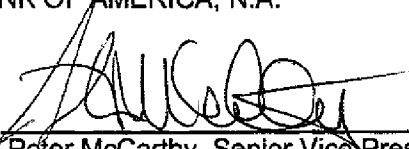
Section 3. Security Agreement. This Agreement has been executed and delivered by the Grantor for the purpose of registering the security interest of the Lender in the Trademark Collateral with the United States Patent and Trademark Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Lender under the Security Agreement. The Security Agreement (and all rights and remedies of the Lender thereunder) shall remain in full force and effect in accordance with its terms.

Section 4. Acknowledgment. The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Lender with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

Section 5. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

Signatures Begin on Next Page

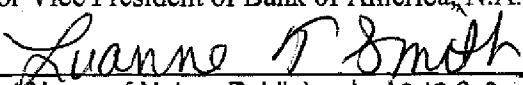
BANK OF AMERICA, N.A.

By: 
Peter McCarthy, Senior Vice President

COMMONWEALTH OF MASSACHUSETTS

Suffolk County, ss.


On this 27 day of July, 2006, before me, the undersigned Notary Public, personally appeared the above-named Peter McCarthy, proved to me by satisfactory evidence of identification, being (check whichever applies): driver's license or other state or federal governmental document bearing a photographic image, oath or affirmation of a credible witness known to me who knows the above signatory, or my own personal knowledge of the identity of the signatory, to be the person whose name is signed above, and acknowledged the foregoing to be signed by him/her voluntarily for its stated purpose, as a duly-authorized Senior Vice President of Bank of America, N.A.


(Print Name of Notary Public): Luanne T Smith
My commission expires: 12/26/08
Qualified in the Commonwealth of Massachusetts

(Signature Page for Aeris Trademark Security Agreement)

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed and delivered as an instrument under seal by its officer thereunto duly authorized as of the date first above written.


AERIS THERAPEUTICS, INC.

By: 
David Dove, M.D., President and Chief
Executive Officer

COMMONWEALTH OF MASSACHUSETTS

MIDDLESEX County, ss.

On this 21st day of July, 2006, before me, the undersigned Notary Public, personally appeared the above-named David Dove, M.D., proved to me by satisfactory evidence of identification, being (check whichever applies): driver's license or other state or federal governmental document bearing a photographic image, oath or affirmation of a credible witness known to me who knows the above signatory, or my own personal knowledge of the identity of the signatory, to be the person whose name is signed above, and acknowledged the foregoing to be signed by him/her voluntarily for its stated purpose, as the duly-authorized President and Chief Executive Officer of Aeris Therapeutics, Inc.


(Print Name of Notary Public): Andrew S. Littlemore
My commission expires: FEBRUARY 1, 2013
Qualified in the Commonwealth of Massachusetts

Signatures Continued on Next Page

(Signature Page for Trademark Security Agreement)

SCHEDULE I
to Trademark Security Agreement

Item A. Trademarks

Registered Trademarks

Country	Trademark	Registration No.	Registration Date
European Community	New Lung Design	3927341	11/3/05
Israel	Aeris	173331	8/4/05
Israel	New Lung Design	17333	6/7/05

Pending Trademark Applications

Country	Trademark	Serial No.	Filing Date
United States	New Lung Design	78/356749	1/23/04
United States	Aeris	78/354743	1/21/04

Trademark Applications in Preparation

None

Item B. Trademark Licenses

<u>Country or Territory</u>	<u>Trademark</u>	<u>Licensor</u>	<u>Licensee</u>	<u>Effective Date</u>	<u>Expiration Date</u>
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None