

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
Pinnacle Biologics, Inc.		03/28/2012	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	NXT Capital SBIC, LP, its successors and assigns		
Street Address:	191 N. Wacker Drive		
Internal Address:	Suite 1200		
City:	Chicago		
State/Country:	ILLINOIS		
Postal Code:	60606		
Entity Type:	LIMITED PARTNERSHIP: DELAWARE		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	1367281	PHOTOFRIN	
CORRESPONDENCE DATA			
Fax Number:	(312)450-8101		
Phone:	(312) 450-8183		
Email:	james.anderson@nxtcapital.com		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>			
Correspondent Name:	James Anderson		
Address Line 1:	191 N. Wacker Drive		
Address Line 2:	Suite 1200		
Address Line 4:	Chicago, ILLINOIS 60606		
ATTORNEY DOCKET NUMBER:	MZC/PXS-031112-00004		
NAME OF SUBMITTER:	Michael A. Cramarosso		
Signature:	/Michael A. Cramarosso/		

OP \$40.00 1367281

Date:

03/29/2012

Total Attachments: 8

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TRADEMARK GRANT OF SECURITY INTEREST

This Trademark Grant of Security Interest (this "Agreement") is dated the 28th day of March, 2012, between Pinnacle Biologics, Inc., a Delaware corporation ("Grantor"), which maintains its chief executive office and principal place of business located at 2801 Lakeside Drive, Suite 209, Bannockburn, Illinois 60015 and NXT Capital SBIC, LP, with its chief executive office and principal place of business located at 191 N. Wacker Drive, Suite 1200, Chicago, Illinois 60606 (together with its successors and assigns, the "Secured Party").

RECITALS

A. Grantor owns the trademarks, trademark registrations, trademark applications listed on Schedule 1 hereto.

B. Secured Party and Grantor are parties to a Senior Loan and Security Agreement dated March 28, 2012 (the "Loan Agreement") and certain ancillary documents entered into in connection with the Loan Agreement, all as may be amended from time to time (hereinafter, with the Loan Agreement, referred to collectively as the "Loan Documents").

C. Pursuant to the terms of the Loan Agreement, Grantor has granted to Secured Party a security interest in all of the tangible and intangible property of Grantor, including all right, title and interest of Grantor in, to and under all of the following property, now owned or hereafter acquired by Grantor or in which Grantor now holds or hereafter acquires any interest (collectively, the "Trademarks"): (a) all trademarks (registered, common law or otherwise), trade names, corporate names, business names, trade styles, service marks, logos, other source or business identifiers (and all goodwill associated therewith), prints and labels on which any of the foregoing have appeared or appear, and designs of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and any 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 thereof or any other country or any political subdivision thereof, (b) all reissues, extensions or renewals thereof, (c) any written agreement under which Grantor grants to or acquires from a third party any right or license to use any trademark or trademark registration owned by Grantor, excluding such agreements where such right or license is incidental to the agreement such as in a distribution agreement, manufacturing agreement or other commercial arrangement, (the "Trademark Licenses"), and (d) all proceeds thereof.

D. All capitalized terms not defined herein shall have the meanings set forth in the Loan Agreement.

NOW, THEREFORE, in consideration of the premises contained herein, Grantor hereby agrees with Secured Party as follows:

1. To secure the complete and timely satisfaction of all the Obligations, Grantor hereby grants and conveys to Secured Party a continuing security interest in and lien on all of Grantor's entire right, title and interest in and to the Trademarks, and proceeds thereof, including without limitation the Trademarks and Trademark applications and the Trademark Licenses listed on Schedule 1 hereto (as the same may be amended pursuant hereto from time to

time), including without limitation, all renewals thereof, all proceeds of infringement suits, the right to sue for past, present and future infringements and all rights corresponding thereto throughout the world and the goodwill of the business to which each of the Trademarks relates (all of the foregoing are collectively called the "Trademark Collateral"). Secured Party is authorized to file this Agreement with the United States Patent and Trademark Office or any other governmental agency it deems necessary or desirable in order to secure and perfect its rights under this Agreement or the other Loan Documents.

2. Grantor represents, warrants and covenants that:

(a) Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to all of the Trademark Collateral, free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses, registered user agreements and covenants by Grantor not to sue third persons, except for Permitted Liens;

(b) The Trademark Collateral is subsisting and no part of the Trademark Collateral has been adjudged invalid or unenforceable, in whole or in part;

(c) The Trademark Collateral is valid and enforceable;

(d) No claim has been made that the use of any of the Trademark Collateral does or may infringe or violate the rights of any third person;

(e) Grantor has the unqualified right to enter into this Agreement and perform its terms;

(f) Grantor has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Trademark Collateral, unless Grantor determines that such Trademark Collateral is no longer useful in Grantor's business and discontinuance of such Trademark Collateral is in the best interests of Grantor; and

(g) Grantor has used, and will continue to use for the duration of this Agreement, consistent standards of quality of products sold under the Trademarks.

3. Grantor agrees that, until all of the Obligations shall have been indefeasibly satisfied in full, it will not enter into any agreement relating to Grantor's Trademarks (for example, a license agreement) which is inconsistent with Grantor's obligations under this Agreement, without Secured Party's prior written consent; provided, that to the extent not inconsistent with the Loan Agreement, so long as no Event of Default exists, without the consent of Secured Party, Grantor may grant licenses to third parties to use the Trademarks in the ordinary course of business of both Grantor and such third party on arm's length and customary business terms.

4. If, before the Obligations shall have been indefeasibly satisfied in full, Grantor shall obtain rights other than rights as licensee to any new Trademarks or any rights that would come within the definition of Trademark Collateral had such rights existed on the date

hereof, the provisions of paragraph 1 shall automatically apply thereto and Grantor shall give Secured Party prompt written notice thereof. Failure to provide such notice shall constitute a material breach of this Agreement.

5. Grantor authorizes Secured Party unilaterally to modify this Agreement by amending Schedule 1 to include any future Trademarks or other rights described in paragraphs 1 and 4 hereof.

6. If any Event of Default shall have occurred, Secured Party shall have, in addition to all other rights and remedies given it by this Agreement or the other Loan Documents, those allowed by law and the rights and remedies of a secured party under the UCC as enacted in any jurisdiction in which the Trademarks may be located and, without limiting the generality of the foregoing, the Secured Party may immediately, without demand of performance and without other notice (except as set forth below) or demand whatsoever to Grantor, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, all or from time to time any of the Trademarks, or any interest which the Grantor may have therein, and after deducting from the proceeds of sale or other disposition of the Trademarks all expenses (including all reasonable expenses for brokers' fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations. Any remainder of the proceeds after payment in full of the Obligations shall be paid over to Grantor. Notice of any sale or other disposition of the Trademarks shall be given to Grantor at least ten (10) days before the time of any intended public or private sale or other disposition of the Trademarks is to be made, which Grantor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition Secured Party or its Transferee (defined in paragraph 14 below) may, to the extent permissible under applicable law, purchase the whole or any part of the Trademarks sold, free from any right of redemption on the part of Grantor, which right is hereby waived and released.

7. Grantor hereby authorizes and empowers Secured Party to make, constitute and appoint any officer or agent of Secured Party, as Secured Party may select in its exclusive discretion, as Grantor's true and lawful attorney-in-fact, with the power, during the existence of an Event of Default, to endorse Grantor's name on all applications, documents, papers and instruments necessary or desirable for Secured Party to use the Trademark Collateral, or to grant or issue any exclusive or nonexclusive license under the Trademark Collateral to any third person, or necessary or desirable for Secured Party to assign, pledge, convey or otherwise transfer title in or dispose of the Trademark Collateral to any third person as a part of Secured Party's realization on such collateral upon acceleration of the Obligations following an Event of Default. Grantor hereby ratifies all that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof. This power of attorney being coupled with an interest shall be irrevocable for the life of this Agreement.

8. If Grantor fails to comply with any of its obligations hereunder, Secured Party may do so in Grantor's name or in Secured Party's name, but at Grantor's expense, and Grantor hereby agrees to reimburse and indemnify Secured Party in full for all reasonable out of pocket expenses, including attorneys' fees, incurred by Secured Party in protecting, defending and maintaining the Trademark Collateral.

9. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including the attorneys' fees and legal expenses incurred by Secured Party in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of the transactions contemplated by this Agreement, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Trademark Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademark Collateral, shall be borne and paid by Grantor within thirty (30) days of demand by Secured Party and, if not paid within such thirty (30) days, until so paid shall be added to the principal amount of the Obligations and shall bear interest at the Default Rate.

10. Grantor shall have the duty to prosecute diligently any Trademark applications pending as of the date of this Agreement or thereafter until the Obligations shall have been indefeasibly paid in full, to make federal application on registrable but unregistered Trademarks, to file and prosecute opposition and cancellation proceedings and to do any and all acts which are necessary or desirable to preserve and maintain all rights in the Trademark Collateral. Any expenses incurred in connection with the Trademark Collateral shall be borne by Grantor. The Grantor shall not abandon any Trademark Collateral without the consent of Secured Party.

11. No course of dealing between Grantor and Secured Party, nor any failure to exercise, nor any delay in exercising, on the part of Secured Party, any right, power or privilege hereunder or under the Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

12. All of Secured Party's rights and remedies with respect to the Trademark Collateral, whether established hereby or by the Loan Documents, or any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently.

13. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such provision shall be ineffective only to the extent and duration of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

14. Grantor acknowledges and understands that Secured Party may sell, assign and/or transfer all or part of its interest hereunder to any person or entity (a "Transferee") without notice to or consent of Grantor. After such assignment the term "Secured Party" as used in this Agreement shall mean and include such Transferee, and such Transferee shall be vested with all rights, powers and remedies of Secured Party hereunder with respect to the interest so assigned; but with respect to any such interest not so transferred, Secured Party shall retain all rights, powers and remedies hereby given. No such assignment by Secured Party shall relieve Grantor of any of its obligations hereunder. Grantor may not sell, assign or transfer its rights and obligations hereunder without the prior written consent of Secured Party.

15. This Agreement is subject to modification only by a writing signed by both parties, except as provided in paragraph 5.

16. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the internal laws of the State of Illinois, excluding conflict of laws principles that would cause the application of laws of any other jurisdiction. To the extent the provisions of the UCC govern any aspect of this Agreement, the UCC as the same is, from time to time, in effect in the State of Illinois shall govern; provided, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of, or remedies with respect to, the security interest granted on the Trademark Collateral is required to be governed by the UCC as the same is, from time to time, in effect in a jurisdiction other than the State of Illinois, then such jurisdiction's UCC, as in effect, from time to time, shall govern only to the extent required by applicable law.

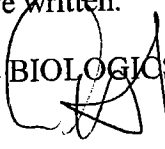
17. This Agreement has been delivered to Lender in the State of Illinois, and shall have been accepted by Lender in the State of Illinois. This Agreement shall be governed by, and construed and enforced in accordance with, the internal laws of the State of Illinois, excluding conflict of laws principles that would cause the application of laws of any other jurisdiction. The parties hereto agree that any suit, action or proceeding with respect to this Agreement shall be brought and maintained exclusively in the courts of the State of Illinois, County of Cook and the United States District Court for the Northern District of Illinois; provided, that nothing in this Agreement shall be deemed or operate to preclude Lender from bringing suit or taking other legal action in any other jurisdiction if such action is brought in connection with enforcing any of Lender's rights against Borrower or with respect to the Trademark Collateral to the extent required to enforce a judgment or order of such a court in Illinois. The parties hereto hereby expressly and irrevocably submit to the jurisdiction of those courts for the purpose of any such suit, action or proceeding. The parties hereto hereby irrevocably waive, to the fullest extent permitted by law, any objection that any of them may now or hereafter have to venue of any suit, action or proceeding arising out of or relating to this Agreement or any judgment entered by any court in respect thereof brought in any such court referred to above, and hereby further irrevocably waive any claim that any such suit, action or proceeding has been brought in an inconvenient forum. Service of process on any party hereto in any action arising out of or relating to this Agreement shall be effective if given in accordance with the requirements for notice set forth in the Loan Agreement, and shall be deemed effective and received as set forth in Section 10.05 of the Loan Agreement.

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IN WITNESS WHEREOF, each of the parties hereto, by their respective officers, have executed this Agreement as of the day and year first above written.

PINNACLE BIOLOGICS, INC.



By: _____
Name: Guillermo Herrera
Title: Chairman & CEO

NXT CAPITAL SBIC, LP

By: NXT Capital SBIC GP, LLC
Its: General Partner

By: _____
Name: _____
Title: _____


IN WITNESS WHEREOF, each of the parties hereto, by their respective officers, have executed this Agreement as of the day and year first above written.

PINNACLE BIOLOGICS, INC.

By: _____
Name: _____
Title: _____

NXT CAPITAL SBIC, LP

By: NXT Capital SBIC GP, LLC
Its: General Partner

By:  _____
Name: JAN HAAS
Title: Senior Vice President

SCHEDULE 1
TO
TRADEMARK GRANT OF SECURITY INTEREST

TRADEMARKS:			
Name	Date Issued	Registration Number	Status
Photofrin		1 367 281	Issued mark in US
Photofrin		347 707	Issued mark in Canada
Photofrin		408 310	Issued mark in Mexico

TRADEMARK APPLICATIONS:			
Name	Date Filed	Serial Number	Status
No	trademark	applications	

TRADEMARK LICENSES:			
Name	Licensor	Licensee	Registration Number
No trademark	licenses except as	incidental to an commercial	agreement such as a distribution agreement

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