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FORM PTO-1619A

12-12-2000

U.S. Department of Commerce  
Patent and Trademark Office  
PATENT

FORM PTO-1619A  
Cover Sheet  
OMB 0851-0027



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RECORDATION FORM COVER SHEET  
PATENTS ONLY

TO: The Commissioner of Patents and Trademarks; Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)  
Document ID# \_\_\_\_\_
- Correction of PTO Error  
Reel # \_\_\_\_\_ Frame # \_\_\_\_\_
- Corrective Document  
Reel # \_\_\_\_\_ Frame # \_\_\_\_\_

Conveyance Type

- Assignment
- License
- Merger
- Security Agreement
- Change of Name
- Other Release of Security Agreement  
U.S. Government  
(For use ONLY by U.S. Government Agencies)
- Departmental File
- Secret File

Conveying Party(ies)

Mark if additional names of conveying parties attached

Name (line 1) Butler's Island LLC

Execution Date  
Month Day Year  
8 / 17 / 00

Name (line 2) \_\_\_\_\_

Second Party

Name (line 1) \_\_\_\_\_

Execution Date  
Month Day Year  
\_\_\_\_\_

Name (line 2) \_\_\_\_\_

Receiving Party

Mark if additional names of receiving parties attached

Name (line 1) VTS Holdings L.L.C.

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative is attached. (Designation must be a separate document from assignment.)

Name (line 2) \_\_\_\_\_

Address (line 1) 9535 Doublecreek Ranch Road

Address (line 2) \_\_\_\_\_

Address (line 3) Scottsdale Arizona 85258  
City State Zip Code

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name \_\_\_\_\_

Address (line 1) \_\_\_\_\_

Address (line 2) \_\_\_\_\_

Address (line 3) \_\_\_\_\_

Address (line 4) \_\_\_\_\_

FOR OFFICE USE ONLY

Please provide covering fee by 1 collection or information is required to realize approximately 2¢ charges per Cover Sheet to be recorded, including time for reviewing the document and gathering the fee needed to complete the Cover Sheet. Send documents regarding this burden waiver to the U.S. Patent and Trademark Office, Civil Information Office, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0851-0027), Washington, D.C. 20503. See Civil Information Collection Budget Package 0851-0027, Patent and Trademark Assignment Fee/Info. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:  
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

FORM PTO-1619B  
Enforce 04/04/00  
OIG 0881-0027

Page 2

U.S. Department of Commerce  
Patent and Trademark Office  
**PATENT**

**Correspondent Name and Address** Area Code and Telephone Number **(212) 468-4923**

Name **George J. Hayward, Esq.**

Address (line 1) **Davis & Gilbert LLP**

Address (line 2) **1740 Broadway**

Address (line 3) **New York, NY 10019**

Address (line 4)

**Pages** Enter the total number of pages of the attached conveyance document including any attachments. # **3**

**Application Number(s) or Patent Number(s)**  Mark if additional numbers attached  
Enter either the Patent Application Number or the Patent Number (DO NOT ENTER BOTH numbers for the same property).

Patent Application Number(s)			Patent Number(s)		
08/857,090	08/088,142	09/320,246	5,759,190		

If this document is being filed together with a new Patent Application, enter the date the patent application was signed by the first named executing inventor. Month Day Year

**Patent Cooperation Treaty (PCT)**  
Enter PCT application number only if a U.S. Application Number has not been assigned.  
PCT  PCT  PCT   
PCT  PCT  PCT

**Number of Properties** Enter the total number of properties involved. #

**Fee Amount** Fee Amount for Properties Listed (37 CFR 3.41): \$ **160<sup>00</sup>**

Method of Payment: Enclosed  Deposit Account   
Deposit Account  
(Enter for payment by deposit account or if additional fees can be charged to the account.)  
Deposit Account Number: #   
Authorization to charge additional fees: Yes  No

**Statement and Signature**

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

**Stephen F. Wiggins**  
Name of Person Signing

**S. F. Wiggins**  
Signature

**8/17/00**  
Date

FORM PTO-1619C  
Expires 06/30/99  
OMB 0851-0027

### RECORDATION FORM COVER SHEET CONTINUATION PATENTS ONLY

U.S. Department of Commerce  
Patent and Trademark Office  
**PATENT**

#### Conveying Party(ies)

Mark if additional names of conveying parties attached

Enter additional Conveying Parties

Execution Date  
Month Day Year

Name (line 1)

Name (line 2)

Execution Date  
Month Day Year

Name (line 1)

Name (line 2)

Execution Date  
Month Day Year

Name (line 1)

Name (line 2)

#### Receiving Party(ies)

Mark if additional names of receiving parties attached

Enter additional Receiving Party(ies)

Name (line 1)

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative is attached. (Designation must be a separate document from Assignment.)

Name (line 2)

Address (line 1)

Address (line 2)

Address (line 3)  City  State/Country  Zip Code

Name (line 1)

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative is attached. (Designation must be a separate document from Assignment.)

Name (line 2)

Address (line 1)

Address (line 2)

Address (line 3)  City  State/Country  Zip Code

#### Application Number(s) or Patent Number(s)

Mark if additional numbers attached

Enter either the Patent Application Number or the Patent Number (DO NOT ENTER BOTH numbers for the same property).

Patent Application Number(s)

Patent Number(s)

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VERIGEN INC.  
17 Leslie Street  
Toronto, Ontario  
Canada M4M3H9

August 22, 2000

Butler's Island LLC  
8 Butler's Island Road  
Darien, CT 06820  
Attn: Stephen F. Wiggins

Dear Mr. Wiggins:

Reference is made to (i) that certain Note and Warrant Purchase Agreement dated as of March 30, 1998 (the "Agreement") between Verigen Inc. ("Verigen") and Butler's Island LLC ("Butler's Island") and (ii) the other documents executed and delivered with the Agreement (together with the Agreement, the "Transaction Documents"). Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Agreement. For purposes of this letter agreement, the term Transaction Documents shall not include that certain Warrant No. 1 to purchase the Common Stock of Verigen, dated March 30, 1998 (as amended, adjusted or otherwise, the "Warrant") or that certain Registration Rights Agreement dated as of March 30, 1998 (the "Registration Rights Agreement") between Verigen and Butler's Island.

By executing below, you hereby acknowledge and agree that upon receipt today of: (a) a federal funds wire transfer ("Transfer Payment") in the amount of \$1,300,000 (which amount represents the sum of (i) the outstanding interest payable on the Notes as of August 22, 2000, (ii) \$14,250 of attorney's fees incurred in connection with this series of transactions and (iii) \$927,783.27 of the outstanding principal balance of the Notes, (b) a note payable, dated the date hereof ("Short-Term Note") with an outstanding principal balance of \$472,216.73, which is equal to the remaining balance of the Notes, outstanding indebtedness and other obligations (the "Obligations") of Verigen relating to the Transaction Documents, (c) the Pledge Agreement, dated the date hereof, (d) a favorable legal opinion, dated the date hereof and addressed to the Holder, covering the authority of the Company to issue the Short-Term Note and enter into the Pledge Agreement and the enforceability of the Short-Term Note and Pledge Agreement (the "U.S. Opinion"), (e) a favorable legal opinion, dated the date hereof and addressed to the Holder, confirming that no other filings are necessary in Germany to perfect the Holder's security interest created by the Pledge Agreement and the enforceability of the Pledge Agreement by courts in Germany (the "German Opinion" and, together with the U.S. Opinion, the "Opinions") and (f) 20,000 shares of Verigen Transplantation Service

International (VTSI) Aktiengesellschaft (“Shares”) pledged under the Pledge Agreement. Upon the receipt of the Transfer Payment, the Short-Term Note, the Pledge Agreement, the Opinions and the Shares, the Obligations shall be satisfied in full and the Transaction Documents shall terminate and be of no further force or effect (except insofar as provisions relating to representations, warranties and indemnities which are expressly intended to survive pursuant to the terms of the Transaction Documents). Further you agree, at Verigen’s expense, to take all reasonable additional steps as may be necessary to release your security interests under the Transaction Documents.

The Payoff Amount referred to above should be sent by federal funds wire to:

Mellon Bank  
Pittsburgh, PA  
ABA# 043-000-261  
Credit Merrill Lynch Account # 101-1730  
Further Credit to Account # 283-07D39  
Account Name: Rhodes & O' Neill, LLC

You agree to return to Verigen as soon as is reasonably practicable the Initial Note, marked “Canceled.” It is hereby acknowledged and agreed that the Additional Notes were not prepared or delivered to Butler’s Island and that by executing this letter agreement, such Additional Notes are deemed to be canceled and of no further force and effect.

Notwithstanding anything to the contrary herein, it is expressly understood and agreed that this instrument does not in any way affect, impair, alter, release or otherwise end Verigen’s obligations under the Warrant or the Registration Rights Agreement. It is further expressly understood and agreed that the Warrant entitles Butler’s Island or its permitted assigns to subscribe for and purchase shares of the Common Stock of Verigen pursuant to the provisions of the Warrant at an exercise price and that Butler’s Island’s obligation to deliver the Reset Notice pursuant to Section 4(a) is hereby deemed to be satisfied.

[Signature Page Follows]

Please indicate your agreement to the foregoing terms by executing below and returning a copy of this letter to Verigen. This letter agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall together constitute one and the same instrument

Very truly yours,

VERIGEN INC.

By: 

Name:

Title:

ACKNOWLEDGED and AGREED  
as of the date first written above.

**BUTLER'S ISLAND, LLC**

By: \_\_\_\_\_  
Name: Stephen Wiggins  
Title: Manager

Please indicate your agreement to the foregoing terms by executing below and returning a copy of this letter to Verigen. This letter agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall together constitute one and the same instrument.

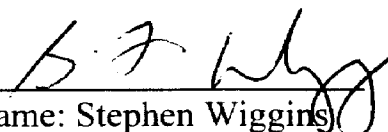
Very truly yours,

**VERIGEN INC.**

By: \_\_\_\_\_  
Name:  
Title:

ACKNOWLEDGED and AGREED  
as of the date first written above.

**BUTLER'S ISLAND, LLC**

By:   
Name: Stephen Wiggins  
Title: Manager

SCHEDULE OF NOTES

July 31, 2000

<u>Note</u>	<u>Date</u>	<u>Principal</u>	<u>Interest</u>
Note 1	4/1/98	100,000.00	26,311.36
Note 2	4/1/98	400,000.00	105,245.43
Note 3	4/16/98	200,000.00	51,620.25
Note 4	4/22/98	50,000.00	12,804.81
Note 5	4/27/98	150,000.00	38,113.70
Note 6	4/30/98	100,000.00	25,308.89
Note 7	5/20/98	<u>400,000.00</u>	<u>98,562.28</u>
		<u>1,400,000.00</u>	<u>357,966.73</u>



**SCHEDULE OF INTELLECTUAL PROPERTY**

**SECURITY INTERESTS BEING RELEASED**

U.S. Patent No. 5,759,190

U.S. Patent Application 08/857,090

U.S. Patent Application 08/088,142

U.S. Patent Application 09/320,246