

10-17-2001

Form PTO-1595

(Rev. 03/01)

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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

OMB No. 0651-0027 (exp. 5/31/2002)

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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
Medicis Pharmaceutical Corporation
10/08/01
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)
Name: Wells Fargo Bank Arizona, Nat'l Assoc.
Internal Address: _____
Street Address: 64 East Broadway Road
City: Tempe State: AZ Zip: 85282
Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: February 3, 1998

4. Application number(s) or patent number(s):
If this document is being filed together with a new application, the execution date of the application is: _____
A. Patent Application No.(s)
See Attached
B. Patent No.(s)
See Attached
Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Richard E. Oney
Internal Address: _____
Street Address: Fennemore Craig, P.C.
3003 North Central Ave., Suite 2600
City: Phoenix State: Arizona Zip: 85012

6. Total number of applications and patents involved: 19
7. Total fee (37 CFR 3.41).....\$ 760
 Enclosed
 Authorized to be charged to deposit account
8. Deposit account number:
060590
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. 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.
Richard E. Oney
Name of Person Signing *Richard E. Oney* Signature *Oct. 8, 2001* Date

10/17/2001 BBYRNE 00000005 6083984 Total number of pages including cover sheet, attachments, and documents: 13

Recordation Form Cover Sheet

Patents Only

Page 2 of Recordation Form Cover Sheet - Security Agreement
 From Medicis Pharmaceutical Corporation ("Medicis")
 To Wells Fargo Bank Arizona, National Association ("Wells Fargo")

Patents Nos.	Filing Date
6,083,984	May 25, 1999
5,840,762	January 12, 1996
5,951,989	April 7, 1997
5,932,612	August 5, 1997
6,057,360	April 5, 1999
5,648,389	September 11, 1996
5,508,034	October 19, 1994
4,927,813	March 8, 1988
5,008,289	December 2, 1988
4,997,853	March 28, 1990
5,134,166	October 9, 1990
5,908,838	February 19, 1998
6,028,105	June 7, 1995

Patent App. Nos.	Filing Date
09/607,881	June 30, 2000
09/026,993	February 19, 1998
08/484,813	January 12, 2000
PCT/US99/13525	June 15, 1999
PCT/US96/14617	September 11, 1996
PCT/US00/00881	January 13, 2000

**SECOND AMENDMENT TO PATENT COLLATERAL
ASSIGNMENT AND SECURITY AGREEMENT**

THIS SECOND AMENDMENT TO PATENT COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT (the "Amendment") is made as of this 3rd day of February, 1998 and between **MEDICIS PHARMACEUTICAL CORPORATION**, a Delaware corporation ("Assignor"), and **NORWEST BANK ARIZONA, NATIONAL ASSOCIATION**, a national banking association, the successor-in-interest to Norwest Business Credit, Inc. ("Lender").

WHEREAS, Assignor and Lender, the successor-in-interest to Norwest Business Credit, Inc., are parties to that certain Credit and Security Agreement dated as of August 3, 1995, as amended by First Amendment to Credit and Security Agreement dated as of May 29, 1996 and Second Amendment to Credit and Security Agreement dated as of November 22, 1996 (as it may be hereafter amended, modified, supplemented, restated or replaced from time to time, the "Credit Agreement");

WHEREAS, Assignor and Lender, the successor-in-interest to Norwest Business Credit, Inc., are parties to that certain Patent Collateral Assignment and Security Agreement dated as of August 3, 1995, which was filed with the United States Department of Commerce Patent and Trademark Office ("PTO") on August 17, 1995 in Reel/Frame: 7596/0504, as amended by First Amendment to Patent Collateral Assignment and Security Agreement dated as of May 29, 1996, which was filed with the PTO on June 10, 1996 in Reel/Frame: 7986/0707 (the "Agreement");

WHEREAS, in connection with a public offering of Assignor's securities, Assignor has requested certain clarifications regarding the nature of Lender's collateral security interests in the Patent Collateral; and

WHEREAS, Assignor has filed additional patents with the United States Department of Commerce Patent and Trademark Office since May 29, 1996, which patents are intended to be collateral security for the obligations of Assignor to Lender;

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficient of which are hereby acknowledged, Assignor and Lender, intending to be legally bound, agree as follows:

1. **Interpretation.** Except as otherwise defined herein, all capitalized terms used herein shall have the meanings ascribed thereto in the Agreement.

2. **Recitals.** (a) Recital B of the Agreement is hereby deleted in its entirety and the following inserted therefor:

B. In order to induce Lender to execute and deliver the Loan Agreement and make the loan evidenced by the Notes, Assignor has agreed to grant a security interest to Lender in certain patent rights upon the terms and subject to the conditions of this Agreement.

and (b) the Section of the Agreement entitled "RECITALS" is hereby amended to add the following:

F. Assignor and Norwest Bank Arizona, National Association executed and delivered that certain Second Amendment to Loan and Security Agreement dated as of November 22, 1996 which provides, among others, for an additional \$20,000,000 revolving credit facility from Norwest Bank Arizona, National Association, to Assignor, subject to and on the terms and conditions contained therein, which loan is evidenced by, among other things, that certain Acquisitions Revolving Note dated November 22, 1996 from Assignor to Norwest Bank Arizona, National Association, in the maximum principal amount of \$20,000,000 (as it may hereafter be amended, modified, restated, extended, renewed and/or consolidated from time to time, the "Acquisitions Revolving Note").

3. Grant. Section 1 of the Agreement is hereby deleted in its entirety and the following inserted therefor:

1. Grant. For Value Received, Assignor hereby grants, assigns and conveys to Lender not as an ownership interest, but as security for the Obligations (hereinafter defined), all of Assignor's patent rights used in connection with or related to Assignor's business, as the same may be amended pursuant hereto from time to time (being collectively called a "Patent"), now existing anywhere in the world or hereafter adopted or acquired, 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 United States of America or any state thereof or any foreign country, including, without limitation, those Patents referred to in Schedule A attached hereto and incorporated herein by this reference; (ii) all of Assignor's right, title and interest in all Patent licenses relating to the Patents (whether as licensee or licensor), including each Patent license, if any, referred to in Schedule A attached hereto and incorporated herein by this reference; (iii) all reissues, extensions or renewals of any of the items described in clauses (i) and (ii) of this Section 1; and (iv) all proceeds of, and rights associated with, the foregoing, including any claim by Assignor against third parties for past, present or future infringement or dilution of any Patent, Patent registration or Patent license, including any Patent, Patent registration or Patent license referred to in Schedule A, or

for breach of enforcement of any Patent license. All of the foregoing property, interests and rights are hereinafter collectively referred to as the "Patent Collateral". Assignor agrees not to sell or assign its interest in, or grant any license of, the Patent Collateral without the prior written consent of Lender, which may be withheld in Lender's sole and absolute discretion.

4. Obligations Secured. The preface to Section 2 of the Agreement is hereby deleted in its entirety and the following inserted therefor:

2. Obligations Secured. The foregoing collateral assignment and grant of security interest is made for the purpose of securing (in such order of priority as Lender may elect) the following (the "Obligations"):

5. Applications. The first sentence of Section 7 of the Agreement is hereby deleted in its entirety and the following inserted therefor:

Assignor shall provide Lender with notice of the adoption of any new Patents necessary for or related to the operation of Assignor's business, and upon request of Lender, Assignor shall execute and deliver any and all agreements, instruments, documents and papers as Lender may reasonably request to evidence Lender's security interest in such Patent Collateral.

6. Events of Default. The first sentence of Section 11 of the Agreement is hereby deleted in its entirety and the following inserted therefor:

If any Event of Default shall have occurred and be continuing and applicable contractual cure and grace periods shall have expired, the Lender shall have, in addition to all other rights and remedies given it by this Agreement, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patent Collateral may be located and, without limiting the generality of the foregoing, the Lender may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to Assignor, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, in Phoenix, Arizona, or elsewhere, all or from time to time any of the Patent Collateral, or any interest which the Assignor may have therein, and after deducting from the proceeds of sale or other disposition of the Patent Collateral all expenses (including all reasonable expenses for brokers' fees and legal services, shall apply the balance of proceeds as provided with respect to other personal property securing the Loan.

7. Patent Schedule. Schedule A attached to the Agreement is hereby deleted in its entirety and replaced by Schedule A attached to the Second Amendment to Patent Collateral Assignment and Security Agreement dated as of February _____, 1998 between Assignor and Lender, which is incorporated in the Agreement by this reference.

8. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of Arizona.

9. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original and all of which combined shall constitute one and the same instrument.

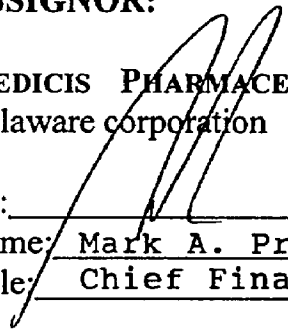
10. Successors and Assigns. This Amendment shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

11. Amendment. Except as otherwise amended hereby, all of the terms and provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment is executed as of the date first above written.

ASSIGNOR:

MEDICIS PHARMACEUTICAL CORPORATION, a
Delaware corporation

By: 
Name: Mark A. Prygocki, Sr.
Title: Chief Financial Officer

LENDER:

NORWEST BANK ARIZONA, NATIONAL
ASSOCIATION, a national banking association

By: _____
Name: Jeffrey R. Wentzel
Title: Vice President

7. Patent Schedule. Schedule A attached to the Agreement is hereby deleted in its entirety and replaced by Schedule A attached to the Second Amendment to Patent Collateral Assignment and Security Agreement dated as of February _____, 1998 between Assignor and Lender, which is incorporated in the Agreement by this reference.

8. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of Arizona.

9. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original and all of which combined shall constitute one and the same instrument.

10. Successors and Assigns. This Amendment shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

11. Amendment. Except as otherwise amended hereby, all of the terms and provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment is executed as of the date first above written.

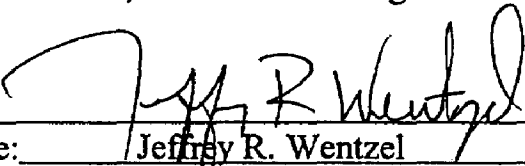
ASSIGNOR:

MEDICIS PHARMACEUTICAL CORPORATION, a
Delaware corporation

By: _____
Name: _____
Title: _____

LENDER:

**NORWEST BANK ARIZONA, NATIONAL
ASSOCIATION**, a national banking association

By:  _____
Name: Jeffrey R. Wentzel
Title: Vice President

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me, the undersigned notary public, this 3rd day of February, 1998, by MARK A. PRUDOCK, SR., the CHIEF FINANCIAL OFFICER of MEDICIS PHARMACEUTICAL CORPORATION, an Arizona corporation, on behalf of the corporation.

Marilyn A. Luby
Notary Public

My Commission Expires:
August 4, 2001



STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me, the undersigned notary public, this _____ day of February, 1998, by Jeffrey R. Wentzel, the Vice President of NORWEST BANK ARIZONA, NATIONAL ASSOCIATION, a national banking association, on behalf of the banking association.

Notary Public

My Commission Expires:

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me, the undersigned notary public, this ____ day of February, 1998, by _____, the _____ of MEDICIS PHARMACEUTICAL CORPORATION, an Arizona corporation, on behalf of the corporation.

Notary Public

My Commission Expires:

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me, the undersigned notary public, this 5th day of February, 1998, by Jeffrey R. Wentzel, the Vice President of NORWEST BANK ARIZONA, NATIONAL ASSOCIATION, a national banking association, on behalf of the banking association.

Shari L. Samuelson
Notary Public

My Commission Expires:

11-23-2001



SCHEDULE A

To the best of Borrower's knowledge, the following is a list of all of Borrower's patent applications filed with and/or approved by, the USPTO,

Country	Application No.	Filing Date	Patent No./	Title
United States	09/607,881	June 30, 2000		Sulfur Containing Dermatological Compositions and methods for Reducing Malodors in Dermatological Compositions
United States	09/317,900	May 25, 1999	6,083,984	Triglycerides and ethyl esters of phenylaklanoic acid and phenylalkenoic acid useful in the treatment of various disorders
United States	08/585,872	January 12, 1996	5,840,762	Method for the Treatment of Cardiac Arrhythmias and Shortening of Action Potential Duration
United States	08/838,379	April 7, 1997	5,951,989	Method for Treatment of Dry Skin
United States	08/906,351	August 5, 1997	5,932,612	Composition and Systems for the Treatment of Hyperpigmentation
United States	09/286,405	April 5, 1999	6,057,360	Composition and Systems for the Treatment of Hyperpigmentation
International	PCT/US99/13525	June 15, 1999		Composition and Systems for the Treatment of Hyperpigmentation
United States	08/549,374	September 11, 1996	5,648,389	Compositions for the Treatment of Dermatological Disorders and Methods for Their Use
International	PCT/US96/14617	September 11, 1996	Publication No. WO 97/15282	Compositions for the Treatment of Dermatological Disorders and Methods for their Use
Argentina	P960104745	October 25, 1996		Compositions for the Treatment of Dermatological Disorders and Methods for their Use
Canada	2,209,188	September 11, 1996		Compositions for the Treatment of Dermatological Disorders and Methods for their Use

Country	Application No.	Filing Date	Patent No./	Title
Chile	1865-96	October 25, 1996		Compositions for the Treatment of Dermatological Disorders and Methods for their Use
Czech Republic	PV 2003-97	September 11, 1996		Compositions for the Treatment of Dermatological Disorders and Methods for their Use
Europe	96930836.0	September 11, 1996	EP Publication No. 0 800 392	Compositions for the Treatment of Dermatological Disorders and Methods for their Use
Hungary	24140/97 9800033	September 11, 1996 September 11, 1996	Hungarian Publication No. 9800033 Divisional of 24140/97	Compositions for the Treatment of Dermatological Disorders and Methods for their Use
Israel	121,171	September 11, 1996		Compositions for the Treatment of Dermatological Disorders and Methods for their Use
Japan	9-516598	September 11, 1996		Compositions for the Treatment of Dermatological Disorders and Methods for their Use
Mexico	974820	June 26, 1997		Compositions for the Treatment of Dermatological Disorders and Methods for their Use
Norway	19972972	June 25, 1997		Compositions for the Treatment of Dermatological Disorders and Methods for their Use
Russia	97112886	September 11, 1996	2 134 568	Compositions for the Treatment of Dermatological Disorders and Methods for their Use
Europe	89903614.9	March 9, 1989	EP 0 462 101 July 13, 1994	Method and Composition for Treating Pediculosis Capitis
United States	08/326,034	October 19, 1994	5,508,034	Method and Composition for Treating and Preventing Dry Skin Disorders
Canada	608066	August 11, 1989	1,336,762	Method and Composition for Treating and Preventing Dry Skin Disorders

Country	Application No.	Filing Date	Patent No./	Title
United States	07/165,473	March 8, 1988	4,927,813	Method and Composition for Treating Pediculosis Capitis
United States	07/279,586	December 2, 1988	5,008,289	Method and Composition for Treating Nasal Disorders and Headaches
United States	07/501,424	March 28, 1990	4,997,853	Method and Composition Utilizing Capsaicin as an External Analgesic
United States	07/594,748	October 9, 1990	5,134,166	Method and Compositions for Treating Nasal Disorders
Canada	2,019,797	June 26, 1990		Method and Compositions for Treating Nasal Disorders and Headaches
United States	09/026,993	February 19, 1998		Method for the Treatment of the Dermatological Disorders
United States	09/028,871	February 19, 1998	5,908,838	Method for the Treatment of Acne: Administering Sustained Release Tetracycline Antibiotics By Mouth
International	PCT/US00/00881	January 13, 2000		Improved Topical Drug Delivery Composition and Method
United States	08/484,813	January 12, 2000		Improved Topical Drug Delivery Composition and Method
United States	08/484,548	June 7, 1995	6,028,105	Improved Topical Drug Delivery Composition and Method