

02-26-2004

FORM PTO-1595

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U.S. DEPARTMENT OF COMMERCE

1-31-92

2/20/04

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Patent and Trademark Office

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

1. Name of conveying party(ies):

DERMTECH INTERNATIONAL

Additional name(s) of conveying party(ies) attached?

☐ Yes ☒ No

2. Name and address of receiving party(ies):

Name: Brown Family Trust

Street Address: P.O. Box 9333

FEB 20 2004

City/State/Zip: Rancho Santa Fe, CA 92007

Additional name(s) &amp; address(es) attached?

☒ Yes ☐ No

3. Nature of conveyance:

☐ Assignment☐ Merger☒ Security Agreement☐ Change of Name☐ Other

Execution Date: 02/06/2004

4. Application number(s) or patent number(s): 60/097,025; 09/375,609; 09/967,658; 09/970,617; 09/972,531; 09/976,361; 09/976,356; 09/976,613; 10/184,846

If this document is being filed together with a new application, the execution date of the application is:

A. Patent Application No.(s):

B. Patent No.(s):

Additional numbers attached? ☐ Yes ☒ No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Paul Davis

Internal Address:

Heller Ehrman White & McAuliffe LLP  
275 Middlefield Road  
Menlo Park, CA 94025-3506

6. Total number of applications and patents involved: [1]

7. Total fee (37 CFR 3.41) ..... \$360

☐ Enclosed☒ Authorized to be charged to deposit account8. Deposit account number: 08-1641  
(Attorney Docket No.: 40715-0001)

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.*

Paul Davis

Name of Person Signing

Signature

02/19/2004

Date

Total number of pages including cover sheet, attachments, and document: [73]

02/25/2004 MBETACHE 00000074 081641 60097025

01 FEB 2004 360.00 DA

PATENT  
REEL: 015001 FRAME: 0841

<b>Name and Address of Receiving Parties:</b>	<b>Name and Address of Receiving Parties:</b>
Bender Family Trust P.O. Box 270469 San Diego, CA 92198	William G. Clapp Separate Property Trust 2195 Station Village Way, #1122 San Diego, CA 92108
First Regional Bank TTEE FBO P.O. Box 85410 San Diego, CA 92186	Draxler Family Trust 9166 Oviedo Street San Diego, CA 92129
Gaughan Family Trust 16204 Orchard Bend Road Poway, CA 92064	Todd and Mari Gutschon Family Trust 14435 Harvest Court Poway, CA 92064
Means Family Trust P.O. Box 9605 Rancho Santa Fe, CA 92067	Zinn Family Trust-E P.O. Box 9050 Rancho Santa Fe, CA 92067
Jacqueline E. Zinn Revocable Trust 1445 W. Belden Avenue, #4N Chicago, IL 60614	Meacham 1985 Insurance Trust 15895 Bromegrass Court Poway, CA 92064
Kristen J. Gravin Living Trust 16327 Alipaz Court San Diego, CA 92127	Michael W. George 14192 Caminito Vistana San Diego, CA 92130
Luis Villalobos 2 Glenn Irvine, CA 92000	Elliot Feuerstein 8294 Miramesa Boulevard San Diego, CA 92126
Elliot Feuerstein Trustee for Brett Feurstein 8294 Miramesa Boulevard San Diego, CA 92126	Elliot Feuerstein Trustee for Michael Feuerstein 8294 Miramesa Boulevard San Diego, CA 92126
Prosperitas Investment Partners, LP 4229 Bardstown Road, Suite 315 Louisville, KY 40218	Anchorage Angels LP 808 Towner Place Louisville, KY 40223
Donald R. Swortwood Trust c/o Western States Investment Corp. 9191 Towne Centre Drive, Suite 310 San Diego, CA 92122	Letitia H. Swortwood Revocable Trust c/o Western States Investment Corp. 9191 Towne Centre Drive, Suite 310 San Diego, CA 92122

## SECURITY AGREEMENT

A. This Security Agreement (this "**Agreement**") is entered into as of February 6, 2004, by DermTech International, a California corporation (the "**Borrower**"), with its primary place of business at 15222-B Avenue of Science, San Diego, California 92128, for the benefit of all of the Lenders who make loans to the Company pursuant to that certain Loan Agreement, dated February 6, 2004 (collectively called the "**Secured Party**"), who are the holders of those certain Convertible Promissory Notes issued pursuant to the Loan Agreement (collectively called the "**Notes**") issued by the Borrower.

B. The Lien and security interest created by this Agreement is for the benefit of all the Lenders on a prorata basis, based on the principal sums owing on the Notes. All remedies exercised pursuant to this Agreement, and all recoveries pursuant to this Agreement, shall be allocated on a prorata basis, among all of the Notes issued pursuant to the Loan Agreement, based on the principal sums owing on the Notes. All decisions to pursue remedies or enforce rights under this Agreement shall be made by the vote or action of the Lenders who hold the Notes accounting for at least half of the aggregate principal balance of all of the Notes outstanding pursuant to the Loan Agreement.

C. The Collateral Agent (as defined below) signing this Agreement on behalf of all of the Lenders shall serve as the formal agent for the other Lenders for purposes of facilitating communications between the Company and the Secured Party with respect to this Agreement.

The Borrower and the Secured Party hereby agree as follows:

1. **Certain Definitions.**

(a) "**Collateral**" shall mean the property described on Exhibit A and Exhibit B hereto.

(b) "**Lien**" means any lien (statutory or other), mortgage, pledge, hypothecation, assignment, deposit arrangement, security interest, charge, claim or other encumbrance of any kind (including any conditional sale or other title retention agreement, any lease in the nature thereof, and any agreement to give any security interest).

(c) "**Permitted Liens**" means: (i) Liens imposed by law, such as carriers', warehousemen's, materialmen's and mechanics' liens, or stayed Liens arising out of judgments or awards against the Borrower with respect to which the Borrower at the time shall currently be prosecuting an appeal or proceedings for review; (ii) Liens for taxes not yet due and Liens for taxes the payment of which is being contested in good faith and by appropriate proceedings and for which, to the extent required by generally accepted accounting principles then in effect, proper and adequate book reserves relating thereto are established by the Borrower; (iii) Liens (A) upon or in any equipment acquired, licensed, leased or held by the Borrower to secure the purchase price of such equipment or indebtedness incurred solely for the purpose of financing the acquisition of such equipment, or (B) existing on such equipment at the time of its acquisition, provided that the Lien is confined solely to the property so acquired and improvements thereon, and the proceeds of such equipment and other equipment financed by the

holder of such Lien; (iv) Liens consisting of leases or subleases and licenses and sublicenses granted to others in the ordinary course of the Borrower's business not interfering in any material respect with the business of the Borrower and any interest or title of a lessor or licensor under any lease or license, as applicable; (v) Liens incurred or deposits made in the ordinary course of Borrower's business in connection with worker's compensation, unemployment insurance, social security and other like laws or in connection with performance bonds posted by the Borrower in the ordinary course of business; (vi) Liens to which the Secured Party has expressly consented in writing; (vii) Liens incurred in connection with the extension, renewal or refinancing of the indebtedness secured by the Liens described in clause (iii) hereof provided that any extension, renewal or replacement lien shall be limited to the property encumbered by the existing Lien and the principal amount of the indebtedness being extended, renewed or replaced does not increase; (viii) Liens in favor of the Secured Party; (ix) Liens in favor of any creditor in effect as of the date of this Agreement described on Exhibit C; and (x) Liens in favor of any creditor which Liens the Borrower's board of directors hereafter approves or the Secured Party hereafter expressly approves by the Collateral Agent or by the Majority Lenders (as defined in Section 9(e)), which approval will not be withheld unreasonably.

## 2. **Security Agreement.**

(a) **Grant.** The Borrower, for valuable consideration, the receipt of which is acknowledged, hereby grants to the Secured Party a security interest in and Lien on all of the Collateral now owned or at any time hereafter acquired by the Borrower or in which the Borrower now has or at any time in the future may acquire any right, title or interest (including any and all proceeds of Collateral).

(b) **Borrower Remains Liable.** Anything herein to the contrary notwithstanding, (i) the Borrower shall remain liable under any contracts, agreements and other documents included in the Collateral, to the extent set forth therein, to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (ii) the exercise by the Secured Party of any of the rights hereunder shall not release the Borrower from any of its duties or obligations under such contracts, agreements and other documents included in the Collateral, and (iii) the Secured Party shall not have any obligation or liability under any contracts, agreements and other documents included in the Collateral by reason of this Agreement, nor shall the Secured Party be obligated to perform any of the obligations or duties of the Borrower thereunder or to take any action to collect or enforce any such contract, agreement or other document included in the Collateral hereunder.

(c) **Continuing Security Interest.** The Borrower agrees that this Agreement shall create a continuing security interest in the Collateral which shall remain in effect until indefeasible payment and performance in full of all of the Obligations (as defined below) or the conversion of the entire principal and accrued interest under the Notes into equity securities of the Borrower.

(d) **Subordination.** The Secured Party hereby agrees to subordinate the priority of the Lien granted by this Agreement to the benefit of existing Liens and to any new Lien granted to a creditor if the Borrower's board of directors hereafter unanimously approves

said new lien or if the subordination is expressly approved by the Collateral Agent or by the Majority Lenders (collectively, the "**Senior Liens**").

3. **Obligations Secured.** The security interest granted hereby secures payment of all amounts owed pursuant to (i) the Notes issued by the Borrower to the Secured Party, and (ii) the payment obligations arising under this Agreement and the Loan Agreement (collectively, the "**Obligations**").

4. **Borrower's Representations, Warranties and Covenants.** The Borrower hereby represents, warrants and covenants to the Secured Party that:

(a) **Location.** The Borrower's principal place of business is the address set forth above in the introductory paragraph of this Agreement, and the Borrower keeps its records concerning accounts, contract rights and other property at that location or its administrative office located at 12325 Kerran Street, Ste. 202, Poway, CA 92064. The Borrower will promptly notify the Secured Party in writing of the establishment of any new place of business where any of the Collateral is kept. The Borrower is a corporation organized under the laws of the State of California. The Borrower's exact legal name is as set forth in above in the introductory paragraph of this Agreement. Without providing Secured Party with 30 days' prior written notice, the Borrower will not (i) change its corporate name, (ii) in one transaction or a series of related transactions, merge into or consolidate with any other entity, or sell all or substantially all of its assets, or (iii) change its jurisdiction of organization.

(b) **Books and Records.** The Borrower will at all times keep in a manner reasonably satisfactory to the Secured Party accurate and complete records of the Collateral and will keep such Collateral insured to the extent similarly situated companies insure their assets. The Secured Party shall be entitled, at reasonable times and intervals after reasonable notice to the Borrower, to enter Borrower's premises for purposes of inspecting the Collateral and the Borrower's books and records relating thereto.

(c) **No Other Liens.** The Borrower will not create or permit to be created or suffer to exist any Lien, except Permitted Liens, of any kind on any of the Collateral.

(d) **Compliance.** The Borrower shall not use the Collateral in violation of any applicable statute, ordinance, law or regulation or in violation of any insurance policy maintained by the Borrower with respect to the Collateral.

(e) **Other Financing Statements.** Other than financing statements, security agreements, chattel mortgages, assignments, copyright security agreements or collateral assignments, patent or trademark security agreements or collateral assignments, fixture filings and other agreements or instruments executed, delivered, filed or recorded for the purpose of granting or perfecting any Lien (collectively, "**Financing Statements**") existing as of the date hereof as described on Exhibit C hereto or arising after the date hereof in connection with any Permitted Lien and Financing Statements in favor of the Secured Party, no effective Financing Statement naming the Borrower as debtor, assignor, grantor, mortgagor, pledgor or the like and covering all or any part of the Collateral is on file in any filing or recording office in any jurisdiction.

(f) **Notices, Reports and Information.** The Borrower will (i) notify the Secured Party of any material claim made or asserted against the Collateral by any person or entity and of any change in the composition of the Collateral or other event which could materially adversely affect the value of the Collateral or the Secured Party's Lien thereon; (ii) furnish to the Secured Party such statements and schedules further identifying and describing the Collateral and such other reports and other information in connection with the Collateral as the Secured Party may reasonably request, all in reasonable detail; and (iii) upon reasonable request of the Secured Party make such demands and requests for information and reports as the Borrower is entitled to make in respect of the Collateral. In addition, if the Borrower shall obtain rights to or develop any new works which may be patented or are patentable which are not described on the schedules hereto, the provisions of this Agreement, including the grant in Section 2(a), shall automatically apply thereto, and the Borrower promptly within 15 days shall give the Secured Party written notice of any such work or such rights of material value to the Borrower or the operation of its business and of any such patents or patent applications.

(g) **Disposition of Collateral.** The Borrower will not, except in the ordinary course of business, (i) surrender or lose possession of (other than to the Secured Party), sell, lease, rent, or otherwise dispose of or transfer any of the Collateral or any right or interest therein, except to the extent permitted by this Agreement, or (ii) remove any of the Collateral from its present location within the State of California (other than disposals of Collateral permitted by subsection (i)) without at least 30 days' prior written notice to the Secured Party; provided, however, the Company may license or sell its source code (or place such source code into escrow in connection with such transactions), if such license or sale is in the ordinary course of business and upon the unanimous approval of the Borrower's Board of Directors.

(h) **Separate Obligations and Liens.** The Borrower acknowledges and agrees that (i) the Obligations represent separate and distinct indebtedness, obligations and liabilities of the Borrower to the Secured Party, which the Borrower is separately obligated to the Secured Party to pay and perform, in each case regardless of whether or not any indebtedness, obligation or liability to any other person or entity, or any agreement, instrument or guaranty that evidences any such other indebtedness, liability or obligation, or any provision thereof, shall for any reason be or become void, voidable, unenforceable or discharged, whether by payment, performance, avoidance or otherwise; (ii) the Lien that secures the Borrower's Obligations (A) is separate and distinct from any and all other Liens on the Collateral, (B) is enforceable without regard to whether or not any other Lien shall be or become void, voidable or unenforceable or the indebtedness, obligations or liabilities secured by any such other Lien shall be discharged, whether by payment, performance, avoidance or otherwise, and (C) shall not merge with or be impaired by any other Lien, other than Permitted Liens.

(i) **Powers.** The Borrower has the unqualified right and full power and authority to pledge, grant and assign to the Secured Party a security interest in and lien on all of Collateral, including without limitation all intellectual property Collateral, pursuant to this Agreement, and to execute, deliver and perform its obligations in accordance with the terms of this Agreement, without the consent or approval of any other Person except as already obtained.

(j) **No Violation.** Neither the execution, delivery nor performance by the Borrower of this Agreement violates any provision of law or the Borrower's Certificate of

Incorporation or Bylaws, each as amended to date, or results in a breach of or constitutes a default under any contract, obligation, indenture or other instrument to which the Borrower is a party or by which the Borrower may be bound.

(k) **True and Complete List.** Set forth in the Schedule of Intellectual Property attached hereto as Exhibit B is a true and complete list of all of the following owned by the Borrower or held (whether pursuant to a license or otherwise) or used in conducting its business, in whole or in part: (i) all registered copyrights and applications for registrations, (ii) all existing patents and letters patent of the U.S. or any other country, all registrations and recordings thereof, and all applications for letters patent and (iii) all trademarks, service marks and trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers and domain names.

(l) **Trade Secrets.** The Borrower has taken and will continue to take all reasonable steps to protect the secrecy of and preserve its rights and interests in and to all of its trade secrets and other proprietary rights and interests.

(m) **No Infringement.** No material infringement or unauthorized use presently is being made of any of the Collateral, including without limitation any of the intellectual property Collateral, by any Person and the Borrower's use of the Collateral does not infringe upon the rights or interests of any other Person.

5. **Financing Statements.** The Borrower authorizes the Secured Party, and any agent acting on behalf of the Secured Party, to file any such Financing Statements without the signature of the Borrower in such circumstances where Borrower's signature is not required.

6. **Borrower's Rights Until Default.** So long as an Event of Default does not exist, the Borrower shall have the right to possess the Collateral, manage its property and sell its inventory in the ordinary course of business.

(a) **Event of Default.** An "**Event of Default**" shall exist under this Agreement if (i) Borrower is in default of the obligations owing to any holder of a Lien on any of the Collateral pursuant to the Notes, this Agreement and the Loan Agreement; (ii) any representation or warranty made in this Agreement, the Loan Agreement or the Notes shall prove to be false or materially misleading as of the date hereof, (iii) Borrower (A) admits in writing its inability to pay its debts generally as they become due; (B) files a petition in bankruptcy or a petition to take advantage of any insolvency act; (C) makes an assignment for the benefit of its creditors; (D) commences a proceeding for the appointment of a receiver, trustee, liquidator or conservator of itself or any substantial part of its property; (E) files a petition or answer seeking reorganization or arrangement of similar relief under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state; (F) is adjudged bankrupt; (G) has entered against it a court order, judgment or decree appointing a receiver, trustee, liquidator or conservator; (H) has a proceeding under the federal bankruptcy laws or any state insolvency law commenced against it; or (I) commences dissolution proceedings; (iv) there occurs a transfer or other disposition of any of the Collateral except as expressly permitted by this Security Agreement or the Secured Party; (v) there is an attachment, execution or lien on any of the Collateral which is not stayed or released within 10 calendar days of the date thereof

except for Permitted Liens and liens expressly approved by the Borrower's board of directors or by the Secured Party; (vi) Secured Party receives at any time after the date of this Agreement, a report of any governmental agency where any Financing Statement has been filed or recorded, indicating that Secured Party's security interest in the Collateral is not prior to all other security interests or other interests reflected in such reports, except for Permitted Liens and liens expressly approved by the Borrower's board of directors or by the Secured Party, and absent manifest error; or (vii) upon the happening of, without demand or notice from the Secured Party, the failure to observe or perform any of the Borrower's agreements or covenants in this Agreement or the Notes, which failure is not cured within ten (10) calendar days after the earlier of (A) delivery of written notice thereof to the Borrower by the Collateral Agent (as defined below) or (B) the date on which the Borrower knew or should have known of such failure.

**7. Rights and Remedies on Event of Default.**

(a) After any Event of Default shall have occurred and while such Event of Default is continuing, the Collateral Agent, upon the election of the Secured Parties holding at least a majority of the principal amount of the Notes, shall have the right, through any of its agents, with or without notice to the Borrower (as provided below), as to any or all of the Collateral, by any available judicial procedure, or without judicial process (provided, however, that it is in compliance with the Uniform Commercial Code (the "UCC")), to exercise any and all rights afforded to a secured party under the UCC or other applicable law. Without limiting the generality of the foregoing, the Collateral Agent shall have the right to sell or otherwise dispose of all or any part of the Collateral, either at public or private sale, in lots or in bulk, for cash or for credit, with or without warranties or representations, and upon such terms and conditions, all as the Collateral Agent, in its sole discretion, may deem advisable, and the Secured Party shall have the right to purchase at any such sale. The Borrower agrees that a notice sent at least ten (10) calendar days before the time of any intended public sale or of the time after which any private sale or other disposition of the Collateral is to be made shall be reasonable notice of such sale or other disposition. The proceeds of any such sale, or other Collateral disposition shall be applied, first to the expenses of retaking, holding, storing, processing and preparing for sale, selling, and the like, and to the Collateral Agent's reasonable attorneys' fees and legal expenses, and then to the Obligations and to the payment of any other amounts required by applicable law, after which the Collateral Agent shall account to the Borrower for any surplus proceeds if any surplus exists. If, upon the sale or other disposition of the Collateral, the proceeds thereof are insufficient to pay all amounts to which the Secured Party is legally entitled, the Borrower shall be liable for the deficiency, and the reasonable fees of any attorneys the Collateral Agent employs to collect such deficiency. To the extent permitted by applicable law, the Borrower waives all claims, damages and demands against the Secured Party arising out of the retention or sale or lease of the Collateral or other exercise of the Secured Party's rights and remedies with respect thereto.

(b) The Borrower appoints the Collateral Agent, and any officer, employee or agent of such Collateral Agent, with full power of substitution, as the Borrower's true and lawful attorney-in-fact, effective as of the date hereof, with power in its own name or in the name of the Borrower, during the continuance of an Event of Default, (i) to endorse any notes, checks, drafts, money orders, or other instruments of payment in respect of the Collateral that may come into the Collateral Agent's possession, (ii) to sign and endorse any drafts against the Borrower,



assignments, verifications and notices in connection with accounts, and other documents relating to Collateral; (iii) to pay or discharge taxes or Liens at any time levied or placed on or threatened against the Collateral; (iv) to demand, collect, issue receipt for, compromise, settle and sue for monies due in respect of the Collateral; (v) to notify persons and entities obligated with respect to the Collateral to make payments directly to the Collateral Agent; (vi) to execute any and all applications, documents, papers and instruments for the Collateral Agent to use the Collateral, to grant or issue any exclusive or non-exclusive license with respect to any Collateral, and to assign, convey or otherwise transfer title in or dispose of the Collateral; and, (vii) generally, to do, at the Collateral Agent's option and at the Borrower's expense, at any time, or from time to time, all acts and things which the Collateral Agent deems necessary to protect, preserve and realize upon the Collateral and the Secured Party's security interest therein to effect the intent of this Agreement, all as fully and effectually as the Borrower might or could do; and the Borrower hereby ratifies all that said attorney shall lawfully do or cause to be done by virtue hereof. Without limiting the foregoing, the Borrower hereby irrevocably constitutes and appoints the Collateral Agent (and any of the Collateral Agent's employees or agents designated by the Collateral Agent) as the Borrower's true and lawful attorney-in-fact with full power and authority (i) to sign the name of the Borrower on all or any of such documents or instruments and perform all other acts that the Collateral Agent deems necessary or advisable in order to perfect or continue perfected, maintain the priority or enforceability of or provide notice of the Secured Party's security interest in, any of the Collateral, and (ii) to execute any and all other documents and instruments, and to perform any and all acts and things for and on behalf of the Borrower, which the Collateral Agent may deem necessary or advisable to maintain, preserve and protect the Collateral and to accomplish the purposes of this Agreement, including (A) to assert or retain any rights under any license agreement for any of the Collateral, including without limitation any rights of the Borrower arising under Section 365(n) of the U.S. Bankruptcy Code (11 U.S.C. §101 et seq.). The foregoing shall in no way limit the Secured Party's rights and remedies upon or after the occurrence of an Event of Default. The power of attorney set forth in this Section, being coupled with an interest, is irrevocable so long as any of the Obligations shall remain outstanding or the Secured Party shall have any interest in any of the Collateral.

(c) All of the Secured Party's rights and remedies with respect to the Collateral, whether established hereby or by any other agreements, instruments or documents or by law shall be cumulative and may be exercised singly or concurrently.

(d) For the purpose of enabling the Secured Party to exercise its respective rights and remedies under this Section 7 or otherwise in connection with this Agreement or any of the Collateral, the Borrower hereby grants to the Collateral Agent an irrevocable, non-exclusive and assignable license (exercisable without payment or royalty or other compensation to the Borrower at any time during the occurrence of any Event of Default) to use, license or sublicense any Collateral.

## **8. Secured Party's Rights; Borrower Waivers.**

(a) The Secured Party's acceptance of partial or delinquent payment from the Borrower under any of the Notes, the Loan Agreement or hereunder, or the Secured Party's failure to exercise any right hereunder, shall not constitute a waiver of any obligation of the

Borrower hereunder, or any right of the Secured Party hereunder, and shall not affect in any way the right to require full performance at any time thereafter.

(b) The Borrower waives, to the fullest extent permitted by law, (i) any right of redemption with respect to the Collateral, whether before or after sale hereunder, and all rights, if any, of marshaling of the Collateral or other collateral or security for the Obligations; (ii) any right to require the Secured Party (A) to proceed against any person or entity, (B) to exhaust any other collateral or security for any of the Obligations, (C) to pursue any remedy in the Secured Party's power, or (D) to make or give any presentments, demands for performance, notices of nonperformance, protests, notices of protests or notices of dishonor in connection with any of the Collateral; and (iii) all claims, damages, and demands against the Secured Party arising out of the repossession, retention, sale or application of the proceeds of any sale of the Collateral.

9. **Collateral Agent.**

(a) **Appointment.** With the Borrower's consent, the Secured Party hereby appoints Western States Investment Group as collateral agent (the "Collateral Agent"), subject to Section 9(e) below, with respect to the Collateral and with the rights and duties described herein.

(b) **Nature of Duties.** The Collateral Agent shall have no duties or responsibilities except those expressly set forth in this Agreement. The Collateral Agent shall not have by reason of this Agreement a fiduciary relationship in respect of the Secured Party.

(c) **Compensation.** The Collateral Agent shall not receive any compensation from the Borrower or the Secured Party for the performance of services hereunder.

(d) **Rights; Exculpation.** Neither the Collateral Agent nor any of its directors, officers, employees or agents shall be liable to the Secured Party for any action taken or omitted by them hereunder, or in connection herewith, except that the Collateral Agent shall be liable with respect to its own gross negligence and willful misconduct. The Collateral Agent shall not be liable for any apportionment or distribution of payments it makes in good faith to the Secured Party hereunder and if any such apportionment or distribution is subsequently determined to have been made in error, the sole recourse of the Secured Party to whom payment was due but not made shall be to recover from the other Secured Party any payment in excess of the amount to which such Secured Party is determined to be entitled, and such other Secured Party hereby agrees to return promptly to the first Secured Party, upon request, any such erroneous payment that it receives.

(e) **Appointment of Successor Collateral Agent.** The Collateral Agent may retire from its appointment as Collateral Agent under this Agreement having given the Borrower and each of the other Secured Party not less than ten (10) calendar days prior written notice of its intention to do so, provided that no such resignation shall take effect unless there has been appointed by the Collateral Agent (i) a successor Collateral Agent approved by the Lenders holding greater than fifty percent (50%) of the principal amount of the Notes (the "Majority Lenders"), or (ii) any reputable and experienced bank or other institutional lender and nominated by the Collateral Agent. Upon the death, incapacity or unavailability of the Collateral Agent, or

the inability or unwillingness of the Collateral Agent to appoint a successor Collateral Agent or bank or other financial institution, the Majority Lenders shall nominate a successor Collateral Agent. In addition, the Collateral Agent may be removed from its appointment as Collateral Agent by a vote of the Majority Lenders at any time and replaced with a new Collateral Agent who shall be determined by the vote of the Majority Lenders.

10. **General Provisions.**

(a) **Amendment and Waiver.** Neither this Agreement nor any part hereof may be changed, waived, or amended except by an instrument in writing signed by the Borrower and the Lenders who hold the Notes accounting for at least half of the aggregate principal balance of all of the Notes outstanding pursuant to the Loan Agreement; and waiver on one occasion shall not operate as a waiver on any other occasion.

(b) **Notices.** Any notice required or permitted under this Agreement shall be given in writing except as otherwise expressly provided in this Agreement.

(c) **Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of, the successors and assigns of the Secured Party, including, without limitation, all future holders of the Notes, and shall bind all persons who become bound as a borrower to the Agreement. Secured Party does not consent to any assignment by Borrower except as expressly provided in this Agreement. Secured Party may assign its right or interest under this Agreement. If an assignment is made, Borrower shall render performance under this Agreement to the assignee. Borrower waives and will not assert against any assignee any claims, defenses, or setoffs which Borrower could assert against Secured Party except defenses which cannot be waived.

(d) **Governing Law.** This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California as applied to agreements among California residents entered into and to be performed entirely within California.

(e) **Counterparts.** This Agreement may be executed and delivered in two or more counterparts and by facsimile, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

(f) **Titles and Subtitles.** The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

(g) **Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

(h) **Definitions.** Except as set forth in Section 1 or as otherwise defined herein, capitalized terms shall have the meaning set forth in the Notes.

(i) **Attorneys' Fees.** The Borrower agrees to pay all of the attorneys' fees and other costs incurred by the Secured Party to enforce this Agreement and to collect the sums owing under the Obligations.

(j) **Further Acts.** The Borrower shall, on a continuing basis, make, execute, acknowledge and deliver, and file and record in the proper filing and recording places, all such Financing Statements and take all such action as may be necessary or advisable or may be requested by the Secured Party to carry out the intent and purposes of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto as of the date first above written.

**DermTech International**

By: \_\_\_\_\_

**SECURED PARTY:**

Name: SCOTT R PANCOAST  
The Collateral Agent, on behalf of all  
of the Lenders

Signature: By: 

Address: 410 W 516  
9191 Towne Centre Dr #310  
Facsimile: San Diego, CA 92122

→ 858-678-0900

## EXHIBIT A

### DESCRIPTION OF COLLATERAL

All personal property of Borrower whether presently existing or hereafter created, written, produced or acquired, including, but not limited to the property set forth on Exhibit B and:

(i) all accounts receivable, accounts, chattel paper, contract rights (including, without limitation, royalty agreements, license agreements and distribution agreements), documents, instruments, and general intangibles, including, without limitation, payment intangibles, returns, repossessions, books and records relating thereto, and equipment containing said books and records, all financial assets, all investment property, including securities and securities entitlements, and all deposit accounts;

(ii) all software, computer source codes and other computer programs and supporting information (collectively, the "**Software Products**"), and all common law and statutory copyrights and copyright registrations, applications for registration, filed with the United States Copyright Office or in any foreign jurisdiction, now existing or hereafter arising, obtained or to be obtained on or in connection with the Software Products, or any parts thereof or any underlying or component elements of the Software Products together with the right to copyright and all rights to renew or extend such copyrights and the right (but not the obligation) of any Lender (herein referred to as "**Lender**" or "**Secured Party**") to sue in its own name and/or the name of the Borrower for past, present and future infringements of any copyright;

(iii) all goods, including, without limitation, equipment, tools, furniture, fixtures, raw materials, components and inventory (including, without limitation, all export inventory) and all computer programs embedded in goods and any supporting information;

(iv) all guarantees and other security therefor;

(v) all trademarks, service marks, trade names and service names and the goodwill associated therewith, and with Borrower's business now or hereafter conducted;

(vi) (a) all patents and patent applications filed in the United States Patent and Trademark Office or any similar office of any foreign jurisdiction, and interests under patent license agreements, including, without limitation, the inventions and improvements described and claimed therein, (b) licenses pertaining to any patent whether the Borrower is licensor or licensee, (c) all income, royalties, damages, payments, accounts and accounts receivable now or hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past, present or future infringements thereof, (d) the right (but not the obligation) to sue for past, present and future infringements thereof, (e) all rights corresponding thereto throughout the world in all jurisdictions in which such patents have been issued or applied for, and (f) the reissues, divisions, continuations, renewals, extensions and continuations-in-part with any of the foregoing (all of the foregoing patents and applications and interests

under patent license agreements, together with the items described in clauses (a) through (f) in this paragraph are sometimes herein individually and collectively referred to as the "**Patents**";

- (vii) all trade secrets and know-how;
- (viii) all letter-of-credit rights and letters of credit; and
- (ix) all products and proceeds, including, without limitation, insurance proceeds, of any of the foregoing.

Notwithstanding the foregoing, the Collateral shall not include any property rights that are nonassignable by law or by their legally enforceable terms without the consent of the licensor thereof or another party (other than the Borrower or any affiliate of the Borrower) or to the extent that the granting of a security interest therein is prohibited by applicable law or the legally enforceable terms of an agreement to which the rights or property is acquired by the Borrower; provided, however, that such rights shall become collateral upon the termination of such limitations or prohibition.

**EXHIBIT B****SCHEDULE OF INTELLECTUAL PROPERTY****Patents**

<b><u>Description</u></b>	<b><u>Country</u></b>	<b><u>Filing Date</u></b>	<b><u>Patent No.</u></b>	<b><u>Name of Inventor</u></b>
Method for Detection of Biological Factors in Epidermis	Australia	8/17/97	754471	Lawrence A. Rheins and Vera B. Morhenn

**Patent Applications**

<b><u>Description</u></b>	<b><u>Country</u></b>	<b><u>Filing Date</u></b>	<b><u>Serial No.</u></b>	<b><u>Name of Inventor</u></b>
Method for Detection of Biological Factors in Epidermis	U.S.	8/18/98	60/097,025	Lawrence A. Rheins and Vera B. Morhenn
	U.S.	8/17/99	US99/19012	
	U.S.	8/17/99	09/375,609	
	U.S.	9/28/01	09/967,658 <sup>(1)</sup>	
	U.S.	10/3/01	09/970,617	
	U.S.	10/5/01	09/972,531	
	U.S.	10/11/01	09/976,361	
	U.S.	10/11/01	09/976,356	
	U.S.	10/12/01	09/976,613	
	Canada	8/17/99	2,340,673	
	Europe	8/17/99	99942356.9	
	Israel	8/17/99		
	Japan	8/17/99	2000-565899	
	Korea	8/17/99	10-70002069	
Method for Detection of Melanoma (PCT)	U.S.	6/27/02	US02/20728	Thomas Vogt
Method for Detection of Melanoma (US)	U.S.	6/27/02	10/184,846	Thomas Vogt

(1) Received Notice of Allowance from U.S. Patent Office

**Fictitious Business Names**

California Skin Research Institute, CSRI, DermNet, DermPharm, DermGene, DermStat

**Domain Names**

dermtechintl.com, dermtechintl.net, dermtech.com, dermtech.net, dermtechrecruit.com



**EXHIBIT C**

**SCHEDULE OF EXISTING LIENS**

<b>Secured Party</b>	<b>Collateral</b>
Transamerica Technology Finance Corporation	All assets of the Company
Wells Fargo Financial Leasing	Copier
Prosperitas Investment Partners, L.P.	Certain laboratory equipment
Dell Financial Services	Certain computer equipment

**DERMTECH INTERNATIONAL**

**LOAN AGREEMENT**

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# DERMTECH INTERNATIONAL

## LOAN AGREEMENT

This Loan Agreement is entered into as of February 6, 2004 between DermTech International, a California corporation (the "Company"), and each of the lenders (each being the "Lender") who signs this Agreement or a comparable Loan Agreement (this "Agreement").

The parties hereby agree as follows:

### SECTION 1 ISSUANCE OF NOTES AND WARRANTS

#### 1.1 Issuance of Notes.

(a) The Company has approved borrowing up to \$1,250,000 for which the Company will issue one or more Convertible Promissory Note (the "Note" or the "Notes") in the form attached hereto as Exhibit A.

(b) Subject to the terms and conditions hereof, the Company will issue a Note to each Lender for the amount of the loan made by the Lender to the Company. On the signature pages of this Agreement is set forth the dollar amount of the loan to be made by each Lender (the "Loan Amount").

(c) The Notes will be secured by a security interest in the assets of the Company, pursuant to a Security Agreement in the form attached hereto as Exhibit B.

1.2 Issuance of Warrant. As consideration for the Lender's loan to the Company, the Company shall issue to the Lender a warrant to purchase shares of the Company's Series D-1 Preferred Stock at an exercise price of \$0.40 per share (subject to adjustment for stock splits, stock dividends and the like as provided in the Warrant) pursuant to the Stock Purchase Warrant in the form as attached hereto as Exhibit C (the "Warrant" or the "Warrants"), and as further described in Section 8 of the Note.

1.3 Securities. For purposes of this Agreement, the Note, the Warrant, and the stock issuable upon the conversion of the Note and the exercise of the Warrant are hereinafter referred to as the "Securities." To the extent that the Lender is also a current shareholder in the Company, the Lender hereby consents to the creation, authorization and issuance of the additional shares as specified in Section 6.4 hereof, and the Lender agrees that the issuance and exercise of the Warrants do not trigger the anti-dilution protection provisions applicable to shares owned by the Lender.

#### 1.4 Closing; Delivery.

(a) The loan of dollars by the Lender to the Company, and the Company's issuance of the Note and the Warrant to the Lender, shall take place at the offices of Gray Cary Ware & Freidenrich LLP, 4365 Executive Drive, Suite 1600, San Diego, CA 92121-2189, at 10:00 a.m. on February 6, 2003, or at such other time and place as the Company

and the Lender mutually agree upon orally or in writing (which time and place are designated as the "Closing").

(b) The Closing for the first loans shall be for a minimum aggregate amount of at least \$300,000 of loans (which may be from multiple Lenders) (the "First Closing"), including the Lender's delivery to the Company of the Loan Amount.

(c) Any Closings at the First Closing and within 60 days following the First Closing shall entitle the Lenders in such Closings to receive the premium number of Warrants as specified in Section 8.3 of the Note.

(d) No Closings shall occur more than 122 days following the First Closing unless such a delayed Closing is approved by the Company and the Lenders who have loaned sixty percent (60%) of the dollar amounts of the loans made pursuant to this Agreement as of the date of the delayed Closing.

(e) Each loan and each Note shall be in a principal amount of at least \$25,000.

(f) Each Lender shall be an "accredited investor" as defined by the federal securities laws.

(g) The aggregate principal amount of all of the loans and Notes made pursuant to this Agreement shall not exceed \$1,250,000.

(h) At each Closing, the Company shall deliver to the Lender (i) the Note for the principal amount loaned by the Lender (the "Loan Amount"), and (ii) the Warrant for a number of warrant shares as specified in Section 8 of the Note.

## **SECTION 2**

### **REPRESENTATIONS AND WARRANTIES OF THE COMPANY**

Except as set forth in the Disclosure Schedule attached hereto as Exhibit D, the Company hereby represents and warrants to the Lender that the statements in the following paragraphs of this Section 2 are true and correct to the best of the knowledge of the Company's officers as of the date of this Agreement:

2.1 **Organization and Standing.** The Company is a corporation duly incorporated and existing under the laws of the State of California and is in good standing under such laws. The Company has the requisite corporate power to own and operate its properties and assets, and to carry on its business as presently conducted. The Company is duly qualified to transact business and is in good standing in each jurisdiction in which the failure to so qualify would have a material adverse effect on the business, property, financial condition or results of operations of the Company (a "Material Adverse Effect").

2.2 **Authorization.** All corporate action on the part of the Company, its directors and shareholders necessary for the authorization, execution, delivery and performance of this

Agreement by the Company, the issuance of the Notes and the Warrants and the authorization, sale, issuance and delivery of the Securities and the performance of the Company's obligations hereunder has been taken. This Agreement, when executed and delivered by the Company, will constitute a valid and binding obligation of the Company enforceable in accordance with its terms, subject to (i) laws of general application relating to specific performance, injunctive relief or other equitable remedies, and (ii) applicable bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights generally.

2.3 **Valid Issuance.** When issued, sold and delivered in accordance with the terms of this Agreement for the consideration provided for herein, the Securities shall be duly authorized, validly issued, fully paid and non-assessable and shall be free of any liens or encumbrances, except those liens or encumbrances arising as a result of the ownership of the Securities by the Lender. Shares of Company capital stock sufficient to permit the conversion of the Notes and Warrants have been duly and validly reserved for issuance and, upon issuance in accordance with the terms of this Agreement, will be duly authorized, validly issued, fully paid and non-assessable.

2.4 **Capitalization.** Immediately prior to the Closing, the capitalization of the Company will consist of the following:

(a) **Capital Stock.** The Company's authorized and outstanding capital stock and other equity securities (or securities convertible into equity securities) are listed in the Disclosure Schedule.

(b) The outstanding shares of Common Stock and Preferred Stock have been duly authorized and validly issued, are fully paid and nonassessable, and were issued in accordance with the exemption provisions of the Securities Act of 1933, as amended (the "**Securities Act**"), and any relevant state securities laws and exemptions therefrom.

(c) Except for (i) the conversion privileges of the Company's Preferred Stock as set forth in the Company's Amended and Restated Articles of Incorporation, (ii) the currently outstanding options to purchase stock granted as set forth in the Disclosure Schedule, and (iii) the currently outstanding warrants to purchase stock as set forth in the Disclosure Schedule, there are no outstanding options, warrants, rights (including conversion or preemptive rights and rights of first refusal), or agreements for the purchase or acquisition from the Company, or to the Company's knowledge, from any holders of its securities, of any shares of its capital stock. The Company has reserved sufficient shares of Common Stock for conversion of the Company's Preferred Stock, and for exercise of all warrants, outstanding stock options, and the stock options reserved for later issuance. None of the shares, options, warrants or convertible securities that have been issued by the Company are subject to any preemptive rights or rights of first refusal created by statute, the charter documents of the Company or any agreement by which the Company is bound.

2.5 **Subsidiaries.** As of the date hereof, the Company does not presently own or control, directly or indirectly, any equity interest in any other corporation, partnership, trust, joint venture, association or other entity.

2.6 **No Conflicts of Interest.** To the knowledge of the Company, none of its directors, officers or employees has, directly or indirectly, any material interest in any entity that is a competitor, customer or supplier of the Company. Except for normal accruals for current salary and expense reimbursement obligations of the Company to its employees, the Company does not have any debt owing to any of its directors, officers or employees.

2.7 **No Consents Needed.** No consent, approval, order or authorization of, or registration, qualification, designation, declaration or filing with, any federal, state or local governmental authority by the Company is required in connection with the consummation of the transactions contemplated by this Agreement except: (i) the filing of a Notice of Transaction pursuant to Section 25102(f) of the California Corporate Securities Law of 1968, as amended, and the rules thereunder (the "California Securities Law"), and (ii) such other qualifications or filings under the Securities Act and all other applicable securities laws as may be required in connection with the transactions contemplated by this Agreement. No additional third party consent or approval is needed for the consummation of the transactions contemplated by this Agreement.

2.8 **Compliance with Law and Charter Documents and Agreements.** The Company is not in violation or default of any provisions of the Company's Restated Articles or Bylaws, as amended to date. To the Company's knowledge, the Company is in compliance with all applicable statutes, laws, regulations and executive orders of the United States and all states, foreign countries or other governmental bodies and agencies having jurisdiction over the Company's business or properties, except as where the failure to be in compliance therewith could not reasonably be expected in the judgment of the Company's Board of Directors to have a Material Adverse Effect. The Company may comply with and perform the provisions of this Agreement without being in conflict with the Company's Restated Articles or Bylaws, or any agreement, instrument, order, other matter affecting the Company. To the Company's knowledge, the Company's Option Plans are in compliance with applicable laws.

2.9 **Financial Statements.** The financial statements of the Company attached hereto as Exhibit E are in accordance with the books and records of the Company and have been prepared in accordance with generally acceptable accounting principles in the United States, consistently applied over the periods presented, and (a) present fairly the financial position of the Company as of the dates of those statements, and (b) the results of its operations for the periods indicated in those statements. As of the date of the attached balance sheet, the Company had no debts, liabilities or obligations whether absolute, accrued, contingent or otherwise, which are not fully reflected in such balance sheet, other than those which, in any one case or in the aggregate, would not have a Material Adverse Effect on the Company as of such date. The Company does not have any undisclosed liabilities, whether due or to become due, which individually or in the aggregate would be reasonably likely to have a Material Adverse Effect upon the Company, except for normal current liabilities accruing in the ordinary course of business since the date of the financial statements attached hereto. Since the date of the last balance sheet, there have not been any events that have, or would be reasonably expected to have, a Material Adverse Effect on the Company.

2.10 **Litigation.** There are no legal actions, suits, arbitrations or other legal administrative or governmental proceedings pending or, to the Company's knowledge,



threatened against the Company, or against the assets or business of the Company, and the Company is not aware of any facts that might result in or form the basis for any such action, suit, arbitration or other proceeding.

**2.11 Intellectual Property.** The Company owns or possesses sufficient legal rights for use with respect to all patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses, information and proprietary rights and processes necessary for its business as now conducted and as proposed to be conducted, without any conflict with, or infringement of, the rights of others. Except for agreements with its customers, employees, or consultants, there are no outstanding options, licenses or agreements of any kind relating to the foregoing, nor is the Company bound by or a party to any options, licenses or agreements of any kind with respect to the patents, trademarks, service marks, trade names, copyrights, trade secrets, licenses, information and proprietary rights and processes of any other person or entity. The Company has not received any communications alleging that the Company has violated or, by conducting its business as proposed, would violate any of the patents, trademarks, service marks, trade names, copyrights, trade secrets or other proprietary rights or processes of any other person or entity. The Company is not aware that any of its employees is obligated under any contract (including licenses, covenants or commitments of any nature) or other agreement, or subject to any judgment, decree or order of any court or administrative agency, that would interfere with the use of such employee's best efforts to promote the interests of the Company or that would conflict with the Company's business as proposed to be conducted. Neither the execution nor delivery of this Agreement, nor the carrying on of the Company's business by the employees of the Company, nor the conduct of the Company's business as proposed, will, to the best of the Company's knowledge, conflict with or result in a breach of the terms, conditions or provisions of, or constitute a default under, any contract, covenant or instrument under which any of such employees is now obligated. The Company does not believe it is or will be necessary to use any inventions of any of its employees (or persons it currently intends to hire) made prior to their employment by the Company, other than those which have been assigned to the Company.

**2.12 Real Property.** The Company does not own any real property. The Company leases its facilities, and there are no existing defaults under said facilities lease.

**2.13 Governmental Permits.** The Company does not have any governmental permits for the operation of the Company's business and, to the knowledge of the Company, no governmental permits are required for the operation of the Company's business, except where the failure to have a permit would not have a Material Adverse Effect upon the Company.

**2.14 Condition of Assets.** To the knowledge of the Company, all of the Company's assets are in good condition and repair, reasonable wear and tear excepted, suitable for continued use in the Company's ordinary course of business as currently conducted.

**2.15 Title and Assets.** The Company has good and marketable title to all of its assets, and good and valid leasehold rights to all of its leased properties, and good and valid license rights to all of its licensed properties, in each case free and clear of any liens or encumbrances, other than for liabilities as shown on the Company's balance sheet.

2.16 **No Defaults; Contracts.** The Company has performed all obligations required to be performed by it and is not in default under any contract, commitment or instrument that would have a Material Adverse Effect on the Company, and, to the Company's knowledge, no event or condition has occurred which, with the giving of notice or passage of time, or both, would constitute such a default. The Company is not under any obligation that cannot readily be performed by it on time and without undue or unusual expenditure of money or efforts. The Company has not received notice of non-renewal or cancellation of any material contract, and to the knowledge of the Company, no conditions exists that would be reasonably expected to result in non-renewal or cancellation of any such contract.

2.17 **Full Disclosure.** To the Company's knowledge, no representation or warranty made by the Company in this Agreement, or in any document furnished by the Company to the Lender pursuant to this Agreement, when taken together with this Agreement in its entirety and all such documents, contains any untrue statement of material fact or omits to state any material fact necessary in order to make the statements therein not misleading, in light of the circumstances under which they are made.

### **SECTION 3** **REPRESENTATIONS, WARRANTIES AND COVENANTS** **OF THE LENDER**

The Lender hereby represents, warrants and agrees as follows:

3.1 **Authorization.** This Agreement constitutes the Lender's valid and legally binding obligation, enforceable in accordance with its terms except as may be limited by (a) applicable bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights generally, and (b) the effect of rules of law governing the availability of equitable remedies. The Lender represents that it has full power and authority to enter into this Agreement.

3.2 **Investment Intent.** The Lender is acquiring the Securities for investment for Lender's own account and not with the view to the public resale or distribution thereof within the meaning of the Securities Act, and the Lender has no present intention of selling, granting any participation in, or otherwise distributing the Securities. No other person has a direct or indirect beneficial interest, in whole or in part, in the Securities. The Lender understands that the Securities have not been registered under the Securities Act by reason of a specific exemption from the registration provisions of the Securities Act, which exemption depends upon, among other things, the bona fide nature of the Lender's investment intent as expressed herein.

3.3 **Sophistication.** The Lender has the capacity to protect its own interests in connection with the Lender's acquisition of the Securities.

3.4 **Restrictions on Transfer.** The Lender acknowledges that the Securities must be held indefinitely unless subsequently registered under the Securities Act or the Company receives an opinion of counsel satisfactory to the Company that such registration is not required. The Lender is aware of the provisions of Rule 144 promulgated under the Securities Act which permit limited resale of stock purchased in a private placement subject to the satisfaction of

certain conditions, including, among other things, the existence of a public market for the stock, the availability of certain current public information about the Company, the resale occurring not less than one year after a party has purchased and paid for the stock to be sold, the sale being through a "broker's transaction" or in transactions directly with a "market maker" and the number of shares of the stock being sold during any three-month period not exceeding specified limitations. The Lender further acknowledges and understands that the Company may not be satisfying the current public information requirement of Rule 144 at the time the Lender wishes to sell the Securities; and, if so, Lender would be precluded from selling the Securities under Rule 144 even if the one year minimum holding period has been satisfied.

3.5 **No Public Market.** The Lender understands that no public market now exists for the Securities, that there can be no assurance that a public market will ever exist for the Securities and that the Company is under no obligation to register the Securities (except as provided in Section 4.6 herein).

3.6 **Exemption from Registration.** The Lender further acknowledges that, in the event all of the requirements of Rule 144 are not met, compliance with Regulation A or some other registration exemption will be required; and that, although Rule 144 is not exclusive, the staff of the SEC has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and other than pursuant to Rule 144 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, that such persons and the brokers who participate in the transactions do so at their own risk, and that, therefore, there is no assurance that any exemption from registration under the Securities Act will be available or, if available, will allow the Lender to dispose of, or otherwise transfer, all or any portion of the Securities.

3.7 **Access to Data.** The Lender has had an opportunity to discuss the Company's business, management and financial affairs with the Company's management and the opportunity to inspect Company facilities and such books and records and material contracts as the Lender deemed necessary to its determination to purchase the Securities.

3.8 **Experience.** The Lender and/or the Lender's personal representative(s) have such knowledge and experience in financial, tax and business matters so as to enable the Lender and/or the Lender's personal representative(s) to utilize the information made available to the Lender and/or the Lender's personal representative(s) in connection with the offering of the Securities, to evaluate the merits and risks of the prospective investment and to make an informed investment decision with respect thereto. Each personal representative, if any, to the Lender, in connection with the Lender's investment in the Securities, has confirmed in writing the specific details of any and all past, present or future relationships, actual or contemplated, between the Lender or the Lender's affiliates and the Company or any of the Lender's affiliates.

3.9 **Lender's Liquidity.** The Lender (i) has adequate means of providing for its current needs and possible personal contingencies, (ii) has no need for liquidity in this investment, (iii) is able to bear the substantial economic risks of an investment in the Securities for an indefinite period, and (iv) at the present time, can afford a complete loss of such investment. The Lender's commitment to investments which are not readily marketable is not

disproportionate to the Lender's net worth and the Lender's investment in the Securities will not cause the Lender's overall commitment to become excessive.

3.10 **Offer and Sale.** The Lender understands that the sale of the Securities has not been registered under the Securities Act in reliance upon an exemption therefrom. The Lender was not offered or sold the Securities, directly or indirectly, by means of any form of general solicitation or general advertisement, including the following: (i) any advertisement, article, notice or other communication published in any newspaper, magazine or similar medium or broadcast over television or radio, or (ii) any seminar or other meeting whose attendees had been invited by general solicitation or general advertising.

3.11 **Risks.** The Lender is experienced in evaluating and investing in high-risk companies such as the Company, and by reason of the Lender's business and financial experience has the capacity to protect its own interests in connection with the acquisition of the Securities, and has the ability to bear the economic risk of this investment. The Lender is aware that the Securities are highly speculative and that there can be no assurance as to what return, if any, there may be. The Lender is aware that the Company may issue additional securities in the future which could result in the dilution of the Lender's ownership interest in the Company.

3.12 **Accredited Investor.** The Lender is an accredited investor as defined in Rule 501(a) of Regulation D promulgated under the Securities Act.

3.13 **Reliance.** The Lender has relied only upon the information provided to the Lender in writing by the Company, or information from books and records of the Company. No oral representations have been made or oral information furnished to the Lender or its advisor(s) in connection with the offering of the Securities which were not contained therein or were inconsistent therewith.

3.14 **Confidentiality.** The Lender acknowledges and agrees that any trade secrets or business secrets of the Company, and any business materials that are treated by the Company as confidential or proprietary (the "**Confidential Information**") obtained or disclosed to the Lender pursuant to the Lender's decision to invest in the Securities and enter into this Agreement was received in confidence. The Lender agrees not to divulge, communicate or disclose, except as may be required by law and for its performance under this Agreement, or use to the detriment of the Company or for the benefit of any third party, or misuse in any way, any Confidential Information. The confidentiality covenant shall not be applicable to any information which becomes part of the public domain through no fault of a party which has a confidentiality obligation to the Company. The provisions of this Section 3.14 shall be in addition to, and not in substitution for, the provisions of any separate nondisclosure agreement executed by the parties hereto with respect to the transactions contemplated hereby.

#### **SECTION 4** **CONDITIONS TO LENDER'S** **OBLIGATIONS AT CLOSING**

The obligations of the Lender under Section 1 of this Agreement are subject to the fulfillment or waiver, on or before the Closing, of each of the following conditions:

4.1 **Representations and Warranties.** Each of the representations and warranties of the Company contained in Section 2 shall be true and correct when made and as of the Closing as if made on such date.

4.2 **Performance.** The Company shall have performed and complied in all material respects with all agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by it on or before the Closing and shall have obtained all approvals, consents and qualifications necessary to complete the purchase and sale described herein.

4.3 **Securities Exemptions.** The offer and sale of the Securities to the Lender pursuant to this Agreement shall be exempt from the registration requirements of the Securities Act, the qualification requirements of the California Securities Law and the registration and/or qualification requirements of all other applicable state securities laws.

4.4 **SBA Forms.** If requested by the Lender, the Company shall have completed, executed and delivered to the Lender a Size Status Declaration on SBA Form 480, an Assurance of Compliance on SBA Form 652 and a Portfolio Financing Report on SBA Form 1031.

4.5 **Security Agreement.** The Company shall have executed and delivered the Security Agreement.

4.6 **Registration Rights.** The holders of shares of Common Stock underlying the Series D and Series D-1 Preferred Stock that may be ultimately acquired by such holders upon the conversion of the Notes and the Warrants issued pursuant to the terms of this Agreement shall be entitled to the right to have such Common Stock registered with the Securities and Exchange Commission for resale on a public market, on the same terms as that certain Registration Rights Agreement of the Company dated as of January 16, 2001, a copy of which has been furnished to each Lender. Simultaneous with any Closing under this Agreement, the Company and the Lenders participating in such Closing hereby agree to the terms of said Registration Rights Agreement as being applicable to such shares of Common Stock to be acquired by the Lender or its permitted transferee upon conversion of the Notes into the Series D Preferred Stock or the exercise of the Warrants for shares of Series D-1 Preferred Stock and the subsequent conversion of such Series D Preferred Stock or such Series D-1 Preferred Stock into the underlying Common Stock (except for Section 1.11 - "Market Stand-Off" Agreement, which shall be superceded with respect to any Lender or its permitted transferee by Section 7.2 of this Agreement); and no additional signatures are needed for the Purchaser to be a party to said Registration Rights Agreement.

4.7 **Issuance of Warrant.** The Company shall have delivered to each Lender a Warrant in the form as attached hereto as Exhibit C.

4.8 **Preemptive Rights and Third-Party Consents and Waivers.** The Company shall have obtained (i) the consent of Transamerica Technology Finance Corporation to the consummation of the transactions contemplated hereby, including entering into the Security Agreement and (ii) the consent of any other third parties that may be necessary so that the consummation of the transactions contemplated hereby, including issuing the Notes and entering

into the Security Agreement, will not create a Material Adverse Effect on the Company. The Company shall have provided proper notice of the opportunity to participate in the purchase of Notes and Warrants pursuant to this Agreement to the holders of all preemptive rights that may be triggered by the consummation of the transactions contemplated hereby, including the issuance of the Notes, exercise of the Warrants and/or conversion of the Notes,

4.9 **Officer's Certificate.** The Chief Executive Officer shall have delivered a certificate to the Lenders certifying that the closing conditions set forth above in Sections 4.1, 4.2 and 4.8 have been fully satisfied as of the Closing.

## **SECTION 5** **CONDITIONS TO COMPANY'S OBLIGATIONS AT** **CLOSING**

The Company's obligation to sell and issue the Securities and issue the Warrant at the Closing is subject to the fulfillment or waiver by the Company of the following conditions:

5.1 **Representations and Warranties.** The representations and warranties made by the Lender in Section 3 hereof shall be true and correct when made and as of the Closing as if made on such date.

5.2 **Delivery of Loan Amount.** The Lender shall have delivered to the Company the Loan Amount in accordance with Section 1.4(b) of this Agreement.

## **SECTION 6** **COVENANTS OF THE COMPANY AFTER CLOSING**

6.1 **Financial Statements.** The Company will furnish or cause to be furnished to the Lender:

(a) Within six months after the end of each fiscal year of the Company (i) the audited balance sheet of the Company as at the end of such year, and (ii) the related audited statement of income, retained earnings and cash flows for such year, setting forth in comparative form with respect to such financial statements figures for the previous fiscal year, all in reasonable detail, and certified by the Company's independent certified public accounting firm as being prepared in accordance with general accepted accounting principals;

(b) Within sixty (60) days after the end of each calendar quarter, unaudited financial statements (including a balance sheet and a statement of operations for the quarter and year-to-date, each in comparative form with the previous quarter), together with management's comments thereon;

(c) The provisions of paragraph (a) and (b) of this Section 6.1 shall terminate at the earlier of (i) when the Company becomes subject to the reporting provisions of the Securities Exchange Act of 1934, as amended, and (ii) when the Company owes less than \$200,000 under all of the Notes in the aggregate.

6.2 **Use of Proceeds.** The Company covenants that it will use the loan proceeds from this Agreement for the Company's working capital purposes.

6.3 **Payments on Notes.** The Company shall offer to all of the Lenders the same rights for prepayments, on a prorata basis, pursuant to the terms of the Notes. Upon maturity of the Notes, the Company shall treat all of the Notes in the same manner, on a prorata basis, without giving preferential or discriminatory treatment to any of the Notes.

6.4 **Authorized Shares.** Within 15 business days subsequent to the First Closing, the Company shall take all actions necessary, including obtaining shareholder approval, to amend the Company's Articles of Incorporation in order to (i) increase the authorized number of shares of Series D Preferred Stock by 660,000 shares to be available for the potential conversion of the Notes into Series D Preferred Stock, and (ii) create and authorize 1,500,000 shares of Series D-1 Preferred stock to be available for issuance upon the Lenders' exercise of the Warrants. The Series D-1 Preferred stock shall have the same rights, privileges and preferences as the Company's Series D Preferred Stock excepting only that the Liquidation Preference and the Conversion Price shall be at \$0.40 per share, instead of \$1.75 per share.

6.5 **Obligations.** The Company shall perform and honor all of its obligations under the Notes, the Security Agreement, the Warrants and this Agreement.

6.6 **U.S. Small Business Administration ("SBA").** Should one or more Lender be a licensed Small Business Investment Corporation ("SBIC"), the Company will comply with any requirements of SBA regulations, including writing a side letter confirming such commitment, if such is requested by the SBIC.

## **SECTION 7** **RESTRICTIONS ON TRANSFERABILITY OF** **SECURITIES**

7.1 **Restrictions on Transferability.** The Securities and the Warrants shall be transferable to any accredited investor upon the conditions specified in this Section 7. The Lender will cause any proposed transferee of the Securities and the Warrants held by the Lender to agree to take and hold such Securities and the Warrants subject to the provisions and upon the conditions specified in this Section 7.

7.2 **Market Stand-Off Agreement.** Each Lender hereby agrees that, during the period of duration specified by the Company and an underwriter of common stock or other securities of the Company, following the effective date of a registration statement of the Company filed under the Securities Act, it shall not, to the extent requested by the Company and such underwriter, directly or indirectly sell, offer to sell, contract to sell (including, without limitation, any short sale), grant any option to purchase or otherwise transfer or dispose of (other than to donees who agree to be similarly bound) any securities of the Company held by it at any time during such period except Common Stock included in such registration; provided, however, that:

(a) such agreement shall not exceed one hundred eighty (180) days for any such registration statement of the Company which covers Common Stock (or other securities) to be sold on its behalf to the public in an underwritten offering;

(b) such agreement shall not exceed ninety (90) days for any subsequent registration statement of the Company which covers Common Stock (or other securities) to be sold on its behalf to the public in an underwritten offering; and

(c) all officers and directors of the Company and all other persons with registration rights (whether or not pursuant to this Agreement) enter into similar agreements.

In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to the registrable securities of each Lender (and the shares or securities of every other person subject to the foregoing restriction) until the end of such period.

7.3 **Restrictive Legends.** Each certificate representing the Securities, and any other securities issued in respect of the Securities upon any stock split, stock dividend, recapitalization, merger, consolidation or similar event (except as otherwise permitted by the provisions of this Section 7) shall be stamped or otherwise imprinted with legends in substantially the following form:

(a) "THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AS AMENDED (THE "SECURITIES ACT"). THESE SECURITIES MAY NOT BE SOLD, TRANSFERRED OR ASSIGNED UNLESS AND UNTIL REGISTERED UNDER THE SECURITIES ACT, PURSUANT TO FULL COMPLIANCE WITH RULE 144 UNDER THE SECURITIES ACT OR UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY AND ITS COUNSEL THAT SUCH REGISTRATION IS NOT REQUIRED."

(b) Any other legends required by applicable state securities laws.

(c) The Securities evidenced by this certificate are subject to a Market Stand-Off Agreement.

The Company need not register a transfer of legended Securities and may also instruct its transfer agent not to register the transfer of the Securities, unless the conditions specified in each of the foregoing legends are satisfied.

7.4 **Removal of Legend and Transfer Restrictions.** Any legend endorsed on a certificate pursuant to Section 7.3 and the stop transfer instructions with respect to such legended Securities shall be removed, and the Company shall issue a certificate without such legend to the holder of such Securities once such legend provision is no longer applicable to such Securities.



**SECTION 8**  
**MISCELLANEOUS**

8.1 **Governing Law.** This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of California as applied to agreements among California residents entered into and to be performed entirely within California.

8.2 **Survival.** The representations, warranties, covenants and agreements made herein shall survive the execution and delivery of this Agreement and the Closing.

8.3 **Successors and Assigns.** Except as otherwise provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successors, assigns, heirs, executors and administrators of the parties hereto.

8.4 **Entire Agreement; Amendment.** This Agreement, together with the exhibits to this Agreement, constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof. Except for the actions described in Section 1.4(d) of this Agreement, any term of this Agreement and the Security Agreement may be amended and the observance of any term of this Agreement and the Security Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and the Lenders who have loaned more than 60% of the aggregate Loan Amounts loaned by all of the Lenders under this Agreement. Any amendment or waiver effected in accordance with this Section 8.4 shall be binding upon the Company, the Lender and each future holder of the Securities.

8.5 **Expenses.** The Company shall bear its own fees and expenses and shall pay at the First Closing the reasonable fees and expenses of Heller Ehrman White & McAuliffe LLP, counsel to Western States Investment Group, actually incurred in regard to offering and sale of the Securities pursuant to this Agreement, not to exceed Ten Thousand Dollars (\$10,000). The fees and expenses of counsel to any other Lender shall be borne by such Lender. The parties acknowledge that Heller Ehrman White & McAuliffe LLP is acting solely as counsel to Western States Investment Group and not as legal counsel to any other Lender.

8.6 **Notices, Etc.** All notices and other communications required or permitted hereunder shall be in writing and shall be mailed by U.S. mail, postage prepaid, or otherwise delivered by hand, messenger, telecopier or a nationally recognized overnight courier service, addressed to the Lender and the Company at the addresses set forth on the signature page.

All such notices, requests and other communications will (i) if delivered personally or by express courier to the address as provided in this Section 8.6, be deemed given upon delivery, or (ii) if delivered by facsimile transmission to the facsimile number as provided in this Section 8.6, be deemed given upon receipt. Any party from time to time may change its address, facsimile number or other information for the purpose of notices to that party by giving ten (10) days' prior written notice specifying such change to the other party hereto.

8.7 **California Corporate Securities Law.** THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE

ISSUANCE OF SUCH SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO SUCH QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTIONS 25100, 25102, OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON SUCH QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

8.8 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be enforceable against the parties actually executing such counterparts, and all of which together shall constitute one instrument. Signatures may be delivered and transmitted by facsimile transmission.

8.9 **Headings.** The headings and captions used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement. All references in this Agreement to sections, paragraphs, exhibits and schedules shall, unless otherwise provided, refer to sections and paragraphs hereof and exhibits and schedules attached hereto, all of which exhibits and schedules are incorporated herein by this reference.

8.10 **Finder's Fees.** The Lender agrees to indemnify and to hold harmless the Company from any liability for any commission or compensation in the nature of a finders' or broker's fee (and any asserted liability) for which the Lender or any of its officers, partners, employees, or representatives is responsible. The Company agrees to indemnify and hold harmless the Lender from any liability for any commission or compensation in the nature of a finder's or broker's fee (and any asserted liability) for which the Company or any of its officers, employees or representatives is responsible.

8.11 **Severability.** If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision(s) shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision(s) were so excluded and shall be enforceable in accordance with its terms.

8.12 **Cooperation.** With respect to performance of the terms of this Agreement, each party shall use its good faith efforts to cooperate and to take such actions as may be appropriate to carry out the terms and intentions of this Agreement. Whenever a party's approval is required with respect to the terms of this Agreement, such approval will not be unreasonably withheld.

8.13 **Arbitration.** If a dispute arises between or among the parties relating to the interpretation or performance of this Agreement, the Notes, the Warrants or the Security Agreement, and with the exception of any claim for a temporary restraining order or preliminary or permanent injunctive relief to enjoin any breach or threatened breach, such dispute shall be settled by a single neutral arbitrator, who is mutually agreeable to the parties, with such arbitration to be held in San Diego, California, in accordance with the then effective California rules of arbitration (CCP § 1282, et seq.). If the parties do not promptly select the neutral arbitrator, then the San Diego Superior Court shall select the neutral arbitrator. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator shall make his or her decision in accordance with the terms of this Agreement and applicable law. Each party shall initially bear its own costs and legal fees associated with such

arbitration; and the parties shall initially split the cost of the arbitrator, but the prevailing party in any such arbitration shall be entitled to recover from the other party the reasonable attorneys' fees, costs and expenses incurred by such prevailing party in connection with such arbitration. The decision of the arbitrator shall be final and may be sued on or enforced by the party in whose favor it runs in any court of competent jurisdiction at the option of the prevailing party. The rights and obligations of the parties to arbitrate any dispute relating to the interpretation or performance of this Agreement shall survive the Closing. The arbitrator shall be empowered to award specific performance, injunctive relief and other equitable remedies as well as damages, but shall not be empowered to award punitive or exemplary damages.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard Donker, CFO

Date: 2/6, 2004

**LENDER:**

Name: The Brown Family Trust *Attd 1/28/1992*  
(print name)  
P.O. Box 9333  
Street Address  
Rancho Santa Fe, CA 92067  
City, State, Zip  
Fax: (858) 759-0865  
Signature: (X) *Charles M. Brown*  
June E. Brown  
Date: 1/22/04, 2003  
Loan Amount: \$ 100,000.00

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard Donkey, CFO

Date: 2/6, 2004

**LENDER:**

Name: William G. Clapp Separate Property Trust  
(print name)  
2195 Station Village Way #1122  
Street Address  
San Diego, CA 92108  
City, State, Zip  
Fax: (619) 683-7646

Signature: William G. Clapp, Trust

Date: 2-3, 2004

Loan Amount: \$ 25,000.00

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of  
the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard Donkey, CFO  
Date: 2/6, 2003

**LENDER:**

First Regional Bank TEE FBO  
Name: Randi Coopersmith, IRA  
(print name)  
P.O. Box 85410  
Street Address  
San Diego, CA 92186  
City, State, Zip  
Fax: (619) 683-0887

Signature: X  

Date: 2/6, 2003  
Loan Amount: \$ 25,000<sup>00</sup>

(X)

First Regional Bank

SENT BY: CORNERSTONE WEALTH MGMT;  
02-03-04 04:02PM FROM-LATITUDE 32  
BT BY: CORNERSTONE WEALTH MGMT;

858 676 1100;

FEB-5-04 3:54PM;

PAGE 3

+8587910834

T-817 P.01/04 F-224

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

COMPANY:

DERMTECH INTERNATIONAL  
15222-D Avenida of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard Donking, CEO  
Date: 2/6, 2004

LENDER:

First Regional Bank TTEE FBO  
Name: Randi Coopersmith, TPA  
(print name)  
P.O. Box 85410  
Street Address  
San Diego, CA 92186  
City, State, Zip  
Fax: (619) 693-0887

Signature: [Signature]  
Date: 2/6, 2004  
Loan Amount: \$25,000

(X) FIRST REGIONAL BANK CUSTODIAN  
BY [Signature]  
First Regional Bank

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard Donkers

Date: 2/6, 2004

**LENDER:**

Name: Draxler Family Trust  
(print name)

9116 Oviedo Street  
Street Address

San Diego, CA 92129  
City, State, Zip

Fax: n/a

Signature: Paul J. Draxler

Date: 2/3, 2004

Loan Amount: \$ 25,000.00



IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard Donker, CFO

Date: 2/6, 2004

**LENDER:**

Name: Gaughan Family Trust  
(print name)

16204 Orchard Bend Rd.

Street Address

Poway, CA 92064

City, State, Zip

Fax: (858) 385-0015

Signature: F. Gaughan

Date: 2/4/04, 2003

Loan Amount: \$ 50,000.00

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard Donley, CFO

Date: 2/6, 2008

**LENDER:**

Name: Todd and Mari Gutschow Family Trust  
(print name)

14435 Harvest Court

Street Address

Poway, CA 92064

City, State, Zip

Fax: (858) 748-6916

Signature: Judd Gutschow

Date: Feb 4, 2008<sup>4</sup>

Loan Amount: \$ 50,000.<sup>00</sup>

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

COMPANY:

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard Donkin, CFO  
Date: 2/6, 2004

LENDER:

Name: Means Family Trust dtd 2/14/03  
(print name)  
P.O. Box 9605  
Street Address  
Rancho Santa Fe, CA 92067  
City, State, Zip  
Fax:

☒ Signature: (X) Robert H. Means  
Date: Feb 3, 2004  
Loan Amount: \$25,000

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

COMPANY:

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard Donker, CFO  
Date: 2/6, 2004

LENDER:

First Regional Bank TEE  
Name: FBO Dave Pearce, IRA  
(print name)  
P.O. Box 85410  
Street Address  
SAN DIEGO, CA 92186  
City, State, Zip  
Fax: (760) 403-0087

Signature: [Signature]  
Date: February 3, 2004  
Loan Amount: \$25,000.00

(X)

First Regional Bank

BENT BY: CORNERSTONE WEALTH MGMT;  
02/03/2004 13:02 88582715897  
CORNERSTONE WEALTH MGMT;

850 878 1130;  
PEARCE  
858 878 1130;

FEB-5-04 3:55PM;  
FEB-3-04 11:48AM;

PAGE 7/9  
PAGE 81  
PAGE 1

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of  
the date first set forth above.

COMPANY:

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard D. Pearce, CFO  
Date: 2/6, 2004

LENDER:

First Regional Bank TTEE  
Name: FBO Dave Pearce, IRA  
(print name)  
P.O. Box 85410  
Street Address  
San Diego, CA 92106  
City, State, Zip  
Fax: (619) 444-0887  
Signature: [Signature]  
Date: February 3, 2004  
Loan Amount: \$25,000.00

FIRST REGIONAL BANK CUSTODIAN  
BY: [Signature]

(X)

First Regional Bank

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

COMPANY:

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard Dinkley, CFO  
Date: 2/6, 2004

LENDER:

First Regional Bank TEE  
Name: FBO Mark Rowson, IRA  
(print name)  
P.O. Box 85410  
Street Address  
San Diego, CA 92186  
City, State, Zip  
Fax: (760) 603-0887

Signature: (X) [Signature]  
Date: 2/24, 2004  
Loan Amount: \$ 25,000.00

(X) First Regional Bank

SENT BY: CORNERSTONE WEALTH MGMT;

858 876 1130;

FEB-5-04 3:58PM;

PAGE 9/9

SENT BY: CORNERSTONE WEALTH MGMT;

858 876 1130;

FEB-5-04 3:58PM;

PAGE 9/9

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

COMPANY:

DERMITCH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard D. Dwyer, CFO

Date: 2/6, 2004

LENDER:

First Regional Bank TTEE  
Name: FBO MARK RINSON, TEE  
(print name)  
P.O. Box 85410  
Street Address  
San Diego, CA 92186  
City, State, Zip  
Fax: (619) 603-0887

Signature: (X) [Signature]

Date: 2/4, 2004

Loan Amount: \$ 25,000

FIRST REGIONAL BANK CUSTODIAN

BY: [Signature]

First Regional Bank

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104711-137344

16

182-F P.01/01 T-800

+8507510894

02-04-04 02:28PM FROM-LATITUDE 99

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard Danks, CEO

Date: 2/6, 2004

**LENDER:**

Name: Zinn Family Trust - E  
(print name)  
P.O. Box 9050  
Street Address  
Rancho Santa Fe, CA 92067  
City, State, Zip  
Fax: (858) 759-8152

Signature: [Signature]

Date: 2/4/04, 2004

Loan Amount: \$1,000,000.00

\$50,000 EZ 2/4/04



FROM : ELLEN AND TIM ZINN  
JAN-11-2004 04:41A FROM:  
FROM : ELLEN AND TIM ZINN  
SENT BY: CORNESTONE WEALTH MGMT;

FAX NO. : 858-759-8152  
FAX NO. : 858-759-8152  
858 678 1120;

Feb. 04 2004 10:03PM P5  
TO: 18587598152 P: 2/5  
Feb. 04 2004 09:12PM P5  
FEB-4-04 3:10PM; PAGE 4/7

IN WITNESS WHEREOF, the parties herein have executed this Loan Agreement as of  
the date first set forth above.

COMPANY:

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Ruford Donkey, CFO  
Date: 2/6 2004

LENDER:

Name: Jacqueline E. Zinn Revocable Trust  
(print name)  
1445 W. Belden Ave. #4N  
Street Address  
Chicago, IL 60614  
City, State, Zip  
Fax: 773-673-1120  
Signature: (X) [Signature]  
Date: 2/6 2004  
Loan Amount: \$25,000.00

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04781-157300

16

JAN-11-2004 SUN 04:20AM ID:

PAGE: 5

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard Donkers, CFO

Date: 2/6, 2004

**LENDER:**

Name: Meacham 1985 Insurance Trust  
(print name)

15095 Broomgrass Ct.

Street Address

Poway, CA 92064

City, State, Zip

Fax: (858) 676-1630

Signature: (X) [Signature]

Date: 2/5, 2004

Loan Amount: \$ 25,000.00

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard Donker, CEO  
Date: 2/6, 2004

**LENDER:**

First Regional Bank TEE  
Name: Edo Don Graham  
(print name)  
P.O. Box 85410  
Street Address  
San Diego, CA 92186  
City, State, Zip  
Fax: (760) 603-0887  
Signature: (X) [Signature]  
Date: 2/4/04, 2004  
Loan Amount: \$25,000.00

(X)

First Regional Bank Rep

SENT BY: CORNERSTONE WEALTH MGMT;

858 876 1130;

FEB-5-04 3:55PM;

PAGE 5

SENT BY: CORNERSTONE WEALTH MGMT;

858 876 1130;

FEB-9-04 1:30PM;

PAGE 5/7

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

## COMPANY:

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard Donkey CEODate: 2/6, 2004

## LENDER:

First Regional Bank NEE  
Name: FBO Don Graham  
(print name)  
P.O. Box 85410  
Street Address  
SAN DIEGO, CA 92186  
City, State, Zip  
Fax: (760) 603-0887

Signature: [Signature]Date: 2-14-04Loan Amount: \$25,000.00

FIRST REGIONAL BANK CUSTODIAN

(X) BY: [Signature]

First Regional Bank Rep

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

## COMPANY:

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By:

Richard D. King, CFO

Date:

2/6, 2004

## LENDER:

Name:

Bender Family Trust

(print name)

P.O. Box 270469

Street Address

SAN DIEGO, CA 92198

City, State, Zip

Fax: (858) 487-0033

Signature:

David J. Bender, co-trustee

Date:

2003Loan Amount: \$ 50,000.00

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard Donberg, CEO

Date: 2/6, 2004

**LENDER:**

Name: Kristen J. Gravin Living Trust  
(print name)

16327 Alipaz Ct

Street Address

San Diego, CA 92127

City, State, Zip

Fax: N/A

Signature: [Signature]

Date: 2/4/01, 2003

Loan Amount: \$ 25,000.00

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard Donley, CFO

Date: 2/6, 2004

**LENDER:**

Name: MICHAEL W. GEORGE  
(print name)  
14192 CAMINITO VISTANA  
Street Address  
SAN DIEGO, CA 92130  
City, State, Zip  
Fax: 858-484-6302

Signature: Michael W. George

~~mtg~~ February  
Date: January 6, 2004  
Loan Amount: \$ 25,000.00

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: \_\_\_\_\_

Date: \_\_\_\_\_, 2003

**LENDER:**

Name: Luis V. Lopez  
(print name)  
2 ELEAN

Street Address  
12000 CA 92120

City, State, Zip

Fax: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: 12/1, 2003

Loan Amount: \$ 25,000.00



IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: \_\_\_\_\_

Date: \_\_\_\_\_, 2003

**LENDER:**

Name: ELLIOT FEUERSTEIN  
(print name)  
8294 MIRAMESA BLVD  
Street Address  
SAN DIEGO CA 92126  
City, State, Zip  
Fax: 858 271 5161  
Signature: Elliot Feuerstein

Date: 12/14, 2003

Loan Amount: \$ ~~25,000.00~~ \$100,000

PRO  
RATA  
SHARE }

50,000 ELLIOT FEUERSTEIN  
25,000 BRETT FEUERSTEIN.  
25,000 MICHAEL FEUERSTEIN  
100,000

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard Donkey, CFO

Date: 2/6, 2004

**LENDER:**

Elliot Feuerstein, Trustee for  
Name: Brett Feuerstein  
(print name) Feuerstein Children's Trust dated 3/15/87  
6794 Miramar Blvd.  
Street Address  
San Diego, CA 92126  
City, State, Zip  
Fax: \_\_\_\_\_

Signature: Elliot Feuerstein Trustee

Date: 2-6, 2004

Loan Amount: \$ 25,000

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: Richard E. Donkey, CFO  
Date: 2/6, 2004

**LENDER:**

Elliot Feuerstein, Trustee for  
Name: Michael Feuerstein  
(print name) Feuerstein Children's Trust dated 3/15/81  
2794 Mira Mesa Blvd.  
Street Address  
SAN DIEGO, CA 92126  
City, State, Zip  
Fax: \_\_\_\_\_  
Signature: Elliot Feuerstein Trustee.  
Date: 2-6, 2004  
Loan Amount: \$ 25,000

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: \_\_\_\_\_

Date: \_\_\_\_\_, 2003

**LENDER:**

Name: Prosperitas Investment Partners, LP  
(print name)  
4229 Bardstown Rd, Ste 315  
Street Address  
Louisville, Ky 40218  
City, State, Zip  
Fax: 502-779-3583

Signature: Steven B. Biny

Date: 12/16/03, 2003

Loan Amount: \$ 100,000.00

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: \_\_\_\_\_

Date: \_\_\_\_\_, 2003

**LENDER:**

Name: Anchorage Alaska # CA  
(print name)  
808 Towner Pl.  
Street Address  
Anchorage AK 99503  
City, State, Zip  
Fax: \_\_\_\_\_

Signature: Gregory Chapman  
Gregory Chapman, G.D.  
Date: 12/16, 2003  
Loan Amount: \$ 75,000

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: \_\_\_\_\_

Date: \_\_\_\_\_, 2003

**LENDER:**

Name: Donald R. Swortwood Trust.  
(print name) Dated July 7 1995

c/o  
Street Western States Investment Corp.  
9191 Towne Centre Drive, Suite 310  
San Diego, CA 92122

City, State, Zip

Fax: 858.678.0900

Signature:  Trustee

Date: 12/18/, 2003

Loan Amount: \$ 25,000

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement as of the date first set forth above.

**COMPANY:**

DERMTECH INTERNATIONAL  
15222-B Avenue of Science  
San Diego, California 92128  
Attention: President  
Fax: (858) 618-1328

By: \_\_\_\_\_

Date: \_\_\_\_\_, 2003

**LENDER:**

Name: Letitia H. Swortwood Revocable  
Trust #1 Dated September 16, 1992  
(print name)

Western States Investment Corp.  
Street Address: 9191 Towne Centre Drive, Suite 310  
San Diego, CA 92122

City, State, Zip

Fax: 858. 678. 0900

Signature: Letitia H. Swortwood Trustee

Date: \_\_\_\_\_, 2003

Loan Amount: \$ 25,000

Exhibit A

CONVERTIBLE PROMISSORY NOTE



Exhibit B

SECURITY AGREEMENT

Gray Cary\GT\6372464.6  
104781-157344