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

## RECORDATION FORM COVER SHEET PATENTS ONLY

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

### 1. Name of conveying party(ies)

DERMACIA, INC.

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

### 3. Nature of conveyance/Execution Date(s):

Execution Date(s) February 28, 2006

- ☐ Assignment ☐ Merger  
☒ Security Agreement ☐ Change of Name  
☐ Joint Research Agreement  
☐ Government Interest Assignment  
☐ Executive Order 9424, Confirmatory License  
☐ Other \_\_\_\_\_

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

Name: MEDICAL PROVIDER FINANCIAL CORPORATION III

Internal Address: Attn: President

Street Address: 3770 Howard Hughes Parkway, Suite 301

City: Las Vegas

State: Nevada

Country: USA Zip: 89109

Additional name(s) & address(es) attached? ☒ Yes ☐ No

### 4. Application or patent number(s):

☐ This document is being filed together with a new application.

A. Patent Application No.(s)

SN 10/440,990

B. Patent No.(s)

US2004/0101515

Additional numbers attached? ☐ Yes ☒ No

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

Name: Sedgwick, Detert, Moran & Arnold LLP

Internal Address: Attn: Gary C. Sheppard

Street Address: One Market Plaza

Steuart Tower, 8th Floor

City: San Francisco

State: California Zip: 94105

Phone Number: (415) 781-7900

Fax Number: (415) 781-2635

Email Address: gary.sheppard@sdma.com

### 6. Total number of applications and patents involved: 1

### 7. Total fee (37 CFR 1.21(h) & 3.41) \$ 40.00

- ☒ Authorized to be charged by credit card  
☐ Authorized to be charged to deposit account  
☐ Enclosed  
☐ None required (government interest not affecting title)

### 8. Payment Information

a. Credit Card Last 4 Numbers 4687  
 Expiration Date 9/30/08

b. Deposit Account Number \_\_\_\_\_

Authorized User Name \_\_\_\_\_

### 9. Signature:

  
Signature

March 27, 2006

Date

Gary C. Sheppard

Name of Person Signing

Total number of pages including cover sheet, attachments, and documents: 8

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:  
 Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1490, Alexandria, V.A. 22313-1490

OP \$40.00 10440990

**Additional Receiving Party: Name and Address**

MEDICAL CAPITAL CORPORATION  
2100 South State College Blvd.  
Anaheim, California 92806  
Attn: Joseph J. Lampariello, President and COO  
email: joeyl@medicalcapital.com  
Telephone: 714-935-3100  
Facsimile: 714-935-3114

## INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Patent Security Agreement (as the same may be amended, restated, supplemented or otherwise modified from time to time, this "**Intellectual Property Security Agreement**" or this "**Agreement**") is made and entered into effective as of February 28, 2006 by and between MEDICAL PROVIDER FINANCIAL CORPORATION III, a Nevada corporation (the "**Secured Party**"), as Lender, whose address is 3770 Howard Hughes Parkway, Suite 301, Las Vegas, Nevada 89109, Attn: President, and DERMACIA, Inc., a California corporation, whose address is Suite 900 660 Newport Center Drive Newport Beach California 92660, Attn: President, ("**Borrower**"), in connection with that certain Credit Agreement dated as of the date hereof among the Borrower, Dermacia and Secured Party (as amended, restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**"). Initially capitalized terms used herein and not otherwise defined herein shall have the respective meanings ascribed to such terms in the Credit Agreement;

WHEREAS, in order to secure the prompt and complete payment, observance and performance of all of Borrower's Obligations under the Credit Agreement and the Line of Credit Loan Documents, Secured Party has required, as a condition, among others, to entering into the Credit Agreement and the other Line of Credit Loan Documents, that Borrower execute and deliver this Agreement;

WHEREAS, the Secured Party wishes to assure itself of the performance of the Obligations and grants of security interests of Borrower under that certain Security Agreement between Borrower and Secured Party as of even date herewith (the "**Security Agreement**"); and

WHEREAS, Borrower desires to: (a) confirm the grant to the Secured Party of a security interest in certain of its technology, information, documentation, trade secrets, inventions, source code, object code, patents, patent applications, trademarks, trademark applications and trademark registrations, and things necessary in order for the Secured Party to enjoy full use of its rights under the Security Agreement, and (b) make a record of its grant of a security interests in the Collateral (as defined below) to Secured Party.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Borrower does hereby acknowledge that it has granted to Secured Party a security interest in all of Borrower's right, title and interest in, to, and under the Collateral (as defined hereinbelow), and the parties hereby agree as set forth below. Borrower also acknowledges and confirms that the rights and remedies of Secured Party with respect to the security interests in the Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated herein by reference.

### 1. Collateral

For purposes of this Patent Security Agreement, "**Collateral**" shall mean and refer to any and all of Borrower's present and future right, title and interest in and to the following items, together with any and all rights corresponding or similar to the following items under applicable law:

(a) The patent application(s) identified in Appendix A hereto, as well as all patents resulting therefrom, including, without limitation, improvements, diversions, continuations, renewals, reissues and extensions thereof now existing or here-after filed, issued, or acquired (collectively, the "Patents");

(b) All inventions now owned by Borrower or hereafter made, created, or acquired by or for Borrower whether or not any of said inventions are patentable, including, without limitation, those inventions disclosed and/or claimed in Borrower's patents and patent applications (collectively, the "Inventions");

(c) All trademarks or trade names (including service marks/names) now owned or hereafter aquired and/or used by Borrower, and all trademark applications identified in Appendix A, as all trademark registrations arising therefrom, as well as any and all trademark rights in such trademarks or trade names under Federal, state or common law of any jurisdiction; and

(d) All foreign rights corresponding to the above described rights, including, without limitation, those available by treaty and reciprocity.

2. Grant of Security Interest

For valuable considcration, Borrower hereby grants to the Secured Party a security interest in the Collateral. The Secured Party's may at anytime file a financing statement or statements covering the Collateral, and Borrower shall execute such documents and take such other steps as are necessary to cooperate with the Secured Party to perfect its security interest granted hereunder.

3. Obligations Secured

This Patent Security Agreement and the security interest created hereby are given for the purpose of securing Borrower's performance of all Obligations of Borrower to the Secured Party under the Security Agreement, this Patent Security Agreement and the other Line of Credit Loan Documents.

4. Rights to Collateral

So long as there is no Event of Default under the Security Agreement, this Patent Security Agreement or the other Line of Credit Loan Documents, Borrower shall retain possession and have full legal and beneficial ownership of the Collateral and shall have the benefit of any increase and bear the risk of any decrease in the value of the Collateral. Borrower shall pay all taxes or other charges assessable against it upon or with respect to such Collateral or any income or distributions therefrom.

5. Default and Remedies

(a) For purposes of this Patent Security Agreement, Borrower's breach of any term, covenant, condition, representation or warranty of the Security Agreement, this Patent Security Agreement, the Credit Agreement or any other Line of Credit Loan Document shall constitute an event of default hereunder (each an "Event of Default").

(i) Upon the occurrence of any Event of Default, the Secured Party shall be entitled all rights and remedies provided under the Security Agreement, the other Line of Credit Loan Documents and applicable law. All rights and remedies of the Secured Party provided for in this Agreement, the Security Agreement and the other Line of Credit Loan Documents shall be cumulative and shall not be to the exclusion of any additional rights that the Secured Party may enjoy under applicable law. All costs and expenses incurred by the Secured Party in enforcing its rights under this Agreement, the Security Agreement and the other Line of Credit Loan Documents, including legal expenses and reasonable attorneys' fees, shall be borne by the Borrower.

(b) The failure of the Secured Party to exercise any right to seek any remedy provided for in this Agreement, the Security Agreement and the other Line of Credit Loan Documents, and the acceptance by the Secured Party of any partial or delinquent performance by the Borrower of any of the Obligations, shall not constitute a waiver by the Secured Party of any of its rights or remedies hereunder or of its right thereafter to enforce this Patent Security Agreement strictly in accordance with its terms. No waiver of any rights of the Secured Party, or modification of any term of this Agreement, shall be enforceable unless in writing and signed by the authorized representative of each of the parties hereto.

6. Miscellaneous

(a) Any notice or other communications hereunder to any party shall be in writing and may be personally served or sent by United States mail, registered or certified, postage prepaid and properly addressed as set forth on page one (1) hereof with respect to the parties hereof.

(b) This Patent Security Agreement shall be construed and enforced in accordance with the laws of the **State of Nevada**.

(c) This Patent Security Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

***[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]***

IN WITNESS WHEREOF, the parties have executed this Patent Security Agreement on the date first above written.

**BORROWER:**

DERMACIA INC., a California Corporation

By: 

Name: Matt Avicer

Title: CEO

**SECURED PARTY:**

MEDICAL PROVIDER FINANCIAL CORPORATION III,  
a Nevada corporation

By: 

Joseph J. Lampariello, President and COO

**APPENDIX A****1. PATENTS**

<b><u>Patent Application Number/Application Publication Number</u></b>	<b><u>Filing Date / Publication Date</u></b>	<b><u>Title/Inventor</u></b>
SN 10/440,990	May 19, 2003	Gel-Based Cosmetic And Wound-Healing Formulation and Method Knapp et al
US2004/0101515	May 27, 2004	

**2. TRADEMARK APPLICATIONS**

<b><u>Trademark Application Serial Number</u></b>	<b><u>Mark</u></b>
78630012	DREAM WEAR
78668503	BREATHING BEAUTY
78633460	POLE POSITION
78630029	DREAM FINISH
78629997	DREAMWEAR
78623085	NATIONAL GENECULAR INSTITUTE, INC
78622923	GENECULAR
78609840	FIRMAIRE
78629905	REVIZAMINERX
78415936	SECRET WEAPON
78516088	AIRE FINISH
78576591	REVISIONARY
78486299	DREAMLINE
78415970	MILE HIGH
78415963	JET LINER
78415879	CLEAR SKIES AHEAD
78415859	LIFTOFF
78409382	MAKEOVER RADIO
78787657	LIQUID POWDER