

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
FERRO PFANSTIEHL LABORATORIES, INC.	04/19/2006

RECEIVING PARTY DATA	
Name:	NATIONAL CITY BANK, AS ADMINISTRATIVE AGENT
Street Address:	1900 East Ninth Street, 8th Floor
Internal Address:	Locator 01-2083
City:	Cleveland
State/Country:	OHIO
Postal Code:	44114

PROPERTY NUMBERS Total: 17

Property Type	Number
Patent Number:	6998051
Patent Number:	6966990
Patent Number:	6931888
Patent Number:	6986846
Application Number:	10531008
Application Number:	10691113
Application Number:	10434426
Application Number:	10789422
Application Number:	10541292
Application Number:	10541909
Application Number:	11078554
Application Number:	10531160
Application Number:	10534665
Application Number:	10536330

OP \$680.00 6998051

Application Number:	11160367
Application Number:	10552008
Application Number:	11462698

CORRESPONDENCE DATA

Fax Number: (312)701-7711
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 312-701-7237
Email: cdore@mayerbrownrowe.com
Correspondent Name: Christopher Dore
Address Line 1: 71 South Wacker Drive
Address Line 2: Mayer Brown Rowe & Maw LLP
Address Line 4: Chicago, ILLINOIS 60606-4637

NAME OF SUBMITTER:	Christopher Dore
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Total Attachments: 7
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PATENT SECURITY AGREEMENT

This PATENT SECURITY AGREEMENT, dated as of April 19, 2006 (this "*Agreement*"), is made by FERRO PFANSTIEHL LABORATORIES, INC., a Delaware corporation (the "*Grantor*"), in favor of NATIONAL CITY BANK, as the administrative agent (together with its successor(s) thereto in such capacity, the "*Administrative Agent*") for each of the Secured Parties.

WITNESSETH:

WHEREAS, this Agreement is made pursuant to the Credit Agreement, dated as of August 31, 2001 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "*Credit Agreement*"), among the Borrower, the various financial institutions and other persons from time to time party thereto (the "*Lenders*"), Credit Suisse First Boston, as Syndication Agent, and the Administrative Agent;

WHEREAS, in connection with the Credit Agreement, the Grantor has executed and delivered a Pledge and Security Agreement, dated as of April 19, 2006 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Security Agreement");

WHEREAS, pursuant to the Credit Agreement and pursuant to clause (e) of Section 4.5 of the Security Agreement, the Grantor is required to execute and deliver this Agreement and to grant to the Administrative Agent a continuing security interest in all of the Patent Collateral (as defined below) to secure all Secured Obligations; and

WHEREAS, the Grantor has duly authorized the execution, delivery and performance of this Agreement; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees, for the benefit of each Secured Party, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided in the Security Agreement.

SECTION 2. Grant of Security Interest. The Grantor hereby assigns, pledges, hypothecates, charges, mortgages, delivers, and transfers to the Administrative Agent, for its benefit and the ratable benefit of each other Secured Party, and hereby grants to the Administrative Agent, for its benefit and the ratable benefit of each other Secured Party, a continuing security interest in all of the following property, whether now or hereafter existing or acquired by the Grantor (the "*Patent Collateral*"):

(a) all of its letters patent and applications for letters patent throughout the world, including all patent applications in preparation for filing and each patent and patent application referred to in Item A of Schedule I attached hereto;

(b) all reissues, divisions, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the items described in clause (a);

(c) all of its patent licenses, and other agreements providing the Grantor with the right to use any items of the type referred to in clauses (a) and (b) above, including each patent license referred to in Item B of Schedule I attached hereto; and

(d) all Proceeds of, and rights associated with, the foregoing (including license royalties and Proceeds of infringement suits), the right to sue third parties for past, present or future infringements of any patent or patent application, and for breach or enforcement of any patent license.

SECTION 3. Security Agreement. This Agreement has been executed and delivered by the Grantor for the purpose of registering the security interest of the Administrative Agent in the Patent Collateral with the United States Patent and Trademark Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Administrative Agent for its benefit and the ratable benefit of each other Secured Party under the Security Agreement. The Security Agreement (and all rights and remedies of the Administrative Agent and each Secured Party thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Liens. Upon (i) the Disposition of Patent Collateral in accordance with the Credit Agreement or (ii) the occurrence of the Termination Date, the security interests granted herein shall automatically terminate with respect to (A) such Patent Collateral (in the case of clause (i)) or (B) all Patent Collateral (in the case of clause (ii)). Upon any such Disposition or termination, the Administrative Agent will, at the Grantor's sole expense, deliver to the Grantor, without any representations, warranties or recourse of any kind whatsoever, all Patent Collateral held by the Administrative Agent hereunder, and execute and deliver to the Grantor such Documents as the Grantor shall reasonably request to evidence such termination.

SECTION 5. Acknowledgment. The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Administrative Agent with respect to the security interest in the Patent Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

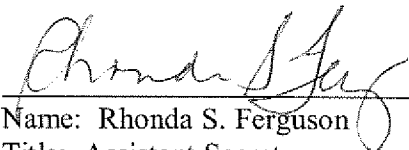
SECTION 6. Credit Document. This Agreement is a Credit Document executed pursuant to the Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions thereof, including Article XII thereof.

SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.


* * * * *

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed and delivered as of the date first above written.

FERRO PFANSTIEHL LABORATORIES, INC.

By: 
Name: Rhonda S. Ferguson
Title: Assistant Secretary

NATIONAL CITY BANK,
as Administrative Agent

By: 
Name: ROBERT S. COLEMAN
Title: SENIOR VICE PRESIDENT

SCHEDULE I
to Patent Security Agreement

Item A. Patents

Issued Patents

<u>Country</u>	<u>Patent No.</u>	<u>Issue Date</u>	<u>Inventor(s)</u>	<u>Title</u>
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SEE ATTACHED

Pending Patent Applications

<u>Country</u>	<u>Serial No.</u>	<u>Filing Date</u>	<u>Inventor(s)</u>	<u>Title</u>
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SEE ATTACHED

Patent Applications in Preparation

<u>Country</u>	<u>Docket No.</u>	<u>Expected Filing Date</u>	<u>Inventor(s)</u>	<u>Title</u>
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SEE ATTACHED

Item B. Patent Licenses

<u>Country or Territory</u>	<u>Licensor</u>	<u>Licensee</u>	<u>Effective Date</u>	<u>Expiration Date</u>	<u>Subject Matter</u>
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None.

Matter ID	Country	Patent Title	Status	Serial No.	Filing Date	Patent	Issue Date	Owner
14121	United States	Particles from Supercritical Fluid Extraction of Emulsion	Issued Taxes Due	10/423492	4/25/2003	6998051	2/14/2006	Ferro Pfanstiehl Laboratories, Inc.
14168	United States	Composite Particles and Method for Preparing	Issued Taxes Due	10/441137	5/19/2003	6966990	11/22/2005	Ferro Pfanstiehl Laboratories, Inc.
14650.001	United States	Method and Apparatus For Producing Composite	On File	10/531008	4/12/2005			Ferro Pfanstiehl Laboratories, Inc.
14651	United States	Method and Apparatus for Producing Particles Via Supercritical Fluid Processing	On File	10/691113	10/22/2003			Ferro Pfanstiehl Laboratories, Inc.
14652	United States	Method and Apparatus for Continuous Particle Production Using Supercritical Fluid	On File	10/434426	5/8/2003			Ferro Pfanstiehl Laboratories, Inc.
14668.001	United States	METHOD AND APPARATUS FOR PRODUCING PARTICLES USING SUPERCritical FLUID	On File	10/789422	2/27/2004			Ferro Pfanstiehl Laboratories, Inc.
14669.001	United States	METHOD AND APPARATUS FOR SUPERCritical FLUID ASSISTED PARTICLE	On File	10/541292	2/23/2006			Ferro Pfanstiehl Laboratories, Inc.
14670.001	United States	Method and Apparatus for Enhanced Size Reduction of Particles	On File	10/541909	12/12/2005			Ferro Pfanstiehl Laboratories, Inc.
14684	United States	Lyophilization Method and Apparatus for Producing Particles	Issued Taxes Due	10/434435	5/8/2003	6931888	8/23/2005	Ferro Pfanstiehl Laboratories, Inc.
14684.002	United States	Lyophilization Method and Apparatus for Producing Particles	On File	11/078554	3/11/2005			Ferro Pfanstiehl Laboratories, Inc.
14857.001	United States	Nanoparticles From Supercritical Fluid Antisolvent	On File	10/531160	4/12/2005			Ferro Pfanstiehl Laboratories, Inc.

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REEL: 017527 FRAME: 0054

14858.001.001	United States	Method for Preparation Of Particles From Solution-In-Supercritical Fluid or Compressed	On File	10/534665	11/21/2005	Ferro Pfanstiehl Laboratories, Inc.
15040.001.001	United States	METHOD OF FORMING PARTICLES	On File	10/536330	5/25/2005	Ferro Pfanstiehl Laboratories, Inc.
15168	United States	Method For Producing Solid-Lipid Composite Drug	On File	11/160367	6/21/2005	Ferro Pfanstiehl Laboratories, Inc.
15618.001.001	United States	Production of Porous Materials By Supercritical Fluid	On File	10/552008	10/5/2005	Ferro Pfanstiehl Laboratories, Inc.
15641.001	United States	Method and Apparatus For Purifying Pharmaceutical	On File	11/162698	9/20/2005	Ferro Pfanstiehl Laboratories, Inc.
16202	United States	Butyl Lactate Emulsions For Precipitation Of Particles	In Preparation			Ferro Pfanstiehl Laboratories, Inc.
16470	United States	Method For The Precipitation of Composite Porous Particles	In Preparation			Ferro Pfanstiehl Laboratories, Inc.
14933.001	United States	Method and Apparatus for Enhanced Size Reduction of Particles Using Supercritical Fluid	Issued Taxes Due	10/932559	9/2/2004	6986846 Ferro Pfanstiehl Laboratories, Inc.