

Form PTO-1595 (Rev. 03-09)
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U.S. DEPARTMENT OF COMMERCE
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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)

PHAGE BIOTECHNOLOGY CORPORATION

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

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

Execution Date(s) August 21, 2009

- ☐ Assignment ☐ Merger
☐ Security Agreement ☐ Change of Name
☐ Joint Research Agreement
☐ Government Interest Assignment
☐ Executive Order 9424, Confirmatory License
☒ Other AMENDMENT TO SECURITY AGREEMENT

2. Name and address of receiving party(ies)

Name: RICHARD RITTER, COLLATERAL AGENT

Internal Address: _____

Street Address: BAHNHOFSTRASSE 26

City: ZURICH

State: ZURICH

Country: SWITZERLAND Zip: CH-8022

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)

10/947513, 11/187522, 11/314926

B. Patent No.(s)

7435804, 7344876, 6794162, 6773899, 6642026, 6268178, 7252818,

Additional numbers attached? ☐ Yes ☒ No

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

Name: Harry J. Proctor

Internal Address: Solomon Ward Seidenwurm & Smith, LLP

Street Address: 401 B Street, Suite 1200

City: San Diego

State: CA Zip: 92101

Phone Number: (619) 231-0303

Fax Number: (619) 231-4755

Email Address: hproctor@swsslaw.com

6. Total number of applications and patents involved: 10

7. Total fee (37 CFR 1.21(h) & 3.41) \$ 400.00

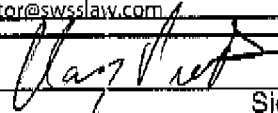
- ☐ Authorized to be charged to deposit account
☒ Enclosed
☐ None required (government interest not affecting title)

8. Payment Information

Deposit Account Number _____

Authorized User Name _____

9. Signature:


Signature

August 25, 2009

Date

HARRY J. PROCTOR
Name of Person Signing

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

6

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 1450, Alexandria, V.A. 22313-1450

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PATENT
REEL: 023134 FRAME: 0152

OP \$400.00 10947613

AMENDMENT TO SECURITY AGREEMENT

This Amendment to Security Agreement (this "Amendment") is entered into as of August 21, 2009 (the "Effective Date"), by and between Phage Biotechnology Corporation, a corporation organized and existing under the laws of the State of Delaware (the "Company"), and Richard Ritter in his capacity as Agent (as defined in Lenders Rights Agreement as amended as of the Effective Date) for the benefit of Lenders (as defined in the Loan Agreement as amended as of the Effective Date) (collectively, the "Lenders") as secured party. The parties agree as follows:

Recitals

A. The Company is the debtor in Case Number 08-09859-LA7, United States Bankruptcy Court, Southern District of California (the "Court"). The Company and Lenders are parties to a Loan Agreement, Security Agreement and Lenders Rights Agreement all dated November 19, 2008 (together with the Secured Convertible Promissory Notes delivered pursuant thereto (the "Notes", the "Loan Documents"). Capitalized terms not defined herein shall have the respective meanings ascribed to them in the Loan Documents, as applicable and as amended through the Effective Date.

B. The Company has requested the Maturity Date of the Notes be extended, and Lenders provide additional funding in an amount up to One Million dollars (\$1,000,000) to the Company for an aggregate loan amount of up to Two Million Five Hundred Thousand dollars \$2,500,000.

C. The parties desire to amend the Security Agreement to incorporate the additional indebtedness referred to in Section 1.2 and to amend Exhibit A to add additional Collateral.

D. Other than as expressly set forth herein, the parties intend that all the terms of the Security Agreement shall remain unchanged and in full force and effect.

NOW, THEREFORE, in consideration of the covenants and agreements herein contained, the parties hereto amend the Security Agreement, and covenant and agree, as follows:

1. Recitals Incorporated. The recitals set forth above are hereby incorporated by reference.

2. Amendments.

2.1 Definitions. The first paragraph of Section 2 is amended to read as follows:

"All capitalized terms not specifically defined in this Agreement have the meaning ascribed to them in the Loan Agreement, Notes, or Lenders Rights Agreement, as applicable, and as amended through the Effective Date, or if not defined in this Agreement, the Loan

Agreement, Notes, or Lenders Rights Agreement shall have the meanings set forth in the California Uniform Commercial Code (the "UCC"). In the event of any conflict between this Agreement and the Notes, Loan Agreement, or Lenders Rights Agreement, the Loan Agreement shall control. For purposes of this Agreement, the following definitions shall apply:"

2.2 Exhibit A is amended to add the following Application:

Application No. 12/024,889, Pub. No US 2008/0193992; Kluyveromyces Strains Metabolizing Cellulosic and Hemicellulosic Materials.

3. No Other Change. Except as modified by this Amendment, the parties intend that all the terms of the Security Agreement shall remain unchanged and in full force and effect.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date.

The Company:

PHAGE BIOTECHNOLOGY
CORPORATION

By: Prof. Dr. med. Th. Stegmann
Name: Dr. Thomas J. Stegmann
Title: MD, PhD

CEO + President,
Phage Biotech. Corp.

Agent:

By: [Signature]
Richard Ritter

EXHIBIT A
INTELLECTUAL PROPERTY

	Patent No.	Issue Date	Title
1	7,435,804	October 14, 2008	Method for obtaining single chain antibodies to human interferon .alpha.2b
2	7,344,876	March 18, 2008	Kluyveromyces strains metabolizing cellulosic and hemicellulosic materials
3	6,794,162	September 21, 2004	Phage- dependent super-production of biologically active protein and peptides
4	6,773,899	August 10, 2004	Phage-dependent superproduction of biologically active protein and peptides
5	6,642,026	November 4, 2003	Method of producing biologically active human acidic fibroblast growth factor and its use in promoting angiogenesis
6	6,268,178	July 31, 2001	Phage- dependent super-production of biologically active protein and peptides
7	7,252,818	August 7, 2007	Method of producing biologically active human acidic fibroblast growth factor and its use in promoting angiogenesis

	Application No.	Publication No.	Title
1	10/947513	20050059129	Biologically active material conjugated with biocompatible polymer with 1:1 complex, preparation method thereof and pharmaceutical composition comprising the same
2	11/187,522	20050281778	Human growth hormone conjugated with biocompatible polymer
3	11/314926	20060134736	Human growth hormone conjugated with biocompatible polymer
4	12/024,889	20080193992	Kluyveromyces Strains Metabolizing Cellulosic and Hemicellulosic Materials