

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
Aqua Pharmaceuticals, LLC	12/21/2010
Aqua Pharmaceuticals Intermediate Holdings, Inc.	12/21/2010
Aqua Pharmaceuticals Holdings, Inc.	12/21/2010

RECEIVING PARTY DATA

Name:	General Electric Capital Corporation
Street Address:	500 West Monroe Street
City:	Chicago
State/Country:	ILLINOIS
Postal Code:	60661

PROPERTY NUMBERS Total: 7

Property Type	Number
Patent Number:	7022332
Application Number:	95000143
Patent Number:	7357938
Patent Number:	5194247
Patent Number:	5470567
Patent Number:	6353029
Application Number:	11340073

CORRESPONDENCE DATA

Fax Number: (404)443-5697

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 404-443-5744

Email: lallen@mcguirewoods.com

Correspondent Name: Laura Phillips, Esq.

Address Line 1: McGuireWoods LLP

501389022

PATENT
REEL: 025743 FRAME: 0690

OP \$280.00 7022332

Address Line 2: 1170 Peachtree Street, N.E., Suite 2100
Address Line 4: Atlanta, GEORGIA 30309

ATTORNEY DOCKET NUMBER:	2060236-0030
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NAME OF SUBMITTER:	Latosha E. Allen
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Total Attachments: 13

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (this “Intellectual Property Security Agreement”), dated as of December 21, 2010, is made by the Persons named on Schedule V hereto and signatory hereto (each a “Grantor” and, collectively, the “Grantors”), with offices at the locations set forth on Schedule IV hereto, in favor of **GENERAL ELECTRIC CAPITAL CORPORATION**, a Delaware corporation, acting in its capacity as Administrative Agent for the Lending Parties under the Credit Agreement described below, with offices at 500 West Monroe Street, Chicago, Illinois 60661 (the “Administrative Agent”).

WITNESSETH:

WHEREAS, pursuant to that certain Credit Agreement dated as of June 23, 2010 by and among Aqua Pharmaceuticals, LLC (the “Borrower”), the other Credit Parties signatory thereto, the Lending Parties signatory thereto and General Electric Capital Corporation (collectively, the “Lending Parties”) (including all annexes, exhibits or schedules thereto, as amended by the First Amendment and as from time to time further amended, restated, supplemented, extended replaced or otherwise modified, the “Credit Agreement”), the Lending Parties have agreed to make certain financial accommodations (including but not limited to the First Amendment Effective Date Term Loan and other Term Loans and the Revolving Loans) for the benefit of the Borrower and the Grantors;

WHEREAS, Administrative Agent and the Lending Parties are willing to make the financial accommodations as provided for in the Credit Agreement, and Borrower and each Guarantor (including the Grantors) have executed and delivered to the Administrative Agent, for itself and the ratable benefit of Lending Parties, the Borrower Security Agreement, Holdings Security Agreement and Intermediate Holdings Security Agreement (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, collectively, the “Security Agreements”);

WHEREAS, each Grantor has previously executed that certain Intellectual Property Security Agreement dated as of June 23, 2010 (the “First IP Security Agreement”), and pursuant to the Credit Agreement, the Security Agreements, and the First Amendment each Grantor is required to execute and deliver to Administrative Agent, for itself and the ratable benefit of the Lending Parties, this Intellectual Property Security Agreement.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor hereby agrees as follows:

1. **Definitions.** All capitalized terms used but not otherwise defined herein have the meanings given to them in **Section 1.1** of the Credit Agreement.
2. **Grant of Security Interest.** To secure the prompt and complete payment and performance of all of the Obligations, each Grantor hereby grants, assigns, conveys, mortgages, pledges, hypothecates and transfers to Administrative Agent, for itself and the benefit of the

Lending Parties, a Lien upon all of its right, title and interest of such Grantor in, to and under the following, whether presently existing or hereafter created or acquired (collectively, with respect to each Grantor, the “Intellectual Property Collateral”):

- (a) all of its Patents including those referred to on Schedule I hereto and Patent Licenses to which it is a party;
- (b) all of its Trademarks including those referred to on Schedule II hereto and Trademark Licenses to which it is a party;
- (c) all of its Copyrights including those referred to on Schedule III hereto and Copyright Licenses to which it is a party;
- (d) all reissues, continuations or extensions of the foregoing;
- (e) all goodwill of the business connected with the use of, and symbolized by, each Patent, each Patent License, each Trademark, each Trademark License, each Copyright and each Copyright License; and
- (f) all products and proceeds of the foregoing, including, without limitation, any claim by such Grantor against third parties for past, present or future (i) infringement or dilution of any Patent or Patent licensed under any Patent License, (ii) injury to the goodwill associated with any Patent or any Patent licensed under any Patent License, (iii) infringement or dilution of any Trademark or Trademark licensed under any Trademark License, (iv) injury to the goodwill associated with any Trademark or any Trademark licensed under any Trademark License, (v) infringement or dilution of any Copyright or Copyright licensed under any Copyright License, and (vi) injury to the goodwill associated with any Copyright or any Copyright licensed under any Copyright License.

Notwithstanding anything in this Section to the contrary, the following shall not constitute “Intellectual Property Collateral” hereunder: any intent-to-use trademark application to the extent and for so long as creation by the Grantor of a security interest therein would result in the abandonment, invalidation or unenforceability thereof.

3. **Representations and Warranties.** Each Grantor represents and warrants to the Administrative Agent and the Lending Parties that such Grantor does not have any interest in, or title to, any Patent, registered Trademark or registered Copyright except as set forth in Schedule I, Schedule II and Schedule III, respectively, hereto, and as set forth in Schedule I, Schedule II and Schedule III, respectively, to the First IP Security Agreement. This Intellectual Property Security Agreement is effective to create a valid and continuing Lien on and, upon the recording hereof by the United States Copyright Office and the United States Patent and Trademark Office, perfected Liens in favor of Administrative Agent (for the benefit of itself and the Lending Parties) on each Grantor’s Patents, Trademarks and Copyrights set forth in Schedule I, Schedule II and Schedule III, respectively, hereto, and such perfected Liens are enforceable as such as against any and all creditors of and purchasers from any Grantor to the extent that recording in the United States Copyright Office and the United States Patent and Trademark Office is

effective to do so and subject to the proviso in the next sentence. Upon recording of this Intellectual Property Security Agreement by the United States Copyright Office and the United States Patent and Trademark Office and the filing of appropriate financing statements in the jurisdictions listed on Schedule I to the Security Agreements, all action necessary or desirable to protect and perfect Administrative Agent's Lien on each Grantor's Patents, Trademarks or Copyrights shall have been duly taken; provided, however, that the subsequent recordation of this Intellectual Property Security Agreement in the U.S. Patent and Trademark Office and U.S. Copyright Office, as applicable, may be necessary to perfect the security interest of the Administrative Agent in issued registrations and applications for other U.S. Intellectual Property that are acquired by any Grantor after the date hereof, the registration of unregistered Copyrights in the U.S. Copyright Office may be required in order to perfect the Administrative Agent's Lien therein, and the taking of actions outside the United States may be required in order to perfect the Administrative Agent's Lien in Intellectual Property included in the Collateral which is protected under non-U.S. law.

4. **Covenants.** Each Grantor covenants and agrees with the Administrative Agent that from and after the date of this Intellectual Property Security Agreement and until the Commitment Termination Date:

(a) Grantors shall notify Administrative Agent immediately if they know or have reason to know that any material application or registration relating to any Patent, Trademark or Copyright (now or hereafter existing) may become abandoned or dedicated to the public, or of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any court) regarding any Grantor's ownership of any Patent, Trademark or Copyright, its right to register the same, or to keep and maintain the same.

(b) Grantors shall provide Administrative Agent with written notice of any application filed by any Grantor, either by itself or through any agent, employee, licensee or designee, to register any Patent, Trademark or Copyright with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency in the United States within ninety (90) days of such filing, and, upon request of Administrative Agent, such Grantor shall execute and deliver a supplement hereto as Administrative Agent may request to evidence Administrative Agent's Lien on such Patent, Trademark or Copyright, and the General Intangibles of such Grantor relating thereto or represented thereby.

(c) Grantors shall take all commercially reasonable actions necessary or requested by Administrative Agent to maintain and pursue each application, to obtain the relevant registration and to maintain the registration of each of the Patents, Trademarks and Copyrights (now or hereafter existing), including the filing of applications for renewal, affidavits of use, affidavits of noncontestability and opposition and interference and cancellation proceedings, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(d) In the event that any of the Intellectual Property Collateral is infringed upon, or misappropriated or diluted by a third party, such Grantor shall (1) comply with Section 5(a)(ix) of the Security Agreements and (2) unless such Grantor shall reasonably determine that such Intellectual Property Collateral is not material to the conduct of its business or operations, promptly take all commercially reasonable actions, including to sue to enjoin any such conduct and/or to recover any and all damages for such infringement, misappropriation or dilution.

5. **Security Agreement.** The security interests granted by each Grantor pursuant to this Intellectual Property Security Agreement are granted in conjunction with the security interest granted by each Grantor to Administrative Agent, on behalf of itself and the Lending Parties, pursuant to the Security Agreements. Each Grantor and Administrative Agent expressly agree that the security interests granted under this Intellectual Property Security Agreement and the Security Agreements in the Intellectual Property Collateral are intended to be treated as a single security interest for purposes of Article 9 of the Code and other applicable law. The exercise by the Administrative Agent or the Lending Parties of any rights or remedies with respect to any of the Intellectual Property Collateral shall be deemed to be an exercise of such rights or remedies in connection with both this Intellectual Property Security Agreement and the Security Agreements. In the event of any inconsistency between the terms and conditions of this Intellectual Property Security Agreement and the Security Agreements, then the terms and conditions of the Security Agreements shall prevail.

6. **Reinstatement.** This Intellectual Property Security Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against any Grantor for liquidation or reorganization, should any Grantor become insolvent or make an assignment for the benefit of any creditor or creditors or should a receiver or trustee be appointed for all or any significant part of any Grantor's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

7. **Notices.** Whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the parties by any other party, or whenever any of the parties desires to give and serve upon any other party any communication with respect to this Intellectual Property Security Agreement, each such notice, demand, request, consent, approval, declaration or other communication shall be in writing and shall be given in the manner, and deemed received, as provided for in the Credit Agreement.

8. **Termination; Authorized Sales of Collateral.** Subject to Section 6 hereof, this Intellectual Property Security Agreement shall terminate upon the Commitment Termination Date. In the event any Grantor proposes to sell any of the Intellectual Property Collateral and

such sale is permitted pursuant to the terms and conditions set forth in Section 7.8 of the Credit Agreement, the Administrative Agent agrees, at the expense of such Grantor, to execute and deliver to such Grantor, prior to or contemporaneously with Grantor's receipt of the proceeds from such sale, such UCC-3 termination statements and other collateral property releases necessary to release the applicable Intellectual Property Collateral from the lien and security interest of the Administrative Agent.

9. **Governing Law.** THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF ILLINOIS. GRANTORS HEREBY SUBMIT TO THE NONEXCLUSIVE JURISDICTION OF THE FEDERAL AND/OR STATE COURTS SITTING IN COOK COUNTY, CITY OF CHICAGO, ILLINOIS FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. GRANTORS IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH ANY OF THEM MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH OF THE PARTIES HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN **SECTION 11.3** OF THE CREDIT AGREEMENT. NOTHING IN THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY TO THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

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IN WITNESS WHEREOF, each Grantor has caused this Intellectual Property Security Agreement to be executed and delivered by its duly authorized officer or other representative as of the date first set forth above.

GRANTORS:

AQUA PHARMACEUTICALS, LLC

By: C. B. B.
Name: Craig Ballaron
Title: President

AQUA PHARMACEUTICALS INTERMEDIATE HOLDINGS, INC.

By: C. B. B.
Name: Craig Ballaron
Title: President

AQUA PHARMACEUTICALS HOLDINGS, INC.

By: C. B. B.
Name: Craig Ballaron
Title: President

ACCEPTED AND ACKNOWLEDGED BY:

GENERAL ELECTRIC CAPITAL CORPORATION,
as Administrative Agent

By: _____
Name: Brent Shepherd
Title: Duty Authorized Signatory

IN WITNESS WHEREOF, each Grantor has caused this Intellectual Property Security Agreement to be executed and delivered by its duly authorized officer or other representative as of the date first set forth above.

GRANTORS:

AQUA PHARMACEUTICALS, LLC

By: _____
Name: _____
Title: _____

AQUA PHARMACEUTICALS INTERMEDIATE HOLDINGS, INC.

By: _____
Name: _____
Title: _____

AQUA PHARMACEUTICALS HOLDINGS, INC.

By: _____
Name: _____
Title: _____

ACCEPTED AND ACKNOWLEDGED BY:

GENERAL ELECTRIC CAPITAL CORPORATION,
as Administrative Agent

By:  _____
Name: Brent Shepherd
Title: Duly Authorized Signatory

ACKNOWLEDGMENT OF GRANTORS

STATE OF Pennsylvania
COUNTY OF Chester

On this 17th day of December, 2010, before me personally appeared Craig Ballaron, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of the following entities:

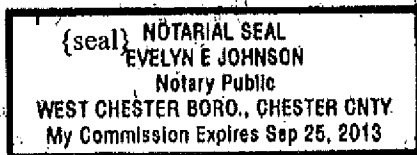
AQUA PHARMACEUTICALS, LLC

AQUA PHARMACEUTICALS INTERMEDIATE HOLDINGS, INC.

AQUA PHARMACEUTICALS HOLDINGS, INC.

who being by me duly sworn did depose and say that he is the Authorized Person of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors (or equivalent governing body) and that he acknowledged said instrument to be the free act and deed of said corporation.

Evelyn E. Johnson
Notary Public



INTELLECTUAL PROPERTY SECURITY AGREEMENT
ACKNOWLEDGMENT OF GRANTORS
SIGNATURE PAGE

PATENT
REEL: 025743 FRAME: 0699

SCHEDULE I
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

I. PATENT REGISTRATIONS

Title	US Patent No.	US Application No.	Issue Date	Owner
Sulfacetamide Formulations For Treatment of Rosacea	7,022,332 B2	10/191,880	April 4, 2006	Stiefel Laboratories, Inc. and Connetics Corporation
	7,022,332 C1	95/000,143	Dec. 2, 2008	
Sulfacetamide Formulations For Treatment of Rosacea	7,357,938	10/937,741	April 15, 2008	Stiefel Laboratories, Inc. and Connetics Corporation
Synergistic Skin Depigmentation Composition	5,194,247	554,904	Mar 16, 1993 * (Patent Term Extension of 1,365 days)	Barrier Therapeutics
Synergistic Skin Depigmentation Composition	5,470,567	141,503	Nov 28, 1995 (expired)	Barrier Therapeutics
Storage Stable Tretinoin and 4-Hydroxyanisole Containing Topical Composition	6,353,029	08/644,912	Mar 5, 2002	Barrier Therapeutics

II. PATENT APPLICATIONS

Title	US Patent No.	US Application No.	Issue Date	Owner
Sulfacetamide Formulations For Treatment of Skin Dermatoses	N/A	11/340,073 US2006/0239944A1	N/A	Stiefel Laboratories, Inc. and Connetics Corporation

III. PATENT LICENSES

SCHEDULE II
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

I. TRADEMARK REGISTRATIONS

Mark	Filing Date	Serial No.	Reg. No.	Reg. Date	Owner of Record
ROSAC CREAM WITH SUNSCREENS and design	26 Mar 2004	76583498	3145951	19 Sept 2006	Stiefel Laboratories, Inc.
ROSAC	7 Oct 1997	75374490	2594527	16 Jul 2002	Stiefel Laboratories, Inc.
Sunray design	26 Mar 2004	76583400	2985988	16 Aug 2005	Stiefel Laboratories, Inc.
XOLEGEL	22 May 2006	78888803	3292228	11 Sept 2007	Stiefel Laboratories, Inc.
SOLAGÉ	15 Dec 1998	75607704	2672463	7 Jan 2003	Stiefel Laboratories, Inc.
SOLAGÉ	31 Jan 2002	76366718	2744436	29 Jul 2003	Stiefel Laboratories, Inc.
Aqua Pharmaceuticals	August 26, 2005	78-701,404	3,295,081	September 18, 2007	Aqua Pharmaceuticals, LLC

II. TRADEMARK APPLICATIONS

None.

III. TRADEMARK LICENSES

None.

SCHEDULE III
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

I. COPYRIGHT REGISTRATIONS

None.

II. COPYRIGHT APPLICATIONS

None.

III. COPYRIGHT LICENSES

None.

SCHEDULE IV
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

1. Names of each Grantor:

Aqua Pharmaceuticals, LLC

Aqua Pharmaceuticals Holdings, Inc.

Aqua Pharmaceuticals Intermediate Holdings, Inc.

2. Office location of each Grantor:

Aqua Pharmaceuticals, LLC :

158 West Gay Street
West Chester, PA 19380

Aqua Pharmaceuticals Holdings, Inc.:

272 East Deerpath Road, Suite 350
Lake Forest, IL 60045

Aqua Pharmaceuticals Intermediate Holdings, Inc.:

272 East Deerpath Road, Suite 350
Lake Forest, IL 60045

SCHEDULE V
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Aqua Pharmaceuticals, LLC

Aqua Pharmaceuticals Holdings, Inc.

Aqua Pharmaceuticals Intermediate Holdings, Inc.