

08-03-2000



To the Honorable Commissioner of Patents

101405330

Original documents or copy thereof.

1. Name of conveying party(ies):

Allermed Laboratories, Inc.
7203 Convo Court
San Diego, CA 92111

- Individual(s)
- General Partnership
- Corporation-State California
- Other

- Association
- Limited Partnership

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: July 14, 2000

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

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

Name: IBJ Whitehall Business Credit Corporation

Internal Address:

Street Address: One State Street

City New York State NY ZIP 10004

Individual(s) citizenship

Association

General Partnership

Limited Partnership

Corporation-State New York

Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designation must be a separate document from Assignment)
Additional name(s) & address(es) attached? Yes No

1,970,269

B. Trademark registration No.(s)

Additional numbers attached? Yes No

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

Name: Pamela A. Allen

Internal Address: King & Spalding

Street Address: 191 Peachtree Street

City: Atlanta State: GA ZIP: 30303

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41): \$ 40.00

Enclosed \$120.00 expedited fee

Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

08/04/2000 DCDATES 00000076 1970269

DO NOT USE THIS SPACE

01 FC:481
02 FC:484
9. Statement and signature 40.00 DP
20.00 DP

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 documents.

Pamela A. Allen

7/27/00

Name of Person Signing

Signature

Date

Total number of pages comprising cover sheet: 9

OMB No. 0651-0011 (exp. 4/94)

Do not detach this portion

Mail documents to be recorded with required cover sheet information to:

Commissioner of Patents and Trademarks
Box Assignments
Washington, D.C. 20231

Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information Systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project, (0651-0011).

TRADEMARK

SCHEDULE I

REGISTERED U.S. TRADEMARKS

<u>Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
CANDIN	1,970,269	4/23/96

PENDING U.S. TRADEMARK APPLICATIONS

NONE

112 11
11/11/00

**COLLATERAL ASSIGNMENT AND
SECURITY AGREEMENT (TRADEMARKS)**

THIS COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT (TRADEMARKS) (the "Agreement"), dated as of July 14, 2000, by and between ALLERMED LABORATORIES, INC., a California corporation (the "Grantor"), and IBJ WHITEHALL BUSINESS CREDIT CORPORATION, a New York corporation ("IBJWBCC"), as Agent (IBJWBCC, in such capacity, the "Agent") for itself and the other lenders (IBJWBCC and such other lenders, collectively, the "Lenders") as are, or may from time to time become, parties to the Loan and Security Agreement (as defined below).

WITNESSETH:

RECITALS.

A. Grantor, Greer Laboratories, Inc., a North Carolina corporation ("Greer", together with Grantor, each individually a "Borrower" and collectively, the "Borrowers"), the Lenders and Agent have entered into a Revolving Credit, Term Loan, Capital Expenditure Loan and Security Agreement, dated as of July 30, 1999 (as amended to date and hereafter as amended, restated, supplemented or otherwise modified from time to time, the "Loan and Security Agreement"; capitalized terms used herein and not defined shall have the meanings ascribed to them in the Loan and Security Agreement).

B. Grantor owns certain trademarks which are registered in, or applications for registration which have been filed in, the United States Patent and Trademark Office, and rights under certain Trademark Licenses, all as more fully described on Schedule I attached hereto and by reference made part hereof; and

C. The Lenders propose to make certain loans to the Borrowers pursuant to the Loan and Security Agreement; and

D. Pursuant to the Loan and Security Agreement, Grantor has assigned, conveyed, mortgaged, pledged, hypothecated and transferred to the Agent, for its benefit and the ratable benefit of the Lenders, all of its right, title and interest in and to, and granted to the Agent, for its benefit and the ratable benefit of the Lenders, a security interest in, the property described therein, including, without limitation, (a) all of Grantor's Trademarks (as herein defined), whether presently existing or hereafter acquired or arising, or in which Grantor now has or hereafter acquires rights and wherever located; (b) all of Grantor's Trademark Licenses (as herein defined), whether presently existing or hereafter acquired or in which Grantor now has or hereafter acquires rights and wherever located; and (c) all products and proceeds any of the foregoing, as security for all of the Obligations; and

E. As a condition precedent to the extension of such financial accommodations pursuant to the Loan and Security Agreement and in furtherance of the Loan

and Security Agreement, including, without limitation, for purposes of perfecting the security interests granted therein, the Lenders have required that Grantor grant to the Agent, for its benefit and the ratable benefit of Lenders, a security interest in and a collateral assignment of the Property (as herein defined);

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

1. For purposes of this Agreement and in addition to terms defined elsewhere in this Agreement, the following terms shall have the meanings herein specified (such meaning to be equally applicable to both the singular and plural forms of the terms defined):

“Trademark License” means any written agreement now or hereafter in existence granting to Grantor any right to use any Trademark, including, without limitation, the agreements listed on Schedule I attached hereto.

“Trademarks” means all of the following: (i) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, including, without limitation, those listed on Schedule I attached hereto together with all the rights, benefits and privileges derived therefrom and the goodwill of the business symbolized thereby, (ii) all renewals thereof and (iii) all proceeds of the foregoing.

2. As security for all of the Obligations, Grantor hereby grants and conveys a security interest to the Agent, for its benefit and the ratable benefit of the Lenders, in, and collaterally assigns to the Agent, for its benefit and the ratable benefit of the Lenders, all of its right, title and interest in, to and under the following (collectively, the “Property”):

(a) each Trademark now or hereafter owned by Grantor or in which Grantor now has or hereafter acquires rights and wherever located and the goodwill of the business of Grantor relating thereto or represented thereby, including, without limitation, each Trademark referred to in Schedule I hereto; and

(b) each Trademark License now or hereafter held by Grantor or in which Grantor now has or hereafter acquires rights, to the extent each of the Trademark Licenses does not prohibit assignment or the granting of a security interest in the rights thereunder, and wherever located, including, without limitation, the Trademark Licenses, if any, referred to in Schedule I hereto; and

(c) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future infringement of any Trademark or breach of Trademark Licenses, if any, including, without limitation, any Trademark or Trademark License referred to in Schedule I hereto.

Notwithstanding the foregoing or anything else contained in this Agreement to the contrary, the assignment set forth above shall not be effective as a transfer of title to the Property unless and until the Agent exercises the rights and remedies accorded to it under the Loan and Security Agreement and by law with respect to the realization upon its security interest in and collateral assignment of the Property, and until such time Grantor shall own, and may use and enjoy the Property in connection with its business operations, and exercise all incidents of ownership, including, without limitation, enforcement of its rights and remedies with respect to the Property, but with respect to all Property being used in Grantor's business, only in a manner consistent with the preservation of the current substance, validity, registration and the security interest and collateral assignment herein granted in such Property.

3. Grantor does hereby further acknowledge and affirm that the representations, warranties and covenants of Grantor with respect to the Property and the rights and remedies of the Agent with respect to the security interest in and collateral assignment of the Property made and granted hereby are more fully set forth in the Loan and Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

4. This Agreement shall terminate upon termination of the Loan and Security Agreement in accordance with Section 13 thereof. At any time and from time to time prior to such termination, the Agent may terminate its security interest in or reconvey to Grantor any rights with respect to any or all of the Property. Upon termination of this Agreement and following a request from Grantor, the Agent shall, at the expense of Grantor, execute and deliver to Grantor all deeds, assignments and other instruments as may be necessary or proper in the reasonable judgment of Grantor in order to evidence such termination, subject to any disposition of the Property which may have been made by the Agent pursuant hereto or pursuant to the Loan and Security Agreement.

5. If at any time before the termination of this Agreement in accordance with Section 4, Grantor shall obtain or acquire rights to any new Trademark or Trademark License, the provisions of Section 2 shall automatically apply thereto and Grantor shall comply with the terms of the Loan and Security Agreement with respect to such new Trademark or Trademark License. Grantor authorizes the Agent to modify this Agreement by amending Schedule 1 to include any future Trademarks and Trademark Licenses covered by Section 2 or by this Section 5.

6. Grantor further agrees that (a) neither the Agent nor any Lender shall have any obligation or responsibility to protect or defend the Property and Grantor shall at its own expense protect, defend and maintain the same in accordance with the terms and conditions set forth in the Loan and Security Agreement, (b) Grantor shall forthwith advise the Agent promptly in writing upon detection of infringements of any of the Property being used in Grantor's business and (c) if Grantor fails to comply with the requirements of the preceding clause (a), the Agent or any Lender may do so in Grantor's name or in its own name, but in any case at Grantor's expense, and Grantor hereby agrees to reimburse the Agent and the Lenders for all expenses, including attorneys' fees, incurred by the Agent and the Lenders in protecting, defending and maintaining the Property.

7. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, EXCEPT TO THE EXTENT THAT PERFECTION (AND THE EFFECT OF PERFECTION AND NONPERFECTION) AND CERTAIN REMEDIES MAY BE GOVERNED BY THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF NEW YORK.

[Signatures on Following Pages]

SCHEDULE I

REGISTERED U.S. TRADEMARKS

<u>Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
CANDIN	1,970,269	4/23/96

PENDING U.S. TRADEMARK APPLICATIONS

NONE

TRADEMARK LICENSES

Trademark Licenses with respect to which
Grantor is a licensor:

NONE

Trademarks and Trademark Applications with respect to which
Grantor is a licensee:

NONE