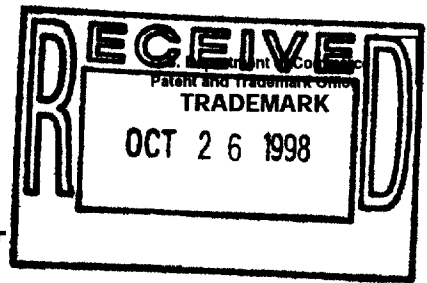


11-02-1998



100866615



RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment
- License
- Security Agreement
- Nunc Pro Tunc Assignment
Effective Date
Month Day Year
- Merger
- Change of Name
- Other

Conveying Party

Mark if additional names of conveying parties attached

Name

Execution Date
Month Day Year

Formerly

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other
- Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

- Individual
- General Partnership
- Limited Partnership

- Corporation
- Association

Other

Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

FOR OFFICE USE ONLY

10/30/1998 DNGUYEN 00000405 75154881

01 FC:481 40.00 OP
02 FC:482 50.00 OP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK
REEL: 1814 FRAME: 0412

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments. #

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

Number of Properties

Enter the total number of properties involved. #

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41): \$

Method of Payment: Enclosed Deposit Account

Deposit Account
(Enter for payment by deposit account or if additional fees can be charged to the account.)
Deposit Account Number: #

Authorization to charge additional fees: Yes No

Statement and Signature

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 document. Charges to deposit account are authorized, as indicated herein.

John L. Koenig

10/22/98

Name of Person Signing

Signature

Date Signed

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is made as of the 7th day of October, 1998, by and between MEDTREX INCORPORATED, a Pennsylvania corporation with its principal place of business at 800 Vinial Street, Pittsburgh, PA 15212 ("Grantor"), and SILICON VALLEY BANK, a California-chartered bank with its principal place of business at 3003 Tasman Drive, Santa Clara, CA 95054 and with a loan production office located at Wellesley Office Park, 40 William Street, Suite 350, Wellesley, MA 02481, doing business under the name "Silicon Valley East ("Bank").

RECITALS

A. Bank has made certain advances of money and extended certain financial accommodations to Grantor (the "Loans") in the amounts and manner set forth in that certain QuickStart Loan and Security Agreement dated September 27, 1996 by and between Bank and Grantor (as the same may be amended, modified or supplemented from time to time, the "Loan Agreement"; capitalized terms used here are used as defined in the Loan Agreement). Bank is willing to continue to extend financial accommodations to Grantor, but only upon the condition, among others, that Grantor shall grant to Bank a security interest in certain Copyrights, Trademarks, Patents, and Mask Works to secure the obligations of Grantor under the Loan Agreement.

B. Pursuant to the terms of the Loan Agreement, Grantor has granted to Bank a security interest in all of Grantor's right, title and interest, whether presently existing or hereafter acquired, in, to and under all of the Collateral.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound, as collateral security for the prompt and complete payment when due of its obligations under the Loan Agreement, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its obligations under the Loan Agreement, Grantor grants and pledges to Bank a security interest in all of Grantor's right, title and interest in, to and under its Intellectual Property Collateral (including without limitation those Copyrights, Patents, Trademarks and Mask Works listed on Schedules A, B, C, and D hereto), and including without limitation all proceeds thereof (such as, by way of example but not by way of limitation, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all re-issues, divisions, continuations, renewals, extensions and continuations-in-part thereof.

This security interest is granted in conjunction with the security interest granted to Bank under the Loan Agreement. The rights and remedies of Bank with respect to the security interest granted hereby are in addition to those set forth in the Loan Agreement and the other Loan Documents, and those which are now or hereafter available to Bank as a matter of law or equity. Each right, power and remedy of Bank provided for herein or in the Loan Agreement or any of the Loan Documents, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or remedy provided for herein and the exercise by Bank of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Loan Agreement or any of the other Loan Documents, or now or hereafter existing at law or in equity, shall not preclude the simultaneous or later exercise by any person, including Bank, of any or all other rights, powers or remedies.

This Intellectual Property Security Agreement shall be governed by the laws of the Commonwealth of Massachusetts without regard for choice of law provisions. Grantor and Bank consent to the non-exclusive jurisdiction of any state or federal court of competent jurisdiction in the Commonwealth of Massachusetts in any action, suit, or proceeding of any kind against it which arises out of or by reason of this Agreement provided, however, that if for any reason Bank cannot avail itself of the courts of the Commonwealth of Massachusetts, then venue shall lie in Santa Clara County, California.

GRANTOR AND BANK WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN.

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as a sealed instrument as of the date first set forth above.

"Grantor"

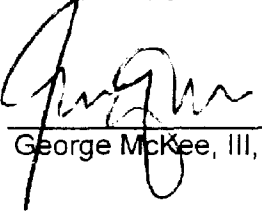
"Bank"

MEDTREX INCORPORATED

SILICON VALLEY BANK, doing business
as SILICON VALLEY EAST

By:

By:


George McKee, III, President

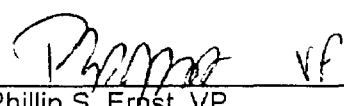

Phillip S. Ernst, VP

EXHIBIT A
TO INTELLECTUAL PROPERTY SECURITY AGREEMENT
DATED OCTOBER 7, 1998

COPYRIGHTS

SCHEDULE 1 - ISSUED COPYRIGHTS

COPYRIGHT DESCRIPTION REGISTRATION NUMBER DATE OF ISSUANCE

SCHEDULE 2 - PENDING COPYRIGHT APPLICATIONS

COPYRIGHT DESCRIPTION APPLICATION NUMBER DATE OF FILING DATE OF CREATION FIRST DATE OF PUBLIC DISTRIBUTION

SCHEDULE 3 - UNREGISTERED COPYRIGHTS (NO APPLICATION PENDING)

COPYRIGHT DESCRIPTION DATE OF CREATION FIRST DATE OF PUBLIC DISTRIBUTION ORIGINAL AUTHOR OR OWNER (IF DIFFERENT FROM ASSIGNOR) DATE AND RECORDATION NUMBER OF ASSIGNMENT TO ASSIGNOR (IF ORIGINAL AUTHOR OR OWNER IS DIFFERENT THAN ASSIGNOR)

EXHIBIT B
TO INTELLECTUAL PROPERTY SECURITY AGREEMENT
DATED OCTOBER 7, 1998

PATENTS

<u>PATENT DESCRIPTION</u>	<u>REGISTRATION NUMBER</u>	<u>REGISTRATION DATE</u>	<u>APPLICATION NUMBER</u>	<u>APPLICATION DATE</u>
ELECTROSURGICAL PENCIL			08/637,927	5/1/96
ELECTROSURGICAL PENCIL WITH USE INDICATOR			60/087,245	5/29/98

EXHIBIT C
TO INTELLECTUAL PROPERTY SECURITY AGREEMENT
DATED OCTOBER 7, 1998

TRADEMARKS

<u>TRADEMARK DESCRIPTION</u>	<u>REGISTRATION NUMBER</u>	<u>REGISTRATION DATE</u>	<u>APPLICATION NUMBER</u>	<u>APPLICATION DATE</u>
MEDTREX			75/154881	8/23/96
MEDTREX			75/135387	7/17/96
HYDROCOOL	2,182,762	8/18/98		