

02-10-1999



100962425

ACC. TRADEMARK ASSIGNMENT

MD
2-8-99

TO THE COMMISSIONER OF PATENTS AND TRADEMARKS
BOX ASSIGNMENTS
WASHINGTON, DC 20231

Re: Registration Numbers:

1,939,191
1,864,545
1,856,593

1. The name of the party conveying the interest is:

Codman Group, Inc. (Corporation)
138 River Road
Andover, MA 01810

2. The name and address of the party receiving the interest is:

Petra Capital, LLC (Limited Liability Company)
172 2nd Avenue North, Suite 112
Nashville, Tennessee 37201

3. The nature of conveyance is: Security Agreement.

4. Each trademark number against which the Trademark Assignment is to be filed is:

Trademark Registration No.(s):

1,939,191
1,864,545
1,856,593

5. The name and address of the party to whom correspondence concerning the request to record the document should be mailed is:

Sherrard & Roe, PLC
424 Church Street, Suite 2000
Nashville, TN 37219
Attn: Michael D. Roberts

6. There are three registrations identified in this cover sheet and the fee for recording the Trademark Assignment is \$90.00, and such fee is enclosed.

7. The Trademark Assignment that gave rise to the interest being granted in the above-referenced trademarks was executed by Codman Group, Inc. on January 28, 1999.

8. The assignee of the trademark is domiciled in the United States.

02/10/1999 DC0ATES 00000016 1939191

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

(SIGNATURE PAGE TO TRADEMARK COVER SHEET)

9. To the best of the undersigned's knowledge and belief, the information contained in this cover sheet is true and correct and any copy submitted is a true copy of the original document.

Codman Group, Inc., successor by merger to The
Codman Research Group, Inc.

By: M.T. [Signature]
Title: PRESIDENT & CEO

**TRADEMARK AND PATENT
SECURITY AGREEMENT**

THIS TRADEMARK AND PATENT SECURITY AGREEMENT, dated as of January 18, 1999, is made by CODMAN GROUP, INC., a Delaware corporation (the "Grantor"), in favor of PETRA CAPITAL, LLC, a Georgia limited liability company (the "Lender").

RECITALS:

On the date hereof, Codman Research Group, Inc. ("CRG") will merge (the "Merger") into CareMonitor, Inc., which will be the surviving entity. Immediately following the Merger, the surviving entity will change its name (the "Name Change") to Codman Group, Inc. The consent of Lender is required to effectuate the Merger, and execution of this Agreement is one condition to such consent.

A G R E E M E N T:

NOW, THEREFORE, Lender and Grantor agree as follows:

1. Defined Terms. Unless otherwise defined herein, terms which are defined in the Loan Agreement and used herein are so used as so defined, and the following terms shall have the following meanings:

"Collateral" has the meaning assigned to it in Section 2 of this Security Agreement.

"Event of Default" has the same meaning as provided in the Loan Agreement.

"Loan Agreement" means the Amended and Restated Loan and Security Agreement of even date herewith between Grantor and Lender.

"Obligations" means all obligations secured hereby and shall include without limitation (a) the loan to be made concurrently or in connection with this Agreement and the Loan Agreement as evidenced by the Amended Secured Promissory Note of even date herewith, in the original principal amount of \$2,000,000.00 (the "Note"), and any renewals or extensions thereof, (b) the full and prompt payment and performance of any and all other indebtednesses and other obligations of Grantor to Lender, direct or contingent (including but not limited to obligations incurred as indorser, guarantor or surety), however evidenced or denominated, and however and whenever incurred, incurred pursuant to the Loan Agreement and the Note, and (c) all future advances made by Lender for taxes, levies, insurance and preservation of the Collateral and all reasonable attorney's fees, court costs and expenses of whatever kind incident to the collection of any of said indebtedness or other obligations and the enforcement and protection of the security interest created hereby.

"Patents" means all types of exclusionary or protective rights granted (or applications therefor) for inventions in any country of the world (including, without limitation, letters patent, plant patents, utility models, breeders' right certificates, inventor's certificates and the like), and all reissues and extensions thereof and all divisions, continuations and continuations-in-part thereof, including, without limitation, any thereof referred to in Exhibit A hereto.

"Patent License" means all agreements material to the operation of Grantor's businesses, whether written or oral, providing for the grant by or to Grantor of any right to manufacture, use or sell any invention covered by a Patent, including, without limitation, any thereof referred to in Exhibit A hereto.

“Proceeds” means “proceeds,” as such term is defined in Section 9-306(1) of the UCC and, to the extent not included in such definition, shall include, without limitation, (a) any and all proceeds of any insurance, indemnity, warranty, guaranty or letter of credit payable to Grantor from time to time with respect to any of the Collateral, (b) all payments (in any form whatsoever) paid or payable to Grantor from time to time in connection with any taking of all or any part of the Collateral by any governmental authority or any person acting under color of governmental authority, (c) all judgments in favor of Grantor in respect of the Collateral, and (d) all other amounts from time to time paid or payable or received or receivable under or in connection with any of the Collateral.

“Security Agreement” means this Trademark and Patent Security Agreement, as amended, supplemented or otherwise modified from time to time.

“Trademarks” means (a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source of business identifiers used in any country in the world, whether registered or unregistered, and the goodwill associated therewith, now existing or hereafter acquired and material to the businesses of Grantor, and (b) all registrations, recordings and renewals thereof, and all applications in connection therewith, issued by or filed with a national, state or local governmental authority of any country, including, without limitation, all such rights referred to in Exhibit A hereto.

“Trademark License” means any agreement, material to the businesses of Grantor, written or oral, providing for the grant by or to Grantor of any right to use any Trademark, including, without limitation, any thereof referred to in Exhibit A hereto.

“UCC” means the Uniform Commercial Code as from time to time in effect in the State of Georgia.

2. Grant of Security Interest. As collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations, effective immediately upon the consummation of the Merger and the Name Change, Grantor hereby assigns and grants to Lender for the benefit of Lender a security interest in all of Grantor’s right, title and interest in and to the following property now owned or at any time hereafter acquired by Grantor or in which Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the “Collateral”):

- a. all Trademarks;
- b. all Trademark Licenses;
- c. all Patents;
- d. all Patent Licenses; and
- e. to the extent not otherwise included, all Proceeds and products of any and all of the foregoing;

that are material to the business of Grantor, and whether or not included in Exhibit A.

3. Representations and Warranties Concerning Trademarks. Grantor represents and warrants that Exhibit A hereto includes all of Grantor’s registered Trademarks and Trademark Licenses and all of the Patents and Patent Licenses owned by Grantor in its own name or as to which Grantor has any colorable claim of ownership as of the date hereof. To the best of Grantor’s knowledge, each Trademark and Patent is valid, subsisting, unexpired, and has not been abandoned. Except as set forth in Exhibit A, none of the Trademarks or Patents is the subject of any licensing or

franchise agreement. All licenses of the Trademarks and Patents are in force and effect, and, to the best knowledge of Grantor, not in default. No holding, decision or judgment has been rendered by any governmental authority which would limit, cancel or question the validity of any Trademark or Patent. To Grantor's knowledge, no action or proceeding is pending (i) seeking to limit, cancel or question the validity of any Trademark or Patent or Grantor's ownership thereof, or (ii) which, if adversely determined, could have a material adverse effect on the value of any Trademark or Patent.

4. Covenants. Grantor covenants and agrees with Lender that, from and after the date of this Security Agreement until the Obligations are paid in full:

a. Further Documentation. From time to time, upon the written request of Lender, and at the sole expense of Grantor, Grantor will promptly and duly execute and deliver such further instruments and documents and take such further action as Lender may reasonably request for the purpose of obtaining or preserving the full benefits of this Security Agreement and the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the Uniform Commercial Code as in effect in any jurisdiction with respect to the liens created hereby. Grantor also hereby authorizes Lender to file any such financing or continuation statement without the signature of Grantor to the extent permitted by applicable law. A carbon, photographic or other reproduction of this Security Agreement shall be sufficient as a financing statement for filing in any jurisdiction.

b. Limitation on Lien or Collateral. Grantor will not create, incur or permit to exist, and Grantor will take all commercially reasonable actions to defend the Collateral against, and will take such other commercially reasonable action as is necessary to remove, any lien or claim on or to the Collateral or any portion thereof, other than the security interests created hereby, and other than as permitted pursuant to the Loan Agreement (including the Schedules thereto), and will take all commercially reasonable actions that are necessary to defend the right, title and interest of Lender in and to any of the Collateral against the claims and demands of all persons whomsoever.

c. Limitations on Dispositions of Collateral. Grantor will not sell, transfer or otherwise dispose of any of the Collateral, or attempt, offer or contract to do so except as permitted in the Loan Agreement.

d. Notices. Grantor will advise Lender promptly, in reasonable detail, at Lender's address set forth in the Loan Agreement, (i) of any lien (other than liens created hereby or permitted under the Loan Agreement) on, or claim asserted against, the Collateral or any portion thereof, and (ii) of the occurrence of any other event which could reasonably be expected to have a material adverse effect on the aggregate value of the Collateral or on the liens created hereunder.

e. Patents and Trademarks.

(i) Grantor (either itself or through licensees) will, except with respect to any Trademark that Grantor shall reasonably determine is of immaterial economic value to it or otherwise reasonably determines not to do so, (A) maintain such Trademark in full force and effect, free from any claim of abandonment for non-use, (B) maintain as in the past the quality of products and services offered under such Trademark, (C) employ such Trademark with the appropriate notice of registration, and (D) not (and will not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby any Trademark may become invalidated.

(ii) Grantor will not, except with respect to any Patent that Grantor shall reasonably determine is of immaterial economic value to it, do any act, or omit to do any act, whereby any Patent may become abandoned.

(iii) Grantor will promptly notify Lender if Grantor knows, or has reason to know, that any application relating to any Patent or any Trademark may become abandoned or

dedicated, or of any adverse determination or material development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark office or any court or tribunal in any country) regarding Grantor's ownership of any Patent or Trademark or its right to register the same or to keep and maintain the same.

(iv) Whenever Grantor, either by itself or through any agent, employee, licensee or designee, shall file an application for any Patent or for the registration of any Trademark with the United States Patent and Trademark Office or any similar office or agency in any other country or any political subdivision thereof, Grantor shall report such filing to Lender within five business days after the last day of the fiscal quarter in which such filing occurs. Upon request of Lender, Grantor shall execute and deliver any and all reasonably necessary agreements, instruments, documents, and papers as Lender may request to evidence Lender's security interest in any newly filed Patent or Trademark (or the application related thereto) and the goodwill and general intangibles of Grantor relating thereto or represented thereby.

(v) Grantor will take all reasonable and necessary steps, including, without limitation, in any proceedings before any tribunal, office or agency in any other country or any political subdivision thereof, to maintain and pursue each application (and to obtain the relevant registration or issuance) and to maintain each Patent and each registration of Trademarks, including, without limitation, filing of applications for renewal, affidavits of use and affidavits of incontestability when appropriate.

(vi) In the event Grantor knows or has reason to know that any Patent or Trademark included in the Collateral is infringed, misappropriated or diluted by a third party, Grantor shall promptly notify Lender after it learns thereof and shall, unless Grantor shall reasonably determine that such Patent or Trademark is of immaterial economic value to Grantor which determination Grantor shall promptly report to Lender, and take such actions as Grantor shall reasonably deem appropriate under the circumstances to protect such Patent or Trademark.

5. Lender's Rights.

a. Powers. Grantor hereby irrevocably constitutes and appoints Lender and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Grantor and in the name of Grantor or in its own name, from time to time after the occurrence, and during the continuation of, an Event of Default, in Lender's discretion, for the purpose of carrying out the terms of this Security Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Security Agreement, and, without limiting the generality of the foregoing, Grantor hereby gives Lender the power and right, on behalf of Grantor, without notice to or assent by Grantor, to do the following:

(i) in the name of Grantor or its own name, or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under, or with respect to, any Collateral and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by Lender for the purpose of collecting any and all such moneys due with respect to such Collateral whenever payable;

(ii) to pay or discharge taxes and liens levied or placed on or threatened against the Collateral, to effect any repairs or any insurance called for by the terms of this Security Agreement and to pay all or part of the premiums therefor and the costs thereof; and

(iii) (a) to direct any party liable for any payment under any of the Collateral to make payment of any and all monies due or to become due thereunder directly to Lender or as Lender shall direct, (b) to ask or demand for, collect, receive payment of and receipt

for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral, (c) to sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other documents in connection with any of the Collateral, (d) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any portion thereof and to enforce any other right in respect of any Collateral, (e) to defend any suit, action or proceeding brought against Grantor with respect to any Collateral, (f) to settle, compromise or adjust any suit, action or proceeding described in the preceding clause and, in connection therewith, to give such discharges or releases as Lender may deem appropriate, (g) to assign any Trademark (along with goodwill of the business to which such Trademark pertains), throughout the world for such term or terms, on such conditions, and in such manner, as Lender shall in its sole discretion determine, and (h) generally, to sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though Lender were the absolute owner thereof for all purposes, and to do, at Lender's option and Grantor's expense, at any time, or from time to time, all acts and things which Lender deems necessary to protect, preserve or realize upon the Collateral and the liens of Lender thereon and to effect the intent of this Security Agreement, all as fully and effectively as Grantor might do.

Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable.

b. Other Powers. Grantor also authorizes Lender, at any time and from time to time, to execute, in connection with any sale provided for in Section 8 hereof, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral.

c. No Duty on the Part of Lender. The powers conferred on Lender hereunder are solely to protect the interests of Lender in the Collateral and shall not impose any duty upon Lender to exercise any such powers. Lender shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its partners, officers, directors, employees or agents shall be responsible to Grantor for any act or failure to act hereunder, except for their own gross negligence or willful misconduct or failure to comply with mandatory provisions of applicable law.

6. Performance by Lender of Grantor's Obligations. If Grantor fails to perform or comply with any of its agreements contained herein and Lender, as provided for by the terms of this Security Agreement, shall itself perform or comply, or otherwise cause performance or compliance with such agreement, the expenses of Lender incurred in connection with such performance or compliance, together with interest thereon at the highest default rate provided in the Note, shall be payable by Grantor to Lender on demand and shall constitute Obligations secured hereby.

7. Proceeds. It is agreed that if an Event of Default shall occur and be continuing (a) all Proceeds received by Grantor consisting of cash, checks and other cash equivalents shall be held by Grantor in trust for Lender, segregated from other funds of Grantor, and shall, forthwith upon receipt, be turned over to Lender in the exact form received (duly endorsed to Lender, if required), and (b) any and all such Proceeds received by Lender (whether from Grantor or otherwise) shall promptly be applied by Lender against the Obligations (whether matured or unmatured), such application to be in such order as Lender shall elect. Any balance of such Proceeds remaining after the Obligations shall have been paid in full shall be paid over to Grantor or to whomsoever may be lawfully entitled to receive the same.

8. Remedies. If an Event of Default shall occur and be continuing, Lender may exercise, in addition to all other rights and remedies granted to it in this Security Agreement and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of a secured party under the UCC. Without limiting the generality of the foregoing, Lender without demand of performance or other demand, presentment, protest, advertisement or notice of

any kind (except any notice required by law referred to below) to or upon Grantor or any other person (all and each of which demands, defenses, advertisements and notices are hereby waived), may in such circumstances forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give an option or options to purchase, or otherwise dispose of and deliver the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any office of Lender or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or on future delivery without assumption of any credit risk. Lender shall have the right upon any such public sale or sales, and, to the extent permitted by law, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in Grantor, which right or equity is hereby waived or released. Lender shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all reasonable costs and expenses of every kind incurred therein or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of Lender hereunder, including, without limitation, reasonable attorneys' fees and disbursements, to the payment in whole or in part of the Obligations, in such order as Lender may elect, and only after such application and after the payment by Lender of any other amount required by any provision of law, including, without limitation, Section 9-504(1)(c) of the UCC, need Lender account for the surplus, if any, to the Grantor. To the extent permitted by applicable law, Grantor waives all claims, damages and demands it may acquire against Lender arising out of the exercise by Lender of any rights hereunder. If any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least 5 days before such sale or other disposition. Grantor shall remain, jointly and severally, liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay the Obligations and the reasonable fees and disbursements of any attorneys employed by Lender to collect such deficiency.

9. Limitation on Duties Regarding Preservation of Collateral. Lender's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the UCC or otherwise, shall be to deal with it in the same manner as Lender would deal with similar property for its own account. Neither Lender nor any of its shareholders, directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon all or any part of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of Grantor or otherwise.

10. Powers Coupled with an Interest. All authorizations and agencies herein contained with respect to the Collateral are irrevocable and powers coupled with an interest.

11. Severability. Any provision of this Security Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

12. Paragraph Headings. The paragraph headings used in this Security Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

13. No Waiver; Cumulative Remedies. Lender shall not by any act (except by a written instrument pursuant to Section 13 hereof), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any default or Event of Default or in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by Lender of any right or remedy hereunder on any occasion shall not be construed as a bar to any right

or remedy which Lender would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any rights or remedies provided by law.

14. Waivers and Amendments; Successors and Assigns. None of the terms or provisions of this Security Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by Grantor and Lender, provided that any provision of this Security Agreement may be waived by Lender in a written letter or agreement executed by Lender or by telex or facsimile transmission from Lender. This Security Agreement shall be binding upon the successors and assigns of Grantor and shall inure to the benefit of Lender and its successors and assigns.

15. Notices. Any and all notices, elections or demands permitted or required to be made under this Agreement or any of the Loan Documents shall be made in accordance with the terms of the Loan Agreement.

16. Governing Law. This Security Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Georgia applicable to contracts to be wholly performed in such State, except as otherwise required by Section 9-103 of the UCC with respect to the law governing perfection and the effects of perfection and non-perfection in multi-state transactions.

(Remainder of Page Intentionally Left Blank)

(SIGNATURE PAGE TO TRADEMARK AND PATENT SECURITY AGREEMENT)

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

GRANTOR:

CODMAN GROUP, INC.

By: M.T. Flynn

Title: PRESIDENT & CEO

LENDER:

PETRA CAPITAL, LLC

By: Petra Capital Partners, LLC,
Its Manager

By: _____

Name: _____

Title: Member

(SIGNATURE PAGE TO TRADEMARK AND PATENT SECURITY AGREEMENT)

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

GRANTOR:

CODMAN GROUP, INC.

By: _____

Title: _____

LENDER:

PETRA CAPITAL, LLC

By: Petra Capital Partners, LLC,
Its Manager

By: Joseph D O'Brien III
Name: Joseph D O'Brien III
Title: Member

Exhibit A

EXHIBIT A

CRG Intellectual Property

Trademarks

Marks with Federal

Registration

Registration No./Date

Use

CRG	1,939,191/Dec. 5, 1995	Health care utilization and review services; providing health care utilization information.
PANDORA	1,864,545/Nov. 29, 1994	Computer software programs for information management systems directed toward the healthcare industry; instructional and teaching material; namely, instructional books, pamphlets and brochures for use with computer software programs for information management systems directed toward the healthcare industry; computer programming services for information management system users.
CRG	1,856,593/Oct. 4, 1994	Computer software programs for information management systems directed toward the healthcare industry; instructional and teaching material; namely, instructional books, pamphlets and brochures for use with computer software programs for information management systems directed toward the healthcare industry; computer programming services for information management users

Marks with Pending Applications

CRG Kapstone
Managed Care Enterprise

Practiscan (Trademark
application assigned to CRG)

by BC/BS Nebraska)

(i) Restrictions on Intellectual Property:

Exclusive use of the Practiscan mark in Nebraska has been licensed to BC/BS Nebraska.

CareMonitor Intellectual Property

CAREMONITOR (trademark registration applied for) is used to identify an internet-based patient health information system. CareMonitor places copyright notices on software developed for use by the CareMonitor system.

As part of the Strategic Alliance Agreement between CareMonitor and Panasonic Home and Commercial Products Company ("PHCC") dated August 29, 1997 (the "Agreement"), CareMonitor granted to PHCC, during the term of the Agreement, a non-exclusive license to use the HealthTech Trademarks, as defined, in connection with the manufacture, co-branding and distribution of products and units in The HANC Network. Also as part of the Agreement, CareMonitor granted to PHCC, during the term of the Agreement, a non-exclusive license to use the HealthTech Technical Information, as defined, for the limited purpose of achieving the objectives as detailed in Article III of the Agreement.

See attached schedules for intellectual property related to The HANC Network.

0447178.01

REPORT OF PATENT POSITION
(By Subject Matter)

HEALTHTECH SERVICES CORPORATION

(07/16/1997)

I. PATENTS

1. Interactive Patient Monitoring Systems Storing and Dispensing Medication and Physical Testing Devices.

- ✓ Kaufman et al. U.S. Patent 4,933,873: System stores then dispenses medication and physical testing device in response either to prescribed schedule or verbal command by patient.
- ✓ Kaufman et al. U.S. Patent 5,142,484: System stores then dispenses medication and physical testing device either in response to prescribed schedule or patient command (command need not be verbal). System also includes ability to change prescribed schedule in response to patient command.
- ✓ Kaufman et al. U.S. Patent 5,442,728: System stores then dispenses physical testing device either in response to prescribed schedule or patient command.
- ✓ Continuation Application (Docket 1580-CON 2 DIV CON) (Allowed claims will issue upon payment of Base Issue Fee)
- ✓ Foreign Counterparts in:
 - Japan (Patent No. 170087)
 - Canada (Patent No. 1,336,842)
 - Australia (Patent No. 622,175)
 - European Patent Office (Patent No. 0-362 859)
 - Israel (Patent No. 90255)

2. Smart Medication Dispensing Systems Using Different Dispensing Criteria, Including Measured Physical Parameters of the Patient

- ✓ Kaufman et al. U.S. Patent 5,084,828: Systems
 - (i) dispense one medication by prescribed schedule only, while dispensing another medication upon patient demand; or
 - (ii) dispense different medications according to different prescribed schedules; or
 - (iii) dispense one medication by prescribed schedule only and another medication based upon a correlation between a measured physical parameter of the patient and the patient's response to preselected questions posed by the device.

- ✓ Kaufman et al. U.S. Patent 5,126,957: System dispenses one medication according to prescribed schedule only, while dispensing another medication based upon a measured physical parameter of the patient sensed by an associated physical testing device.
- ✓ Kaufman et al. U.S. Patent 5,267,174: Combination of HANC device and a data file that maintains a record of medication dispensements, classified according to (1) dispensement by prescribed schedule; (2) dispensement by patient demand; and (3) instances when the patient sought to have prescribed medication administered outside the scheduled time period.
- ✓ Divisional Patent (Kaufman et al.) U.S. Patent 5,329,459
- ✓ Foreign Counterparts in:
 - Japan (pending)
 - Canada (pending)
 - Australia (Patent 646,646)
 - European Patent Office (pending)

3. **Smart Medication Dispensing Systems that Correlate Measured Physical Parameters of the Patient and Measured External Environmental Parameters**

- ✓ Kaufman et al. U.S. Patent 5,036,462
- ✓ Foreign Counterparts Pending in
 - Japan (pending)
 - Canada (pending)
 - Australia (Patent No. 641,187)
 - European Patent Office (Patent No. 0 493 510)

4. **Modular Medication Dispensers**

(i) Individual Pills

- ✓ Kaufman et al. U.S. Patent 5,148,944.
- ✓ Kaufman et al. U.S. Patent 5,197,632: Cartridge Concept.

(ii) Pills on a Roll

- ✓ Kaufman et al. U.S. Patent 5,102,008.
- ✓ Kaufman et al. U.S. Patent 5,230,441.

(iii) Blister Packs

- ✓ Kaufman et al. U.S. Patent 5,335,816: Blister Packs

5. HANC System Appearance

✓ Kaufman et al. U.S. Design Patent Des. 328,133.

6. VIDEO HANC

✓ Pending U.S. Application (Docket 1976-CON 2 CIP)

7. COMPACT MEDICATION DELIVERY SYSTEMS

✓ Pending U.S. Application (Docket 2408) - Multiple medication carousels serviced by single delivery device.

II. TRADEMARKS

1. The Company uses HANC as a trademark to identify Home-Assisted Nursing Care Network, Central Station, and Home Unit (unregistered).

III. COPYRIGHTS

1. The Company places copyright notices on software developed for use by the HANC™ Central Station and HANC™ Home Unit (unregistered).
2. The Company places copyright notices on its sales and promotional materials.

Title: Multi-Container Inter-Active System
 Inventors: S. Kaufman; S. Hyland; M. Leszczynski; C. Bryant

U.S. Serial No. 07/194,018
 Filed 05/12/1988
 Abandoned

Continuation Docket 1580-CON
 Serial No. 07/984,282
 Filed 12/01/1992
 Abandoned

U.S. Serial No. 07/201,779
 Filed 06/02/1988
 Patent No. 4,933,873
 Issued 06/12/1990

Continuation Docket 1580-CON 2
 Serial No. 08/124,997
 Filed 09/22/1993
 Patent No. 5,442,728
 Issued 08/15/1995

Continuation Docket 1217
 Serial No. 07/452,788
 Filed 12/19/1989
 Patent No. 5,142,484
 Issued 08/25/1992

Division Docket 1580-CON 2 DIV
 Serial No. 08/480,197
 Filed 06/07/1995
 Abandoned

Division Docket 1580
 Serial No. 07/739,892
 Filed 08/02/1991
 Abandoned

Continuation Docket 1580-CON 2 DIV CON
 Serial No. 08/692,342
 Filed 08/05/1996
 Status: Allowed (Requires Payment of Issue Fee)

Corresponding Foreign Applications and Patents

COUNTRY	APPLN. NO.	FILING DATE	PATENT NO.	ISSUE DATE	NOTES
Australia	34,598	05/10/1989	622,175	07/27/1992	Docket 1014-AUSL; Issued
Canada	599,114	05/09/1990	1,336,842	08/29/1995	Docket 1015-CAN; Issued
EPC	89304779.5	05/11/1989	0 342 859	07/10/1996	Docket 1015-EPC; Issued
Israel	90,255	05/11/1989	90255	12/22/1993	Docket 1017-ISR; Issued
Japan	120210/89	05/12/1989	1700087	10/14/1992	Docket 1018-JAP; Issued

Title: Interactive Medication Delivery System
 Inventors: S. Kaufman; A. DiGianfilippo; T. Seger

Docket No. 1119
 Serial No. 07/415,172
 Filed 09/29/1989
 Patent No. 5,084,828
 Issued 01/28/1992

Continuation Docket No. 1596
 Serial No. 07/747,648
 Filed August 20, 1991
 Patent No. 5,126,957
 Issued 06/30/1992

Division Docket 1596-DIV
 Serial No. 07/877,695
 Filed May 1, 1992
 Patent No. 5,267,174
 Issued 11/30/1993

Division Docket 1596-DIV II
 Serial No. 08/116,080
 Filed 09/02/1993
 U.S. Patent 5,329,459
 Issued 07/12/1994

Corresponding Foreign Applications and Patents
 Filed Under PCT (Patent Cooperation Treaty) (Docket 1395-PCT)
 International Application No. PCT/US90/05602
 International Filing Date: 09/28/1990
 Status: National Stage. See Table Below

Breakdown of National Applications filed under PCT/US90/05602				
COUNTRY	APPLN. NO.	PATENT NO.	ISSUE DATE	NOTES
Australia	65243/90	646,646	06/17/1994	Issued
Canada	2,066,173			Pending
EPC	90915009.6			Pending
Japan	514,080/90			Pending

Title: **Interactive Medication Delivery System for
Medication Prepackaged in Blister Packs**
Inventors: **S. Kaufman; A. DiGianfilippo; C. Row; R. DeVito**

Docket No. 1156
Serial No. 07/415,085
Filed 09/29/1989
Abandoned

Continuation Docket 1622
Serial No. 07/784,664
Filed 10/24/1991
Abandoned

Continuation Docket 1622-CON
Serial No. 07/919,625
Filed 07/24/1992
Patent No. 5,335,816
Granted 08/09/1994

No Corresponding Foreign Applications

Title: **Interactive Medication Delivery System for Individual Pills and Capsules**

Inventors: **S. Kaufman; R. DeVito; A. DiGianfilippo; T. Sager**

Docket No. 1157
Serial No. 07/414,921
Filed 09/29/1989
Patent No. 5,148,944
Issued 09/22/1992

Continuation Docket 1585
Serial No. 07/737,206
Filed 06/29/1991
Patent No. 5,197,632
Issued 03/30/1993

No Corresponding Foreign Applications

Title: Interactive Medication Delivery System for Pills
and Caplets Prepackaged on Strips
Inventors: S. Kaufman; A. DiGirolamo; T. Sager;
J. Hitchcock; M. Budniak

Docket 1158
Serial No. 07/414,960
Filed 09/29/1989
Patent No. 5,102,008
Issued 04/07/1992

Continuation Docket 1581
Serial No. 07/737,205
Filed 07/29/1991
Patent No. 5,230,441
Issued 07/27/1993

No Corresponding Foreign Applications and Patents

3590:IMAGE: 0653
REEL: 1852 FRAME:

10/29/98 THU 20:12 FAX 847 205 4551

HealthTech Services

Title: Interactive Patent Assistance and Medication Delivery Systems that Sense the Physical Environment
 Inventors: S. Kaufman; A DiGianfilippo; T. Seger; A. Meyer

Docket 11460
 Serial No. 07/414,705
 Filed 09/29/1989
 Patent No. 5,036,462
 Issued 07/30/1991

Corresponding Foreign Applications and Patents
 Filed Under PCT (Patent Cooperation Treaty) (Docket 1399-PCT)
 International Application No.: PCT/US90/05603
 International Filing Date: 09/28/1990
 Status: National Stage, See Table Below

Breakdown of National Applications filed Under PCT/US90/05603				
COUNTRY	APPLN. NO.	PATENT NO.	ISSUE DATE	NOTES
Australia	65193/90	641,187	01/17/1994	Issued
Canada	2,066,185			Pending
EPC	90915043.5	0 493 510	11/13/1996	Issued
Japan	514,081			Pending

Title: Patient Monitoring and Assistance Device (Design)
Inventors: S. Kaufman; G. Grossman

Docket 1177
Serial No. 077458,792
Filed 12/22/1989
Patent No. DES. 328,133
Issued 07/21/1992

No Corresponding Foreign Applications and Patents

Title: Interactive Medication Delivery System with Visual Patient Monitoring
Inventors: S. Kaufman; M. Stanton

Docket 1976
Serial No. 08/126,178
Filed 09/23/1993
Abandoned

Docket 1976-CON
Serial No. 08/355,431
Filed 12/13/1994
Abandoned

Docket 1976-CON 2
Serial No. 08/563,129
Filed 11/27/1995
Abandoned

Docket 1976-CON 2 CIP
Serial No. 08/751,005
Filed 11/15/1996
Status: Pending

Title: Compact Medication Delivery Systems
Inventors: F. Orkin; J. Prey, Jr.; T. Liber

Docket 2408
Serial No. 08/494,459
Filed 06/26/1995
Status: Pending

RECORDED: 02/08/1999

TRADEMARK
REEL: 1852 FRAME: 0657