

05-21-1999



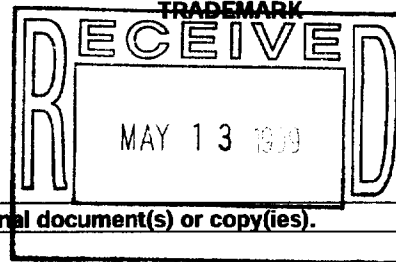
FORM PTO-1618A
Expires 06/30/99
OMB 0651-0027

101041697

U.S. Department of Commerce
Patent and Trademark Office

TRADEMARK

MRD 5-13-99



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
- Merger
- Change of Name
- Other _____

Effective Date
Month Day Year
05101999

Conveying Party

Mark if additional names of conveying parties attached

Name HOME DIAGNOSTICS, INC.

Execution Date
Month Day Year
05101999

Formerly _____

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

Receiving Party

Mark if additional names of receiving parties attached

Name NATIONSBANK, N.A.

DBA/AKA/TA _____

Composed of _____

Address (line 1) P.O. BOX 40329

Address (line 2) _____

Address (line 3) JACKSONVILLE

FL/USA

32203

- Individual
- General Partnership
- Limited Partnership

- Corporation
- Association

Other NATIONAL ASSOCIATION

Citizenship/State of Incorporation/Organization UNITED STATES

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

05/19/1999 NTHAI1 00000129 75520146

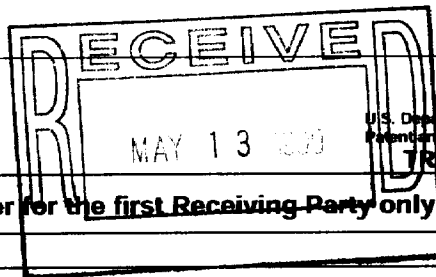
01 FC:481
02 FC:482

40.00 OP
125.00 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: 001899 FRAME: 0051



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

954-491-1120

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.

#

7

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.

#

6

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

165.00

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.

JON SCHNEIDER, VICE PRES.
BETH K. SCHWARTZ, SEC.

MAY 10, 1999

Name of Person Signing

Signature

Date Signed

LAW OFFICES OF
Greenspoon Marder Hirschfeld Rafkin Ross & Berger
PROFESSIONAL ASSOCIATION

William Berger¹
Gregory J. Blodig
Robert B. Chapman
Richard W. Epstein
Joyce C. Fuller
Richard H. Gaines
Pamela J. Grampa
N. Dwayne Gray, Jr.
Gerald Greenspoon
Neal W. Hirschfeld²
Cynthia J. Hoover³
Victor S. Kline
David R. Lenox

Scott D. Levine
Edmund O. Loos III
Leonard Lubart
Michael E. Marder
Seth Marmor¹
Glen Rafkin¹
Michael S. Ross¹
Joseph G. Santoro
Dana S. Schwartz
Marc E. Schwartz³
Kenneth J. Sobel
Frank A. Utset
Stephanie A. Yelenosky

Trade Centre South • Suite 700
100 West Cypress Creek Road
Fort Lauderdale, Florida 33309
(954) 491-1120 • Fax (954) 771-9264
FL WATS (888) 491-1120
Web Site: www.greenspoonmarder.com

Orlando Office

SouthTrust Bank Building • Suite 1100
135 West Central Boulevard
Orlando, Florida 32801
(407) 425-6559
Fax (407) 422-6583

Reply to: Fort Lauderdale

May 11, 1999

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

**Via: Certified Mail/
Return Receipt Requested**

Re: Security Agreement by Home Diagnostics, Inc. to NationsBank, N.A.

To Whom It May Concern:

Home Diagnostics, Inc. has conveyed a Security Agreement in two Trademark applications and four Trademark registrations to NationsBank, N.A. In connection with that conveyance, it is desired to record evidence of such transaction with the Commissioner of Patents and Trademarks. Accordingly, I am enclosing the following:

1. Recordation Form Cover Sheet (Page 1 and 2);
2. Copy of Trademark Security Agreement; and
3. A check made payable to the Commissioner of Patents and Trademarks in the amount of \$165.

Please contact me should you have any questions.

Sincerely,

GREENSPOON, MARDER, HIRSCHFELD,
RAFKIN, ROSS & BERGER, P.A.



GREGORY J. BLODIG
For the Firm

Encs.

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT ("Agreement") is dated as of May 10, 1999, by and between HOME DIAGNOSTICS, INC., a Delaware corporation ("Borrower"), with its mailing address at 2400 N.W. 55th Court, Ft. Lauderdale, Florida 33309, and NATIONSBANK, N.A. ("Bank"), with its place of business at One Financial Plaza, 10th Floor, Ft. Lauderdale, Florida 33394.

RECITALS

The Borrower has applied to Bank for certain credit accommodations. Bank has agreed to extend the credit accommodations to the Borrower, under the terms and conditions set forth in a Revolving Credit Agreement of even date herewith ("Loan Agreement") by and between the Borrower and Bank, and various other documents, instruments and agreements executed by or on behalf of the Borrower in connection with the above-described credit accommodations (together with the Loan Agreement, as the same may be amended or modified, collectively, "Loan Documents").

In order to induce Bank to enter into the above-described credit accommodations, the Borrower, pursuant to the terms and conditions of the Loan Agreement, has agreed to grant to Bank a lien and security interest in all trademark and service mark rights owned by the Borrower, and also has granted to Bank a lien on and security interest in all of the Borrower's assets, including but not limited to those assets relating to products sold under the trademarks and services rendered under the service marks, whereby Bank, upon the occurrence of an Event of Default (as such term is defined in the Loan Agreement), shall have the right to foreclose on the trademarks, service marks and other assets of the Borrower, in order that Bank or its assignee may continue the sale of products sold and services rendered under the trademarks and service marks.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and adequacy of which are hereby acknowledged, the Borrower agrees with Bank as follows:

Section 1. Grant Of Security Interest. The Borrower, as additional security for the complete and timely payment, performance and satisfaction of all of the Obligations (as hereafter defined), hereby grants unto Bank, its successors and assigns, upon the following terms and conditions, a continuing lien and security interest in those certain trademarks and service marks registered with the United States Patent and Trademark Office in the name of the Borrower, and described on Exhibit A attached hereto and made a part hereof, together with any renewals thereof, and the entire goodwill of the business in connection with which such trademarks and service marks are used, and all claims for damages by reason of past infringement of such trademarks and service marks with the right to sue for and collect the same, to Bank (collectively, "Trademarks") and all license rights in the Trademarks. As used herein, the term "Obligations" shall mean all duties of payment and performance, whether direct or indirect, both now existing and arising from time to time, owed by the Borrower to Bank under the Loan Agreement and the other Loan Documents, as the same be be amended. This Agreement is delivered pursuant to and in

confirmation of the terms and conditions of the Loan Agreement, which terms and conditions are incorporated by reference into this Agreement and made a part hereof as if fully set out herein.

Section 2. Additional Trademarks Or Service Marks. If, before the Obligations shall have been satisfied in full, the Borrower shall obtain rights to any new trademarks or service marks, the provisions of Section 1 shall automatically apply thereto and the Borrower shall give prompt written notice thereof to Bank. The Borrower irrevocably and unconditionally authorizes Bank to modify this Agreement by amending Exhibit A to include any additional or future trademarks, service marks and applications therefor owned or acquired by the Borrower without any further assent or signature of the Borrower.

Section 3. Purpose. This Agreement has been executed and delivered by the Borrower for the purpose of recording the grant of security interest herein with the United States Patent and Trademark Office. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to Bank under the Loan Agreement and other Loan Documents. The terms and conditions of the Loan Agreement and other Loan Documents shall remain in full force and effect in accordance with its terms, notwithstanding the execution, delivery and recordation of this Agreement.

Section 4. Representations And Warranties. The Borrower represents and warrants that:

- a. The Trademarks are subsisting and have not been adjudged invalid or unenforceable in whole or in part;
- b. Each of the Trademarks is valid and enforceable;
- c. No claim has been made that the use of any of the Trademarks does or may violate the rights of any third person;
- d. The Borrower is the sole and exclusive owner of the entire unencumbered right, title and interest in and to each of the Trademarks, free and clear of any liens, charges and encumbrances, including without limitation pledges, assignments, licenses, registered user agreements and covenants by the Borrower not to sue third persons;
- e. The Borrower has the unqualified right to enter into this Agreement and to perform its terms;
- f. The Borrower has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Trademarks; and

g. The Borrower has used or required the use of, and will continue to use or require the use of for the duration of this Agreement, consistent standards of quality in the manufacture of products sold and services rendered under the Trademarks.

Section 5. Maintenance of Trademarks; Prosecution Of Applications And Proceedings. The Borrower shall: (a) maintain the registration of the Trademarks; (b) take all actions necessary to maintain, preserve and continue the validity and enforceability of the Trademarks, including but not limited to the filing of applications for renewal, affidavits of use, affidavits of incontestability and opposition, interference and cancellation proceedings, and the payment of any and all application, renewal, extension or other fees; and (c) through counsel acceptable to Bank, (i) prosecute diligently any trademark applications of the Trademarks pending as of the date of this Agreement or thereafter, (ii) file and prosecute opposition and cancellation proceedings, and (iii) do any and all acts which are necessary or desirable to preserve and maintain all rights in the Trademarks. The Borrower shall not, without the prior written consent of Bank which shall not be unreasonably withheld: (a) abandon any of the Trademarks, or (b) bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect the Trademarks. Any expenses incurred in connection with the Trademarks shall be borne by the Borrower. In the event of any litigation involving the Trademarks, Bank may, if necessary, be joined as a nominal party to such suit if Bank shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder. The Borrower hereby agrees to reimburse and indemnify Bank for all damages, costs and expenses, including attorney's fees, incurred by Bank in the fulfillment of the provisions of this Section..

Section 6. Agreement to Assign Interest. Upon the occurrence of an Event of Default, in addition to all other rights and remedies available to Bank under the Loan Agreement or applicable law, the Borrower hereby agrees to execute any and all documents, agreements and instruments considered necessary, appropriate or convenient by Bank or its counsel to effectuate the assignment, transfer and conveyance of the Trademarks to Bank or its assignee. The Borrower hereby irrevocably and unconditionally authorizes and empowers Bank to make, constitute and appoint any officer or agent of Bank as Bank may select, in its exclusive discretion, as the Borrower's true and lawful attorney-in-fact, with the power to endorse the Borrower's name on all such documents, agreements and instruments, including without limitation assignments. The Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Agreement, and constitutes a power of attorney coupled with an interest. All of Bank's rights and remedies with respect to the Trademarks, whether established by this Agreement, by the Loan Agreement, by any other Loan Document, or by law shall be cumulative and may be exercised singularly or concurrently.

Section 7. Patent And Trademark Office May Rely Upon This Agreement. If Bank shall elect to exercise any of the rights hereunder, the United States Patent and Trademark office shall have the right to rely upon Bank's written statement of Bank's right to sell, assign and transfer the Trademarks and the Borrower hereby irrevocably and

unconditionally authorizes the United States Patent and Trademark office to recognize such sale by Bank either in the Borrower's name or in Bank's name without the necessity or obligation of the United States Patent and Trademark Office to ascertain the existence of any default by the Borrower under the Loan Agreement.

Section 8. Costs And Expenses. Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorney's fees and legal expenses incurred by Bank in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks, shall be borne and paid by the Borrower on demand by Bank and until so paid shall be added to the principal amount of the obligations and shall bear interest at the highest rate prescribed in the Loan Agreement.

Section 9. Notices. Notices that are required or permitted to be delivered hereunder shall be sufficient if in writing and sent to the addresses set forth in the Loan Agreement, in the manner and within the time specified in the Loan Agreement.

Section 10. No Assignment Or Further Lien. The Borrower shall not assign, transfer or convey its interests in the Trademarks, nor shall the Borrower grant any further lien or security interest in all or any of the Trademarks, without the prior written consent of Bank.

Section 11. Further Assurances. The Borrower shall execute any further or additional documents considered necessary, appropriate or proper by Bank to effectuate the purposes and intent of this Agreement.

Section 12. Amendment. The terms and conditions of this Agreement may be modified, altered, waived, or amended only by a writing executed by Bank consenting to the modification, alteration, waiver, or amendment.

Section 13. Severability. If any of the provisions of this Agreement are judicially determined to be in conflict with any law of the State of Florida or otherwise judicially determined to be unenforceable for any reason whatsoever, such provision shall be deemed null and void to the extent of such unenforceability but shall be deemed separable from and shall not invalidate any other provision of this Agreement.

Section 14. Successors And Assigns. The terms, covenants and conditions contained in this Agreement shall inure to the benefit of Bank and its successors and assigns, and shall be binding upon the Borrower and its successors and assigns.

Section 15. Choice Of Law. The laws of the State of Florida (excluding, however, conflict of law principles) shall govern and be applied to determine all issues relating to this Agreement and the rights and obligations of the parties hereto, including the validity, construction, interpretation, and enforceability of this Agreement and its various provisions and the consequences and legal effect of all transactions and events which resulted in the execution of this Agreement or which occurred or were to occur as a direct or indirect result of this Agreement having been executed.

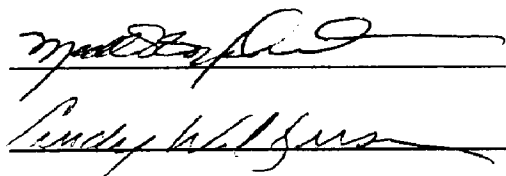
Section 16. Consent To Jurisdiction; Agreement As To Venue. The Borrower irrevocably consents to the non-exclusive jurisdiction of the courts of the State of Florida and of the United States District Court for the Southern District of Florida, if a basis for federal jurisdiction exists. The Borrower agrees that venue shall be proper in any circuit court in Broward County of the State of Florida selected by Bank or in the United States District Court for the Southern District of Florida if a basis for federal jurisdiction exists and waives any right to object to the maintenance of a suit in any of the state or federal courts of the State of Florida on the basis of improper venue or of inconvenience of forum.

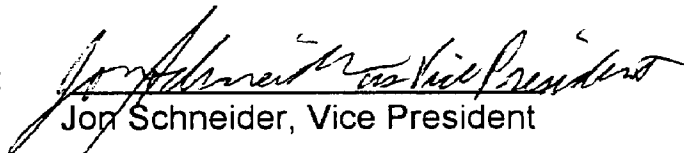
Section 17. Waiver Of Jury Trial. The Borrower (by its execution hereof) and Bank (by its acceptance of this Agreement) agree that any suit, action, or proceeding, whether claim or counterclaim, brought or instituted by any party hereto or any successor or assign of any party hereto, with respect to this Agreement, the Loan Documents, or any other document or agreement which in any way relates, directly or indirectly, to this Agreement, the Loan Documents, the obligations or any event, transaction or occurrence arising out of or in any way connected with this Agreement, the Loan Documents, any of the obligations, or the dealings of the parties with respect thereto, shall be tried only by a court, and not by a jury. **THE BORROWER AND BANK HEREBY EXPRESSLY WAIVE ANY AND ALL RIGHTS TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION, OR PROCEEDING.** The Borrower acknowledges and agrees that this provision is a specific and material aspect of the agreement between the parties hereto and that Bank would not enter into the subject transactions if this provision were not part of this Agreement.

IN WITNESS WHEREOF, the Borrower has executed this Agreement as of the date first above written with the specific intention of creating an instrument under seal.

WITNESSES (as to all):

HOME DIAGNOSTICS, INC.



By: 
Jon Schneider, Vice President

By: 
Beth K. Schwartz, Secretary

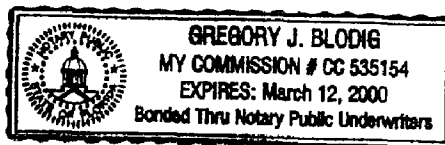
ACKNOWLEDGMENT

STATE OF FLORIDA)
)
COUNTY OF BROWARD) **SS:**

The foregoing instrument was acknowledged before me this 10th day of May, 1999 by Jon Schneider, as Vice President of Home Diagnostics, Inc., who is personally known to me or has produced _____ as identification and who did/did not take an oath.

Gregory J. Blodig

NOTARY PUBLIC, STATE OF FLORIDA
Print name: _____
Commission Number: _____

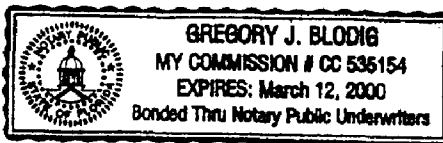


STATE OF FLORIDA)
)
COUNTY OF BROWARD) **SS:**

The foregoing instrument was acknowledged before me this 10th day of May, 1999 by Beth Schwartz, as Secretary of Home Diagnostics, Inc., who is personally known to me or has produced _____ as identification and who did/did not take an oath.

Gregory J. Blodig

NOTARY PUBLIC, STATE OF FLORIDA
Print name: _____
Commission Number: _____



G:\GB\5441\5441005a-trademark-agt

EXHIBIT A
TO TRADEMARK SECURITY AGREEMENT

Schedule Of Trademarks

a. **Federal Trademark/Service Mark Registrations**

<u>Trademark</u>	<u>Reg. No.</u>	<u>Reg. Date</u>
Liposcan	1,578,832	1-23-1990
Dialet	1,457,313	9-15-1987
Diascan	1,888,174	4-11-1995
Diascan	1,437,824	4-28-1987

b. **Federal Trademark Applications Pending**

<u>Trademark</u>	<u>Application No.</u>	<u>Filing Date</u>
Diasure	75-520146	7-16-1998
Prestige IQ	75-520147	7-16-1998

G:\GB\5441\5441005a-trademark-agt