

08-06-1999

1-31-92

8-6-99

ER SHEET

LY

481-40 482-575



101090363

the attached original documents or copy thereof.

484-120

1. Name of conveying party(ies):
Chattanooga Group, Inc.
4717 Adams Road
Hixson, Tennessee 37343

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

- Association
- Limited Partnership

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

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

Name: Wachovia Bank, N.A.

Internal Address: Attn: Specialized Finance

Street Address: 30th Floor

City Atlanta State GA ZIP 30303

Individual(s) citizenship

Association

General Partnership

Limited Partnership

Corporation-State

Other national bank

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

3. Nature of conveyance:

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

Execution Date: July 30, 1999

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

A. Trademark Application No.(s)

B. Trademark registration No.(s)

(See attached exhibit)

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: 24

7. Total fee (37 CFR 3.41): \$ 615.00

Enclosed \$120.00 expedited fee

Authorized to be charged to deposit account

8. Deposit account number: 110980

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

DO NOT USE THIS SPACE

9. 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.

Pamela A. Allen

Name of Person Signing

Pamela A. Allen

Signature

8/4/99

Date

Total number of pages comprising cover sheet: 6

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

Do not detach this portion

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

08/09/1999 TTON11 00000004 737972

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

01 FC:81

02 FC:82

03 FC:84

40.00 OP

575.00 OP

Public burden reduction 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), Washington, D.C. 20503

TRADEMARK

REEL: 001910 FRAME: 0698

EXHIBIT A

<u>Trademark</u>	<u>Registration No.</u> <u>Date Issued</u>
COVER-SLING	737,972 9/18/62
HYDROCOLLATOR COLPAC	864,244 1/28/69
HYDROCOLLATOR	574,604 5/19/53
HYDROCOLLATOR	675,045 3/3/59
STEAM PACK	1,112,672 2/6/79
COLPAC	871,377 6/17/69
MYOSSAGE	872,017 7/1/69
TX	1,109,261 12/19/78
TRITON	1,361,658 9/24/85
INTELECT	1,302,476 10/30/84
CRYOMATIC	1,119,580 6/5/79
COLSTIM	1,120,438 6/29/79
AUTOFLEX	1,410,735 9/23/86

AUTO-TRAC	1,419,075 12/2/86
WELLNESS BY DESIGN	1,767,341 4/27/93
PRESSSION	1,713,380 9/8/92
TRIAAX	1,471,340 1/5/88
NYLATEX	1,023,095 10/21/75
EMG RETRAINER	2,188,549 9/8/98
ADAPTA	1,097,329 7/25/78
SPINALATOR	357,815 6/14/38
SCREENTOUCH	TXU 419,853 1/18/90
BREEZE	TXU 419-852 1/18/90
BALANCE	TXU 419-816 1/18/90

COLLATERAL ASSIGNMENT AND TRADEMARK SECURITY AGREEMENT

THIS COLLATERAL ASSIGNMENT AND TRADEMARK SECURITY AGREEMENT (this "Agreement"), made as of July 30 1999, by the undersigned ("Grantor"), in favor of WACHOVIA BANK, N.A., a national bank ("Lender").

WITNESSETH THAT:

WHEREAS, Grantor owns and uses certain trademarks which are registered in the United States Patent and Trademark Office and other trademarks for which applications to register are pending in the United States Patent and Trademark Office, all as more fully described on Exhibit "A" attached hereto and by reference made part hereof (hereinafter, together with all rights, benefits and privileges derived therefrom, the goodwill of the business symbolized thereby, all registrations thereof, all reissues, divisions, continuations, renewals and extensions thereof, and all proceeds of the foregoing, called the "Trademark Rights"); and

WHEREAS, Grantor has entered into a certain Loan and Security Agreement, dated as of July 30, 1999, with the Lender (herein, as it may be supplemented, amended or modified from time to time, called the "Security Agreement"; capitalized terms used herein, but not expressly defined herein, shall have the meanings given to such terms in the Security Agreement), and this Agreement is being executed in supplementation thereof;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby grants to Lender a security interest in, and makes to Lender a collateral assignment of, the entire right, title, and interest of Grantor in and to the Trademark Rights, subject only to Permitted Encumbrances. The Trademark Rights shall serve as collateral security for the payment of all Obligations, shall constitute a part of the Collateral, and shall be subject to all of the terms and conditions of the Security Agreement.

Notwithstanding the foregoing, unless and until Lender exercises the rights and remedies accorded to it under the Security Agreement and by law with respect to the realization upon its security interest in and collateral assignment of the Trademark Rights, Grantor shall own, and may use and enjoy the Trademark Rights in connection with its business operations, but only in a manner consistent with the preservation of their current substance, validity, registration and the security interest herein granted.

Grantor further agrees (a) that Lender shall not have any obligation or responsibility to protect or defend the Trademark Rights and Grantor shall at its own expense protect, defend and maintain the same to the extent advisable for its business, (b) that it shall forthwith advise Lender in writing of infringements of the Trademark Rights detected by it and (c) that if Grantor fails to comply with the requirements of the preceding clause (a), Lender may do so in Grantor's name or in Lender's name but at Grantor's expense, and Grantor hereby agrees to reimburse Lender for all expenses, including attorneys' fees, incurred by Lender in protecting, defending and maintaining the Trademark Rights owned by Grantor.

The security interest in and collateral assignment of the Trademark Rights granted hereunder shall remain in full force and effect until the termination of the Security Agreement and the payment and satisfaction in full of the Obligations. At such time Lender shall, if requested by Grantor, execute and deliver to Grantor, or to a third party upon Grantor's instructions, for filing with the United States Patent and Trademark Office and in each office in which any financing statement relative to the security interest granted hereby may have been filed, (i) documentation in accordance with the rules and regulations of said office, (ii) termination statements under the Uniform Commercial Code and (iii) any other documentation reasonably requested by Grantor, all as may be necessary to release Lender's interest in the Trademark Rights, all at the cost and expense of Grantor.

This Agreement shall inure to the benefit of Lender and its successors and assigns and bind Grantor and its successors and assigns.

IN WITNESS WHEREOF, Grantor has caused this Agreement to be executed by its officers thereunto duly authorized as of the date first above written.

"BORROWER"

CHATTANOOGA GROUP, INC.

By: 

Scott A. Klosterman

Treasurer

Attest: 

Scott A. Klosterman

Secretary

On this July 30, 1999, before me appeared the person(s) who signed the within and foregoing Collateral Assignment and Trademark Security Agreement in his (their) capacity(ies) as a (the) representative(s) having the title(s) inscribed above of CHATTANOOGA GROUP, INC., a Delaware corporation, who acknowledged that he (they) signed same as his (their) free act(s) for and on behalf of the identified company with authority to do so.



Notary Public

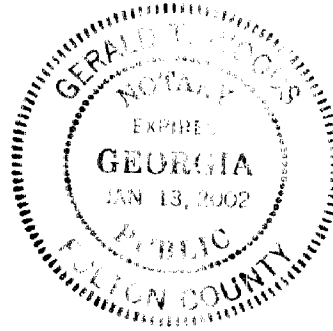


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