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U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office



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and original documents or copy thereof.

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To the Honorable Commissioner of Patent

1. Name of conveying party(ies):
S.S. WHITE MEDICAL PRODUCTS INC.,
as Licensee

2. Name and address of receiving party(ies)

Name: **MELLON BANK, N.A.**

Internal Address:

Edison Square West

Street Address: **2035 Lincoln Highway**

Suite 1080

City: **Edison** State: **NJ** ZIP: **08817**

Individual(s) citizenship

Association

General Partnership

Limited Partnership

Corporation-State

Other

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

(Designations must be a separate document from assignment)

Additional name(s) & address(es) attached? Yes No

- Individual(s)
- General Partnership
- Corporation-State
- 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: June 30, 1999

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

Captive Twist - Registration No. 1,735,604
Registration Date: 11-24-92

Additional numbers attached? Yes No

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

Name: **PAUL H. SHUR, ESQ.**

Internal Address:

SMITH, STRATTON,

WISE, HEHER & BRENNAN

Street Address: **600 COLLEGE ROAD EAST**

City: **PRINCETON** State: **NJ** ZIP: **08540**

6. Total number of applications and registrations involved: 1

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

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

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

07/08/1999 MTHA11 00000125 1735604

DO NOT USE THIS SPACE

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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.

S.S. WHITE MEDICAL PRODUCTS INC. (as Licensee)

By: **Rahul B. Shukla, President**

Name of Person Signing

Signature

June 30, 1999

Date

Total number of pages including cover sheet, attachments, and document:

19

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

**SECOND AGREEMENT OF AMENDMENT
TO LOAN AND SECURITY AGREEMENT
AND OTHER DOCUMENTS**

This Second Agreement of Amendment to Loan and Security Agreement And Other Documents ("Agreement") is effective June 30, 1999 by and among **MELLON BANK, N.A.**, having offices at Edison Square West, 2035 Lincoln Highway, Suite 1080, Edison, New Jersey, 08817, ("Lender"), **S.S. WHITE TECHNOLOGIES INC.**, having offices at 151 Old New Brunswick Road, Piscataway, New Jersey, 08854 (the "Existing Borrower"); **S.S. WHITE MEDICAL PRODUCTS INC.**, having offices at 102 American Road, Morris Plains, New Jersey, 07950 ("New Borrower") and **RAHUL B. SHUKLA**, residing at 38 Quail Run, Warren, New Jersey, 07059 ("Shukla").

RECITALS

A. The Existing Borrower has executed and delivered a certain Secured Revolving Note ("Revolving Note") and Mortgage Note ("Mortgage Note") each dated September 9, 1997, in the maximum aggregate principal sum of Five Million Four Hundred Fifty Thousand (\$5,450,000.00) Dollars, as amended (collectively "Note") payable to the order of Lender.

B. To secure payment of the Note and other obligations of the Existing Borrower to Lender, Lender and the Existing Borrower have executed, among other things, a Loan and Security Agreement dated September 9, 1997, as amended ("Loan Agreement").

C. To secure payment of the Note and other obligations of the Existing Borrower to Lender, the Existing Borrower has executed and delivered, among other things, a certain Mortgage dated September 9, 1997 ("Mortgage") in favor of Lender by which, among other things, the Existing Borrower has granted Lender a first lien and interest as to certain real estate. The Mortgage was recorded in the office of the Clerk of Middlesex County on September 22, 1997, in Mortgage Book 5366, commencing at page 163. An accompanying Assignment of Leases of even date was recorded in the office of the Clerk of Middlesex County on September 22, 1997, in Mortgage Book 5366, commencing at page 183.

D. Shukla previously executed a Limited Continuing Guaranty dated September 9, 1997 relating to the Note and other obligations of the Existing Borrower to Lender. Lender has since discharged Shukla from those obligations set forth in said Limited Continuing Guaranty.

E. In addition to the foregoing documents, the Existing Borrower and Lender have executed or delivered other collateral agreements, certificates and instruments containing various representations and affirmations or otherwise perfecting or otherwise relating to the security interests created dated September 9, 1997 and thereafter. For purposes of convenience, the Note, Loan Agreement, Mortgage, Assignment of Leases and related

collateral agreements, certificates and instruments, as subsequently amended from time to time, are collectively referred to as the "Loan Documents".

F. The New Borrower has or is about to purchase certain assets from Snap-On Medical Products Company, a Wisconsin corporation ("Seller") pursuant to an Asset Purchase Agreement of even date executed by Seller and also executed by Snap-On Technologies, Inc. and Snap-On Incorporated ("Asset Purchase Agreement").

G. New Borrower and the Existing Borrower expect to derive benefit and advantage from any loans and advances made by the Lender pursuant to the Loan Documents, including, but not limited to, advances to permit New Borrower to acquire the assets pursuant to the Asset Purchase Agreement.

H. New Borrower and the Existing Borrower expect to be bound by and derive benefit from all of the terms and conditions of the Loan Documents. Therefore, New Borrower is desirous of being referred to jointly and severally as Borrower under the Loan Documents and acknowledges receipt of good and valuable consideration in connection therewith.

I. Lender and Existing Borrower otherwise wish to clarify their rights and duties to one another as set forth in the Loan Documents.

NOW, THEREFORE, in consideration of the above recitals, the promises, covenants and understandings set forth in this Agreement and the benefits to be received from the performance of such promises, covenants and understandings, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

AGREEMENTS

1. Lender and Existing Borrower reaffirm, consent and agree to all of the terms and conditions of the Loan Documents as binding, effective and enforceable according to their stated terms, except to the extent that such Loan Documents are hereby expressly modified by this Agreement.

2. In the case of any ambiguity or inconsistency between the Loan Documents and this Agreement, the language and interpretation of this Agreement is to be deemed binding and paramount. The discharge of Shukla of his obligations in the Limited Continuing Guaranty dated September 9, 1997 is not intended to discharge Shukla's obligations to maintain life insurance or to otherwise comply with the provisions of Section 6.13(I) of the Loan Agreement.

3. The Existing Borrower represents and warrants that there are no Defaults pursuant to or defined in any of the Loan Documents and that all warranties and covenants which have

been made or performed by Existing Borrower in connection with the Loan Documents were true and complete when made or performed, and remain true and complete.

4. New Borrower hereby assumes and accepts, as a joint and several obligor, all of the Debt, covenants, terms and conditions of the Loan Documents in the same manner and to the same extent as the Existing Borrower and agrees to comply in all respects with the terms and conditions set forth therein. Each of Existing Borrower and New Borrower shall be jointly and severally liable as Borrower for the Debt without regard to which entity receives or has received the proceeds of the Loan and advances made in accordance with the Loan Documents. Each such entity hereby acknowledges that it expects to derive economic advantage from each Loan or advance made. Each of Existing Borrower and New Borrower hereby acknowledges and agrees that part or all of the proceeds for any given advance are transferred to such Borrower on an on-going basis, depending upon the relative needs of each Borrower at such time as the proceeds of such an advance are necessary to satisfy obligations of that Borrower arising in the ordinary course of the Borrower's business. Each of Existing Borrower and New Borrower further acknowledges and agrees that: (1) it conducts similar business operations for the sale of goods and/or services and (ii) each such Borrower's primary source of financing its operations is the proceeds received from the advances and from the sales of the goods or services so financed. All Collateral pledged as security for the Debt shall refer to the assets owned by each such Borrower. Such Collateral includes, but is not limited to, the assets and other property of the New Borrower acquired pursuant to the Asset Purchase Agreement and the rights of the New Borrower set forth in the Intellectual Property License Agreement attached hereto as Schedule "A."

5. It is hereby understood and agreed that New Borrower's acceptance of the obligations as herein set forth does not diminish or release and shall not in any way affect any of the obligations, duties or liabilities of the Existing Borrower.

6. Simultaneously with the execution of this Agreement, Existing Borrower and New Borrower have executed a Term Note in the principal amount of \$1,200,000.00 ("Term Note").

7. Simultaneously with the execution of this Agreement, Existing Borrower has executed a second Mortgage and accompanying Assignment of Leases ("Second Mortgage"), subject only to the lien of the Mortgage, to further secure payment of the Term Note in the amount of \$1,200,000.00 and other obligations due Lender.

8. Based upon the foregoing, the Loan Documents (and any exhibits thereto) are hereby amended, as follows:

A. The term "Borrower" in the Loan Documents means, jointly and severally, **S.S. WHITE TECHNOLOGIES INC.** and **S.S. WHITE MEDICAL PRODUCTS INC.**

B. The Loan Documents are deemed to secure, relate to and incorporate (a) the

Term Note and the amount of the loan evidenced thereby, and any renewals or extensions thereof and (b) the Second Mortgage. The Second Mortgage is deemed to secure the Debt defined in the Loan Documents.

C. Section 1.1(b)(B) of the Loan Agreement is hereby amended and restated as follows:

(B) the lesser of (i) ***Fifty (50%) percent*** of the "Net Value of Qualified Inventory" as that term is defined in this Agreement, (ii) ***Two Million One Hundred Fifty Thousand Dollars (\$2,150,000.00)*** or (iii) ***Four Hundred Thousand Dollars (\$400,000.00)*** for that portion of the Inventory acquired by Borrower from Snap-on Medical Products Company; less

D. The following is added as Section 1.1(c)(M) to the Loan Agreement:

(M) They are payable by an account debtor domiciled in the United States of America unless such Accounts Receivable are (1) fully guaranteed and secured by an irrevocable letter of credit in form and substance satisfactory to Lender and drawn on a United States bank acceptable to Lender, or (2) fully covered by foreign credit insurance pursuant to a policy satisfactory in form and substance to Lender and issued by an insurer acceptable to Lender.

E. Section 1.1(d)(A) of the Loan Agreement is hereby amended and restated as follows:

(A) The Inventory consists of finished, current marketable goods or raw materials stored on the premises of the Borrower;

F. The following is added as Section 1.1(d)(G) to the Loan Agreement:

(G) The sale, disposition or use of Inventory does not violate the intellectual property rights or license rights of any party.

G. Section 1.2 of the Loan Agreement is hereby amended and restated as follows:

Section 1.2. The Term Loan

1.2(a) Lender agrees to lend to Borrower the principal sums of (a) ***One Million Nine Hundred Fifty Thousand Dollars (\$1,950,000.00)*** ("Term Loan A") and (b) ***One Million Two Hundred Thousand Dollars (\$1,200,000.00)*** ("Term Loan B").

1.2(b) The principal of Term Loan A is to be repaid in fifty-nine (59) consecutive equal monthly installments of \$10,833,33, together with accrued

interest, on the first day in each calendar month commencing October 1, 1997 and in a final installment of \$1,310,833.53 on September 1, 2002, when the unpaid balance of principal and any accrued interest is due and payable.

1.2(c) The principal of Term Loan B is to be repaid in fifty-nine (59) consecutive equal monthly installments of \$14,285.71, together with accrued interest, on the first day of each calendar month commencing August 1, 1999, and in a final installment of \$357,143.11 on July 1, 2004, when the unpaid balance of principal and any accrued interest is due and payable.

1.2(d) Term Loan A and Term Loan B are collectively referred to as the "Term Loan."

1.2(e) Notwithstanding the provisions of Section 1.2(b) and 1.2(c), the Term Loan terminates and is due and payable, with accrued interest, upon a Default or upon the termination of this Agreement pursuant to Article 14.

H. A new section 7.21 is hereby added to the Loan Agreement as follows:

Section 7.21 Year 2000 Compatibility.

The advent of the year 2000 is not to adversely affect the Borrower's operations or the performance of its information technology. Without limiting the generality of the foregoing, the Borrower covenants that: (i) the hardware and software utilized by Borrower are designed to be used prior to, during and after calendar year 2000 A.D. and such hardware and software will operate during each such time period without error relating to date data, specifically including any error relating to, or the conduct of, date data which represents or references different centuries or more than one century, (ii) the hardware and software utilized by Borrower will not abnormally end or provide invalid or incorrect results as a result of date data, (iii) the hardware and software utilized by Borrower have been designed to ensure year 2000 A.D. compatibility, including date data, century recognition, leap year, calculations which accommodate same century and multi-century formulas and date values, and date data interface values that reflect the century and (iv) the Borrower will devote adequate resources to ensure compliance with its covenants in this section and will provide Lender with periodic status reports and information regarding such compliance as requested by Lender and as provided to third parties.

I. The Mortgage Note is hereby ratified and confirmed to be consistent with the revisions to the Loan Agreement set forth above.

J. Exhibit "A" to the Loan Agreement and Loan Documents are hereby amended to incorporate the expanded definition of "Collateral" described in paragraph 4 hereof.

K. Schedule 2 to the Loan Agreement is hereby amended as set forth on the attached Schedule 2.

L. The New Borrower assigns to Lender, and incorporates same as part of the Loan Agreement, all of the representations and warranties made to the New Borrower by Seller in the Asset Purchase Agreement. None of the duties of the New Borrower in the Asset Purchase Agreement are hereby assigned.

9. This Agreement is to be construed as an amendment to the Loan Documents to the extent that the Loan Documents are deemed to relate to and incorporate the changes to the Loan Documents as specified in this Agreement.

10. All representations, warranties and covenants made in the Loan Documents are hereby repeated as though first made expressly in this Agreement. All provisions of the Loan Documents are ratified and confirmed as enforceable and binding in accordance with their terms. The Borrower acknowledges the absence of any claims or objections to the enforceability of the Loan Documents, as amended by this Agreement.

11. The parties agree to sign, deliver and file any additional documents and take any other actions that may reasonably be required by Lender or by the title insurance company affording the insurance required by Lender, including, but not limited to, affidavits, resolutions, or certificates for a full and complete consummation of the matters covered by this Agreement.

12. This Agreement is binding upon, inures to the benefit of, and is enforceable by the heirs, personal representatives, successors and assigns of the parties. This Agreement is not assignable by Borrower without the prior written consent of Lender.

13. To the extent that any provision of this Agreement is determined by any court or legislature to be invalid or unenforceable in whole or part either in a particular case or in all cases, such provision or part thereof is to be deemed surplusage. If that occurs, it does not have the effect of rendering any other provision of this Agreement invalid or unenforceable. This Agreement is to be construed and enforced as if such invalid or unenforceable provision or part thereof were omitted.

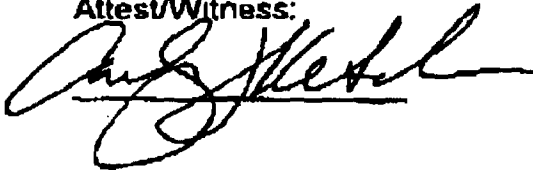
14. This Agreement may only be changed or amended by a written agreement signed by all of the parties. By the execution of this Agreement, Lender is not to be deemed to consent to any future modification, renewal or extension.

15. This Agreement is governed by and is to be construed and enforced in accordance with the laws of New Jersey as though made and to be fully performed in New Jersey (without regard to the conflicts of law rules of New Jersey).

16. The parties to this Agreement acknowledge that each has had the opportunity to consult independent counsel of their own choice, and that each has relied upon such counsel's advice concerning this Agreement, the enforceability and interpretation of the terms contained in this Agreement and the consummation of the transactions and matters covered by this Agreement.

IN WITNESS WHEREOF, the parties have signed this Agreement.

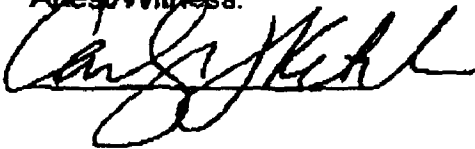
Attest/Witness:



S.S. WHITE TECHNOLOGIES INC.

By: 
RAHUL B. SHUKLA
President

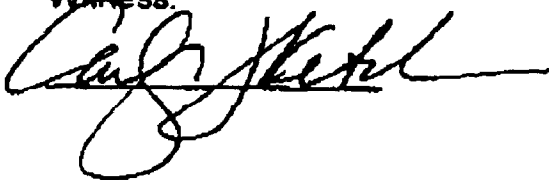
Attest/Witness:

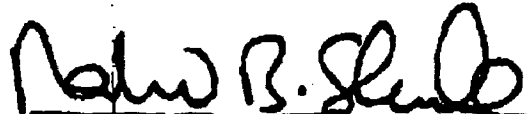


S.S. WHITE MEDICAL PRODUCTS INC.

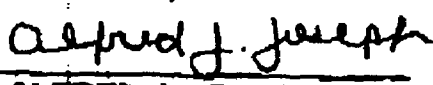
By: 
RAHUL B. SHUKLA
President

Witness:




RAHUL B. SHUKLA

MELLON BANK, N.A.

By: 
ALFRED J. JOSEPH
Vice President

SCHEDULE 2

Locations of Collateral

151 Old New Brunswick Road, Piscataway, New Jersey 08854
102 American Road, Morris Plains, New Jersey 07950

Names; Locations of Offices

1. Names under which Borrower conducts business:

a. Corporate Alternate Name: S.S. White Industrial Products, Inc.
Filed January 23, 1991 - New Jersey Department of State

b. Former names:

(i) SSW Acquisition Corp.

(ii) S.S. White Industrial Products, Inc.

c. S.S. White Medical Products Inc. purchased substantially all of the assets and assumed certain liabilities of Snap-On Medical Products Company pursuant to an Asset Purchase Agreement and other documents of even date.

2. Locations where Borrower conducts business or operations:

151 Old New Brunswick Road, Piscataway, New Jersey 08854
102 American Road, Morris Plains, New Jersey 07950

SIC Codes of Borrower

3568

3714

3545

SCHEDULE "A"

INTELLECTUAL PROPERTY LICENSE AGREEMENT

between

**SNAP-ON TECHNOLOGIES, INC., SNAP-ON INCORPORATED,
and SNAP-ON MEDICAL PRODUCTS COMPANY**

and

S.S. WHITE TECHNOLOGIES INC. and S.S. WHITE MEDICAL PRODUCTS INC.

This LICENSE AGREEMENT is made and effective as of June 30, 1999, by and between by and between (i) SNAP-ON TECHNOLOGIES, INC., an Illinois corporation ("SOT"), (ii) SNAP-ON INCORPORATED, a Delaware corporation ("Company"), and (iii) SNAP-ON MEDICAL PRODUCTS COMPANY, a Wisconsin corporation ("Seller") (SOT, Company and Seller being hereafter collectively referred to as "Snap-on"), and (iii) S.S. WHITE MEDICAL PRODUCTS INC., a New Jersey corporation ("Buyer") and S.S. WHITE TECHNOLOGIES INC., a New Jersey corporation ("Technologies").

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RECITALS

A. Snap-on is the owner of, and/or has the right to grant licenses with respect to Intellectual Property as hereafter defined, relating to the business of designing, manufacturing and distributing medical instruments predominantly used in orthopedics (the "Business").

B. Contemporaneously with the execution of this License Agreement, Snap-on, Buyer and Technologies are consummating the transactions contemplated by a certain Asset Purchase Agreement whereby Buyer is purchasing most of the assets of the Business.

C. This License Agreement is executed pursuant to the applicable provisions of the Asset Purchase Agreement and is a material element of the overall transaction contemplated thereby.

THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. Definitions:

- a. Business - As used herein, the term "*Business*" shall have the same meaning as said term has in the accompanying Asset Purchase Agreement between Snap-on on the one hand and Buyer and Technologies on the other hand.
- b. Licensed Goods - As used herein, the term "*Licensed Goods*" shall mean goods manufactured, promoted and/or sold in the course of the Business utilizing the Intellectual Property.

2. Interest Granted:

- a. Subject to the terms and conditions of this License Agreement, Snap-on hereby grants Buyer the exclusive right for the Business to manufacture, have manufactured, use, promote, offer for sale, and sell Licensed Goods under the following U.S. patents, patent application (and any resulting patent(s)), and trademark (the "Intellectual Property"):

Title	U.S. Patent No.	Issue Date
Ratcheting Screwdriver	4,777,852	10/18/88
Torque Driving Tool and Retainer For Driven Member	4,970,922	11/20/90
Ergonomic Handle Design	Des 307,236	4/17/90
Ergonomic Handle Design	Des 309,246	7/17/90
Caulk Gun With Ergonomic Handles	5,248,068	9/28/93
Universal Modular Reamer System	5,499,984	03/19/96
Surgical Tool and Adjustable Locking Handle Therefor	5,531,750	07/02/96
Ratcheting Screwdriver	5,535,648	07/16/96
Disposable Torque Limiting Wrench	5,571,014	11/05/96
Miniature Reversible Ratcheting Screwdriver	5,685,204	1/11/97

Title	U.S. Patent No.	Issue Date
Integral Reamer Apparatus With Guide Counterbores In Female Press-Fitted Parts	5,720,749	02/24/98
Adjustable Torque Limiting Mini Screwdriver	5,746,298	05/05/98
Screwdriver Handle Design	Des 378,186	02/25/97
Mini Ratcheting Screwdriver With Locking Swivel Handle	Appln. Pending S/N 14,451	Filed 7/14/98
Trademark	Federal Reg. No.	Reg. Date
Captive Twist	1,735,604	11/24/92

- b. Snap-on makes no representation that it will be successful in obtaining a patent based on the licensed patent application. Snap-on will not be obligated to appeal any adverse decision of the patent examiner. However, should Snap-on decide not to continue the prosecution of said application, or not to appeal such an adverse decision, Snap-on shall timely advise Buyer of its decision and furnish Buyer with the prosecution file of the application, access to the inventor(s), and such information as Buyer reasonably requests in order to continue the prosecution or file an appeal.

3. Covenant Not to Sue:

So long as this License Agreement is in effect, Snap-on covenants that it will not institute or prosecute any claim against Buyer for infringement of any presently existing Intellectual Property Rights of Snap-on with respect to the Business or Buyer's conduct thereof. For purposes of this covenant, the term Intellectual Property Rights shall have the meaning defined in Section 1.2(a) of the Asset Purchase Agreement.

4. Maintenance of Patents and Trademark:

Snap-on shall (i) maintain and pay all maintenance expenses for the patents (including any patent(s) issued on the aforementioned patent application) licensed in Section 2 of this License Agreement; and shall (ii) maintain and renew and pay all maintenance and renewal expenses for the trademark licensed in said Section 2, so long as Buyer provides Snap-on with all required affidavits and specimens of use at Buyer's expense.

5. Transferability:

- a. Except as otherwise provided in subparagraph b below, Buyer shall not transfer, assign or sublicense any of the licenses or rights granted to Buyer under this License Agreement without prior written consent of SOT, except in connection with a sale of substantially all the assets of the Business or a merger or consolidation involving the Business. This License Agreement shall inure to the benefit of and be binding upon the successors of the parties.
- b. Seller and SOT hereby consent and acknowledge that Buyer's lender, Mellon Bank, N.A., is a secured creditor of Buyer. Seller and SOT hereby specifically acknowledge and consent to the rights of Mellon Bank, N.A. to exercise the rights of the Buyer set forth in Section 12(b) hereof to the extent of goods and/or inventory which may be subject to this License Agreement and have been acquired or manufactured by the Buyer prior to termination provided by Section 11 hereof. Seller and SOT agree to provide notice of the termination of this License Agreement (in the manner provided by Section 14 hereof) to Mellon Bank, N.A. addressed to:

Mellon Bank, N.A.
Edison Square West
2035 Lincoln Highway
Suite 1080
Edison, NJ 08817
Telephone: (732) 650-6364
Facsimile: (732) 650-0318

6. Consideration:

The rights and licenses granted to Buyer pursuant to this License Agreement constitute part of the consideration for the payments made and to be made, obligations assumed, and commitments made by Buyer and Technologies in the Asset Purchase Agreement; and no separate or additional consideration shall be given by Buyer or Technologies for the rights and licenses granted by this License Agreement.

7. Suit Against Third Parties For Infringement or Violation of Intellectual Property Rights:

- a. Promptly after notification by Buyer of any infringement or violation by any person and/or entity of the Intellectual Property Rights exclusively licensed to Buyer pursuant to this License Agreement, Snap-on shall promptly file and diligently prosecute an action or actions against such person and/or entity unless in Snap-on's sole discretion such an action is not warranted under the circumstances - in which event Snap-on shall promptly advise Buyer of its decision not to proceed with litigation or not to seek all such relief and the reason(s) therefor.
- b. If Snap-on institutes such an action or actions, it shall keep Buyer notified on a current basis of all proceedings in such action(s), with copies of all correspondence and all papers served or filed in the action(s). The expenses of such action(s) shall be paid by Snap-on, and any and all monetary recoveries

from said action(s) or any settlement thereof shall go to Snap-on. As reasonably requested by Snap-on from time to time, Buyer agrees to cooperate with Snap-on in the prosecution or settlement of any such actions at Buyer's sole expense, including, but not limited to, production of documents and making witnesses available in connection with such actions. Any settlement in any such action(s) shall be subject to the prior approval of Buyer, which approval shall not be unreasonably withheld or unduly delayed. If Buyer so elects, it shall have the right to participate in such action(s) as a co-plaintiff with Snap-on and to seek any relief which Snap-on has declined to seek, but such participation shall be at the expense of Buyer; i.e. Buyer shall pay the fees and expenses of its own counsel and any expert(s) it chooses to retain.

- c. If Snap-on should exercise its discretion pursuant to subsection (a) above and refuse to file such an action(s) within sixty (60) days after notice from Buyer requesting the same, or should fail or refuse to diligently prosecute such action(s), then Buyer may do so at Buyer's sole expense and may name Snap-on as a party to the action(s); and Snap-on shall have the right to participate in such action(s) as a co-plaintiff with Buyer, but such participation shall be at the expense of Snap-on. Any settlement in any such action(s) shall be subject to the prior approval of Snap-on, which approval shall not be unreasonably withheld or unduly delayed.

8. Indemnity by Buyer; Representations and Disclaimer of Warranties by Snap-on:

- a. Buyer shall defend Snap-on and hold Snap-on harmless with respect to any and all claims asserted by any person or entity against Snap-on arising out of or relating to the operation of Buyer's facilities, or the manufacture and sale of Licensed Goods by or for Buyer.
- b. Snap-on represents that it is not aware of any allegation that any of the patents licensed hereunder is not valid or that any of the Licensed Goods infringes any patent rights of third parties. Snap-on makes no further representation or warranty.
- c. **NOTHING IN THIS LICENSE AGREEMENT SHALL BE DEEMED TO BE A REPRESENTATION OR WARRANTY BY SNAP-ON OF THE VALIDITY OF ANY OF THE PATENTS LICENSED HERENUNDER. SNAP-ON SHALL HAVE NO LIABILITY WHATSOEVER TO BUYER OR ANY OTHER PERSON FOR OR ON ACCOUNT OF ANY INJURY, LOSS OR DAMAGE OF ANY KIND OR NATURE SUSTAINED BY, OR ANY DAMAGE ASSESSED OR ASSERTED AGAINST, OR ANY OTHER LIABILITY INCURRED BY OR IMPOSED UPON BUYER OR ANY OTHER PERSON, ARISING OUT OF OR IN CONNECTION WITH OR RESULTING FROM (a) THE PRODUCTION, USE, OR SALE OF ANY APPARATUS OR PRODUCT, OR THE PRACTICE OF THE PATENTS LICENSED HERENUNDER; OR (b) ANY ADVERTISING OR OTHER PROMOTIONAL ACTIVITIES WITH RESPECT TO ANY OF THE FOREGOING, AND BUYER SHALL HOLD SNAP-ON AND ITS OFFICERS, AGENTS, OR EMPLOYEES, HARMLESS IN THE EVENT SNAP-ON, OR ITS OFFICERS, AGENTS, OR EMPLOYEES, IS HELD LIABLE.**

9. Patent Marking:

Buyer shall place in a conspicuous location on Licensed Goods or their packaging, a patent notice in accordance with 35 U.S.C. §282, and with the following legend "Mfd. under license from Snap-on Technologies, Inc.". Buyer agrees to so mark any products made using a process covered by a licensed patent and to respond to any request for disclosure under 35 U.S.C. §287(b)(4)(B) by notifying SOT of the request for disclosure. In order to enable Buyer to comply with this Section 9, within thirty (30) days after the date of this License Agreement SOT shall furnish Buyer with a list of each product currently produced by Seller and each process for which such patent notice is required, identifying each applicable licensed patent. At such time as the aforementioned patent application issues as a patent or patents, SOT shall furnish Buyer with similar information with respect thereto.

10. Contractual Relationship:

Each of the parties, viz. Snap-on on the one hand and Buyer and Technologies on the other hand, is an independent contractor. Neither party is the legal representative or agent of the other party for any purpose whatsoever, and neither party has any right or authority, express or implied, to bind the other party or to act for the other party in dealing with third parties, except as may otherwise be specifically provided in this License Agreement, or authorized in writing from time to time by the party to be bound.

11. Term and Termination:

- a. Term - This License Agreement shall continue in force as the Intellectual Property until the expiration or termination thereof, and for so long as Buyer continues to manufacture, have manufactured, use, promote, offer for sale, or sell Licensed Goods.
- b. Termination - If SOT believes that Buyer has committed a material breach of the Asset Purchase Agreement or of this License Agreement, it shall notify Buyer of the breach, and Buyer shall cure the breach within thirty (30) days. If Buyer fails to cure the breach, Buyer consents to having the dispute resolved by alternative dispute resolution procedures. If the decision of the alternative dispute resolution procedures is that a material breach has occurred, Buyer shall have thirty (30) days to cure the breach. If Buyer fails to cure the breach, SOT may immediately terminate this License Agreement.

12. Effect of Termination;

Obligations of Buyer Upon Termination:

Upon termination of this License Agreement:

- a. Buyer shall retain all rights accrued prior to the effective date of termination.
- b. Buyer shall discontinue use of the Intellectual Property Rights; provided, however, that Buyer may manufacture, have manufactured, use, promote, offer for sale, and sell those Licensed Goods which it has in its inventory or with respect to which it has work in process, parts for assembly in stock, or has ordered parts pursuant to orders which cannot be canceled without incurring cancellation charges or other losses.

13. Construction; Jurisdiction:

This License Agreement has been made in, and its validity, interpretation and performance shall be governed and controlled by the law of the State of New Jersey. The headings of paragraphs in this License Agreement are included herein for convenience only and shall not be considered in construing this License Agreement.

14. Notices:

Any notice, request, statement or other communication given by either party to the other party under this License Agreement shall be deemed to have been sufficiently addressed when addressed as follows:

If addressed to Snap-on:

Snap-on Incorporated
10801 Corporate Drive
Kenosha, Wisconsin 53142
Attention: Susan F. Marrinan
Telecopy: (414) 656-5127

with copies to:

Foley & Lardner
777 East Wisconsin Avenue
Milwaukee, Wisconsin 53202-5367
Attention: Patrick G. Quick, Esq.
Telecopy: (414) 297-4900

If addressed to Buyer:

S.S. White Medical Products Inc.
151 Old New Brunswick Road
Piscataway, New Jersey 08854-3761
Attention: Rahul B. Shukla, President
Telecopy: (732) 752-8315

with copies to:

Lessler & Lessler
540 Old Bridge Turnpike
South River, New Jersey 08882
Attention: Arthur L. Lessler, Esq.
Telecopy: (732) 254-7630

and in either case sent by Certified or Express mail, return receipt requested; or by Federal Express, Airborne Express or UPS Next Day Air.

Any such notice, request, statement or other communication may be sent by facsimile, provided that a confirmation copy is mailed the same day by one of the above methods. The date of sending (in the case of facsimile) or mailing shall be deemed to be the date on which such

notice or request has been given. Either party may give written notice of a change of address and after notice of such change has been given, any notice or request thereafter shall be given to such party as above provided at such changed address.

15. Severability:

- a. The parties agree that if any part, term, or provision of this License Agreement shall be found illegal or in conflict with any valid controlling law, the validity of the remaining provisions shall not be affected thereby.
- b. In the event the legality of any provision of this License Agreement is brought into question because of a decision by a court of competent jurisdiction, Snap-on, by written notice to Buyer, may revise the provision in question or may delete it entirely, if and to the extent required to comply with the decision of said court.

16. Entire Agreement - Modifications:


This License Agreement sets forth the entire agreement and understanding between the parties as to the subject matter of this Agreement. Neither of the parties shall be bound by any modification of this Agreement unless in writing and signed by the party to be bound thereby. The failure of either party to insist upon strict performance of any of the provisions of this Agreement shall not be construed as a waiver of any subsequent default of the same or similar nature.

17. Right to Sell Existing Inventory:

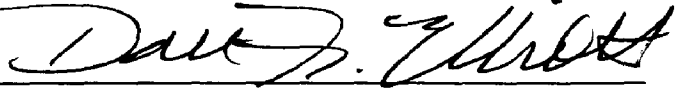
This License Agreement shall include the right of Buyer to sell, subject to Sections 1.4 and 9.3 of the Asset Purchase Agreement, parts and products of Seller in Inventory (as such term is defined in the Asset Purchase Agreement) and packaging in stock at midnight on July 1, 1999 that are marked with the word "Snap-on"; but (except as otherwise provided in Section 9 of this License Agreement) shall in no way be construed to include the right of Buyer to use the "Snap-on" name for any other purpose, including, without limitation, in the manufacture and sale of products.

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

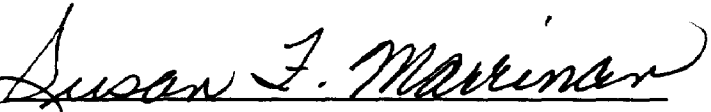
SNAP-ON INCORPORATED

By: 
Donald S. Huml
Senior Vice President - Finance and
Chief Financial Officer

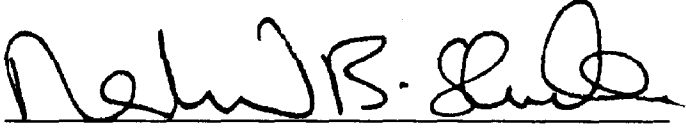
SNAP-ON MEDICAL PRODUCTS COMPANY

By: 
Dale F. Elliott
President

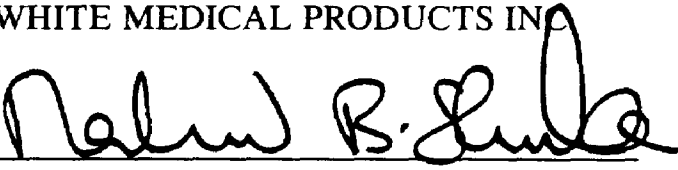
SNAP-ON TECHNOLOGIES, INC.

By: 
Susan F. Marrinan
President

S.S. WHITE TECHNOLOGIES INC.

By: 
Rahul Shukla
President

S.S. WHITE MEDICAL PRODUCTS INC.

By: 
Rahul Shukla
President