

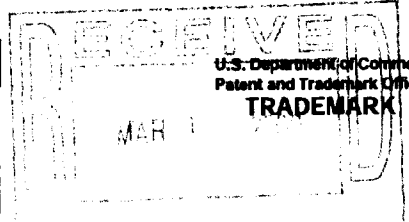
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FORM PTO-1618A
Expires 06/30/99
OMB 0651-0027

04-07-2000



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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

Conveying Party

Mark if additional names of conveying parties attached

Name Execution Date
Month Day Year

Formerly

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

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)
City State/Country Zip Code

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

04/07/2000 JSHABAZZ 00000018 1635918

FOR OFFICE USE ONLY

01 FC:481 40.00 OP
02 FC:482 75.00 OP

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

REEL: 002045 FRAME: 0181

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

[Empty text box]

Address (line 1)

[Empty text box]

Address (line 2)

[Empty text box]

Address (line 3)

[Empty text box]

Address (line 4)

[Empty text box]

Correspondent Name and Address

Area Code and Telephone Number

(415) 371-1200

Name

Mary A. Francis, Esq.

Address (line 1)

Thelen Reid & Priest LLP

Address (line 2)

101 Second Street

Address (line 3)

Suite 1800

Address (line 4)

San Francisco, CA 94105-3601

Pages

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

#

3

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)

[Empty text boxes]

1635918

1289485

2011117

[Empty text boxes]

1833066

[Empty text boxes]

Number of Properties

Enter the total number of properties involved.

#

4

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

115.00

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:

#

50-0918

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.

Mary A. Francis, Esq.

Name of Person Signing

Signature

Feb. 29, 2000

Date Signed

RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY

FORM PTO-1618C
Expires 06/30/99
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U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK

Conveying Party

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship State of Incorporation/Organization

Receiving Party

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City
State/Country
Zip Code

Individual General Partnership Limited Partnership

Corporation Association

Other

Citizenship/State of Incorporation/Organization

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Trademark Application Number(s)

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Other

Citizenship State of Incorporation/Organization

Receiving Party

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

Galen Employee Fund III, L.P.

DBA/AKA/TA

Composed of

Address (line 1)

610 Fifth Avenue

Address (line 2)

Address (line 3)

New York

NY/U.S.A.

10020

City

State/Country

Zip Code

Individual General Partnership Limited Partnership

Corporation Association

Other

Citizenship/State of Incorporation/Organization

Delaware

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**RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY**

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Registration Number(s)

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**CONDITIONAL ASSIGNMENT OF AND
SECURITY INTEREST IN INTELLECTUAL PROPERTY RIGHTS
(TRADEMARK)**

THIS CONDITIONAL ASSIGNMENT OF AND SECURITY INTEREST IN INTELLECTUAL PROPERTY RIGHTS (TRADEMARK) ("Conditional Assignment"), dated December 22, 1999, is made by Sunshine Products, Inc., a Missouri corporation with offices at 1149 Reco Drive, St. Louis, Missouri 63126 ("Grantor"), in favor of Galen Partners III, L.P., a Delaware limited partnership with offices at 610 Fifth Avenue, New York, New York 10020, Galen Partners International III, L.P., a Delaware limited partnership with offices at 610 Fifth Avenue, New York, New York 10020, Galen Employee Fund III, L.P., a Delaware limited partnership with offices at 610 Fifth Avenue, New York, New York 10020 and Med-Tec Investors, LLC, a New Jersey limited liability company with offices at 777 Alexander Road, Princeton, New Jersey 08540 (collectively, the "Secured Parties").

WHEREAS, the Secured Parties have agreed to purchase from Derma Sciences, Inc., corporate parent of the Grantor, those certain convertible bonds due December 31, 2000 in the aggregate principal amount of up to \$750,000 ("Convertible Bonds"); and

WHEREAS, in order to secure payment of interest and principal on the Convertible Bonds the Grantor, its corporate affiliates and the Secured Parties have entered into that certain security agreement of even date herewith ("Security Agreement");

NOW, THEREFORE, in consideration of the purchase of the Convertible Bonds by the Secured Parties and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, the Grantor hereby makes this Conditional Assignment upon the terms hereinafter set forth:

1. **Definitions.** Unless otherwise defined herein or the context otherwise requires, terms used in this Conditional Assignment, including its preamble and recitals, have the meanings provided in the Convertible Bonds and the Security Agreement.

2. **Conditional Assignment and Grant of Security Interest.** The Grantor hereby pledges, grants a continuing security interest in and a right of setoff against, and assigns, transfers and conveys to the Secured Parties, effective upon demand made upon the occurrence and during the continuance of an Event of Default, the trademarks (including, without limitation, those items listed on Schedule A hereto), together with all goodwill pertaining thereto.

3. **Purpose.** This Conditional Assignment has been executed and delivered by the Grantor for the purpose of registering the conditional assignment and grant of security interest 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 the Secured Parties under the Security Agreement. The Security Agreement (and all rights and remedies of the Secured Parties thereunder) shall remain in full force and effect in accordance with their terms.

4. **Acknowledgement.** The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Secured Parties with respect to the security interest in the trademarks granted hereby are more fully set forth in the Security Agreement the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

IN WITNESS WHEREOF, the Grantor has caused this Conditional Assignment to be duly executed and delivered by its Vice President and Chief Financial Officer thereunto duly authorized as of the day and year first above written.

SUNSHINE PRODUCTS, INC.

By: Stephen T. Wills
Stephen T. Wills, CPA, MST
Vice President and Chief Financial Officer

SCHEDULE A

**CONDITIONAL ASSIGNMENT OF AND SECURITY INTEREST
IN INTELLECTUAL PROPERTY RIGHTS
(TRADEMARK)**

Mark	Registration Number	Registration Date
APRI VERA (and all goodwill pertaining thereto)	1635918	February 26, 1991
BATHE AWAY (and all goodwill pertaining thereto)	1289485	August 7, 1984
IN BETWEEN (and all goodwill pertaining thereto)	2011117	October 22, 1996
MYSOTROL (and all goodwill pertaining thereto)	1833066	April 26, 1994