

"D" 8.21.00

09-18-2000

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



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U.S. Department of Commerce  
Patent and Trademark Office  
TRADEMARK



RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY

08-21-2000

U.S. Patent & TMO/TM Mail Rcpt Dt. #26

5.18.00

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  
Effective Date  
Month Day Year
- Merger
- Change of Name
- Other

Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name STRATEGIC DIAGNOSTICS INC

5-5-00

Formerly

74337469

- 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 PNC BANK, DELAWARE

DBA/AKA/TA

Composed of

Address (line 1) 222 DELAWARE AVENUE

Address (line 2)

Address (line 3) WILIMINGTON

DELAWARE

19801

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

06/20/2000 DMSUYEN 00000265 74337469

FOR OFFICE USE ONLY

01 FC:481  
02 FC:482

40.00 OP  
225.00 OP

TRADEMARK RECEIVED  
MAY 18 A.D. 2000  
REMARK FEE PROCESS.  
00000000  
00000000  
06/15/2000  
01 FC:482

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. SeeOMB 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: 002138 FRAME: 0084

**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

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.

#

**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)**

<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

<input type="text" value="SEE ATTACHED"/>	<input type="text"/>	<input type="text"/>
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<input type="text"/>	<input type="text"/>	<input type="text"/>

**Number of Properties**

Enter the total number of properties involved.

#

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41):

\$

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.

TONYA CHAPPLE

*Tonya Chapple*

5-16-00

Name of Person Signing

Signature

Date Signed

Schedule A

## Trademarks

<u>Trademark Name</u>	<u>Application No./ Filing Date</u>	<u>Registration No./ Filing Date</u>	<u>Country</u>
D TECH	74/337,469 12/07/92	1,865,106 11/29/94	U.S.A.
D TECH ENVIRONMENTAL DETECTION SYSTEM	74/337,470 12/07/92	1,856,130 9/27/94	U.S.A.
ENVIROGARD	[awaiting number] 5/28/96	272,864 7/8/98	European Community
GMO and Design	2,272,516 3/8/00	Pending	Argentina
GMO and Design	970,335 10/27/98	Pending	European Community
GMO and Design	100795/1999 11/4/99	Pending	Japan
GMO and Design	40-2000-9384 3/3/00	Pending	South Korea
GMO and Design	[in process of filing]	-----	Mexico
GMO and Design	415,794 3/30/00	Pending	Thailand
GMO and Design	75/574,952 10/22/98	Pending	U.S.A.
MACRA	74/557,524 8/5/94	1,924,948 10/10/95	U.S.A.
MACRA	74/557,911	2,200,023	U.S.A.

	8/5/94	10/27/98	
MYCO and Design	001374081 11/5/99	Pending	European Community
MYCO and Design	100796/1999 11/4/99	Pending	Japan
MYCO and Design	397,819 11/5/99	Pending	Mexico
MYCO and Design	75/834,554 11/29/99	Pending	U.S.A.
QUICKSTIX	75/196,582 11/12/96	Abandoned	U.S.A.
RAPIDCHEK	73/743,749 8/2/88	1,550,643 8/8/89	U.S.A.
RAPIDCHEK	74/679,243 5/23/95	2,017,074 11/19/96	U.S.A.
SDI and Design	74/691,626 6/21/95	1,978,330 6/4/96	U.S.A.
TRAIT and Design	2,272,517 3/8/00	Pending	Argentina
TRAIT and Design	808,159 9/23/99	Pending	Australia
TRAIT and Design	822047934 9/24/99	Pending	Brazil
TRAIT and Design	[awaiting number] 9/24/99	Pending	Canada
TRAIT and Design	1,322,478 9/24/99	Pending	European Community
TRAIT and Design	86686/1999 9/24/99	Pending	Japan

TRAIT and Design	40-2000-9385 3/3/00	Pending	South Korea
TRAIT and Design	415,795 3/30/00	Pending	Thailand
TRAIT and Design	75/669,000 3/26/99	Pending	U.S.A.
TRAIT (stylized) and Design	316,817 9/23/99	Pending	New Zealand
TRAIT and Design	[in process of filing]	-----	Mexico

## TRADEMARK SECURITY AGREEMENT

This Trademark Security Agreement ("Agreement") is made as of the 5th day of May, 2000, by Strategic Diagnostics Inc. ("Grantor"), having a mailing address at 111 Pencader Drive, Newark, Delaware 19702, and delivered to PNC Bank, Delaware, having a mailing address at 222 Delaware Avenue, Wilmington, Delaware 19801 ("Grantee").

### BACKGROUND

A. This Agreement is being executed contemporaneously with that certain Loan Agreement and that certain Security Agreement, each of even date herewith between Grantor, as borrower, and Grantee, as lender (as they may hereafter be supplemented, restated, amended, superseded or replaced from time to time, the "Loan Agreement"), under which Grantor is granting Grantee a lien on and security interest in certain assets of Grantor associated with or relating to products leased or sold or services provided under Grantor's trademarks and the goodwill associated therewith, and under which Grantee is entitled to foreclose or otherwise deal with such assets, trademarks, servicemarks and tradenames under the terms and conditions set forth therein. Capitalized terms not defined herein shall have the meanings given to such terms in the Loan Agreement.

B. Grantor has adopted, used and is using (or has filed applications for the registration of) the trademarks, servicemarks and tradenames listed on Schedule A attached hereto and made part hereof (all such marks or names hereinafter referred to as the "Trademarks").

C. Pursuant to the Loan Agreement, Grantee is acquiring a lien on, and security interest in, the Trademarks, together with all the goodwill of Grantor associated therewith and represented thereby, as security for all of the Obligations, and desires to have its security interest in such Trademarks confirmed by a document identifying same and in such form that it may be recorded in the United States Patent and Trademark Office.

NOW THEREFORE, with the foregoing Background hereinafter deemed incorporated by reference and made a part hereof, and in consideration of the premises and mutual promises herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. In consideration of and pursuant to the terms of the Loan Documents, and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure the Obligations, Grantor grants a lien and security interest to Grantee in all of its present and future right, title and interest in and to the Trademarks, together with all the goodwill of Grantor associated with and represented by the Trademarks, and the registration thereof and the right (but not the obligation) to sue for past, present and future infringements,

and the proceeds thereof, including, without limitation, license royalties and proceeds of infringement suits, (collectively, the "Collateral").

2. Grantor hereby covenants and agrees to maintain the Trademarks in full force and effect and otherwise perform all of its obligations and undertakings under this Agreement until all of the Obligations are indefeasibly paid and satisfied in full and the Loan Agreement has been terminated.

3. Grantor represents, warrants and covenants that:

(a) The Trademarks are subsisting and have not been adjudged invalid or unenforceable;

(b) To the best of Grantor's knowledge, each of the Trademarks is registered, valid and enforceable;

(c) Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, and each of the Trademarks is free and clear of any liens, claims, charges and encumbrances, including, without limitation, pledges, assignments, licenses and covenants by Grantor not to sue third persons;

(d) Grantor has the unqualified right, power and authority to enter into this Agreement and perform its terms; and

(e) Grantor has complied with, and will continue for the duration of this Agreement to comply with, the requirements set forth in 15 U.S.C. §1051-1127 and any other applicable statutes, rules and regulations in connection with its use of the Trademarks.

4. Grantor further covenants that:

(a) Until all of the Obligations have been indefeasibly paid and satisfied in full and the Loan Agreement has been terminated, Grantor will not enter into any agreement, which are inconsistent with Grantor's obligations under this Agreement.

(b) If Grantor acquires rights to any new trademarks, the provisions of this Agreement shall automatically apply thereto and such trademarks shall be deemed part of the Trademarks. Grantor shall give Grantee written notice promptly upon its first use thereof along with an amended Schedule A.

5. So long as this Agreement is in effect and so long as Grantor has not received notice from Grantee that an Event of Default has occurred and is continuing under the Loan Agreement and that Grantee has elected to exercise its rights hereunder, Grantor shall continue to have the exclusive right to use the Trademarks and Grantee shall have no right to use the Trademarks or

issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Trademarks to anyone else.

6. Grantor agrees not to sell, license (except in the ordinary course of Grantor's business), grant any option, assign or further encumber its rights and interest in the Trademarks without prior written consent of Grantee.

7. Following the occurrence and during the continuance of an Event of Default under the Loan Agreement, Grantee, as the holder of a security interest under the Uniform Commercial Code, as now or hereafter in effect in the state whose law governs the interpretation of the Loan Agreement, may take such action permitted under the Loan Documents or permitted by law, in its exclusive discretion, to foreclose upon or otherwise exercise its rights against the Trademarks covered hereby. For such purposes, Grantor authorizes and empowers Grantee, its successors and assigns, and any officer or agent of Grantee as Grantee may select, in its exclusive discretion, as Grantor's true and lawful attorney-in-fact, with the power to endorse Grantor's name on all applications, assignments, documents, papers and instruments necessary for Grantee to use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to anyone else, or necessary for Grantee to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else including, without limitation, the power to execute on Grantor's behalf a trademark assignment in the form attached hereto as Exhibit I. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof and in accordance with the terms hereof, except for the gross negligence or wilful misconduct of such attorney. This power of attorney shall be irrevocable for the life of this Agreement, the Loan Documents, and until all the Obligations are indefeasibly paid and satisfied in full and the Loan Agreement is terminated.

8. This Agreement shall not be modified without the written consent of the party against whom enforcement is being sought.

9. All rights and remedies herein granted to Grantee shall be in addition to any rights and remedies granted under the Loan Documents and shall be cumulative. In the event of an inconsistency between this Agreement and the Loan Agreement, the language of the Loan Agreement shall control.

10. Upon full and unconditional satisfaction of all of the Obligations and termination of the Loan Agreement, Grantee shall promptly execute and deliver to Grantor all documents reasonably necessary to terminate Grantee's security interest in the Trademarks.

11. Any and all fees, costs and expenses, of whatever kind or nature, including, without limitation, the reasonable attorneys' fees and legal expenses incurred by Grantee in connection with the preparation and execution of this Agreement and all other documents relating hereto, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees,



encumbrances or costs otherwise incurred in protecting, maintaining, preserving the Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks, or defending, protecting or enforcing Grantee's rights hereunder, in each case in accordance with the terms of this Agreement, shall be borne and paid by Grantor on demand by Grantee and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the contractual per annum rate prescribed in the Loan Agreement applicable to the Loans.

12. Subject to any applicable terms of the Loan Agreement, Grantor shall have the duty to prosecute diligently any trademark application with respect to the Trademarks pending as of the date of this Agreement or thereafter to preserve and maintain all rights in the Trademarks, and upon reasonable request of Grantee, Grantor shall make federal application on registrable but unregistered trademarks belonging to Grantor. Any reasonable expenses incurred in connection with such applications shall be borne by Grantor. Grantor shall not abandon any Trademark without the prior written consent of the Grantee.

13. Grantor shall have the right to bring suit in its own name to enforce the Trademarks, in which event Grantee may, if Grantor reasonably deems it necessary, be joined as a nominal party to such suit if Grantee shall have been satisfied, in its sole discretion, that it is not thereby incurring any risk of liability because of such joinder. Grantor shall promptly, upon demand, reimburse and indemnify Grantee for all damages, reasonable costs and expenses, including attorneys' fees, incurred by Grantee in the fulfillment of the provisions of this paragraph.

14. If an Event of Default is outstanding under the Loan Agreement, Grantee may, without any obligation to do so, complete any obligation of Grantor hereunder, in Grantor's name or in Grantee's name, but at Grantor's expense, and Grantor hereby agrees to reimburse Grantee in full for all reasonable costs and expenses, including attorneys' fees, incurred by Grantee in protecting, defending and maintaining the Trademarks.

15. No course of dealing between Grantor and Grantee nor any failure to exercise, nor any delay in exercising, on the part of Grantee, any right, power or privilege hereunder, shall operate as a waiver thereof, and all of Grantee's rights and remedies with respect to the Trademarks, whether established hereby or by the Credit Documents, or by any other future agreements among Borrowers and Grantee or by law, shall be cumulative and may be exercised singularly or concurrently.

16. The provisions of this Agreement are severable and the invalidity or unenforceability of any provision herein shall not affect the remaining provisions which shall continue unimpaired and in full force and effect.


17. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

18. This Agreement shall be governed by and construed in conformity with the laws of the State of Delaware without regard to its otherwise applicable principles of conflicts of laws.

19. Grantor and Grantee each waive any and all rights it may have to a jury trial in connection with any litigation, proceeding or counterclaim arising with respect to rights and obligations of the parties under this Agreement.

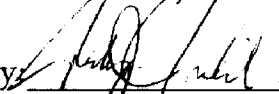
IN WITNESS WHEREOF, the parties hereto have executed under seal this Trademark Security Agreement the day and year first above written.

**STRATEGIC DIAGNOSTICS INC.**

By:  (SEAL)  
Name: Arthur A. Koch, Jr.  
Title: VP + COO

Agreed to and acknowledged:

**PNC BANK, DELAWARE**

By:   
Theodore J. Prushinski, Vice President

CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA :  
STATE OF DELAWARE : SS  
COUNTY OF NEW CASTLE :

On this 5th of May, 2000, before me personally appeared Arthur A. Koch, Jr. to me known and being duly sworn, deposes and says that s/he is Vice President/COO of Strategic Diagnostics Inc., that s/he knows the seal of the corporation; that the seal so affixed to the Agreement is such corporate seal; that s/he signed the Agreement and affixed the seal of the corporation thereto as such officer pursuant to the authority vested in him by law; that the within Agreement is the voluntary act of such corporation; and s/he desires the same to be recorded as such.

Monica Leigh Loftin  
Notary Public Attorney at Law

My Commission Expires: N/A

**MONICA LEIGH LOFTIN**  
ATTORNEY-AT-LAW  
PURSUANT TO 29 DEL. C. § 123  
PERMANENT COMMISSION

Exhibit I

TRADEMARK ASSIGNMENT

WHEREAS, Strategic Diagnostics Inc. ("Grantor") is the registered owner of the United States trademarks, tradenames and registrations listed on Schedule A attached hereto and made a part hereof (the "Trademarks"), which are registered in the United States Patent and Trademark Office; and

WHEREAS, \_\_\_\_\_ ("Grantee"), having a place of business at \_\_\_\_\_, is desirous of acquiring said Trademarks;

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound hereby, Grantor, its successors and assigns, does hereby transfer, assign and set over unto Grantee, its successors, transferees and assigns, all of its present and future right, title and interest in and to the Trademarks and all proceeds thereof and all goodwill associated therewith issued under and pursuant to the Power of Attorney.

IN WITNESS WHEREOF, the undersigned has caused this Trademark Assignment to be executed as of the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

STRATEGIC DIAGNOSTICS INC.

By: \_\_\_\_\_  
Attorney-in-fact

POWER OF ATTORNEY

Strategic Diagnostics Inc., a Delaware corporation, ("Grantor"), hereby authorizes PNC Bank, Delaware, its successors and assigns, and any officer or agent thereof (collectively "Grantee") as Grantor's true and lawful attorney-in-fact, with the power to endorse Grantor's name on all applications, assignments, documents, papers and instruments necessary for Grantee to enforce and effectuate its rights under a certain Trademark Security Agreement between Grantor and Grantee dated the date hereof (as it may hereafter be supplemented, restated, superseded, amended or replaced, the "Trademark Agreement"), including, without limitation, the power to use the Trademarks (as defined in the Trademark Agreement) and listed on **Schedule A** attached hereto and made a part hereof, to grant or issue any exclusive or nonexclusive license under the Trademarks to anyone else, or to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks, in each case subject to the terms of the Trademark Agreement.

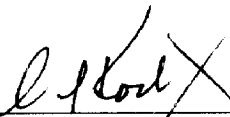
This Power of Attorney is given and any action taken pursuant hereto is intended to be so given or taken pursuant to and subject to the provisions of a certain Loan and Security Agreement bearing even date herewith among Grantor and Grantee, as each document may be hereinafter supplemented, restated, superseded, amended or replaced.

Grantor hereby unconditionally ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof and in accordance with the terms of the Trademark Agreement.

This Power of Attorney shall be irrevocable for the life of the Trademark Agreement.

IN WITNESS WHEREOF, the Grantor has executed this Power of Attorney, this 5th day of May, 2000.

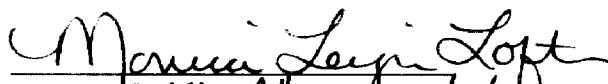
STRATEGIC DIAGNOSTICS INC.

By:   
Name: Arthur A. Koch, Jr.  
Title: VP+CCO

CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA :  
STATE OF DELAWARE : SS  
COUNTY OF NEW CASTLE :

On this 5<sup>th</sup> day of May, 2000, before me personally appeared Arthur A. Koch, Jr. to me known and being duly sworn, deposes and says that s/he is Vice President/COO of Strategic Diagnostics Inc., the corporation described in the foregoing Power of Attorney; that s/he knows the seal of the corporation; that the seal so affixed to the Power of Attorney is such corporate seal; that s/he signed the Power of Attorney and affixed the seal of the corporation thereto as such officer pursuant to the authority vested in her/him by law; that the within Power of Attorney is the voluntary act of such corporation; and s/he desires the same to be recorded as such.

  
Notary Public Attorney at Law

My Commission Expires: N/A

**MONICA LEIGH LOFTIN**  
ATTORNEY-AT-LAW  
PURSUANT TO 29 DEL. C. §4323  
PERMANENT COMMISSION

# Rider to Security Rider - Trademarks

**PNCBANK**

**THIS RIDER TO SECURITY AGREEMENT** (“Rider”) is executed as of this 5th day of May, 2000, by and between **STRATEGIC DIAGNOSTICS INC.**, a Delaware corporation (the “Grantor”) with an address at 111 Pencader Drive, Newark, Delaware 19702, and **PNC BANK, DELAWARE** (the “Bank”), with an address at 222 Delaware Avenue, Wilmington, Delaware 19801. This Rider is incorporated into and made part of that certain Security Agreement and Trademark Security Agreement (collectively, the “Security Agreement”) between the Grantor and the Bank, each dated as of even date herewith, and also into certain other financing documents and security agreements executed by and between the Grantor and the Bank (all such documents including this Rider being collectively referred to as “Loan Documents”). All capitalized terms not otherwise defined in this Rider shall have the same meanings ascribed to such terms in the other Loan Documents.

The Grantor has adopted, used and is using (or has filed applications, other than intent-to-use applications, for the registration of) the trademarks, service marks and trade names listed on Schedule “A” attached hereto and made part hereof (all such marks or names hereinafter referred to as the “Trademarks”).

The Bank desires to acquire a lien and security interest on the Trademarks and the registration thereof, together with all the goodwill of the Grantor associated therewith and represented thereby, as security for all of the Obligations (as defined in the Security Agreement) to the Bank, and the Bank desires to have its security interest in such Trademarks confirmed by a document identifying same and in such form that it may be recorded in the United States Patent and Trademark Office.

**NOW, THEREFORE**, with the foregoing background deemed incorporated by reference and made part hereof, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

**1. Grant of Security Interest.** In consideration of and pursuant to the terms of the Loan Documents, and for other good, valuable and sufficient consideration, the receipt and sufficiency of which is hereby acknowledged, and to secure payment and performance of the Obligations, the Grantor grants a lien and security interest to the Bank in all its present and future right, title and interest in and to the Trademarks, together with all the goodwill and other tangible assets of the Grantor associated with and represented by the Trademarks, and the non-intent-to-use applications for and registration thereof and the right (but not the obligation) to sue for past, present and future infringements, and the proceeds thereof, including, without limitation, license royalties and proceeds of infringement suits.

**2. Representations and Warranties.** The Grantor represents, warrants and covenants that: (a) the Trademarks are subsisting and have not been abandoned, suspended, voluntarily terminated or canceled by the Grantor, have not been adjudged invalid or unenforceable, and to the best of the Grantor’s knowledge, there is no reason why the Trademarks should be adjudged invalid or unenforceable; (b) to the best of the Grantor’s knowledge, each of the Trademarks is valid and enforceable; (c) the Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, and each of the Trademarks is free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments and covenants by the Grantor not to sue third persons; (d) the Grantor has the unqualified right to enter into this

Rider and perform its terms; (e) the Grantor has used, and will continue to use for the duration of this Rider proper notice, as required by 15 U.S.C. §§ 1051-1127 in connection with its use of the Trademarks; (f) the Grantor has used, and will continue to use for the duration of this Rider, consistent standards of quality in products leased or sold under the Trademarks; and (g) the Grantor will not (and will not permit any licensee thereof to) do any act or knowingly omit to do any act whereby any of the Trademarks may become invalidated, abandoned, unenforceable, avoided, avoidable or otherwise diminished in value, and shall notify the Bank promptly if it knows of any reason or has any reason to know of any grounds under which any of the foregoing may occur.

3. **Verification of Quality Control.** The Grantor hereby grants to the Bank and its employees and agents the right to visit the Grantor's locations which lease, sell, or store products under any of the Trademarks and to inspect the products and quality control records relating thereto at reasonable times during regular business hours to ensure the Grantor's compliance with paragraph 2(f). So long as no Event of Default has occurred, the Grantee shall provide the Grantor notice of such visit one (1) day before such visit.

4. **Covenants.** The Grantor further covenants that until all of the Obligations have been satisfied in full: (a) the Grantor shall maintain the Trademarks in full force and effect; (b) the Grantor will not enter into any agreement which is inconsistent with the Grantor's obligations under this Rider or which restrict or impair the Bank's rights hereunder; and (c) if the Grantor acquires rights to any new non-intent-to-use Trademarks, the provisions of this Rider shall automatically apply thereto and the Grantor shall give the Bank prompt written notice thereof along with an amended Schedule A; provided, however, that notwithstanding anything to the contrary contained in this Agreement, the Grantor shall have the right to enter into agreements in the ordinary course of business with respect to the Trademarks.

5. **Exclusive Use of Trademarks.** So long as this Rider is in effect and so long as the Grantor has not received notice from the Bank that an Event of Default has occurred under the Loan Documents and that the Bank has elected to exercise its rights to assignment hereunder, the Grantor shall continue to have the exclusive right to use the Trademarks including licenses thereof, and the Bank shall have no right to use the Trademarks or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Trademarks to anyone else.

6. **Negative Pledge.** The Grantor agrees not to sell, assign (by operation of law or otherwise) or further encumber its rights and interest in the Trademarks without prior written consent of the Bank. The Grantor shall defend the Trademarks against and shall take other action as is necessary to remove any lien, security interest, claim, right or other encumbrance of any nature whatsoever in or to the Trademarks, and will defend the right, title and interest of the Bank in and to any of the Grantor's rights under the Trademarks against the claims or demands of all persons whatsoever.

7. **No Additional Trademarks.** As of the date hereof, the Grantor does not own any Trademarks, or have any Trademarks registered in or the subject of pending applications in the United States Patent and Trademark Office or any similar office or agency in any other country or any political subdivision thereof, other than those grants, registrations or applications for registrations listed on Schedule A annexed hereto and made a part hereof.

8. **Pledge of Additional Trademarks.** In the event the Grantor, either itself or through any agent, employee, licensee or designee shall:



- (a) file or record an application for the registration of any Trademark with the United States Patent and Trademark Office or any similar office or agency of the United States, any State thereof, or any other country or any political subdivision thereof; or
- (b) file or record any assignment of any Trademark which the Grantor may acquire, own or license from a third party, with the United States Patent and Trademark Office or any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof;

the Grantor shall promptly, but in no event more than fifteen (15) days subsequent to such filing, notify the Bank thereof, and, upon request of the Bank shall promptly, but in no event more than twenty (20) days subsequent to such notice, execute and deliver any and all assignments, agreements, instruments, documents and papers as the Bank may reasonably request to evidence the Bank's interest in such Trademark and the goodwill of the Grantor associated thereto or represented thereby. The Grantor hereby grants the Bank a power of attorney, irrevocable until the Obligations are fully paid and satisfied, to modify this Rider by amending Schedule A, as applicable, to include any future Trademarks or Licenses, including, without limitation, registrations or applications appurtenant thereto, covered by this Rider.

#### **9. Remedies Upon Default.**

(a) Anything herein contained to the contrary notwithstanding, if and while an Event of Default exists under the Loan Documents, the Grantor hereby covenants and agrees that the Bank, as the holder of a security interest under the Uniform Commercial Code, may take such action permitted under the Loan Documents or permitted by law, in its exclusive discretion, to foreclose upon the Trademarks covered hereby.

(b) For such purposes, and in the event of an Event of Default under the Loan Documents and while such Event of Default exists, the Grantor hereby authorizes and empowers the Bank to make, constitute and appoint any officer or agent of the Bank as the Bank may select, in its exclusive discretion, as the Grantor's true and lawful attorney-in-fact, with the power to endorse the Grantor's name on all applications, documents, papers and instruments necessary for the Bank to use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to anyone else, or necessary for the Bank to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else. The Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof, except for the gross negligence or willful misconduct of such attorney. This power of attorney shall be irrevocable for the life of this Rider and the Loan Documents, and until all the Obligations are satisfied in full.

(c) The Grantor expressly acknowledges that this Rider shall be recorded with the Patent and Trademark Office in Washington, D.C. Contemporaneously herewith, the Grantor shall also execute and deliver to the Bank such documents as the Bank shall reasonably request to permanently assign all rights in the Trademarks to the Bank, which documents shall be held by the Bank, until the earlier of (i) the occurrence of an Event of Default hereunder or under the Loan Documents or (ii) and indefeasible satisfaction in full of the Obligations. After such occurrence the event described in subclause (i), the Bank may, at its sole option, record such documents with the Patent and Trademark Office. After the occurrence of the event described in subclause (ii) such documents shall be returned to the Grantor.

**10. Subject to Security Agreement.** This Rider shall be subject to the terms, provisions, and conditions set forth in the Security Agreement and may not be modified without the written consent of the party against

whom enforcement is being sought.

11. **Inconsistent with Security Agreement.** All rights and remedies herein granted to the Bank shall be in addition to any rights and remedies granted to the Bank under the Loan Documents. In the event of an inconsistency between this Rider and the Security Agreement, the language of the Security Agreement shall control. The terms and conditions of the Security Agreement are hereby incorporated herein by reference.

12. **Termination of Agreement.** Upon payment and performance of all Obligations under the Loan Documents, the Bank shall promptly execute and deliver to the Grantor all documents necessary to re-vest all rights in and to the Trademarks in the Grantor and/or terminate any interest of the Bank therein.

13. **Prosecution of Trademark Applications.** (a) Subject to the terms of the Loan Documents, the Grantor shall have the duty to prosecute diligently any trademark application with respect to the Trademarks pending as of the date of this Rider or thereafter, until the Obligations shall have been satisfied in full, to preserve and maintain all rights in the registration and grant of the Trademarks, to halt any infringement of the Trademarks, and upon reasonable request of the Bank, the Grantor shall make federal application on registrable but unregistered trademarks belonging to the Grantor. Any reasonable expenses incurred in connection with such applications or defense of said Trademarks shall be borne by the Grantor. The Grantor shall not abandon any Trademark without the written consent of the Bank.

(b) The Grantor shall have the right to bring suit in its own name to enforce the Trademarks, in which event the Bank may, if the Grantor deems it necessary or after an Event of Default under the Loan Documents, be joined as a nominal party to such suit if the Bank shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder. The Grantor shall promptly, upon demand, reimburse and indemnify the Bank for all damages, reasonable costs and reasonable expenses, including attorneys' fees, incurred by the Bank in the fulfillment of the provisions of this paragraph.

14. **Responsibility and Liability.** The Grantor assumes all responsibility and liability arising from the use of the Trademarks, and hereby indemnifies and holds the Bank and each director, officer, employee, affiliate and agent thereof, harmless from and against any claim, suit, loss, damage or expense (including attorneys' fees and expenses) arising out of any alleged defect in any product manufactured, promoted or sold by the Grantor in connection with any of the Trademarks or otherwise arising out of the Grantor's operation of its business from the use of the Trademarks. In any suit, proceeding or action brought by the Bank under any License for any sum owing thereunder, or to enforce any provisions of such License, the Grantor will indemnify and keep the Bank harmless from and against all expense, loss or damage suffered by reason of any defense, set off, recoupment, claim, counterclaim, reduction or liability whatsoever of the obligee thereunder or arising out of a breach of the Grantor of any obligation thereunder or arising out of any agreement, indebtedness or liability at any time owing to or in favor of such obligee or its successors from the Grantor, and all such Obligations of the Grantor shall be and remain enforceable against and only against the Grantor and shall not be enforceable against the Bank.

15. **Bank's Rights.** The Bank may, in its sole discretion, pay any amount or do any act required of the Grantor hereunder or requested by the Bank to preserve, defend, protect, maintain, record or enforce the Grantor's obligations contained herein, the Obligations of the Grantor to the Bank, the Trademarks, or the right, title and interest granted the Bank herein, and which the Grantor fails to do or pay, and any such payment shall be deemed an advance by the Bank to the Grantor and shall be payable on demand together with interest thereon

at the default rate specified in the Loan Documents.

16. **Protection of the Trademarks.** The Grantor agrees that if it learns of any use by any person or any term or design likely to cause confusion with any Trademark, or of any claim of any lien, security interest, claim, right or other encumbrance of any nature whatsoever in or to the Trademarks, the Grantor shall promptly notify the Bank of such use, lien, security interest, claim, right or other encumbrance and, if reasonably requested by the Bank, shall join with the Bank, at the Grantor's expense, in such action as the Bank, in its reasonable discretion, may deem advisable for the protection of the Bank's interest in and to the Trademarks, it being understood that the foregoing shall not preclude the Grantor from bringing an action against a person for the protection of the Grantor's interest in and to such Trademarks.

17. **Additional Remedies.** Upon the occurrence and during the continuance of an Event of Default under the Loan Documents, the Bank may, without any obligation to do so, complete any obligation of the Grantor hereunder, in the Grantor's name or in the Bank's name, but at the Grantor's expense, and the Grantor hereby agrees to reimburse the Bank in full for all reasonable expenses, including reasonable attorney's fees, incurred by the Bank in protecting, defending and maintaining the Trademarks.

18. **Governing Law.** THIS RIDER WILL BE INTERPRETED AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE WHERE THE BANK'S OFFICE INDICATED ABOVE IS LOCATED, EXCLUDING ITS CONFLICT OF LAWS RULES, EXCEPT THAT THE FEDERAL LAWS OF THE UNITED STATES OF AMERICA SHALL GOVERN TO THE EXTENT APPLICABLE.

19. **Counterparts.** This Rider may be signed in any number of counterpart copies and by the parties hereto on separate counterparts, but all such copies shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Agreement by facsimile transmission shall be effective as delivery of a manually executed counterpart. Any party so executing this Agreement by facsimile transmission shall promptly deliver a manually executed counterpart, provided that any failure to do so shall not affect the validity of the counterpart executed by facsimile transmission.

WITNESS the due execution hereof as a document under seal, as of the date first written above.

STRATEGIC DIAGNOSTICS INC.

By:  (SEAL)

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

PNC BANK, DELAWARE

By: 

Theodore J. Prushinski, Vice President

STATE OF DELAWARE )

COUNTY OF NEW CASTLE )

ss:

On this, the 5th day of May, 2000, before me, a Notary Public, the undersigned officer, personally appeared Arthur A. Koch Jr., who acknowledged himself/herself to be the VP + COO of Strategic Diagnostics Inc., a Delaware corporation, and that he/she, in such capacity, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said company.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My commission expires: N/A

**MONICA LEIGH LOFTIN**  
**ATTORNEY-AT-LAW**  
**PURSUANT TO 29 DEL. C. §4323**  
**PERMANENT COMMISSION**

Monica Leigh Loftin  
Notary Public *Attorney at Law*

Monica Leigh Loftin  
Print Name

STATE OF DELAWARE )

COUNTY OF NEW CASTLE )

ss:

On this, the 5th day of May, 2000 before me, a Notary Public, the undersigned officer, personally appeared Theodore J. Prushinski, who acknowledged himself to be a Vice President of PNC BANK, DELAWARE and that he, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said bank as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My commission expires:

Notary Public *Attorney at Law*

Print Name

**Schedule A****Trademarks**

<u>Trademark Name</u>	<u>Application No./ Filing Date</u>	<u>Registration No./ Filing Date</u>	<u>Country</u>
D TECH	74/337,469 12/07/92	1,865,106 11/29/94	U.S.A.
D TECH ENVIRONMENTAL DETECTION SYSTEM	74/337,470 12/07/92	1,856,130 9/27/94	U.S.A.
ENVIROGARD	[awaiting number] 5/28/96	272,864 7/8/98	European Community
GMO and Design	2,272,516 3/8/00	Pending	Argentina
GMO and Design	970,335 10/27/98	Pending	European Community
GMO and Design	100795/1999 11/4/99	Pending	Japan
GMO and Design	40-2000-9384 3/3/00	Pending	South Korea
GMO and Design	[in process of filing]	-----	Mexico
GMO and Design	415,794 3/30/00	Pending	Thailand
GMO and Design	75/574,952 10/22/98	Pending	U.S.A.
MACRA	74/557,524 8/5/94	1,924,948 10/10/95	U.S.A.
MACRA	74/557,911	2,200,023	U.S.A.

	8/5/94	10/27/98	
MYCO and Design	001374081 11/5/99	Pending	European Community
MYCO and Design	100796/1999 11/4/99	Pending	Japan
MYCO and Design	397,819 11/5/99	Pending	Mexico
MYCO and Design	75/834,554 11/29/99	Pending	U.S.A.
QUICKSTIX	75/196,582 11/12/96	Abandoned	U.S.A.
RAPIDCHEK	73/743,749 8/2/88	1,550,643 8/8/89	U.S.A.
RAPIDCHEK	74/679,243 5/23/95	2,017,074 11/19/96	U.S.A.
SDI and Design	74/691,626 6/21/95	1,978,330 6/4/96	U.S.A.
TRAIT and Design	2,272,517 3/8/00	Pending	Argentina
TRAIT and Design	808,159 9/23/99	Pending	Australia
TRAIT and Design	822047934 9/24/99	Pending	Brazil
TRAIT and Design	[awaiting number] 9/24/99	Pending	Canada
TRAIT and Design	1,322,478 9/24/99	Pending	European Community
TRAIT and Design	86686/1999 9/24/99	Pending	Japan

TRAIT and Design	40-2000-9385 3/3/00	Pending	South Korea
TRAIT and Design	415,795 3/30/00	Pending	Thailand
TRAIT and Design	75/669,000 3/26/99	Pending	U.S.A.
TRAIT (stylized) and Design	316,817 9/23/99	Pending	New Zealand
TRAIT and Design	[in process of filing]	-----	Mexico



**UNITED STATES DEPARTMENT OF COMMERCE  
Patent and Trademark Office**

ASSISTANT SECRETARY AND COMMISSIONER  
OF PATENTS AND TRADEMARKS  
Washington, D.C. 20231

AUGUST 10, 2000

PTAS



\*101386072A\*

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TONYA CHAPPLE  
80 STATE STREET  
ALBANY, NEW YORK 12207



UNITED STATES PATENT AND TRADEMARK OFFICE  
NOTICE OF NON-RECORDATION OF DOCUMENT

08-21-2000

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SEND DOCUMENTS TO: U.S. PATENT AND TRADEMARK OFFICE, ASSIGNMENT DIVISION, BOX ASSIGNMENTS, CG-4, 1213 JEFFERSON DAVIS HWY, SUITE 320, WASHINGTON, D.C. 20231. IF YOU HAVE ANY QUESTIONS REGARDING THIS NOTICE, YOU MAY CONTACT THE INDIVIDUAL WHOSE NAME APPEARS ON THIS NOTICE AT 703-308-9723.

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