

04-19-2001



101679244

**RECORDATION FORM COVER SHEET
TRADEMARKS ONLY**

4-4-01

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

Conveyance Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

- 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

Formerly

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

Receiving

Mark if additional names of receiving parties

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

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.)

04/19/2001 TDIAZI 00000035 181945 74295027

FOR OFFICE USE ONLY

01 FC:481 40.00 CH
02 FC:482 125.00 CH

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

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

TRADEMARK
REEL: 002274 FRAME: 0458

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)

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: #

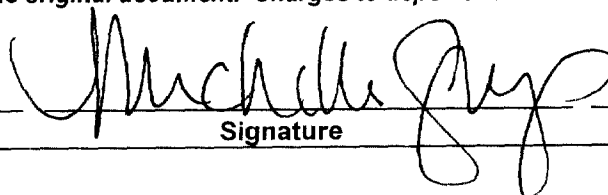
Authorization to charge additional fees: Yes No

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.

Michelle Georges

Name of Person Signing



Signature

Date Signed

LICENSE AND OPTION AGREEMENT

March 1, 2001

LICENSE AND OPTION AGREEMENT

THIS LICENSE AND OPTION AGREEMENT (the "Agreement") is made to be effective as of March 1, 2001 (the "Effective Date") by and between Medtech IP L.L.C., a Delaware limited liability company ("Licensor"), and Medtech Products, Inc., a Delaware corporation ("Licensee").

WITNESSETH:

A. Prior to the Effective Date, Licensee licensed certain intellectual property and other assets from Medtech Laboratories, Inc. ("Labs") and Medtech Consumer Products I, L.L.C. ("LLC"), pursuant to a certain Sale of Certain Assets, License and Option Agreement, effective as of October 1, 1999, by and among Licensee, Labs and LLC (the "October 1999 Agreement").

B. On the Effective Date, Licensor is acquiring from Labs and LLC all intellectual property and other assets licensed pursuant to the October 1999 Agreement, and Licensor wishes to license to Licensee, and Licensee wishes to license from Licensor, such intellectual property and assets subject to the terms and conditions set forth herein.

NOW, THEREFORE, for this and other good and valuable consideration, the receipt and sufficiency of which all the parties acknowledge, the parties now agree as follows:

1. **Definitions.**

1.1. "Affiliate" as applied to any Person means any Person directly or indirectly controlled by, under common control with, or controlling such Person and, as applied to New Parent or TSG2, also includes any shareholder or partner of New Parent or TSG2.

1.2. "Agreement" shall mean this License And Option Agreement.

1.3. "Change of Control" of New Parent shall mean (i) the sale of all or substantially all of New Parent's assets to any Person (other than TSG2 or an Affiliate of TSG2 or New Parent or Members of the Immediate Family of any of them) or (ii) any other transaction whether by sale of stock, sale of assets, merger, recapitalization, reorganization or otherwise, pursuant to which one or more Persons (other than one of TSG2 or an Affiliate of TSG2 or New Parent or Members of the Immediate Family of any of them) shall own in excess of 50% of the common equity of the Company on a fully diluted basis (assuming conversion of all Convertible Securities and exercise of all Options), in each case in a single transaction or series of transactions.

1.4. "Claims" shall have the meaning set forth in Section 7.1.

1.5. "Common Stock" shall mean New Parent's Class A-1 Common Stock, par value \$0.01 per share, Class A-2 Common Stock, par value \$0.01 per share, and Class L Common Stock, par value \$0.01 per share.

1.6. “Convertible Securities” shall mean any evidence of indebtedness, shares of stock (other than Common Stock) or other securities (other than Options) which are directly or indirectly convertible into or exchangeable or exercisable for shares of Common Stock.

1.7. “Credit Agreement” shall mean the Revolving/Term Credit Agreement dated as of March 1, 2001 among Medtech Holding Company, The Cutex Company, Licensee and Pecos Pharmaceutical, Inc., as Borrowers, the Lenders named therein, CIT Lending Services Corporation, as Documentation Agent, Union Bank of California, N.A., as Administrative Agent, and Antares Capital Corporation, as Syndication Agent, as the same may be supplemented, modified, amended, restated, extended or supplanted.

1.8. “Indebtedness” shall mean the indebtedness of New Parent, The Cutex Company, Pecos Pharmaceuticals, Inc. and Licensee that is incurred on or about the Effective Date and any refinancing, extensions or modifications thereof.

1.9. “Licensee’s Option” shall have the meaning set forth in Section 3.1.

1.10. “Licensor’s Option” shall have the meaning set forth in Section 3.2.

1.11. “Licensor’s Third Party Authority” shall have the meaning set forth in Section 7.3.

1.12. “Members of the Immediate Family” shall mean, with respect to any individual, each spouse or child or other descendants of such individual, each trust created solely for the benefit of one or more of the aforementioned Persons and their spouses and each custodian or guardian of any property of one or more of the aforementioned Persons in his capacity as such custodian or guardian.

1.13. “New Parent” shall mean Medtech Holding Company.

1.14. “Option Expiration Date” shall have the meaning set forth in Section 3.3.

1.15. “Options” shall mean any options or warrants to subscribe for, purchase or otherwise acquire either Common Stock or Convertible Securities.

1.16. “Person” means any corporation, partnership, joint venture, organization, association, limited liability company, entity, governmental authority or natural person.

1.17. “Product Intellectual Property” shall mean, with respect to the Products, or to tangible materials related to the manufacture, distribution and/or sale thereof: (i) all Licensor’s trade name, trademark or service mark interests therein, including without limitation those set forth in Schedule 1.17; (ii) all of Licensor’s copyright interests therein; (iii) all of Licensor’s trade secrets, proprietary information and other confidential information therein; (iv) all of Licensor’s know-how and expertise therein; (v) all of Licensor’s patent interests therein; (vi) all of Licensor’s inventions therein, whether or not patentable; (vii) all of Licensor’s other Product Intellectual Property and other related proprietary rights or interests therein, whether owned by Licensor or licensed by Licensor from third parties. “Product Intellectual Property” shall include

without limitation the rights set forth in existence at any time during the Term, and as set forth in Schedule 1.17.

1.18. “Products” shall mean the Products bearing the trademarks set forth in Schedule 1.17, as such Products shall be manufactured, packaged and distributed by or on behalf of Licensee from time to time.

1.19. “Product Sale Closing” shall have the meaning set forth in Section 3.5.

1.20. “Securities Purchase Agreement” shall mean the Securities Purchase and Exchange Agreement dated as of March 1, 2001 among Licensee, Pecos Pharmaceutical, Inc., The Cutex Company, Medtech Holding Company, Windjammer Mezzanine & Equity Fund II, L.P., Antares Capital Corporation and CIT Lending Services Corporation, as the same may be supplemented, modified, amended, restated, extended or supplanted.

1.21. “Term” shall have the meaning set forth in Section 4.1.

1.22. “Third Party Contractual Obligations” shall have the meaning set forth in Section 3.8.

2. **License.** Effective as of the Effective Date and for the duration of the Term, Licensor hereby grants to Licensee an exclusive, worldwide license (with the right to sublicense) under the Product Intellectual Property to manufacture, have manufactured, use, offer to sell, distribute and sell the Products.

3. **Options**

3.1. Licensee’s Option to Purchase Product Intellectual Property. Licensor hereby grants to Licensee an exclusive option (“Licensee’s Option”) to purchase all rights, title and interests in the Product Intellectual Property owned by Licensor, exercisable at any time during the Term.

3.2. Licensor’s Option to Sell Product Intellectual Property. Licensee hereby grants to Licensor an exclusive option (“Licensor’s Option”) to sell the Product Intellectual Property owned by Licensor to Licensee, exercisable by Licensor (i) no earlier than sixty (60) days prior to the expiration of the Term, and (ii) so long as such exercise, or the payment of the Exercise Amount pursuant to such exercise, does not violate any term of the Credit Agreement. Notwithstanding the foregoing, Licensor’s Option shall be exercisable at any time during the Term upon the occurrence of any one of the following events: (x) an initial public offering of stock of Licensee or an affiliate of or successor in interest to Licensee or (y) any Change of Control of New Parent. Notwithstanding the foregoing, Licensor’s Option will not be exercisable under this Section 3.2 unless Licensee’s obligations under the Credit Agreement shall have been paid in full or the lenders under such Credit Agreement have granted written consent for Licensee to make the payment required upon such exercise.

3.3. Expiration. Licensee’s Option and Licensor’s Option shall automatically expire if not exercised prior to the expiration of the Term (the “Option Expiration Date”).

3.4. Exercise. In order to exercise Licensee's Option or Licensor's Option, the exercising party must give written notice to the other party during the exercise periods set forth above.

3.5. Closing. The closing of any purchase of the Product Intellectual Property (the "Product Sale Closing") shall occur not more than ninety (90) and not less than ten (10) days after the date of the exercise of Licensee's Option or Licensor's Option, at such date, time and place as specified by Licensee. The Product Sale Closing need not occur prior to the Option Expiration Date.

3.6. Title to Product Intellectual Property. At the Product Sale Closing, Licensor shall deliver to Licensee the Product Intellectual Property, an assignment for the transfer and conveyance of the Product Intellectual Property to Licensee in substantially the form attached hereto as Exhibit 3.6 and such other instruments reasonably requested by Licensee to effect the transfer of the Product Intellectual Property. Following the Product Sale Closing, Licensee shall exclusively own all Product Intellectual Property and all rights to commercially exploit all Product Intellectual Property.

3.7. Condition to Product Sale Closing. As a condition to the obligations of Licensee under this Agreement and to purchase the Product Intellectual Property pursuant to Section 3.6, Licensor shall have caused all liens or other encumbrances on the Product Intellectual Property to be released or removed. The parties acknowledge that Licensor may use the proceeds from the Product Sale Closing to obtain releases of liens or other encumbrances on the Product Intellectual Property.

4. **Term and Termination.**

4.1. Term. Unless earlier terminated in accordance with Section 4.2, the effective period of this Agreement shall commence on the Closing Date and continue until the earlier of (i) October 15, 2008 (the "Term") or (ii) the Product Sale Closing.

4.2. Default. If either Licensee or Licensor defaults in the performance of any of its material obligations hereunder, and such default is not corrected within thirty (30) days after receipt of written notice thereof, then Licensee or Licensor, whichever is not in default, may at its option, in addition to other remedies it may have, terminate this Agreement by giving written notice of such termination, in which case, the ongoing license obligations contemplated by this Agreement shall terminate.

5. **Financial Matters Relating to License and Options.**

5.1. Payments for License and Option. As consideration for the grant of the license as set forth in Section 2 during the Term and Licensee's Option as set forth in Section 3, Licensee shall pay Licensor \$1,040,000 per year during the Term, payable in quarterly installments of \$260,000, the first of such installments payable after the Effective Date being due on April 1, 2001; provided, however, that the installment payable on April 1, 2001 shall equal the sum of (a) \$325,000 divided by the number of days in the first calendar quarter of 2001 multiplied by the number of days from January 1, 2001 through the date immediately prior to the Effective Date,

and (b) \$260,000 divided by the number of days in the first calendar quarter of 2001 multiplied by the number of days from the Effective Date through March 31, 2001; provided further, however, that in the event the Exercise Amount pursuant to Section 5.3 below is reduced in accordance with the provisions thereof, the amount of the annual license fee set forth above and the corresponding quarterly payment shall be reduced to an amount equal to the license fee then in effect multiplied by a fraction the numerator of which is the Exercise Amount in effect immediately after such reduction and the denominator of which is the Exercise Amount in effect immediately prior to such reduction; provided, further, that the license fee payable after October 15, 2002 shall be equal to one hundred fifty percent (150%) of the license fee in effect immediately prior to October 15, 2002, subject to further reduction in accordance with the immediately preceding proviso.

5.2. Deferral of Payments. Licensor agrees that during the first eighteen (18) months following the Effective Date (the "Deferral Period"), upon the occurrence of an Event of Default (as defined in the Credit Agreement), all amounts payable to Licensor under this Agreement during the period beginning on the date of such Event of Default and ending on the earlier of (i) the date such Event of Default is cured or (ii) the end of the Deferral Period (the "Deferred Payments") will accrue but will not be payable by Licensee until the earlier of (a) the date such Event of Default is cured or (b) the end of the Deferral Period; provided, however, that Licensor may agree to extend the Deferral Period by notifying Licensee in writing to such effect. Interest will accrue on any Deferred Payment until such payment has been made at a rate of eight (8) percent per annum. Notwithstanding the foregoing, Licensor agrees that Licensee shall not be required to make the Deferred Payments to Licensor unless (x) Licensee's obligations under the Credit Agreement shall have been paid in full or the lenders under such Credit Agreement have granted written consent for Licensee to make such Deferred Payments to Licensor and (y) Licensee's obligations under the Subordinated Notes (as defined in the Securities Purchase Agreement) issued pursuant to the Securities Purchase Agreement shall have been paid in full or the Purchaser (as defined in the Securities Purchase Agreement) shall have granted written consent for Licensee to make sure Deferred Payments to Licensor.

5.3. Exercise Price of Option. If either Licensor's Option or Licensee's Option is exercised during the Term, Licensee shall pay \$10,000,000 (as adjusted in accordance with this Section 5.3, the "Exercise Amount") to the Licensor; provided, however, Licensee may prepay all or a portion of such amount at any time prior to exercise of Licensor's Option or Licensee's Option and the Exercise Amount shall be reduced dollar for dollar by the amount of such prepayment; provided, further, that in the event New Parent makes any dividend or distribution in cash or any other assets to TSG2 as a result of excess cash being on hand or an increase in Indebtedness, Licensor shall make a prepayment of the Exercise Amount in an amount equal to the amount so distributed to TSG2 (it being understood that the sale or transfer of any equity securities of New Parent to an Affiliate of TSG2 shall not constitute a dividend or distribution for purposes of this proviso). Such payments shall be made in one of the following forms to be determined solely and exclusively by Licensee:

- (a) cash (to the extent permitted by bank financing, restrictions);
- (b) publicly traded stock; or

(c) any combination of (a) and (b) above.

6. **Representations and Warranties by Licensor relating to the License.** Licensor hereby makes the following representations and warranties to Licensee as of the Effective Date and agrees that the same will be true as of the date of the Product Sale Closing:

6.1. Power to Enter Into Agreement. Licensor represents and warrants that it has full right, power and authority to enter into this Agreement and to discharge its obligations hereunder, and further that it has not entered into any agreement inconsistent with this Agreement, or otherwise granted any third party any rights inconsistent with the rights granted to Licensee under this Agreement.

6.2. Ownership of Product Intellectual Property. Subject to the provisions of Section 6.3, Licensor represents and warrants that it owns good, valid and marketable title in and to the Product Intellectual Property, free and clear of all liens and encumbrances of any nature.

6.3. Rights of Third Parties. To the extent that Product Intellectual Property includes property not owned by Licensor, but Licensor instead has authority to include such property rights by virtue of a license agreement from a third party as set forth on Schedule 6.3 (“Licensor’s Third Party Authority”), Licensor hereby represents and warrants that, in good faith and after due diligence, as of the date of its execution of this Agreement, there is no fact or situation pertaining to Licensor’s Third Party Authority that would impair or prevent the assignment of the license granted herein to Licensee giving effect to the terms and conditions of this Agreement. With respect to the license agreements listed on Schedule 6.3, all third party consents required for Licensor to assign the Product Intellectual Property not owned by Licensor to Licensee have been obtained by Licensor or will be obtained by Licensor within ninety (90) days after the Effective Date.

6.4. Noninfringement. Licensor represents and warrants that the Product Intellectual Property will not infringe upon any patent, trademark, copyright, trade name, trade secret or other proprietary interest. Further, Licensor represents and warrants that, in good faith and after due diligence, Licensor is unaware as of the date of its execution of this Agreement of any other product or process that is or may be claimed to be infringing any portion of any Product Intellectual Property, except as set forth in Schedule 6.4.

7. **Indemnities.**

7.1. Indemnification by Licensor. Licensor agrees to indemnify and hold harmless Licensee from and against all claims, losses, damages, liabilities and expenses (including, without limitation, settlement costs and any legal or other expenses for investigating or defending any actions or threatened actions) (the "Claims") arising out of Licensor's breach of any of the representations and warranties set forth in Section 6 above, provided that Licensee has notified Licensor promptly in writing of such Claims and have permitted Licensor to direct and control the investigation, defense, and settlement of any such Claims. Notwithstanding the foregoing, nothing herein shall be construed to prevent Licensee from participating, at Licensee's option and expense, in any such investigation, defense or settlement through counsel of Licensee's choosing. Licensee hereby agrees that Licensor shall have no liability under this provision for Claims arising from alteration of Products by Licensee and/or its contractors, where such alteration was not authorized by Licensor and, but for such alteration, the claim would have been avoided.

7.2. Limits on Indemnification. With respect to a breach by either Licensor of the representations and warranties contained in Sections 6.3 and 6.4:

(a) Licensor shall be obligated to indemnify, and hold harmless Licensee pursuant to Section 7.1 only in the event and to the extent that the aggregate of all indemnifiable Claims exceeds \$100,000;

(b) The maximum liability that Licensor shall incur for Claims related to any such breach shall be \$2,500,000; and

(c) Licensor's obligation to indemnify and hold harmless Licensee pursuant to Section 7.1 shall terminate on the date (the "Indemnification Termination Date") that is the earlier of (i) termination or expiration of this Agreement or (ii) twelve (12) months after the date of the Product Sale Closing, if one; provided, however, that in no event will such obligation terminate prior to the date twenty-four (24) months after the Effective Date.

8. **General.**

8.1. Cooperation in Transfer of Rights. Whenever the terms of this Agreement call for a transfer of rights among the parties, the parties shall cooperate in promptly drafting and executing such documents as may be deemed reasonably necessary by counsel to effectuate and/or memorialize said transfer.

8.2. Survival. If Licensee's Option or Licensor's Option is exercised prior to expiration of the Term and the Product Sale Closing has not occurred prior to such expiration, the provisions of Sections 3.5, 3.6 and 3.7 shall survive such expiration of this Agreement.

8.3. Prosecution and Abandonment of Product Intellectual Property. Throughout the Term of this Agreement, Licensor shall vigorously prosecute at its own expense all statutory rights that may be available in the Product Intellectual Property (including, without limitation, patents and copyright registration) where applications for such statutory rights were pending as

of the Effective Date by Licensor. With regard to statutory rights extant on the Effective Date or statutory rights available before or after the Effective Date for which no application has been filed, Licensor shall notify Licensee in writing prior to taking any action (or omitting to take any action) that might constitute abandonment, waiver or forfeiture of such statutory rights. Such notification shall be in sufficient time to afford Licensee reasonable opportunity to preserve such statutory rights at Licensee's expense. In addition, during the Term, Licensee may request Licensor to seek statutory rights with respect to the Product Intellectual Property; provided, however, that if Licensor elects not to take the action requested by Licensee, Licensor will provide Licensee with reasonable cooperation and assistance to permit Licensee to seek such statutory protection.

8.4. Governing Law. This Agreement shall be governed by the laws of the State of Delaware, without reference to its conflict of laws principles.

8.5. Severability. If any provision of this Agreement is found to be invalid or unenforceable by a court of competent jurisdiction, such provision shall be severed from the remainder of this Agreement, which shall remain in full force and effect, and the parties shall negotiate, in good faith, a substitute, valid and enforceable provision which most nearly reflects the parties' stated intention as set forth in such affected provision.

8.6. Independent Contractors. The parties are independent contractors. Nothing contained herein shall constitute either party as an agent, partner or joint venturer of another party for any purpose whatsoever.

8.7. Modification. No alteration, amendment, waiver, cancellation or any other change in any provision of this Agreement shall be valid or binding unless assented to in writing by all parties.

8.8. Waiver. The failure of any party to enforce any provision of this Agreement shall in no way be construed to be a waiver of such provision, nor in any way affect the right of all parties to enforce each and every provision of this Agreement thereafter. The express waiver by a party of any provision, condition or requirement of this Agreement shall not constitute a waiver of any future obligation to comply with such provision, condition or requirement.

8.9. Assignment. This Agreement shall be binding upon and shall inure to the benefit of the parties and, where permitted, their respective successors and assigns. Licensee may assign this Agreement. Licensor shall not, however, assign any of its rights or obligations hereunder without the prior written consent of Licensee, which consent shall not be unreasonably withheld.

8.10. Notices. Notices shall be sent by certified mail or by nationally recognized overnight courier to the following addresses:

For Licensee:

Charles H. Esserman, Executive Vice-President
c/o The Shansby Group
250 Montgomery St.

San Francisco, CA 94104

and

Gary R. Downing, President
Medtech Holding Company
488 Main Avenue
Norwalk, Connecticut 06851

For Licensor:

Medtech IP L.L.C.
P.O. Box 1108
Jackson, WY 83001

and

Mullikin, Larson & Swift LLC
P.O. Box 4099
Jackson, Wyoming 83001
Fax: (307) 733-3947
Attention: Phelps H. Swift, Jr.

Notices shall be effective upon receipt thereof by the receiving party, but in no event shall be deemed the date of any effective later than written confirmation of receipt thereof obtained by the sending party.

8.11. Force Majeure. Notwithstanding anything else in this Agreement, no default, delay or failure to perform on the part of a party other than the failure to make payments due hereunder shall be considered a breach of this Agreement if such default, delay or failure to perform is shown to be due to causes beyond reasonable control and the party charged with a default, including without limitations causes such as strikes, lockouts or other labor disputes, riots, civil disturbances, actions or inactions of governmental authorities or suppliers, epidemics, war, embargoes, severe weather, fire, earthquakes, acts of God or the public enemy, nuclear disasters, or default of a common carrier.

8.12. Entire Agreement. The terms and conditions of this Agreement (including all schedules, certificates and other documents delivered pursuant hereto) constitute the entire agreement of the parties and supersede and cancel all previous agreements and understandings, whether oral or written, between the parties hereto with respect to the subject matter of this Agreement.

8.13. No Inducement. Neither of the parties hereto has made or is making any representation, warranty, covenant or agreement, express or implied other than the explicit representations, warranties, covenants and agreements set forth herein. No promise or inducement for this Agreement has been made by any party hereto except as set forth herein.

This Agreement is being executed by each party freely and voluntarily, and without reliance upon any statement or representation by any other party, any of such other party's affiliates or any of their attorneys or agents except as set forth herein. Each party acknowledges and agrees that it is legally competent to enter into this Agreement and accept full responsibility therefor and has been represented by counsel in the course of the negotiation of this Agreement.

8.14. Counterparts. This Agreement may be signed in multiple counterparts, all of which together shall constitute one instrument.

8.15. Use of Medtech Name. As between the parties, Licensee will have the full and exclusive ownership of and right to use the name "Medtech" in commerce.

8.16. Bankruptcy.

(a) Section 365(n). All rights and licenses granted under or pursuant to any section of this Agreement are, and shall otherwise be deemed to be, for purposes of Section 365(n) of the Bankruptcy Code, licenses of rights to "Product Intellectual Property" as defined under Section 101(35A) of the Bankruptcy Code. Licensee shall retain and may fully exercise all of its rights and elections under the Bankruptcy Code. Upon the bankruptcy of Licensor, Licensee shall further be entitled to a complete duplicate of (or complete access to, as appropriate) any such Product Intellectual Property, and such, if not already in its possession, shall be promptly delivered to Licensee.

(b) Security Interest. As security for Licensor's obligations under this Agreement, Licensor mortgages, pledges and collaterally grants and assigns to Licensee and creates a security interest in favor of Licensee in all of Licensor's rights, title and interest in and to (but none of its obligations or liabilities with respect to) the Product Intellectual Property, and all patents, copyrights, trademarks, trade secrets and other proprietary rights therein (including without limitation those patents and trademarks set forth on Schedule A attached hereto) whether now owned or hereafter created or acquired, and the proceeds (other than amounts payable to Licensor under Section 5 hereof) and Products thereof.

8.17. Assumption of Product Liability. Licensee shall maintain the claims-made products liability insurance coverage in force as of the Effective Date, and, until the Indemnification Termination Date, shall cause each of Licensor, Labs and LLC to be a named insured under such coverage for events occurring on or after the Effective Date relating to defects in the Finished Goods Inventory (as such term was defined in the October Agreement) acquired by Licensee pursuant to the October Agreement; provided, however, that in the event that Licensee merges with, or sells substantially all of its assets to, a third party prior to the Indemnification Termination Date, Licensee shall arrange for such third party to, as a condition of such merger or asset sale, include each of Licensor, Labs and LLC as a named insured wherever the Licensee is a named insured for events occurring on or after the Effective Date relating to defects in the Finished Goods Inventory.

IN WITNESS THEREOF, the parties have caused this License and Option Agreement to be signed and delivered all as of the date set forth below.

MEDTECH PRODUCTS, INC.

By: 

(James L. O'Hara)

Title: Vice President

MEDTECH IP L.L.C.

By: 

(James L. O'Hara)

Title: Authorized Person

SCHEDULE 1.17

Product Intellectual Property

U.S. Trademark Registrations

Mark	Serial No.	Filed	Reg. No.	Reg. Date
CLOVERINE	3,138	26-Apr-1905	47,467	7-Nov-1905
COMPOZ 139,505	9-Mar-1962	740,850	20-Nov-1962	
NEW-SKIN 74/295,027	17-Jul-1992	1,757,962	16-Mar-1993	
NEW-SKIN & Design	336,365	9-Nov-1981	1,259,764	6-Dec-1983
STAYS ON WHERE	75/302,686	3-Jun-1997	2,236,154	30-Mar-1999
BANDAGES FALL OFF				
VACUUM GRIP	75/308,467	13-Jun-1997	2,263,559	20-Jul-1999
MOSCO (by license)				

Foreign Trademarks

Mark	Country	Serial No.	Filed	Reg. No.	Reg. Date
COMPOZ	Canada	277,213	8-Aug-1963	160,985	7-Feb-1969
COMPOZ	Puerto Rico			19,566.	4-Jun-1975
NEW-SKIN	Canada	720,686	15-Jan-1993	431,096	29-Jul-1994
NEW-SKIN	Greece	138,085	31-Aug-1998		Pending
NEW-SKIN	Japan	12,201/1998	18-Feb-1999	4,305,747	13-Aug-1999
NEW-SKIN	Mexico	155,128	24-Nov-1992	461,271	23-May-1994
NEW-SKIN	Venezuela	12606	10-Dec-1982	106,862-F	20-Feb-1984

SCHEDULE 1.17 (continued)**U.S. And Foreign Trademarks**

Mark	Country	Serial No.	Filed	Reg. No.	Reg. Date
PERCOGESIC	Canada	363,072	6-Apr-1973	197,499	15-Feb-1974
PERCOGESIC	United States	160,701	15-Jan-1963	755,836	3-Sep-1963
PERGOGESIC	Costa Rica			57383	5-May-1980
PERCOGESIC	Panama		11-Sept-1973	044854	6-May-1988
PERCOGESIC	Dominican Republic			33,449	18-Feb-1982
PERCOGESIC	Jamaica			16,381	25-Sept-1974
EZO	Canada			154,380	

EXHIBIT 3.6
TO
LICENSE AND OPTION AGREEMENT

ASSIGNMENT

THIS ASSIGNMENT is made and delivered by and from **Medtech IP L.L.C.**, a Delaware limited liability company (the "*Assignor*"), to **Medtech Products, Inc.**, a Delaware corporation ("*Assignee*"), pursuant to and in accordance with the terms and provisions of that certain License and Option Agreement dated as of March 1, 2001 (the "*Agreement*") by and between Assignor and Assignee. Capitalized terms, unless otherwise defined herein, shall have the meanings ascribed to them in the Agreement.

For and in consideration of the exercise price to be delivered to Assignor pursuant to Sections 5.3 of the Agreement in the event Licensor's Option or Licensee's Option is exercised and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor does now hereby grant, bargain, sell, transfer, exchange, assign, convey and deliver unto Assignee, its successors and assigns, to have and to hold from this day forward, all legal and beneficial right, title and interest in and to the Product Intellectual Property, subject to the terms and conditions contained in the Agreement.

Subject to the terms and conditions of the Agreement, each of the parties hereto will use its best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary to consummate and make effective the assignment of the Product Intellectual Property. From time to time after the date hereof, Assignor will, at Assignor's expense, execute and deliver such instruments and documents to Assignee, as Assignee may reasonably request, in order to more effectively vest in Assignee good title to the Product Intellectual Property.

All of the representations and warranties of Assignor set forth in the Agreement regarding the Product Intellectual Property are incorporated herein by reference in their entirety, to the same extent and with the same limitations as set forth in the Agreement. Assignor represents and warrants that (i) the title to the Product Intellectual Property conveyed is good and marketable, (ii) its transfer is rightfully made and (iii) that Assignor will warrant and defend same against the lawful claims and demands of all persons whomsoever.

This instrument shall be binding upon Assignor, its successors and assigns, and shall inure to the benefit of Assignee, its successors and assigns. This instrument shall be effective as to the transfer of all of the Product Intellectual Property as of the Product Sale Closing.

This Assignment may be signed in multiple counterparts, all of which together shall constitute one instrument. This Assignment shall be governed by and construed in accordance with the laws of the State of Delaware.

IN WITNESS WHEREOF, Assignor has caused its duly authorized representative to execute and deliver this Assignment as of the _____ day of _____, _____.

MEDTECH IP L.L.C.

By: _____

(James L. O'Hara)

Title: Manager

SCHEDULE 6.3

Licensors' Third Party Authority

Medtech Laboratories, Inc. Licensed Trademarks

Licensors	Countries	Mark	Reg. No.
Mollie Fix Jossem	United States	MOSCO	236,101
Mollie Jossem	Canada	MOSCO	UCA 3178
Roberts Proprietaries, Inc.	United States	EZO (stylized)	415,195 Pending
Roberts Proprietaries, Inc.	Greece	EZO	(Filed 8/31/98) Pending
Roberts Proprietaries, Inc.	Turkey	EZO	(Filed 12/31/98)

SCHEDULE 6.4

Infringements

None.

SCHEDULE A

U.S. Trademark Registrations

Mark	Serial No.	Filed	Reg. No.	Reg. Date
CLOVERINE	3,138	26-Apr-1905	47,467	7-Nov-1905
COMPOZ	139,505	9-Mar-1962	740,850	20-Nov-1962
NEW-SKIN	74/295,027	17-Jul-1992	1,757,962	16-Mar-1993
NEW-SKIN & Design	336,365	9-Nov-1981	1,259,764	6-Dec-1983
STAYS ON WHERE BANDAGES FALL OFF	75/302,686	3-Jun-1997	2,236,154	30-Mar-1999
VACUUM GRIP	75/308,467	13-Jun-1997	2,263,559	20-Jul-1999

Foreign Trademarks

Mark	Country	Serial No.	Filed	Reg. No.	Reg. Date
COMPOZ	Canada	277,213	8-Aug-1963	160,985	7-Feb-1969
COMPOZ	Puerto Rico			19,566.	4-Jun-1975
NEW-SKIN	Canada	720,686	15-Jan-1993	431,096	29-Jul-1994
NEW-SKIN	Greece	138,085	31-Aug-1998		Pending
NEW-SKIN	Japan	12,201/1998	18-Feb-1999	4,305,747	13-Aug-1999
NEW-SKIN	Mexico	155,128	24-Nov-1992	461,271	23-May-1994
NEW-SKIN	Venezuela	12606	10-Dec-1982	106,862-F	20-Feb-1984

U.S. And Foreign Trademarks

Mark	Country	Serial No.	Filed	Reg. No.	Reg. Date
PERCOGESIC	Canada	363,072	6-Apr-1973	197,499	15-Feb-1974
PERCOGESIC	United States	160,701	15-Jan-1963	755,836	3-Sep-1963
PERGOGESIC	Costa Rica			57383	5-May-1980
PERCOGESIC	Panama		11-Sept-1973	044854	6-May-1988
PERCOGESIC	DominicanRe public			33,449	18-Feb-1982
PERCOGESIC	Jamaica			16,381	25-Sept-1974
EZO	Canada			154,380	