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07-17-2001

Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings



U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

101780851

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies): Hypoguard America Limited
Individual(s) Association General Partnership Limited Partnership Corporation-State Other Incorporated in England
Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies) The Governor and Company of the Bank of Scotland
Internal Address:
Street Address: 38 Albyn Place
City: Aberdeen State: Scotland Zip: AB101ZS
Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Other Incorporated in Scotland
If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance: Assignment Merger Security Agreement Change of Name Other
Execution Date:

4. Application number(s) or registration number(s):
A. Trademark Application No.(s) See Exhibit A attached.
B. Trademark Registration No.(s) See Exhibit A attached.
Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: George Humphrey
Internal Address:
Street Address: 600 Travis, Suite 4200
City: Houston State: Texas Zip: 77002

6. Total number of applications and registrations involved: 11
7. Total fee (37 CFR 3.41): \$ 290.00
Enclosed Authorized to be charged to deposit account
8. Deposit account number:
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature. To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.
George Humphrey Name of Person Signing
Signature Date 7/5/01

Total number of pages including cover sheet, attachments, and document: 18

07/16/2001 TDIAZI 00000107 1030132
01 FC:481 40.00 DP
02 FC:482 850.00 DP

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

EXHIBIT A

REGISTERED U.S. TRADEMARKS

| <u>Country</u> | <u>Mark</u> | <u>Class</u> | <u>Number</u> | <u>Status</u> |
|----------------|-------------------|--------------|---------------|---|
| USA | UNILIFE | 5 | 1830132 | Registered April 12, 1994 |
| USA | TECHLITE | 10 | 1978403 | Registered June 4, 1996 |
| USA | SUPREME II | 10 | 2144675 | Registered March 17, 1998 |
| USA | SELECT GT | 10 | 2215427 | Registered December 29, 1998 |
| USA | ASSURE | 10 | 2352631 | Registered May 23, 2000 |
| USA | QUICKTEK | 10 | 75/050392 | ITU Application filed May 12, 2000 |
| USA | QUICKTEK SPECTRUM | 10 | 75/850900 | ITU Application filed November 17, 1999 |
| USA | DIA SCREEN | 5 | 1632898 | Registered January 29, 1991 |
| USA | SELECT LITE | 10 | 75/907,077 | Application filed February 1, 2000 |
| USA | GLUCOBALANCE | 9 | 76/178656 | ITU Application filed December 11, 2000 |
| USA | ASSURE SPECTRUM | 10 | 76/178657 | ITU Application filed December 11, 2000 |

PATENT, TRADEMARK AND LICENSE SECURITY AGREEMENT

THIS PATENT, TRADEMARK AND LICENSE SECURITY AGREEMENT (as from time to time amended, modified or supplemented, this "Agreement") dated as of January 31, 2001, is made by **HYPOGUARD AMERICA LIMITED**, an English corporation (together with its permitted successors and assigns, "Grantor"), whose principal address is 36 Linhope Street, London NW1 6HU, England, and **THE GOVERNOR AND COMPANY OF THE BANK OF SCOTLAND**, incorporated by act of parliament in Scotland, as lender (in such capacity, and together with its successors and assigns, the "Lender") under the Facility Letter.

WITNESSETH:

WHEREAS, In accordance with that certain Facility Letter, dated September 30, 2000, by Medisys PLC, a Scottish public limited company ("Medisys"), and Lender, as amended and restated by that certain Letter, dated December, 2000, among The Lender, Medisys and Hyoguard USA, Inc., a Delaware corporation ("Hypoguard USA", and together with Medisys, the "Borrowers") (collectively, as the same may hereafter be modified, amended, restated or supplemented from time to time, the "Facility Letter"), which Facility Letter provides for, among other things, a Revolving Credit Facility (as defined in the Facility Letter) not to exceed £20,000,000, the affiliates of Medisys are required to provide certain security to Lender.

WHEREAS, The Grantor is a direct subsidiary of Medisys.

WHEREAS, In satisfaction of certain of the obligations of the Borrowers under the Facility Letter, the Grantor has agreed to enter into this Agreement to secure, among other things, the obligations of the Borrowers under the Facility Letter.

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor agrees as follows:

1. Defined Terms.

- (A) The words "hereof," "herein" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and section or paragraph references are to this Agreement unless otherwise specified.
- (B) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.
- (C) As used in this Agreement and unless otherwise specified, (i) the terms set forth below in this paragraph 1(C) shall have the meanings so set forth, (ii) the terms defined elsewhere in this Agreement shall have the meanings

therein so specified, and (iii) capitalized terms not defined herein shall have the meanings ascribed to such terms by the Facility Letter.

"Financing Documents" means the Facility Letter, the Security Documents, and any other agreement, deed, document or letter setting out the terms of or constituting any indebtedness of any Obligor to the Lender together with any documents ancillary or relating to all or any of them.

"Group" has the meaning set forth in the Facility Letter.

"Obligor" means any member of the Group which has or which will have any liability (actual or contingent) and whether alone or jointly with any other person and whether as principal debtor, cautioner, guarantor or surety or otherwise (or as the equivalent obligor under the laws of any jurisdiction) to the Lender for the payment or repayment of any amounts outstanding or capable of becoming outstanding under the Financing Documents.

"Secured Liabilities" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or as principal debtor, cautioner, guarantor, surety or otherwise or as the equivalent obligor under the laws of any jurisdiction) of each Obligor, including the Grantor hereunder, to the Lender under all or any of the Financing Documents together with:

- (i) all costs, charges and expenses incurred by the Lender in connection with the protection, preservation or enforcement of its rights under the Financing Documents;
- (ii) any refinancing, novation, refunding, deferral or extension of or increase in any of those obligations or liabilities;
- (iii) any further advances which may be made by the Lender to any Obligor under any agreement expressed to be supplemental to any of the Financing Documents and all interest, fees and costs in connection therewith;
- (iv) any claim for damages or restitution in the event of rescission of any of those obligations or liabilities or otherwise in connection with the Financing Documents;
- (v) any claim against any Obligor flowing from the recovery by an Obligor of a payment or discharge in respect of any of those obligations or liabilities on grounds of preference or otherwise; and
- (vi) any amounts which would be included in any of the foregoing but for any discharge, non-provability, unenforceability or non-allowability of the same in any insolvency or other proceedings.

"Security Documents" means each of the documents executed by all or any member of the Group from time to time (including the Facility Letter, this Agreement, and the other Security Documents (as defined in the Facility Letter) in order to provide the Lender with security for any obligations of any person to the Lender or to guarantee such obligations.

2. Incorporation of Premises. The premises set forth above are incorporated into

this Agreement by this reference thereto and are made a part hereof.

3. Incorporation of the Facility Letter. The Facility Letter and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto and are made a part hereof.
4. Security Interest in Trademarks. To secure the complete and timely payment, performance and satisfaction of all of the Secured Liabilities, Grantor hereby grants to Lender a continuing security interest, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, in, to and under all of Grantor's now owned or existing and hereafter acquired or arising:
 - (A) trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, including, without limitation, the trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications listed on Schedule A attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past, present or future infringements or dilutions thereof, (iii) the right to sue for past, present and future infringements and dilutions thereof, (iv) the goodwill of Grantor's business symbolized by the foregoing and connected therewith, and (v) all of Grantor's rights corresponding thereto throughout the world (all of the foregoing trademarks, registered trademarks and trademark applications, and service marks, registered service marks and service mark applications, together with the items described in clauses (i)-(v) in this paragraph 4(A), are hereinafter individually and/or collectively referred to as the "Trademarks"); and
 - (B) rights under or interests in any trademark license agreements or service mark license agreements with any other party, whether Grantor is a licensee or licensor under any such license agreement, including, without limitation, the trademark license agreements and service mark license agreements listed on Schedule B attached hereto and made a part hereof, together with any goodwill connected with and symbolized by any such trademark license agreements or service mark license agreements, and the right to prepare for sale and sell any and all Inventory now or hereafter owned by Grantor and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Trademark Licenses").

(C) all other products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future infringement of any trademark, registered trademark, service mark, or registered service mark, including, without limitation, any trademark, registered trademark, service mark, or registered service mark referred to in Schedule A annexed hereto, any trademark, registered trademark, service mark, or registered service mark issued pursuant to a trademark application or service mark application referred to in Schedule A and any trademark, registered trademark, service mark, or registered service mark licensed under any trademark license listed on Schedule B annexed hereto.

5. Security Interest in the Patents. To secure the complete and timely payment, performance and satisfaction of all of the Secured Liabilities, Grantor hereby grants to Lender a continuing security interest, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, in all of Grantor's right, title and interest in, to and under the following, now owned or existing and hereafter acquired or arising:

- (A) each patent and patent application, including, without limitation, each patent and patent application referred to in Schedule C annexed hereto, together with any reissues, continuations or extensions thereof, and all of the goodwill of the business connected with the use of, and symbolized by, each patent and patent application, and (i) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past, present or future infringements or dilutions thereof, (ii) the right to sue for past, present and future infringements and dilutions thereof, (iii) all of Grantor's rights corresponding thereto throughout the world, and (iv) all other products or proceeds of the foregoing (all of the foregoing patents and patent applications, together with the items described in clauses (i)-(iii) in this paragraph 5(A), are hereinafter individually and/or collectively referred to as the "Patents"); and;
- (B) rights under or interests in any patent license agreements with any other party, whether Grantor is a licensee or licensor under any such license agreement, including, without limitation, the patent license agreements listed on Schedule D attached hereto and made a part hereof, together with any goodwill connected with and symbolized by any such patent license agreements, and the right to prepare for sale and sell any and all inventory

now or hereafter owned by Grantor and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Patent Licenses", and together with the Trademark Licenses, the "Licenses").

(C) all other products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future infringement of any patent, including, without limitation, any patent referred to in Schedule C annexed hereto, any patent issued pursuant to a patent application referred to in Schedule C and any patent licensed under any patent license listed on Schedule D annexed hereto.

6. Restrictions on Future Agreements. Grantor will not, without Lender's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and Grantor further agrees that it will not take any action, and will use its best efforts not to permit any action to be taken by others, including, without limitation, licensees, or fail to take any action, which would in any respect affect the validity or enforcement of the rights transferred to Lender under this Agreement or the rights associated with the Trademarks, Patents or Licenses.

7. New Trademarks, Patents and Licenses. Grantor represents and warrants that, (i) the Trademarks and Patents listed on Schedule A include all of the trademarks, registered trademarks, trademark applications, service marks, registered service marks, service mark applications, patents and patent applications, now owned or held by Grantor, (ii) the Trademark Licenses listed on Schedule B include all of the trademark license agreements and service mark license agreements under which Grantor is the licensee or licensor, (iii) the Patent Licenses listed on Schedule D include all of the patent license agreements under which Grantor is the licensee or licensor, (iv) there are no liens, claims or encumbrances in such Trademarks, Patents and Licenses as of the date hereof, and (v) no liens, claims or encumbrances in such Trademarks, Patents and Licenses will be granted by Grantor to any Person or asserted by any Person against Grantor other than Lender. If, prior to the termination of this Agreement, Grantor shall (a) obtain rights to any new trademarks, registered trademarks, trademark applications, service marks, registered service marks, service mark applications, patents or patent applications, (b) become entitled to the benefit of any trademarks, registered trademarks, trademark applications, trademark licenses, trademark license renewals, service marks, registered service marks, service mark applications, service mark licenses, service mark license renewals, patents, patent applications, patent licenses, whether as licensee or licensor, or (c) enter into any new trademark license agreement, service mark license agreement or patent license agreement, the provisions of paragraphs 4 and 5 above shall automatically apply thereto. Grantor shall give to Lender written notice of events described in

clauses (a), (b) and (c) of the preceding sentence promptly after the occurrence thereof, but in any event not less frequently than on a quarterly basis. Grantor hereby authorizes Lender to modify this Agreement unilaterally (x) by amending Schedule A to include any future trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, by amending Schedule B to include any future trademark license agreements and service mark license agreements, by amending Schedule C to include any future patents and patent applications, and by amending Schedule D to include any future patent license agreements, which are Trademarks, Patents or Licenses under paragraph 4 and 5 above or under this paragraph 7, as applicable, and (y) by filing, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule A, Schedule B, Schedule C, and Schedule D thereto, as applicable, such future trademarks, registered trademarks, trademark applications, service marks, registered service marks, service mark applications, patents, patent applications, trademark license agreements, service mark license agreements, and patent license agreements.

8. Royalties. Grantor hereby agrees that the use by Lender of the Trademarks, Patents and Licenses as authorized hereunder in connection with Lender's exercise of its rights and remedies under paragraph 15 shall be coextensive with Grantor's rights under the Trademarks, Patents and Licenses and with respect thereto.
9. Right to Inspect; Further Assignments and Security Interests. Lender shall at all reasonable times (and at any time when an Event of Default or default exists under any of the Financing Documents) have access to, examine, audit, make copies (at Grantor's expense) and extracts from and inspect Grantor's premises and examine Grantor's books, records and operations relating to the Trademarks, Patents and Licenses. From and after the occurrence of an Event of Default or a default under any of the Financing Documents, Grantor agrees that Lender, or a conservator appointed by Lender, shall have the right to establish such reasonable additional product quality controls as Lender or such conservator, in its sole and absolute judgment, may deem necessary to assure maintenance of the quality of products sold by Grantor under the Trademarks, the Patents and the Licenses or in connection with which such Trademarks, Patents and Licenses are used. Grantor agrees (i) not to sell or assign its respective interests in, or grant any license under, the Trademarks, the Patents or the Licenses without the prior written consent of Lender, (ii) to maintain the quality of such products as of the date hereof, and (iii) not to change the quality of such products in any material respect without Lender's prior written consent.
10. Nature and Continuation of Lender's Security Interest; Termination of Lender's Security Interest. This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Trademarks,

Patents and Licenses and shall terminate only when the Secured Liabilities have been paid in full in cash and the Facility Letter has been terminated. When this Agreement has terminated, Lender shall promptly execute and deliver to Grantor, at Grantor's expense, all termination statements and other instruments as may be necessary or proper to terminate Lender's security interest in the Trademarks, Patents and the Licenses, subject to any disposition thereof which may have been made by Lender pursuant to this Agreement or the Facility Letter.

11. Duties of Grantor. Grantor shall have the duty to: (i) prosecute diligently and in good faith any trademark application, service mark application or trademark application that is part of the Trademarks or Patents pending as of the date hereof or hereafter until the termination of this Agreement, and (ii) make application for trademarks, service marks or patents. Grantor further agrees to use its best efforts to maintain in full force and effect the Trademarks, Patents and the Licenses that are or shall be necessary or economically desirable in the operation of Grantor's business. Any expenses incurred in connection with the foregoing shall be borne by Grantor. Lender shall not have any duty with respect to the Trademarks, Patents and Licenses. Without limiting the generality of the foregoing, Lender shall not be under any obligation to take any steps necessary to preserve rights in the Trademarks, Patents or Licenses against any other parties, but may do so at its option from and after the occurrence of an Event of Default or a default under any of the Financing Documents, and all expenses incurred in connection therewith shall be for the sole account of Grantor and shall be added to the Secured Liabilities.
12. Lender's Right to Sue. From and after the occurrence of an Event of Default or a default under any of the Financing Documents, Lender shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Trademarks, the Patents and the Licenses and, if Lender shall commence any such suit, Grantor shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents required by Lender in aid of such enforcement. Grantor shall, upon demand, promptly reimburse Lender for all costs and expenses incurred by Lender in the exercise of its rights under this paragraph 12 (including, without limitation, fees and expenses of attorneys and paralegals for Lender).
13. Waivers. Lender's failure, at any time or times hereafter, to require strict performance by Grantor of any provision of this Agreement shall not waive, affect or diminish any right of Lender thereafter to demand strict compliance and performance therewith nor shall any course of dealing between Grantor and Lender have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of Grantor contained in this Agreement shall be deemed to have been suspended or waived by Lender unless such suspension or waiver is in writing signed by an

officer of Lender and directed to Grantor specifying such suspension or waiver.

14. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but the provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part hereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.
15. Modification. This Agreement cannot be altered, amended or modified in any way, except as specifically provided in paragraphs 4, 5 and 7 hereof or by a writing signed by the parties hereto.
16. Cumulative Remedies; Power of Attorney. Grantor hereby irrevocably designates, constitutes and appoints Lender (and all Persons designated by Lender in its sole and absolute discretion) as Grantor 's true and lawful attorney-in-fact, and authorizes Lender and any of Lender's designees, in Grantor 's or Lender's name, to take any action and execute any instrument to the extent necessary to accomplish the purposes of this Agreement, including, without limitation, from and after the occurrence of an Event of Default or a default under any of the Financing Documents and the giving by Lender of notice to Grantor of Lender's intention to enforce its rights and claims against Grantor, to (i) endorse Grantor 's name on all applications, documents, papers and instruments necessary or desirable for Lender in the use of the Trademarks, Patents or Licenses, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks, Patents or Licenses to anyone, (iii) grant or issue any exclusive or nonexclusive license under the Trademarks or Patents or, to the extent permitted, under the Licenses, to anyone, and (iv) take any other actions with respect to the Trademarks, Patents or Licenses as Lender deems in its best interest. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until all of the Secured Liabilities shall have been paid in full in cash and the Facility Letter shall have been terminated. Grantor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Lender under the Facility Letter or any of the Financing Documents, but rather is intended to facilitate the exercise of such rights and remedies.

Lender shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks, the Patents or the Licenses may be located or deemed located or other applicable law. Upon the occurrence of an

Event of Default or a default under any of the Financing Documents and the election by Lender to exercise any of its remedies under Section 9-504 or Section 9-505 of the Uniform Commercial Code, if applicable, or other similar remedies under other applicable law, with respect to the Trademarks, Patents and Licenses, Grantor agrees to assign, convey and otherwise transfer title in and to the Trademarks, the Patents and the Licenses to Lender or any transferee of Lender and to execute and deliver to Lender or any such transferee all such agreements, documents and instruments as may be necessary, in Lender's sole discretion, to effect such assignment, conveyance and transfer. All of Lender's rights and remedies with respect to the Trademarks, the Patents and the Licenses, whether established hereby, by the Facility Letter, by the other Financing Documents, by any other agreements or by law, shall be cumulative and may be exercised separately or concurrently. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence of an Event of Default or a default under any of the Financing Documents, Lender may exercise any of the rights and remedies provided in this Agreement, in the Facility Letter, in any of the other Financing Documents, and at law or in equity.

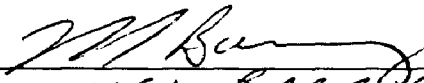
17. Successors and Assigns. This Agreement shall be binding upon Grantor and its successors and assigns, and shall inure to the benefit of Lender and its nominees, successors and assigns. Grantor's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in- possession of or for Grantor; provided, however, that Grantor shall not voluntarily assign or transfer its rights or obligations hereunder without Lender's prior written consent.
18. Governing Law. This Agreement shall be governed and construed in accordance with the laws of the State of New York, United States of America, without regard to its conflict of laws provisions.
19. Notices. All notices or other communications hereunder shall be given in the manner and to the addresses set forth in the Facility Letter, except that Grantor's address shall be as set forth in the preamble to this Agreement.
20. Section Titles. The section and paragraph titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.
21. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.
22. Confidentiality. Lender agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) if and to the

extent such Persons have a need to know such information, to its Affiliates, directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority; provided that Lender shall first attempt to notify Grantor of such requirement, and to the extent reasonable, allow Grantor or Borrower to contest such requirement, (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process; provided that Lender shall first attempt to notify Grantor of such requirement, and to the extent reasonable, allow Grantor or Borrower to contest such requirement, (d) to any other party to the Financing Documents, (e) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to any assignee of, or any prospective assignee of, any of its rights or obligations under this Agreement, (g) with the consent of Borrower or Grantor or (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or as a result of the unauthorized disclosure by Lender's Affiliates, directors, officers, employees and agents, including its accountants, legal counsel and other advisors, or (ii) becomes available to the Lender on a nonconfidential basis from a source other than the Grantor. For the purposes of this Section, "*Information*" means all information received from the Grantor relating to the Patents, Trademarks and Licenses other than any such information that is available to the Lender on a nonconfidential basis prior to disclosure by the Grantor, *provided* that, in the case of information received from the Borrower after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

HYPOGUARD AMERICA LIMITED, an English corporation

By: 
Name: MICHAEL BARRY
Title: CHIEF FINANCIAL OFFICER

ID PRODUCED :
REPUBLIC OF IRELAND PASSPORT
NO. 3 139955 IN THE NAME
OF MICHAEL PUS BARRY

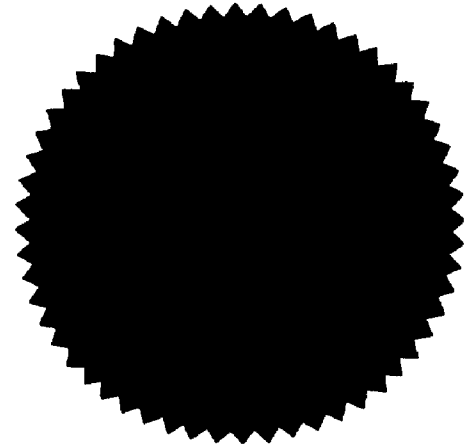
STATE OF UNITED KINGDOM
) SS
COUNTY OF GREATER LONDON

The foregoing Patent, Trademark and License Security Agreement was acknowledged before me this 25th day of ~~March~~ ^{JUNE}, 2001, by MICHAEL RUS BARRY, the A DIRECTOR of Hypoguard America Limited, an English corporation, on behalf of such corporation.

Kuhn
Notary Public

My commission expires: MY COMMISSION
DOES NOT EXPIRE

MANFRED PHILIPP KUHN
NOTARY PUBLIC
1000
10000000, LONDON SW1X 9ZU
T 020 7593 1111
F 020 7593 1111



Schedule A

to Patent, Trademark and License Security Agreement Dated as of January 31, 2001

**TRADEMARKS, REGISTERED TRADEMARKS, TRADEMARK APPLICATIONS,
SERVICE MARKS, REGISTERED SERVICE MARKS
AND SERVICE MARK APPLICATIONS**

| | |
|-------------------|---|
| UNILIFE | Registered 12 April 1994, Reg. No. 1,830,132 |
| TECHLITE | Registered 4 June 1996, Reg. No. 1,978,403 |
| SUPREME II | Registered 17 March 1998, Reg. No. 2,144,675 |
| SELECT GT | Registered 29 December 1998, Reg. No. 2,215,427 |
| ASSURE | Registered 23 May 2000, Reg. No. 2,352,631 |
| QUICKTEK | Intent to Use Application filed 12 May 2000, App. No. 76/050392 |
| QUICKTEK SPECTRUM | Intent to Use Application filed 17 November 1999, App. No. 75/850,900 |
| DIASCREEN | Registered USA 29 January 1991, Reg. No. 1632898 Registered Brazil, 6 April 1999 Reg. No. 819477397 Registered Canada, 3 November 1997, Reg. No. 485171 Registered Spain, 20 February 1998, Reg. No. 2111190 Registered Mexico, 31 May 2000, Reg. No. 657,304 |
| SELECT LITE | Application No. 75/907,077 filed February 1, 2000 |
| GLUCOBALANCE | Intent to Use Application filed December 11, 2000, App. No. 76178656 |
| ASSURE SPECTRUM | Intent to Use Application filed December 11, 2000, App. No. 76178657 |

Schedule B
to Patent, Trademark and License Security Agreement Dated as of January 31, 2001

TRADEMARK LICENSE AGREEMENTS
AND SERVICE MARK LICENSE AGREEMENTS

None.

Schedule C
to Patent, Trademark and License Security Agreement Dated as of January 31, 2001

PATENTS AND PATENT APPLICATIONS

Composition and Device for Detecting Leukocyte and Proteinase in Urine, Utility application filed 30 July 1999 (Serial No.09/365,592), claiming priority from 60/116,613 and 60/143,383.

Composition and Device for Detecting Leukocyte and Proteinase in Urine, Utility application filed 30 July 1999 (Serial No.09/365,322), claiming priority from 60/116,613 and 60/143,383.

Patent Cooperation Treaty patent application No. PCT/US00/01333 filed on January 21, 2000 containing the patent claims covering the Leukocyte Detecting Composition disclosed and claimed in the above utility applications, Serial Numbers 09/365,592 and 09/365,322.

Schedule D
to Patent, Trademark and License Security Agreement Dated as of January 31, 2001

PATENT LICENSE AGREEMENTS

None.