



10-01-2001



101862235

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

**RECORDATION FORM COVER SHEET
TRADEMARKS ONLY**

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

Submission Type

☒ **New** 09/25/01

☐ **Resubmission (Non-Recordation)**
Document ID #

☐ **Correction of PTO Error**
Reel # Frame #

☐ **Corrective Document**
Reel # Frame #

Conveyance Type

☐ **Assignment** ☐ **License**

☒ **Security Agreement** ☐ **Nunc Pro Tunc Assignment**

☐ **Merger**

☐ **Change of Name**

☐ **Other**

Effective Date
Month Day Year
9 21 01

Conveying Party

☐ Mark if additional names of conveying parties attached

Execution Date
Month Day Year
9 21 01

Name

Formerly

☐ Individual ☐ General Partnership ☐ Limited Partnership ☒ **Corporation** ☐ Association

☐ Other

☒ **Citizenship/State of Incorporation/Organization**

Receiving Party

☐ Mark if additional names of receiving parties attached

Name

DBA/KA/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

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.)

☒ **Citizenship/State of Incorporation/Organization**

FOR OFFICE USE ONLY

09/28/2001 AAHMED1 00000073 75572004

01 FC:481
02 FC:482

40.00 DP
525.00 DP

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: 002375 FRAME: 0399

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" value="75572004"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1221518"/>	<input type="text" value="1310946"/>	<input type="text" value="1496601"/>
<input type="text" value="76153611"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1211338"/>	<input type="text" value="1206040"/>	<input type="text" value="1714854"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1266226"/>	<input type="text" value="1481511"/>	<input type="text" value="1882900"/>

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:

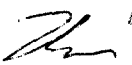
Yes ☐

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.

PAUL V. O'BRIEN



9/21/01

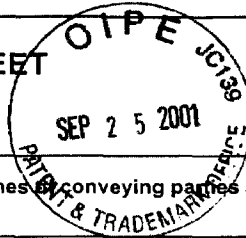
Name of Person Signing

Signature

Date Signed

RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY

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



Conveying Party

Enter Additional Conveying Party

☐

Mark if additional names of conveying parties attached

Execution Date

Month Day Year

Name AFP IMAGING CORPORATION

9 21 01

Formerly

☐ Individual ☐ General Partnership ☐ Limited Partnership ☒ Corporation ☐ Association

☐ Other

☒ Citizenship State of Incorporation/Organization NEW YORK

Receiving Party

Enter Additional Receiving Party

☐

Mark if additional names of receiving parties attached

Name KELTIC FINANCIAL PARTNERS, LP

DBA/AKA/TA

Composed of

Address (line 1) 555 THEODORE FREMD AVENUE, SUITE C-209

Address (line 2)

Address (line 3)

RYE

City

NEW YORK

State/Country

10580

Zip Code

☐ Individual ☐ General Partnership ☒ Limited Partnership

☐ Corporation ☐ Association

☐ Other

☒ Citizenship/State of Incorporation/Organization DELAWARE

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 the Assignment.)

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)

1920743	1709867	
2000578	2378650	
1993184	2454162	
2011784	2304035	
2013657		
2298782		
2301510		



TRADEMARK COLLATERAL SECURITY AGREEMENT

AGREEMENT made as of the 21st day of September, 2001 by and between AFP Imaging Corporation ("Debtor"), a corporation organized under the laws of the State of New York, with an address at 250 Clearbrook Road, Elmsford, NY 10523 and Keltic Financial Partners, LP ("Secured Party") having address at 555 Theodore Fremd Avenue, Rye, NY 10580.

W I T N E S S E T H:

WHEREAS, Debtor has adopted, used and is using, and is the owner of the entire right, title, and interest in and to the trademarks, trade names, terms, designs and applications therefor described in Exhibit A annexed hereto and made a part hereof; and

WHEREAS, Debtor, Visiplex Instruments Corporation, Dent-X International, Inc., LogEtronics Corporation and Regam Medical Systems International AB (jointly and severally, "Borrower") and Secured Party are contemporaneously herewith entering into financing arrangements pursuant to which Secured Party may make loans and advances and provide other financial accommodations to Borrower in accordance with the terms and conditions of a Loan and Security Agreement dated of even date herewith between Secured Party and Borrower (the "Loan Agreement", and together with all agreements, documents and instruments now or at any time executed in connection therewith as the same now exist or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, being collectively referred to herein as the "Transaction Documents"); and

WHEREAS, in order to induce Secured Party to enter into the Transaction Documents and make loans and advances and provide other financial accommodations to Borrower pursuant thereto, Debtor has agreed to grant to Secured Party certain collateral security as set forth herein;

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

1. GRANT OF SECURITY INTEREST

As collateral security for the prompt performance, observance and indefeasible payment in full of all of the Obligations (as hereinafter defined), Debtor hereby grants to Secured Party a continuing security interest in and a general lien upon: (a) all of Debtor's now existing or hereafter acquired right, title, and interest in and to: all of Debtor's trademarks, trade names, tradestyles and service marks; all prints and labels on which said trademarks, trade names, tradestyles and service marks appear, have appeared or will appear, and all designs and general intangibles of a like nature; all applications, registrations and recordings relating to the foregoing

in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof, any political subdivision thereof or in any other countries, and all reissues, extensions and renewals thereof including those trademarks, terms, designs and applications described in Exhibit A hereto (the "Trademarks"); (b) the goodwill of the business symbolized by each of the Trademarks, including, without limitation, all customer lists and other records relating to the distribution of products or services bearing the Trademarks; and (c) any and all proceeds of any of the foregoing, including, without limitation, any claims by Debtor against third parties for infringement of the Trademarks or any licenses with respect thereto (all of the foregoing are collectively referred to herein as the "Collateral").

2. OBLIGATIONS SECURED

The security interest, lien and other interests granted to Secured Party pursuant to this Agreement secure the payment of any and all indebtedness, and performance of all obligations and agreements, of Borrower to Secured Party ("Obligations"), whether now existing or hereafter incurred or arising, of every kind and character, primary or secondary, direct or indirect, absolute or contingent, sole, joint or several, matured or unmatured, whether such Obligation is evidenced by a negotiable or non-negotiable instrument or other writing, whether such Indebtedness is contracted by Borrower alone or by Borrower jointly and severally with another or others, and whether such Obligation is from time to time reduced and thereafter increased, or entirely extinguished and thereafter reincurred, including, without limitation: all loans (including the Loans), advances, debts, liabilities, obligations, covenants and duties owing by Borrower to Secured Party or any affiliate of Secured Party of any kind or nature, present or future, whether or not evidenced by any note, guaranty or other instrument, whether arising under the Loan Agreement, the Loan Documents or under any other agreement or by operation of law, whether or not for the payment of money, whether arising by reason of an extension of credit, opening, guaranteeing or confirming of a letter of credit, loan, guaranty, indemnification or in any other manner, whether direct or indirect (including those acquired by assignment), absolute or contingent, due or to become due, now due or hereafter arising and however acquired. The term includes, but without limitation, all interest, charges, expenses, commitment, facility, collateral management or other fees, attorneys' fees and expenses, and any other sum chargeable to Borrower under the Loan Agreement, the Loan Documents or any other agreement with Secured Party.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS

Debtor hereby represents, warrants and covenants to Secured Party the following (which shall survive the execution and delivery of this Agreement), the truth and accuracy of which, or compliance with, being a continuing condition of the making of advances and other financial accommodations by Secured Party to Debtor under the Transaction Documents:

(a) Debtor will pay and perform all of the Obligations according to their terms.

(b) All of the existing Collateral is subsisting, in full force and effect, and Debtor owns the sole, full, and clear title thereto, and the right and power to grant the security interests granted hereunder. So long as such Trademark is necessary in the normal course of Debtor's business, Debtor will, at Debtor's expense, perform all reasonable and necessary acts and execute all documents necessary to maintain the existence of the Collateral as subsisting and registered trademarks including, without limitation, the filing of any renewal affidavits and applications, when such affidavits and applications are possible or required. The Collateral is not subject to any liens, claims, mortgages, assignments, licenses, security interests, or encumbrances of any nature whatsoever, except (i) the security interests granted hereunder and pursuant to the Loan Agreement, (ii) the security interests permitted under the Loan Agreement, and (iii) the licenses permitted under Section 3(e) below.

(c) Debtor will not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon, encumber, grant an exclusive or non-exclusive license relating thereto, except as permitted herein, in the Transaction Documents, or otherwise dispose of any of the Collateral without the prior written consent of Secured Party. Nothing in this Agreement shall be deemed a consent by Secured Party to any such action, except as such action is expressly permitted hereunder.

(d) Debtor will, at Debtor's expense, perform all reasonable acts and execute all documents requested at any time by Secured Party to evidence, perfect, maintain, record, or enforce the security interest in the Collateral granted hereunder or to otherwise further the provisions of this Agreement. Debtor hereby authorizes Secured Party to execute and file one or more financing statements (or similar documents) with respect to the Collateral, signed only by Secured Party or as otherwise determined by Secured Party. Debtor further authorizes Secured Party to have this or any other similar security agreement filed with the Commissioner of Patents and Trademarks or other appropriate federal, state or government office, or in any similar office or agency of the United States, any State thereof, or any other domestic or foreign jurisdiction or subdivision thereof.

(e) As of the date hereof, Debtor does not have any Trademarks registered, or subject to pending applications, in the United States Patent and Trademark Office or any similar office or agency of the United States, any State thereof, or any other domestic or foreign jurisdiction or subdivision thereof, other than those described in Exhibit A annexed hereto and has not granted any licenses with respect thereto, except as set forth on Exhibit B hereto.

(f) Debtor will, concurrently with the execution and delivery of this Agreement, execute and deliver to Secured Party five (5) originals of a Power of Attorney in the

form of Exhibit C annexed hereto for the implementation of the assignment, sale or other disposition of the Collateral pursuant to Secured Party's exercise of the rights and remedies granted to Secured Party hereunder, and usable only in the Event of a Default (as defined below).

(g) Secured Party may, in its discretion, pay any reasonable amount or do any act which Debtor fails to pay or do as required hereunder or as reasonably requested by Secured Party to preserve, defend, protect, maintain, record, amend or enforce the Obligations, the Collateral, or the security interest granted hereunder including but not limited to all filing or recording fees, court costs, collection charges and reasonable attorneys' fees. Debtor will be liable to Secured Party for any such payment, which payment shall be deemed an advance by Secured Party to Debtor, shall be payable on demand together with interest at the then applicable rate set forth in the Transaction Documents and shall be part of the Obligations secured hereby.

(h) In the event Debtor files an application for the registration of a 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 domestic or foreign jurisdiction or subdivision thereof, Debtor shall provide written notice to Secured Party of such action. Upon request of Secured Party, Debtor shall execute and deliver to Secured Party any and all agreements, instruments, documents and such other papers as may be requested by Secured Party to evidence the security interests of Secured Party in such Trademark.

(i) Debtor has not abandoned any of the Trademarks and Debtor will not do any act, nor omit to do any act, whereby the Trademarks may become abandoned, provided that Debtor may cease using any of the Trademarks in the normal course of business. Debtor shall notify Secured Party immediately if it knows or has reason to know of any reason why any application, registration, or recording may become abandoned, canceled, invalidated, avoided, or avoidable.

(j) Debtor will render any assistance as Secured Party shall reasonably determine is necessary to Secured Party in any proceeding before the United States Patent and Trademark Office, any federal or state court, or any similar office or agency of the United States, any State thereof, or any other domestic or foreign jurisdiction or subdivision thereof, to maintain such application and registration of the Trademarks as Debtor's exclusive property and to protect Secured Party's interest therein, including, without limitation, filing of renewals, affidavits of use and affidavits of incontestability when possible, and opposition, interference, and cancellation proceedings, so long as such Trademark is necessary in the normal course of Debtor's business.

(k) Debtor will notify Secured Party if Debtor (or any affiliate or subsidiary thereof) learns of any use by any person of any term or design likely to cause confusion with any Trademark. If requested by Secured Party, Debtor, at Debtor's expense, shall join with Secured

Party in such action as Secured Party may deem advisable for the protection of Secured Party's interest in and to the Trademarks.

(l) Debtor assumes all responsibility and liability arising from the use of the Trademarks and Debtor hereby indemnifies and holds Secured Party harmless from and against any claim, suit, loss, damage, or expense (including reasonable attorneys' fees) arising out of any alleged defect in any product manufactured, promoted, or sold by Debtor (or any affiliate or subsidiary thereof) in connection with any Trademark or out of the manufacture, promotion, labeling, sale or advertisement of any such product by Debtor (or any affiliate or subsidiary thereof).

(m) Debtor will promptly pay Secured Party for any and all reasonable expenditures made by Secured Party pursuant to the provisions of this Agreement or for the defense, protection, or enforcement of the Obligations, the Collateral, or the security interests granted hereunder, including, but not limited to, all filing or recording fees, court costs, collection charges, travel expenses, and attorneys' fees and legal expenses. Such expenditures shall be payable on demand, together with interest at the then applicable rate set forth in the Transaction Documents and shall be part of the Obligations secured hereby.

4. EVENTS OF DEFAULT

All Obligations shall become immediately due and payable, without notice or demand, at the option of Secured Party, in the event the Debtor fails to comply with the terms hereof and/or upon the occurrence of any one or more of the "Events of Default", as set forth in the Loan Agreement (each an "Event of Default" hereunder).

5. RIGHTS AND REMEDIES

Upon the occurrence of any such Event of Default and at any time thereafter, in addition to all other rights and remedies of Secured Party, whether provided under law, the Transaction Documents or otherwise, Secured Party shall have the following rights and remedies which may be exercised without notice to, or consent by, Debtor except as such notice or consent is expressly provided for hereunder:

(a) Secured Party may require that neither Debtor nor any affiliate or subsidiary of Debtor make any use of the Trademarks or any marks similar thereto for any purpose whatsoever. Secured Party may make use of any Trademarks for the sale of goods, completion of work in process or rendering of services in connection with enforcing any other security interest granted to Secured Party by Debtor or any subsidiary of Debtor.

(b) Secured Party may grant such license or licenses relating to the Collateral for such term or terms, on such conditions, and in such manner, as Secured Party shall in its discretion deem appropriate. Such license or licenses may be general, special, or otherwise, and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and all foreign countries.

(c) Secured Party may assign, sell or otherwise dispose of the Collateral or any part thereof, either with or without special conditions or stipulations except that if notice to Debtor of intended disposition of Collateral is required by law, the giving of five (5) days notice in the manner set forth in subparagraph 6(b) hereof shall be deemed reasonable notice thereof and Debtor waives any other notice with respect thereto. Secured Party shall have the power to buy the Collateral or any part thereof, and Secured Party shall also have the power to execute assurances and perform all other acts which Secured Party may, in its discretion, deem appropriate or proper to complete such assignment, sale, or disposition.

(d) In addition to the foregoing, in order to implement the assignment, sale, or other disposition of any of the Collateral pursuant to Subparagraph 5(c) hereof, Secured Party may at any time execute and deliver on behalf of Debtor, pursuant to the authority granted in the Powers of Attorney described in Subparagraph 3(f) hereof, one or more instruments of assignment of the Trademarks (or any application, registration, or recording relating thereto), in form suitable for filing, recording, or registration. Debtor agrees to pay Secured Party on demand all costs incurred in any such transfer of the Collateral, including, but not limited to, any taxes, fees, legal expenses and reasonable attorneys' fees and legal expenses.

(e) Secured Party may first apply the proceeds actually received from any such license, assignment, sale, or other disposition of Collateral to the costs and expenses thereof, including, without limitation, attorneys' fees and all legal, travel and other expenses which may be incurred by Secured Party. Thereafter, Secured Party may apply any remaining proceeds to such of the Obligations as Secured Party may in its discretion determine. Debtor shall remain liable to Secured Party for any expenses or Obligations remaining unpaid after the application of such proceeds, and Debtor will pay Secured Party on demand any such unpaid amount, together with interest at a rate equal to the highest rate then payable on the Obligations.

(f) Debtor shall supply to Secured Party or its designee, Debtor's knowledge and expertise relating to the manufacture and sale of the products and services bearing the Trademarks and Debtor's customer lists and other records relating to the Trademarks and the distribution thereof.

(g) Nothing contained herein shall be construed as requiring Secured Party to take any such action at any time. All of Secured Party's rights and remedies, whether provided under law, the Transaction Documents, this Agreement, or otherwise, shall be cumulative and

none is exclusive. Such rights and remedies may be enforced alternatively, successively, or concurrently.

6. MISCELLANEOUS

(a) Any failure or delay by Secured Party to require strict performance by Debtor of any of the provisions, warranties, terms, and conditions contained herein or in any other agreement, document, or instrument, shall not affect Secured Party or Secured Party's right to demand strict compliance and performance therewith, and any waiver of any default shall not waive or affect any other default, whether prior or subsequent thereto, and whether of the same or of a different type. None of the warranties, conditions, provisions, and terms contained herein or in any other agreement, document, or instrument shall be deemed to have been waived by any act or knowledge of Secured Party, its agents, officers, or employees, but only by an instrument in writing, signed by an officer of Secured Party and directed to Debtor, specifying such waiver.

(b) All notices, requests and demands to or upon the respective parties hereto shall be given in accordance with Section 21.3 in the Loan Agreement.

(c) In the event that any provision hereof shall be deemed to be invalid by any court, such invalidity shall not affect the remainder of this Agreement.

(d) All references to Debtor and Secured Party herein shall include their respective successors and assigns. All references to the term "person" or "Person" herein shall mean any individual, sole proprietorship, limited partnership, general partnership, corporation (including a business trust), unincorporated association, joint stock corporation, trust, joint venture, association, organization or other entity or government or any agency or instrumentality or political subdivision thereof.

(e) This Agreement shall be binding upon and for the benefit of the parties hereto and their respective successors and assigns. No provision hereof shall be modified, altered or limited except by a written instrument expressly referring to this Agreement signed by the party to be charged thereby.

(f) This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York; provided, however, that if any of the Collateral shall be located in any jurisdiction other than New York, the laws of such jurisdiction shall govern the method, manner and procedure for foreclosure of Secured Party's lien upon such Collateral and the enforcement of Secured Party's other remedies in respect of such Collateral to the extent that the laws of such jurisdiction are different from or inconsistent with the laws of New York.

(g) Debtor waives the right to trial by jury in the event of any action, suit, proceeding, counterclaim or other litigation to which Secured Party and Debtor are parties in respect of any matter arising under this Agreement or any other matter involving Debtor and Secured Party, whether or not other persons are also parties thereto. Debtor acknowledges that the foregoing waiver is a material inducement to Secured Party's entering into this Agreement and that Secured Party is relying on the foregoing waiver in its future dealings with Debtor. Debtor represents and warrants that they reviewed this jury waiver provision with their legal counsel, and has made this waiver knowingly and voluntarily.

(h) In the event that any term or provision of this Agreement conflicts with any term or provision of the Loan Agreement, the term or provision of the Loan Agreement shall control.

IN WITNESS WHEREOF, Debtor and Secured Party have executed this Agreement as of the day and year first above written.

AFP IMAGING CORPORATION

By: 

Pres.

KELTIC FINANCIAL PARTNERS, LP


By: KELTIC FINANCIAL SERVICES LLC,
its general partner

By: 

Robert N. Laughlin

STATE OF NEW YORK)
Westchester)
COUNTY OF NEW YORK)

On the 20th day of September, 2001 before me, the undersigned, a notary public in and for said state, personally appeared Donald Rabinovitch, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public, State of New York
N.Y. 24 - 4985818
Qualified in Kings County
Commission Expires August 26, 2008

STATE OF NEW YORK)
 Westchester)SS.:
COUNTY OF ~~NEW YORK~~)

On the 20th day of September, 2001, before me, the undersigned, a notary public in and for said state, personally appeared Robert N. Laughlin, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.



Notary Public
CHRISTOPHER G. DORMAN
Notary Public, State of New York
No. 24 - 4985818
Qualified in Kings County
Commission Expires August 26, 2003

EXHIBIT A

APP IMAGING CORPORATION -- U.S. AND FOREIGN TRADEMARKS, REGISTRATIONS AND APPLICATIONS

<u>Dkt.</u>	<u>Country</u>	<u>App. No.</u>	<u>App. Date</u>	<u>Reg. No.</u>	<u>Reg. Date</u>	<u>Mark</u>
19161	U.S.			1221518	12/28/82	APP & Design
19162	U.S.			1211338	10/5/82	FILM-X 90
20375	U.S.			1266226	2/7/84	APP IMAGING & Design
20375	BENELUX			510346	4/6/92	APP & Design
20375-A	CHINA			982601	4/14/97	APP IMAGING
20375-B	CHINA			993709	4/28/97	APP IMAGING
20375-C	CHINA			1020186	6/7/97	APP IMAGING
20375	REC	175511	4/1/96			APP IMAGING & Design
20375	FRANCE			92414393	9/25/92	APP IMAGING & Design
20375	ITALY			523277	2/23/88	APP IMAGING & Design
20375	MEXICO			298916	5/8/84	APP IMAGING & Design
21666	U.S.			1310946	12/25/84	APP IMAGING & Design
22688	U.S.			1206040	8/24/82	KENRO
25918	U.S.			1481511	3/22/88	CATHMAX
25961	U.S.			1496601	7/19/88	CINE-VIEW
25961	JAPAN			2667977	5/31/94	CINEVIEW
26848-A	UNITED KINGDOM			1434737	8/3/90	APP DENT-X
26848	CANADA			521334	1/12/00	DENT-X

Received Sep-06-01 09:30am

From-12123910630

To-PHILLIP LYTTLE HITCHC

Page 30

Received Sep-06-01 09:30am

From-12123910630

To-PHILLIP LYTTLE HITCHC

TRADE MARK

REEL: 002375 FRAME: 0412

26848	ITALY	523278	2/23/88	DENT-X
26848	JAPAN	4413594	9/1/00	DENT-X
36488-A	U.S.	1714854	9/15/92	EXCEL & Design
43831	U.S.	1882900	5/7/95	IMAGE-X 70
43831	CANADA	545,750	5/28/01	IMAGE-X 70
43832	U.S.	1920743	9/19/95	X-MIND
43832	CANADA		2/18/00	X-MIND
45898	U.S.	2000578	9/17/96	DENT-X
45898	CHINA	988100	4/21/97	DENT-X
45898-A	CHINA	988351	4/21/97	DENT-X
45898-B	CHINA	1008238	5/21/97	DENT-X
48233	U.S.	1993184	8/13/96	VISIPLEX
48361	U.S.	2011784	10/29/96	IMLOGIX
48587	U.S.	2013657	11/5/96	DENT-X DRY PACK
52085	U.S.	2298782	12/7/99	VISIBRIGHT
55660	U.S.	2301510	12/21/99	DENT-X PRO IMAGE
55934	U.S.	1709867	8/25/92	SENS-A-RAY
55934	AUSTRALIA	731677	4/7/97	SENS-A-RAY
55934	BENELUX	577071	8/23/95	SENS-A-RAY
55934	CANADA		11/25/98	SENS-A-RAY

55934	FRANCE	92424630	6/29/92	SENS-A-RAY
55934	GERMANY	2007541	12/19/91	SENS-A-RAY
55934	ITALY	608188	10/29/93	SENS-A-RAY
55934	JAPAN	2500484	1/29/93	SENS-A-RAY
55934	SPAIN	2023717	10/7/96	SENS-A-RAY
55934	SWEDEN	209832	3/31/88	SENS-A-RAY
55934	UNITED KINGDOM	2182737	11/23/98	SENS-A-RAY
57451	U.S.	2304035	12/28/99	SENS-A-VIEW
57451	CANADA			SENS-A-VIEW
57451	BEC	1004357	7/4/00	SENS-A-VIEW
57451	JAPAN	4473067	5/11/01	SENS-A-VIEW
57662	U.S.			PROSCOPE
57807	U.S.	2,378,650	8/23/00	9000
60982	U.S.	2,454,162	5/22/01	IMAGE-VET 70
60982	CANADA			IMAGE-VET 70
62988	U.S.			EVA & Design
62988	BEC			EVA & Design

EXHIBIT B

LICENSES

None

EXHIBIT C

SPECIAL POWER OF ATTORNEY

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

KNOW ALL MEN BY THESE PRESENTS, that AFP Imaging Corporation ("Debtor"), having an office at 250 Clearbrook Road, Elmsford, NY 10523, hereby appoints and constitutes, severally, Keltic Financial Partners, LP ("Secured Party"), and each of its officers, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on behalf of Debtor:

1. Execution and delivery of any and all agreements, documents, instrument of assignment, or other papers which Secured Party, in its discretion, deems necessary or advisable for the purpose of assigning, selling, or otherwise disposing of all right, title, and interest of Debtor in and to any trademarks and trademark applications and all registrations, recordings, reissues, extensions, and renewals thereof, or for the purpose of recording, registering and filing of, or accomplishing any other formality with respect to the foregoing.

2. Execution and delivery of any and all documents, statements, certificates or other papers which Secured Party, in its discretion, deems necessary or advisable to further the purposes described in Subparagraph 1 hereof.

This Power of Attorney, being a power coupled with an interest, is made pursuant to a Trademark Collateral Assignment and Security Agreement between Debtor and Secured Party, of even date herewith (the "Security Agreement") and may not be revoked until indefeasible payment in full of all Debtor's "Obligations", as such term is defined in the Security Agreement and is subject to the terms and provisions thereof.

Dated: September __, 2001

AFP IMAGING CORPORATION

By: _____
(title)

STATE OF NEW YORK)
)SS.:
COUNTY OF NEW YORK)

On the _____ day of September, 2001 before me, the undersigned, a notary public in and for said state, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity, and that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.

Notary Public