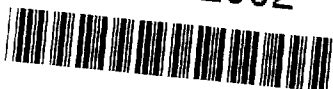


05-08-2002



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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

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

1. Name of conveying party(ies): DEROYAL INDUSTRIES, INC.

4-25-02

- Individual(s) Association General Partnership Limited Partnership Corporation-State Other Tennessee corporation

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other

Execution Date: 04/15/2002

2. Name and address of receiving party(ies)

Name: AMSOUTH BANK (as Admin. Agent)

Internal Address: AmSouth Center

Street Address: 315 Deaderick Street

City: Nashville State: TN Zip: 37237-0905

- Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Other Alabama banking corporation

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

OFFICE OF PUBLIC RECORDS 2002 APR 25 PM 12:30 FINANCE SECTION

4. Application number(s) or registration number(s):

A. Trademark Application No.(s) See attached Exhibit A

B. Trademark Registration No.(s) See attached Exhibit A

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Kim B. Watson

Internal Address: Bass, Berry & Sims PLC

AmSouth Center

Street Address: 315 Deaderick Street

Suite 2700

City: Nashville State: TN Zip: 37238-3001

6. Total number of applications and registrations involved: 34

7. Total fee (37 CFR 3.41) \$ 865.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

DO NOT USE THIS SPACE

9. Signature.

05/07/2002 DBYRNE 00000251 1525462

01 FC:481 02 FC:482

Kim B. Watson

Name of Person Signing

40.00 DP 825.00 DP

Signature

4/25/02 Date

Total number of pages including cover sheet, attachments, and document: 24

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

TRADEMARK REEL: 002502 FRAME: 0382

**Exhibit A**  
**(Continuation of Item 4.)**  
**U. S. Trademark Security Interest Assignments**  
**DeRoyal Industries, Inc. to AmSouth Bank**

**U. S. Trademarks**

Serial Nos. <sup>1</sup>	Reg. Nos.
73694848	1525462
73749998	1550852
73815960	1596216
74081366	1649385
74329085	1895553
74352628	1791489
74422402	1838543
74422403	1870982
74422404	1831053
74422422	1832587
74422423	1835134
74422424	1832588
74422482	1871809
74522330	2044123
74522331	1986096
74573370	2515630
74592698	1925819
74594880	1938387
74604444	1967511
75072262	2037107
75145304	2079228
75149768	2163246
75156332	2177368
75192347	n/a
75222181	2478268
75222182	2209588
75538369	2361374
75721043	n/a
75721075	2505146
76134752	n/a
76145503	n/a
76319643	n/a
76321441	n/a
76352780	n/a

<sup>1</sup> Where applicable, both Serial Numbers and Registration Numbers are listed above for clarification. Only Serial Numbers were listed on Exhibit A to the Trademark and Patent Security Agreement.

## TRADEMARK AND PATENT SECURITY AGREEMENT

**THIS TRADEMARK AND PATENT SECURITY AGREEMENT** (this "Agreement"), dated as of April 15, 2002, is made and entered into by DEROYAL INDUSTRIES, INC., a Tennessee corporation (the "Grantor"), in favor of AMSOUTH BANK, an Alabama banking corporation ("AmSouth"), as administrative agent for itself, the Lenders and the Issuing Bank under the Credit Agreement (in such capacity, the "Administrative Agent").

### RECITALS:

A. The Grantor, the Subsidiaries and other Affiliates of the Grantor now or hereafter becoming parties thereto, as guarantors (the "Guarantors"), certain Lenders, the Arranger, the Administrative Agent and AmSouth, as Issuing Bank, are parties to a certain Credit Agreement dated as of April 15, 2002 (as the same heretofore may have been or hereafter may be amended, restated, supplemented, extended, renewed, replaced or otherwise modified from time to time, the "Credit Agreement"), pursuant to which the Lenders have made and will make Loans and purchase participations in Letters of Credit issued for the account of the Grantor, and the Issuing Bank will issue such Letters of Credit, all as more specifically described in the Credit Agreement.

B. The Grantor has agreed to grant in favor of the Administrative Agent for the benefit of the Issuing Bank and the ratable benefit of the Lenders a valid perfected security interest in all of its right, title and interest in, to and under the Collateral, including the property listed on attached Schedule A, together with any renewals or extensions thereof, and all Proceeds thereof, to secure the payment of the Obligations.

C. The Grantor owns all of the Trademarks and Patents listed on Schedule A hereto.

D. It is a condition precedent to the obligations of the Lenders to make the Loans under the Credit Agreement and to purchase participations in the Letters of Credit and to induce the Issuing Bank to issue the Letters of Credit under the Credit Agreement that the Grantor execute and deliver this Agreement to the Administrative Agent.

### AGREEMENT:

**NOW, THEREFORE**, in consideration of the premises and to induce Lenders to make the Loans under the Credit Agreement and to purchase participations in the Letters of Credit, and to induce the Issuing Bank to issue the Letters of Credit under the Credit Agreement, the Grantor hereby makes the following representations and warranties to the Administrative Agent and hereby covenants and agrees with the Administrative Agent, all for the benefit of the Lenders, the Administrative Agent and the Issuing Bank as provided in the Credit Agreement, as follows:

1. Defined Terms. Unless otherwise defined herein, terms that are defined in the Loan Agreement and used herein are so used as so defined, and the following terms shall have the following meanings:

(a) "Agreement" means this Agreement as amended, supplemented or otherwise modified from time to time.

(b) "Collateral" has the meaning assigned to it in Section 2 of this Agreement.

(c) "Obligations" means all of the Obligations of the Grantor as described and defined in the Credit Agreement, together with all advances made for taxes, levies, insurance and preservation of the Collateral and all attorney's fees, court costs and expenses of whatever kind incident to the collection of any of said indebtedness or other obligations and the enforcement and protection of the security interest created hereby.

(d) "Patents" means all types of exclusionary or protective rights granted (or applications therefor) for inventions in any country of the world (including, without limitation, letters patent, plant patents, utility models, breeders' right certificates, inventor's certificates and the like), and all reissues and extensions thereof and all divisions, continuations and continuations-in-part thereof, including, without limitation, all of the foregoing more particularly described or referred to in Schedule A hereto.

(e) "Patent License" means all agreements material to the operation of Grantor's businesses, whether written or oral, providing for the grant by or to the Grantor of any right to manufacture, use or sell any invention covered by a Patent, including, without limitation, all of the foregoing more particularly described or referred to in Schedule A hereto.

(f) "Proceeds" means "proceeds," as such term is defined in Section 9-102(a)(64) of the UCC and, to the extent not included in such definition, shall include, without limitation, (a) any and all proceeds of any insurance, indemnity, warranty, guaranty or letter of credit payable to the Grantor, from time to time with respect to any of the Collateral, (b) all payments (in any form whatsoever) paid or payable to the Grantor from time to time in connection with any taking of all or any part of the Collateral by any governmental authority or any Person acting under color of governmental authority), (c) all judgments in favor of the Grantor in respect of the Collateral and (d) all other amounts from time to time paid or payable or received or receivable under or in connection with any of the Collateral.

(g) "Trademarks" means (a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source of business identifiers used in any country in the world, whether registered or unregistered, and the goodwill associated therewith, now existing or hereafter acquired, and (b) all registrations, recordings and renewals thereof, and all applications in connection therewith, issued by or filed in a national, state or local

governmental authority of any country, including, without limitation, all of the foregoing more particularly described or referred to in Schedule A hereto.

(h) "Trademark License" means any agreement, material to the businesses of the Grantor, written or oral, providing for the grant by or to the Grantor of any right to use any Trademark, including, without limitation, any thereof referred to in Schedule A hereto.

(i) "UCC" means the Uniform Commercial Code as from time to time in effect in the State of Tennessee.

2. Grant of Security Interest. As collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations, Grantor hereby assigns and grants to the Administrative Agent, for the benefit of the Lenders, the Administrative Agent and the Issuing Bank Lender, a security interest in all of Grantor's right, title and interest in and to the following property now owned or at any time hereafter acquired by Grantor or in which Grantor now have or at any time in the future may acquire any right, title or interest (collectively, the "Collateral"):

(a) all Trademarks;

(b) all Trademark Licenses to the extent assignable;

(c) all Patents;

(d) all Patent Licenses to the extent assignable; and

(e) to the extent not otherwise included, all Proceeds and products of any and all of the foregoing;

regardless of whether specifically included in Schedule A.

3. Representations and Warranties Concerning Trademarks. Grantor represents and warrants that Schedule A hereto includes all of Grantor's registered Trademarks and Trademark Licenses and all of the Patents and Patent Licenses owned by Grantor in its own name or as to which Grantor has any colorable claim of ownership that are material to the businesses of Grantor as of the date hereof. To the best of Grantor's knowledge, each Trademark and Patent is valid, subsisting, unexpired, enforceable and has not been abandoned. Except as set forth in Schedule A, none of the Trademarks or Patents is the subject of any licensing or franchise agreement. All licenses of the Trademarks and Patents are in force and, to the best knowledge of the Grantor, not in default. No holding, decision or judgment has been rendered by any governmental authority that would limit, cancel or question the validity of any material Trademark or Patent. No action or proceeding is pending (i) seeking to limit, cancel or question the validity of any Trademark or Patent or the Grantor's ownership thereof or (ii) that, if adversely determined, would reasonably be likely to have a material adverse effect on the value of any Trademark or Patent.

4. Covenants. Grantor covenants and agrees with the Administrative Agent that until the Obligations are fully paid and performed:

(a) Further Documentation. From time to time, upon the written request of the Administrative Agent, and at the sole expense of Grantor, the Grantor will promptly and duly execute and deliver such further instruments and documents and take any other action reasonably requested by the Administrative Agent to insure the attachment, perfection and first priority of, and the ability of the Administrative Agent to enforce, the Administrative Agent's security interest in any and all of the Collateral, including (i) authorizing, executing (to the extent that the Grantor's signature is required), delivering and filing financing statements and amendments relating thereto under the UCC, (ii) complying with any provision of any statute, rule, regulation or treaty of any jurisdiction as to any Collateral if compliance with such provision is a condition to attachment, perfection or priority of, or ability of the Administrative Agent to enforce, the Administrative Agent's security interest in such Collateral, (iii) obtaining governmental and other third party consents and approvals, including without limitation any consent of any licensor, lessor or other person obligated on Collateral, and (iv) taking all actions required by any earlier versions of the UCC or by other law, as applicable in any relevant jurisdiction. Grantor hereby authorizes the Administrative Agent to file any such financing or continuation statement without the signature of Grantor to the extent permitted by applicable law.

(b) Limitation on Lien on Collateral. Grantor will not create, incur or permit to exist, will take all commercially reasonable actions to defend the Collateral against, and will take such other commercially reasonable action as is necessary to remove, any Lien on or claim to the Collateral, other than the Liens created hereby, and other than as permitted pursuant to the Credit Agreement, and will take all commercially reasonable actions to defend the right, title and interest of the Administrative Agent in and to any of the Collateral against the claims and demands of all persons whomsoever.

(c) Limitations on Dispositions of Collateral. Grantor will not sell, transfer or otherwise dispose of any of the Collateral, or attempt, offer or contract to do so except as permitted in the Credit Agreement.

(d) Notices. Grantor will advise the Administrative Agent promptly, in reasonable detail, at its address set forth in the Credit Agreement, (i) of any Lien (other than Liens created hereby or permitted under the Credit Agreement) on, or claim asserted against, any of the Collateral and (ii) of the occurrence of any other event that could reasonably be expected to have a material adverse effect on the aggregate value of the Collateral or on the Liens created hereunder.

(e) Patents and Trademarks.

(1) Grantor (either itself or through licensees) will, except with respect to any Trademark that the Grantor shall reasonably determine is of immaterial

economic value to it or otherwise reasonably determines not to do so, (A) continue to use each Trademark on each and every trademark class of goods applicable to its current line as reflected in its current catalogs, brochures and price lists in order to maintain such Trademark in full force free from any claim of abandonment for non-use, (B) maintain as in the past the quality of products and services offered under such Trademark, (C) use reasonable efforts to employ such Trademark with the appropriate notice of registration, (D) not adopt or use any mark that is confusingly similar or a colorable imitation of such Trademark unless within thirty (30) days after such use or adoption, the Administrative Agent, for its benefit, shall obtain a perfected security interest in such mark pursuant to this Agreement, and (E) not (and not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby any Trademark may become invalidated.

(2) Grantor will not, except with respect to any Patent that Grantor shall reasonably determine is of immaterial economic value to it or otherwise reasonably determine so to do, do any act, or omit to do any act, whereby any Patent may become abandoned or dedicated.

(3) Grantor will promptly notify the Administrative Agent if it knows, or has reason to know, that any application relating to any Patent or any Trademark may become abandoned or dedicated, or of any adverse determination or material development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office or any court or tribunal in any country) regarding the Grantor's ownership of any Patent or Trademark or its right to register the same or to keep and maintain the same.

(4) Whenever the Grantor, either by itself or through any agent, employee, licensee or designee, shall file an application for any Patent or for the registration of any Trademark with the United States Patent and Trademark Office or any similar office or agency in any other country or any political subdivision thereof, the Grantor shall report such filing to the Administrative Agent within five (5) business days after the last day of the fiscal quarter in which such filing occurs. Upon request of the Administrative Agent, the Grantor shall execute and deliver any and all reasonably necessary agreements, instruments, documents, and papers as the Administrative Agent may request to evidence the Administrative Agent's security interest in any newly filed Patent or Trademark and the goodwill and general intangibles of the Grantor relating thereto or represented thereby, and each Grantor hereby constitutes the Administrative Agent its attorney-in-fact to execute and file all such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; such power being coupled with an interest is irrevocable until the Obligations are paid in full.

(5) Grantor, except with respect to any Patent or Trademark the Grantor shall reasonably determine is of immaterial economic value to it or it

otherwise reasonably determines not to so do, will take all reasonable and necessary steps, including, without limitation, in any proceedings before any tribunal, office or agency in any other country or any political subdivision thereof, to maintain and pursue each application (and to obtain the relevant registration or Patent) and to maintain each Patent and each registration of Trademarks, including, without limitation, filing of applications for renewal, affidavits of use and affidavits of incontestability when appropriate.

(6) In the event Grantor knows or has reason to know that any Patent or Trademark included in the Collateral is infringed, misappropriated or diluted by a third party, the Grantor shall promptly notify the Administrative Agent after it learns thereof and shall, unless the Grantor shall reasonably determine that such Patent or Trademark is of immaterial economic value to the Grantor, which determination the Grantor shall promptly report to the Administrative Agent, promptly sue for infringement, misappropriation or dilution, or take such other actions as the Grantor shall reasonably deem appropriate under the circumstances to protect such Patent or Trademark.

5. The Administrative Agent's Appointment as Attorney-in-Fact.

(a) Powers. Grantor hereby irrevocably constitutes and appoints the Administrative Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Grantor and in the name of the Grantor or in its own name, from time to time after the occurrence, and during the continuation of, an Event of Default in the Administrative Agent's discretion, for the purpose of carrying out the terms of this Agreement, to take any and all appropriate action and to execute any and all documents and instruments that may be necessary or desirable to accomplish the purposes of this Agreement, and, without limiting the generality of the foregoing, the Grantor hereby gives the Administrative Agent the power and right, on behalf of the Grantor without notice to or assent by the Grantor, to do the following:

(1) at any time when any Event of Default shall have occurred and is continuing, in the name of the Grantor or its own name, or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under, or with respect to, any Collateral and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Administrative Agent for the purpose of collecting any and all such moneys due with respect to such Collateral whenever payable;

(2) to pay or discharge taxes and liens levied or placed on or threatened against the Collateral, to effect any repairs or any insurance called for by the terms of this Agreement and to pay all or part of the premiums therefor and the costs thereof; and



(3) (a) to direct any party liable for any payment under any of the Collateral to make payment of any and all monies due or to become due thereunder directly to the Administrative Agent or as the Administrative Agent shall direct, (b) to ask or demand for, collect, receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral, (c) to sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other documents in connection with any of the Collateral, (d) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any portion thereof and to enforce any other right in respect of any Collateral, (e) to defend any suit, action or proceeding brought against the Grantor with respect to any Collateral, (f) to settle, compromise or adjust any suit, action or proceeding described in the preceding clause and, in connection therewith, to give such discharges or releases as the Administrative Agent may deem appropriate, (g) to assign any Trademark (along with goodwill of the business to which such Trademark pertains), throughout the world for such term or terms, on such conditions, and in such manner, as the Administrative Agent shall in its sole discretion determine, and (h) generally, to sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Administrative Agent were the absolute owner thereof for all purposes, and to do, at the Administrative Agent's option and the Grantor's expense, at any time, or from time to time, all acts and things that the Administrative Agent deems necessary to protect, preserve or realize upon the Collateral and the Liens of the Administrative Agent thereon and to effect the intent of this Agreement, all as fully and effectively as the Grantor might do.

Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable.

(b) Other Powers. Grantor also authorizes the Administrative Agent, at any time and from time to time, to execute, in connection with the sale provided for in Section 8 hereof, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral.

(c) No Duty on the Part of the Administrative Agent. The powers conferred on the Administrative Agent hereunder are solely to protect the interests of the Administrative Agent in the Collateral and shall not impose any duty upon the Administrative Agent to exercise any such powers. The Administrative Agent shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its partners, officers, directors, employees or agents shall be responsible to the Grantor for any act or failure to act hereunder, except for their own gross negligence or willful misconduct or failure to comply with mandatory provisions of applicable law.

6. Performance by the Administrative Agent of Grantor's Obligations. If Grantor fails to perform or comply with any of its agreements contained herein and the Administrative Agent, as provided for by the terms of this Agreement, shall itself perform or comply, or otherwise cause performance or compliance, with such agreement, the expenses of the Administrative Agent incurred in connection with such performance or compliance, together with interest thereon at the highest default rate provided in the Note, shall be payable by the Grantor to the Administrative Agent on demand and shall constitute Obligations secured hereby.

7. Proceeds. It is agreed that if an Event of Default shall occur and be continuing (a) all Proceeds received by Grantor consisting of cash, checks and other cash equivalents shall be held by the Grantor in trust for the Administrative Agent, segregated from other funds of the Grantor, and shall, forthwith upon receipt by the Grantor, be turned over to the Administrative Agent in the exact form received by Grantor (duly endorsed by Grantor to the Administrative Agent, if required), and (b) any and all such Proceeds received by the Administrative Agent (whether from Grantor or otherwise) shall promptly be applied by the Administrative Agent against, the Obligations (whether matured or unmatured), such application to be in such order as the Administrative Agent shall elect. Any balance of such Proceeds remaining after the Obligations shall have been paid in full shall be paid over to Grantor or to whomsoever may be lawfully entitled to receive the same.

8. Remedies.

(a) If an Event of Default shall occur and be continuing, the Administrative Agent, may exercise, in addition to all other rights and remedies granted to it in this Agreement and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of a secured party under the UCC. Without limiting the generality of the foregoing, the Administrative Agent without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon Grantor or any other person (all and each of which demands, defenses, advertisements and notices are hereby waived), may in such circumstances forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option or options to purchase, or otherwise dispose of and deliver the Collateral or any part thereof (or, contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any office of the Administrative Agent or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or on future delivery without assumption of any credit risk. The Administrative Agent shall have the right upon any such public sale or sales, and, to the extent permitted by law, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in the Grantor, which right or equity is hereby waived or released. Grantor further agrees, at the Administrative Agent's request, to assemble the Collateral and make it available to the Administrative Agent at places that the Administrative Agent shall reasonably select, whether at the Grantor's premises or elsewhere. The Administrative Agent shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all reasonable costs

and expenses of every kind incurred therein or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Administrative Agent hereunder, including, without limitation, reasonable attorneys' fees and disbursements, to the payment in whole or in part of the Obligations, in such order as the Administrative Agent may elect, and only after such application and after the payment by the Administrative Agent of any other amount required by any provision of law, including, without limitation, Section 9-608(a)(1) of the UCC, need the Administrative Agent account for the surplus, if any, to the Grantor. To the extent permitted by applicable law, Grantor waives all claims, damages and demands it may acquire against the Administrative Agent arising out of the exercise by them of any rights hereunder. If any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least 10 days before such sale or other disposition. Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay the Obligations and the fees and disbursements of any attorneys employed by the Administrative Agent to collect such deficiency.

(b) The Administrative Agent shall not be required to marshal any present or future collateral security (including but not limited to this Agreement and the Collateral) for, or other assurances of payment of, the Obligations or any of them or to resort to such collateral security or other assurances of payment in any particular order, and all of its rights hereunder and in respect of such collateral security and other assurances of payment shall be cumulative and in addition to all other rights, however existing or arising. To the extent that it lawfully may, Grantor hereby agrees that it will not invoke any law relating to the marshalling of collateral or any similar law that might cause delay in or impede the enforcement of the Administrative Agent's rights under this Agreement or under any other instrument creating or evidencing any of the Obligations or under which any of the Obligations is outstanding or by which any of the Obligations is secured or payment thereof is otherwise assured, and, to the extent that it lawfully may, Grantor hereby irrevocably waives the benefits of all such laws.

9. Limitation on Duties Regarding Preservation of Collateral. The Administrative Agent's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the UCC or otherwise, shall be to deal with it in the same manner as the Administrative Agent would deal with similar property for its own account. Neither the Administrative Agent nor any of its partners, directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon all or any part of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of the Grantor or otherwise.

10. Powers Coupled with an Interest. All authorizations and agencies herein Contained with respect to the Collateral are irrevocable and powers coupled with an interest.

11. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition

or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

12. Paragraph Headings. The paragraph headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

13. No Waiver; Cumulative Remedies. The Administrative Agent shall not by any act (except by a written instrument pursuant to Section 14 hereof), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any default or Event of Default or in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of the Administrative Agent, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Administrative Agent of any right or remedy hereunder on any occasion shall not be construed as a bar to any right or remedy that the Administrative Agent would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any rights or remedies provided by law.

14. Waivers and Amendments; Successors and Assigns. None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the Grantor and the Administrative Agent, provided that any provision of this Agreement may be waived by the Administrative Agent in a written letter or agreement executed by the Administrative Agent or by telex or facsimile transmission from the Administrative Agent. This Agreement shall be binding upon the successors and assigns of the Grantor and shall inure to the benefit of the Administrative Agent and its successors and assigns.

15. Notices. Any and all notices or other communications permitted or required to be made under this Agreement shall be given to the Grantor and the Administrative Agent at the addresses and in the manner specified in the Credit Agreement.

16. Governing Law. This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Tennessee applicable to contracts to be wholly performed in such State.

17. CONSENT TO JURISDICTION. THE GRANTOR HEREBY IRREVOCABLY CONSENTS TO THE PERSONAL JURISDICTION OF THE STATE AND FEDERAL COURTS LOCATED IN DAVIDSON COUNTY, TENNESSEE IN ANY ACTION, CLAIM OR OTHER PROCEEDING ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT, THE CREDIT AGREEMENT, THE NOTES OR THE OTHER LOAN DOCUMENTS, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THEREUNDER OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS. THE GRANTOR HEREBY IRREVOCABLY CONSENTS TO THE SERVICE OF A SUMMONS AND COMPLAINT AND OTHER PROCESS IN ANY ACTION, CLAIM OR PROCEEDING BROUGHT BY THE ADMINISTRATIVE AGENT, ANY LENDER OR THE ISSUING

BANK IN CONNECTION WITH THIS AGREEMENT, THE CREDIT AGREEMENT, THE NOTES OR THE OTHER LOAN DOCUMENTS, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THEREUNDER OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS, ON BEHALF OF ITSELF OR ITS PROPERTY, IN THE MANNER SPECIFIED IN SECTION 14.1 OF THE CREDIT AGREEMENT. NOTHING IN THIS SECTION 17 SHALL AFFECT THE RIGHT OF THE ADMINISTRATIVE AGENT, ANY LENDER OR THE ISSUING BANK TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR AFFECT THE RIGHT OF THE ADMINISTRATIVE AGENT OR ANY LENDER TO BRING ANY ACTION OR PROCEEDING AGAINST THE GRANTOR OR ITS PROPERTIES IN THE COURTS OF ANY OTHER JURISDICTIONS.

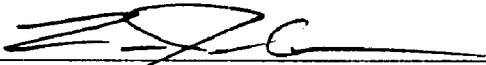
18. WAIVER OF JURY TRIAL. THE ADMINISTRATIVE AGENT, EACH LENDER, THE ISSUING BANK, AND THE GRANTOR HEREBY IRREVOCABLY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL WITH RESPECT TO ANY ACTION, CLAIM OR OTHER PROCEEDING ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT, THE CREDIT AGREEMENT, THE NOTES OR THE OTHER LOAN DOCUMENTS, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THEREUNDER, OR THE PERFORMANCE OF SUCH RIGHTS AND OBLIGATIONS. The scope of this waiver is intended to be all-encompassing with respect to any and all disputes that may be filed in any court and that relate to the subject matter of this transaction, including without limitation contract claims, tort claims, breach of duty claims and all other common law and statutory claims. Each of the parties hereto (1) acknowledges that this waiver is a material inducement for the parties to the Loan Documents to enter into a business relationship, that the parties to the Loan Documents have already relied on this waiver in entering into same and the transactions that are the subject thereof, and that they will continue to rely on this waiver in their related future dealings, and (2) further warrants and represents that each has reviewed this waiver with its legal counsel and that each knowingly and voluntarily waives its jury trial rights following consultation with legal counsel. This waiver is irrevocable, meaning that it may not be modified either orally or in writing, and this waiver shall apply to any subsequent amendments, modifications, supplements, extensions, renewals or replacements of this Agreement. In the event of litigation, this Agreement may be filed as a written consent to a trial by the court.

{Signatures Begin Next Page}

IN WITNESS WHEREOF, Grantor and the Administrative Agent have caused this Agreement to be executed by their respective duly authorized officers or other duly authorized representatives as of the day and year first above written.


**GRANTOR:**

DEROYAL INDUSTRIES, INC.  
a Tennessee corporation

By:   
Name: Larry L. Johnson  
Title: Chief Financial Officer

**THE ADMINISTRATIVE AGENT:**

AMSOUTH BANK, as Administrative Agent

By:   
Name: Mary J. Buckner  
Title: Vice President

STATE OF TENNESSEE )  
 )  
COUNTY OF KNOX )

Before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared Larry L. Johnson, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be the CFO of DEROTAL INDUSTRIES, INC., the within named bargainor, a corporation, and that he as such CFO, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as such CFO.

WITNESS my hand, at office in Powell, Tennessee, this 15<sup>th</sup> day of April, 2002.

Kim B. Watson  
Notary Public

My Commission Expires:

~~My Commission Expires July 12, 2003~~

STATE OF TENNESSEE )  
 )  
COUNTY OF ~~KNOX~~ Davidson )

Before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared Mary Buckner, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged him/herself to be the vice president of AMSOUTH BANK, an Alabama banking corporation, and is authorized by the bank to execute this instrument on behalf of the bank by him/herself as such vice president.

WITNESS my hand, at office in Nashville, Tennessee, this 18<sup>th</sup> day of April, 2002.

Kim Watson  
Notary Public

My Commission Expires:

~~My Commission Expires July 12, 2003~~

**SCHEDULE A****PATENTS**

<b>Patent</b>	<b>Issued</b>	<b>Applicant/Assignee</b>	<b>Title</b>
USD437417	02/06/2001	DeRoyal Industries, Inc.	Liquid container for medical cold therapy treatment
USD435294	12/19/2000	DeRoyal Industries, Inc.	Foot orthosis
USD433130	10/31/2000	DeRoyal Industries, Inc.	Catheter/guide wire bowl
USD341237	11/09/1993	DeRoyal Industries, Inc.	Container for medical products
USD326753	06/02/1992	DeRoyal Industries, Inc.	Container for medical products
USD318729	07/30/1991	DeRoyal Industries, Inc.	Medical sponge tray
USD307799	05/08/1990	DeRoyal Industries, Inc.	Patient restraint jacket
USD281169	10/29/1985	DeRoyal Industries, Inc.	Combined roller and impulse heat sealing apparatus
EP0842089B1	03/21/2001	DeRoyal Industries, Inc.	Supplying medical supplies to a health-care institution
EP1023223A1	08/02/2000	DeRoyal Industries, Inc.	Method for the supply of medical supplies to a health care institution
EP0981794A1	03/01/2000	DeRoyal Industries, Inc.	Method for the administration of health care employing a computer generated model
EP0980557A1	02/23/2000	DeRoyal Industries, Inc.	Method and system for the tracking and profiling of supply usage in a health care environment
EP0971656A1	01/19/2000	DeRoyal Industries, Inc.	Ankle brace
EP0954268A1	11/10/1999	DeRoyal Industries, Inc.	Absorbent woven article including radiopaque element
EP0857048A1	08/12/1998	DeRoyal Industries, Inc.	Absorbent article useful in medical applications and having a radiopaque element embedded in a side edge thereof and method for making same
EP0842089A1	05/20/1998	DeRoyal Industries, Inc.	Supplying medical supplies to a health-care institution
EP0841882A1	05/20/1998	DeRoyal Industries, Inc.	Absorbent article having a radiopaque element
EP0527938B1	03/27/1996	DeRoyal Industries, Inc.	Method for the delivery, storage and disposal of medical supplies
EP0527938A1	02/24/1993	DeRoyal Industries, Inc.	System for the delivery, storage and disposal of medical supplies
WO0176658A2	10/18/2001	DeRoyal Industries, Inc.	Neo-natal oxygen delivery system
WO0166051A3	09/13/2001	DeRoyal Industries, Inc.	Thoraco-lumbo-sacral orthosis
WO0166051A2	09/13/2001	DeRoyal Industries, Inc.	Improved thoraco-lumbo-sacral orthosis
WO0107071A1	02/01/2001	DeRoyal Industries, Inc.	Composition and method for enhancing wound healing



Patent	Issued	Applicant/Assignee	Title
WO9924927A1	05/20/1999	DeRoyal Industries, Inc.	Modular health-care information management system utilizing reusable software objects
WO9916001A1	04/01/1999	DeRoyal Industries, Inc.	Method for the analysis and standardization of bills of resources
WO9902407A1	01/21/1999	DeRoyal Industries, Inc.	Method for the supply of medical supplies to a health care institution
WO9902109A1	01/21/1999	DeRoyal Industries, Inc.	Ankle brace
WO9856687A1	12/17/1998	DeRoyal Industries, Inc.	Catheter/guide-wire bowl
WO9849645A1	11/05/1998	DeRoyal Industries, Inc.	Method and system for the tracking and profiling of supply usage in a health care environment
WO9810727A1	03/19/1998	DeRoyal Industries, Inc.	Absorbent woven article including radiopaque element
WO9740797A1	11/06/1997	DeRoyal Industries, Inc.	Absorbent article having a radiopaque element
WO9740463A1	10/30/1997	DeRoyal Industries, Inc.	Method for the administration of health care employing a computer generated model
WO9722078A1	06/19/1997	DeRoyal Industries, Inc.	Method for the prescription and administration of health care resources
WO9712574A1	04/10/1997	DeRoyal Industries, Inc.	Absorbent article useful in medical applications and having a radiopaque element embedded in a side edge thereof and method for making same
WO9641744A1	12/27/1996	DeRoyal Industries, Inc.	Supplying medical supplies to a health-care institution
WO9527451A1	10/19/1995	DeRoyal Industries, Inc.	Joint device
WO9117095A1	11/14/1991	DeRoyal Industries, Inc.	System for the delivery, storage and disposal of medical supplies
US6046160	04/04/2000	DeRoyal Industries, Inc.	Composition and method for enhancing wound healing
US5995937	11/30/1999	DeRoyal Industries, Inc.	Modular health-care information management system utilizing reusable software objects
US5991728	11/23/1999	DeRoyal Industries, Inc.	Method and system for the tracking and profiling of supply usage in a health care environment
US5960837	10/05/1999	DeRoyal Industries, Inc.	Suction canister having molded interlocking lid
US5915461	06/29/1999	DeRoyal Industries, Inc.	Heat pack and trigger apparatus
US5848993	12/15/1998	DeRoyal Industries, Inc.	Bulb syringe providing for visual observation of contents thereof and for enhanced deflation/inflation control
WO0176658A2	10/18/2001	DeRoyal Industries, Inc.	Neo-natal oxygen delivery system
WO0166051A2	09/13/2001	DeRoyal Industries, Inc.	Improved thoraco-lumbo-sacral orthosis

Patent	Issued	Applicant/Assignee	Title
EP0841882A4	08/29/2001	DeRoyal Industries, Inc.	Absorbent article having a radiopaque element
DE69612203T2	08/23/2001	DeRoyal Industries, Inc.	Belieferung einer einrichtung fuer die gesundheitspflege mit medizinischen artikeln
EP0954268A4	08/22/2001	DeRoyal Industries, Inc.	Absorbent woven article including radiopaque element
EP0857048A4	08/22/2001	DeRoyal Industries, Inc.	Absorbent article useful in medical applications and having a radiopaque element embedded in a side edge thereof and method for making same
DE69612203C Q	04/26/2001	DeRoyal Industries, Inc.	Belieferung einer einrichtung fuer die gesundheitspflege mit medizinischen artikeln
AT0199865E	04/15/2001	DeRoyal Industries, Inc.	Belieferung einer einrichtung fuer die gesundheitspflege mit medizinischen artikeln
EP0842089B1	03/21/2001	DeRoyal Industries, Inc.	Supplying medical supplies to a health-care institution
US6187743	02/13/2001	DeRoyal Industries, Inc.	Composition and method for enhancing wound healing
AU0041915A5	02/13/2001	DeRoyal Industries, Inc.	Composition and method for enhancing wound healing
WO0107071A1	02/01/2001	DeRoyal Industries, Inc.	Composition and method for enhancing wound healing
EP1023223A1	08/02/2000	DeRoyal Industries, Inc.	Method for the supply of medical supplies to a health care institution
US6085493	07/11/2000	DeRoyal Industries, Inc.	Method for the supply of medical supplies to a health-care institution based on a nested bill of materials on a procedure level
US6053314	04/25/2000	DeRoyal Industries, Inc.	Receptacle for contaminated wastes
US6046178	04/04/2000	DeRoyal Industries, Inc.	Method and compound for treating wounds with starch hydrolysate medication
EP0981794A1	03/01/2000	DeRoyal Industries, Inc.	Method for the administration of health care employing a computer generated model
EP0980557A1	02/23/2000	DeRoyal Industries, Inc.	Method and system for the tracking and profiling of supply usage in a health care environment
EP0971656A1	01/19/2000	DeRoyal Industries, Inc.	Ankle brace
EP0934566A4	01/05/2000	DeRoyal Industries, Inc.	Method for the prescription and administration of health care resources
EP0954268A1	11/10/1999	DeRoyal Industries, Inc.	Absorbent woven article including radiopaque element
EP0934566A1	08/11/1999	DeRoyal Industries, Inc.	Method for the prescription and administration of health care resources

Patent	Issued	Applicant/Assignee	Title
EP0842089A4	07/07/1999	DeRoyal Industries, Inc.	Supplying medical supplies to a health-care institution
WO9924927A1	05/20/1999	DeRoyal Industries, Inc.	Modular health-care information management system utilizing reusable software objects
WO9916001A1	04/01/1999	DeRoyal Industries, Inc.	Method for the analysis and standardization of bills of resources
WO9902407A1	01/21/1999	DeRoyal Industries, Inc.	Method for the supply of medical supplies to a health care institution
WO9902109A1	01/21/1999	DeRoyal Industries, Inc.	Ankle brace
WO985687A1	12/17/1998	DeRoyal Industries, Inc.	Catheter/guide-wire bowl
WO9849645A1	11/05/1998	DeRoyal Industries, Inc.	Method and system for the tracking and profiling of supply usage in a health care environment
EP0857048A1	08/12/1998	DeRoyal Industries, Inc.	Absorbent article useful in medical applications and having a radiopaque element embedded in a side edge thereof and method for making same
US5792128	08/11/1998	DeRoyal Industries, Inc.	Absorbent article having a radiopaque element embedded in a side edge thereof and method for making same
US5785330	07/28/1998	DeRoyal Industries, Inc.	Method and apparatus for visually depicting in three dimensions a health care treatment regimen for a given medical diagnosis
US5772316	06/30/1998	DeRoyal Industries, Inc.	Light handle adapter
EP0842089A1	05/20/1998	DeRoyal Industries, Inc.	Supplying medical supplies to a health-care institution
EP0841882A1	05/20/1998	DeRoyal Industries, Inc.	Absorbent article having a radiopaque element
US5735605	04/07/1998	DeRoyal Industries, Inc.	Thermocouple temperature probe adapter
US5729879	03/24/1998	DeRoyal Industries, Inc.	Surgical blade removal and disposal device
WO9810727A1	03/19/1998	DeRoyal Industries, Inc.	Absorbent woven article including radiopaque element
US5725517	03/10/1998	DeRoyal Industries, Inc.	Absorbent woven article including radiopaque element woven therein and anchored at the ends thereof
US5695453	12/09/1997	DeRoyal Industries, Inc.	Limb immobilizer having reinforcing wire members embedded therein
US5690230	11/25/1997	DeRoyal Industries, Inc.	Dispensing container for small flat items
WO9740798A1	11/06/1997	DeRoyal Industries, Inc.	Absorbent article having a radiopaque element
CA2224822AA	11/06/1997	DeRoyal Industries, Inc.	Absorbent article having a radiopaque element

Patent	Issued	Applicant/Assignee	Title
US5682728	11/04/1997	DeRoyal Industries, Inc.	Method for the supply of medical supplies to a health-care institution based on a nested bill of materials on a procedure level
WO9740463A1	10/30/1997	DeRoyal Industries, Inc.	Method for the administration of health care employing a computer generated model
CA2252698AA	10/30/1997	DeRoyal Industries, Inc.	Method for the administration of health care employing a computer generated model
US5674524	10/07/1997	DeRoyal Industries, Inc.	Alginate fibrous dressing and method of making the same
US5674095	10/07/1997	DeRoyal Industries, Inc.	Connector plug for low-voltage electrical applications
WO9722078A1	06/19/1997	DeRoyal Industries, Inc.	Method for the prescription and administration of health care resources
CA2240188AA	06/19/1997	DeRoyal Industries, Inc.	Method for the prescription and administration of health care resources
US5628792	05/20/1997	DeRoyal Industries, Inc.	Ankle brace
US5628724	05/13/1997	DeRoyal Industries, Inc.	Wound dressing and delivery system therefor
AU6542396A1	04/28/1997	DeRoyal Industries, Inc.	Absorbent article useful in medical applications and having radiopaque element embedded in a side edge thereof and method for making same
WO9712574A1	04/10/1997	DeRoyal Industries, Inc.	Absorbent article useful in medical applications and having a radiopaque element embedded in a side edge thereof and method for making same
CA2233964AA	04/10/1997	DeRoyal Industries, Inc.	Absorbent article useful in medical applications and having a radiopaque element embedded in a side edge thereof and method for making same
US5599093	02/04/1997	DeRoyal Industries, Inc.	Surgical light cover and light handle adapter
CA2224105AA	12/27/1996	DeRoyal Industries, Inc.	Supplying medical supplies to a health-care institution
WO9641744A1	12/27/1996	DeRoyal Industries, Inc.	Supplying medical supplies to a health-care institution
US5575781	11/19/1996	DeRoyal Industries, Inc.	Absorbent article useful in medical applications
DE69118376T2	09/05/1996	DeRoyal Industries, Inc.	Verfahren zum liefern, aufbewahren und entsorgen medizinischer verbrauchsgueter
US5547464	08/20/1996	DeRoyal Industries, Inc.	Joint device
ES2085477T3	06/01/1996	DeRoyal Industries, Inc.	Metodo para la distribucion, almacenamiento y desecho de suministros medicos.
DE69118376C0	05/02/1996	DeRoyal Industries, Inc.	Verfahren zum liefern, aufbewahren und entsorgen medizinischer verbrauchsgueter
AT0135983E	04/15/1996	DeRoyal Industries, Inc.	Verfahren zum liefern, aufbewahren und entsorgen medizinischer verbrauchsgueter

Patent	Issued	Applicant/Assignee	Title
EP0527938B1	03/27/1996	DeRoyal Industries, Inc.	Method for the delivery, storage and disposal of medical supplies
WO9527451A1	10/19/1995	DeRoyal Industries, Inc.	Joint device
US5344415	09/06/1994	DeRoyal Industries, Inc.	Sterile system for dressing vascular access site
EP0527938A4	04/13/1994	DeRoyal Industries, Inc.	System for the delivery, storage and disposal of medical supplies
US5235795	08/17/1993	DeRoyal Industries, Inc.	System for the delivery, storage and disposal of medical supplies
EP0527938A1	02/24/1993	DeRoyal Industries, Inc.	System for the delivery, storage and disposal of medical supplies
CA1312242A1	01/05/1993	DeRoyal Industries, Inc.	Ankle splint
US5112325	05/12/1992	DeRoyal Industries, Inc.	Surgical sponge with plurality of radiopaque monofilaments
CA1296228A1	02/25/1992	DeRoyal Industries, Inc.	Padding for an orthopedic support device
WO9117095A1	11/14/1991	DeRoyal Industries, Inc.	System for the delivery, storage and disposal of medical supplies
US5065296	11/12/1991	DeRoyal Industries, Inc.	Handle and cover for positionable lighting fixture
CA2082271AA	11/10/1991	DeRoyal Industries, Inc.	System for the delivery, storage and disposal of medical supplies
US5049219	09/17/1991	DeRoyal Industries, Inc.	Method and apparatus for manufacturing surgical sponges
US5000195	03/19/1991	DeRoyal Industries, Inc.	Ankle splint
US4967433	11/06/1990	DeRoyal Industries, Inc.	Foam body support member having elongated Chevron-shaped convolutions
US4948651	08/14/1990	DeRoyal Industries, Inc.	Burn sheet
US4889230	12/26/1989	DeRoyal Industries, Inc.	Package of strung medical sponges
US4886053	12/12/1989	DeRoyal Industries, Inc.	Stay for orthopedic appliance for the knee
US4788972	12/06/1988	DeRoyal Industries, Inc.	Padding for an orthopedic support device

### PATENTS PENDING

Application No.	Date Filed	Title
09/543,656	04/5/2000	Neo-Natal Humidified Oxygen Control Valve
09/771,025	01/26/2001	Cold Therapy System
09/795,900	02/28/2001	Heel Cup and Wedge
09/794,777	02/27/2001	Foot Control Strap
09/794,588	02/27/2001	Shin Splint Treatment Device
09/996,107	11/28/2001	International Billing System
09/770,341	1/26/2001	Foot Orthosis with Thermal Pouch

[Schedule A continued on following page ]

## TRADEMARKS

Serial Number	Word Mark
76352780	Hyper-Control
76321441	Prolign
76319643	Plexi-Block
76145503	Surgiclick
76134752	Ultralign
75721075	Extendevac
75721043	LMB Rehab Products
75538369	Tracepak
75222182	Splash Stop
75222181	Theraskin
75192347	Sitright
75156332	Meridian
75149768	Living Proof
75145304	Fluftex
75072262	Neonatal Duck (Design Mark)
74604444	Pucci
74573370	Kalgisorb
74594880	Activitease
74592698	Roadmap
74522331	Retrace
74522330	Basecart
74422482	Transeal
74422424	Episeal
74422423	Covaderm
74422422	Dermanet
74422404	Covaderm Plus
74422403	Sofsorb
74422402	Aquasorb
74352628	Surgimate
74329085	Hydro-Temp
74081366	Tracecart
73815960	Three-D Orthopedic, Inc.
73749998	R.I.C.E.
73694848	Stat

## INTERNATIONAL TRADEMARKS

Country	Trademark	Application #	Date Issued
Chile	Aquagauze	612196	Awaiting Official Cert.
Chile	DeRoyal	612197	Awaiting Official Cert.
Chile	DeRoyal Sweden AB	612198	Awaiting Official Cert.
Chile	Episeal	612199	Awaiting Official Cert.
Chile	Kalginate	612201	Awaiting Official Cert.
Chile	Procol	612202	Awaiting Official Cert.
Chile	Strechner	612203	Awaiting Official Cert.
Chile	Surgimate	612204	Awaiting Official Cert.
Chile	Transeal	612205	Awaiting Official Cert.
Croatia	DeRoyal	Z20010326	3/5/01
European Union	DeRoyal	2066538	1/2/01
Guatemala	DeRoyal	112,908	9/13/01
Japan	Aquasorb	4388543	6/2/00
Japan	Aquasorb Border	4388544	6/2/00
Japan	Covaderm	4388550	6/2/00
Japan	Covaderm Plus	4388551	6/2/00
Japan	Covaderm Plus VAD	4388552	6/2/00
Japan	DeRoyal Patient Care	4414140	9/1/00
Japan	Episeal	4388546	6/2/00
Japan	Fluftex	4388547	6/2/00
Japan	Multidex	4388542	6/2/00
Japan	Multipad	4414155	6/2/00
Japan	Polyderm	4388548	6/2/00
Japan	Polyderm Border	4388549	6/2/00
Japan	Sofsorb	4388545	6/2/02
Japan	TracePak and Design	4450610	2/2/02
Japan	Trayspack	4262009	11/15/00
Mexico	Aquasorb	708116	7/27/01
Mexico	Carapace	708117	7/27/01
Mexico	Dermanet	708118	7/27/01
Mexico	DeRoyal Sweden AB	716367	9/24/01
Mexico	Episeal	716366	9/24/01
Mexico	Kalginate	708119	7/27/01
Mexico	Multidex	719066	9/28/01
Mexico	Polyderm	708120	7/27/01
Mexico	Procol	708121	7/27/01
Mexico	Sofsorb	708122	7/27/01
Mexico	Stretchnet	719068	9/28/01
Mexico	Surgimate	719067	9/28/01
Mexico	Transeal	708123	7/27/01
Paraguay	Carapace	243697	12/28/01

Country	Trademark	Application #	Date Issued
Paraguay	Dermanet	243660	12/27/01
Paraguay	Flextech	244040	2/5/02
Paraguay	Kalginate	243658	12/27/01
Paraguay	Multidex	243659	12/27/01
Paraguay	Procol	244041	2/5/02
Paraguay	Sofsorb	243825	1/22/02
Peru	Aquagauze	75267	9/26/01
Peru	Carapace	74861	9/13/01
Peru	Covaderm	74862	9/13/01
Peru	Dermanet (Class 5)	74863	9/13/01
Peru	Dermanet (Class 10)	74864	9/13/01
Peru	DeRoyal and Logo (Class 10)	74817	9/13/01
Peru	DeRoyal and Logo (Class 42)	27083	9/13/01
Peru	DeRoyal Sweden AB	74818	9/13/01
Peru	Episeal	74865	9/13/01
Peru	Flextech	74819	9/13/01
Peru	Kalginate	74866	9/13/01
Peru	LMB	74867	9/13/01
Peru	Multipad	74906	9/18/01
Peru	Polyderm	75271	9/26/01
Peru	Procol	75268	9/26/01
Peru	Sofsorb	74868	9/13/01
Peru	Stretchnet	74869	9/13/01
Peru	Surgimate	74870	9/13/01
Peru	Transeal	74871	9/13/01
Sweden	DeRoyal	346,964	6/15/01
WIPO	DeRoyal	754,017	1/19/01