



102334662

To the Honorable Commissioner of Patents and Trademarks

the attached original documents or copy thereof.

1. Name of conveying party(ies):

HC PRODUCTS, LLC
595 Miner Road
Cleveland, OH 44143

12/06/02

- Individual(s)
- General Partnership
- Corporation-State Delaware
- Other - a Delaware limited liability company
- Association
- Limited Partnership

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

2. Name and address of receiving party(ies)

Name: **BANK OF AMERICA, N.A., as Agent**

Internal Address:

Street Address: **55 South Lake Avenue, Suite 900**

City: **Pasadena** State: **CA** ZIP: **91101**

- Individual(s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership _____
- Corporation-State California _____
- Other _____

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: **November 20, 2002**

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

CADI (Reg. No. 1,058,969)

Additional numbers attached? Yes No

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

Mrs. Kim Walker
Name: **Buchalter, Nemer, Fields & Younger**

Internal Address: _____

Street Address: **601 South Figueroa Street, 24th Floor**

City: **Los Angeles** State: **California** ZIP: **90017**

6. Total number of applications and registrations involved: 7

7. Total fee (37 CFR 3.41) \$ **790.00**

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

20-0052

(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.

David Adams
MRS. KIM WALKER

Name of Person Signing

Kim Walker
Signature

Dec. 3, 2002

Date

Total number of pages including cover sheet, attachments, and document: 15

01/09/2003 6TOM11 00000192 200052 1058969

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**INTELLECTUAL PROPERTY SECURITY AGREEMENT
SCHEDULE A - TRADEMARKS**

United States Federally Registered Trademarks

<u>Mark Name</u>	<u>Registration Number</u>	<u>Int. Class</u>
CADI	1,058,969	7
Envirocare	2,090,868	9
Novopaque	923,438	18
Orderexpress	1,581,968	42
Source One	1,497,553	10
Thin-Brite	864,166	21
Ultima	1,797,601	9

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (this "Agreement"), dated as of November 20, 2002, is entered into by and among the undersigned Grantor (as such term is defined herein), and Bank of America, N.A., in its capacity as Agent (as such term is defined herein), for the Lenders (as such term is defined herein).

RECITALS

A. Pursuant to that certain Credit Agreement, dated as of the date hereof, among the financial institutions from time to time parties thereto (collectively, the "Lenders"), Bank of America, N.A., as administrative agent for the Lenders (the "Agent"), and HCP Acquisition, LLC, a Delaware limited liability company ("HCPA") (including all annexes, exhibits and schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Credit Agreement"), Lenders have agreed to make the Loans and issue Letters of Credit on behalf of the Borrower (as such term is defined herein);

B. Concurrently herewith, HC Products, LLC, a Delaware limited liability company and a wholly owned subsidiary of HCPA ("HCP"), is merging with and into HCPA with HCP as the surviving entity.

C. Pursuant to that certain Amendment No. 1 to Credit Agreement, dated as of the date hereof, among the Agent, the Lenders and HCP, HCP has acknowledged that it has assumed by operation of law, and has reaffirmed its obligation to pay and perform when due, all existing indebtedness, liabilities, and obligations of HCPA under the Credit Agreement.

D. Grantor is the owner of certain intellectual property, identified below, in which Grantor is granting a security interest to Agent for the ratable benefit of Lenders as further security for Grantor's obligations under the Credit Agreement and the Loan Documents.

E. Pursuant to the terms of the Credit Agreement, Grantor and Agent are entering into this Agreement as additional security for the Obligations.

NOW THEREFORE, in consideration of the mutual promises, covenants, conditions, representations, and warranties hereinafter set forth and for other good and valuable consideration, the parties hereto mutually agree as follows:

AGREEMENT

1. DEFINITIONS AND CONSTRUCTION.

1.1 **Definitions.** All initially capitalized terms used but not defined in this Agreement shall have the meanings set forth in the Credit Agreement. In addition, the following terms shall have the following meanings:

“Borrower” means HCPA and any successor or permitted assignee of HCPA which becomes a party to the Credit Agreement or which hereafter become parties thereto.

“Code” means the California Uniform Commercial Code, as amended and supplemented from time to time, and any successor statute.

“Collateral” means:

(i) Each of the trademarks and rights and interest which are capable of being protected as trademarks (including trademarks, service marks, designs, logos, indicia, tradenames, corporate names, company names, business names, fictitious business names, trade styles, and other source or business identifiers, and applications pertaining thereto), which are presently, or in the future may be, owned, created, acquired, or used (whether pursuant to a license or otherwise) by Grantor, in whole or in part, and all trademark rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), and rights to renew and extend such trademarks and trademark rights;

(ii) Each of the patents and patent applications which are presently, or in the future may be, owned, issued, acquired, or used (whether pursuant to a license or otherwise) by Grantor, in whole or in part, and all patent rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), foreign filing rights, and rights to extend such patents and patent rights;

(iii) Each of the copyrights and rights and interests capable of being protected as copyrights, which are presently, or in the future may be, owned, authored, acquired, or used (whether pursuant to a license or otherwise) by Grantor, in whole or in part, and all copyright rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), and all tangible property embodying the copyrights (including books, records, films, computer tapes or disks, photographs, specification sheets, source codes, object codes, and other physical manifestations of the foregoing);

(iv) All of Grantor’s right, title, and interest in and to the trademarks and trademark registrations listed on Schedule A, attached hereto, as the same may be updated hereafter from time to time;

(v) All of Grantor’s right, title, and interest, in and to the patents and patent applications listed on Schedule B, attached hereto, as the same may be updated hereafter from time to time;

(vi) All of Grantor’s right, title, and interest, in and to the copyrights and copyright registrations listed on Schedule C, attached hereto, as the same may be updated hereafter from time to time;

(vii) All of Grantor’s rights to register trademark claims under any state or federal trademark law or regulation of any foreign country and to apply for, renew, and extend the trademark registrations and trademark rights, the right (without obligation) to sue or bring

opposition or cancellation proceedings in the name of Grantor or in the name of Agent for past, present, and future infringements of the trademarks, registrations, or trademark rights and all rights (but not obligations) corresponding thereto in the United States and any foreign country, and the associated goodwill;

(viii) All of Grantor's right, title, and interest in all patentable inventions, and rights to file applications for patent under federal patent law or regulation of any foreign country, and to request reexamination and/or reissue of the patents, the right (without obligation) to sue or bring interference proceedings in the name of Grantor or in the name of Agent for past, present, and future infringements of the patents, and all rights (but not obligations) corresponding thereto in the United States and any foreign country;

(ix) All of Grantor's rights to register copyright claims under any federal copyright law or regulation of any foreign country and to apply for registrations on original works, compilations, derivative works, collective works, and works for hire, the right (without obligation) to sue in the name of Grantor or in the name of Agent for past, present, and future infringements of the copyrights, and all rights (but not obligations) corresponding thereto in the United States and any foreign country;

(x) All general intangibles relating to the foregoing; and

(xi) All proceeds of any and all of the foregoing (including, without limitation, license royalties and proceeds of infringement suits) and, to the extent not otherwise included, all payments under insurance, or any indemnity, warranty, or guaranty payable by reason of loss or damage to or otherwise with respect to the Collateral.

"Grantor" means (a) each of the undersigned Persons and (b) each other Person, if any, that becomes a party to this Security Agreement after the Closing Date, by joinder or otherwise, pursuant to the terms of the Credit Agreement, and in each case their respective successors and assigns, and "Grantors" means two or more of such Persons, collectively.

"Obligations" means all obligations, liabilities, and indebtedness of Grantor to the Lenders, whether direct, indirect, liquidated, or contingent, and whether arising under this Agreement, the Credit Agreement, any other of the Loan Documents, or otherwise, including all costs and expenses described in Section 11.8 hereof.

"Person" means any individual, sole proprietorship, partnership, limited liability company, joint venture, trust, unincorporated organization, association, corporation, Governmental Authority, or any other entity.

"Security Agreement" means that certain Security Agreement, dated of even date herewith, between HCP Acquisition, LLC, a Delaware limited liability company and Bank of America, N.A., as administrative agent for the Lenders (as such term is defined in the Credit Agreement).

1.2 Construction. Unless the context of this Agreement clearly requires otherwise, references to the plural include the singular, references to the singular include the plural, and the term "including" is not limiting. The words "hereof", "herein", "hereby",

“hereunder”, and other similar terms refer to this Agreement as a whole and not to any particular provision of this Agreement. Any initially capitalized terms used but not defined herein shall have the meaning set forth in the Credit Agreement. Any reference herein to any of the Loan Documents includes any and all alterations, amendments, extensions, modifications, renewals, or supplements thereto or thereof, as applicable. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against Agent or Grantor, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by Grantor, Agent, and their respective counsel, and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of Agent and Grantor.

2. GRANT OF SECURITY INTEREST.

Grantor hereby grants to Agent, for the ratable benefit of the Agent and the Lenders, a first-priority security interest in all of Grantor’s right, title, and interest in and to the Collateral to secure the Obligations.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS.

Grantor hereby represents, warrants, and covenants that:

3.1 Copyrights; Trademarks; Service Marks; Patents.

(i) A true and complete schedule setting forth all material United States (federal and state) and foreign trademark and service mark registrations owned or controlled by Grantor or licensed to Grantor, together with a summary description and full information in respect of the filing or issuance thereof and expiration dates is set forth on Schedule A;

(ii) A true and complete schedule setting forth all material United States and foreign patent and patent applications owned or controlled by Grantor or licensed to Grantor, together with a summary description and full information in respect of the filing or issuance thereof and expiration dates is set forth on Schedule B; and

(iii) A true and complete schedule setting forth all material federal copyright registrations owned or controlled by Grantor or licensed to Grantor, together with a summary description and full information in respect of the filing or issuance thereof and expiration dates is set forth on Schedule C.

3.2 Validity; Enforceability. Each of Grantor’s copyrights, patents, service marks and trademarks is valid and enforceable, and Grantor is not presently aware of any past, present, or prospective claim by any third party that any of its material copyrights, patents, service marks, or trademarks are invalid or unenforceable, or that its use of any material copyrights, patents, service marks, or trademarks violates the rights of any third person, or of any basis for any such claims;

3.3 Title. Except as noted on Schedules A, B and C, Grantor is the sole and exclusive owner of the entire and unencumbered right, title, and interest in and to each of the

copyrights, copyright registrations, patents, patent applications, service marks, service mark registrations, trademarks, and trademark registrations set forth on Schedules A, B, and C, free and clear of any liens, charges, and encumbrances, including pledges, assignments, licenses, shop rights, and covenants by Grantor not to sue third persons, except for Permitted Liens;

3.4 Notice. Grantor has used and will continue to use proper statutory notice in connection with its use of each of its copyrights, patents, service marks, and trademarks, unless Grantor shall determined that any of the same is not material to the conduct of its business;

3.5 Quality. Grantor has used and will continue to use consistent standards of high quality (which may be consistent with Grantor's past practices) in the manufacture, sale, and delivery of products and services sold or delivered under or in connection with its service marks and trademarks, including, to the extent applicable, in the operation and maintenance of its merchandising operations, and will continue to maintain the validity of its service marks and trademarks, unless Grantor shall determine that any of the same is not material to the conduct of its business.

4. AFTER-ACQUIRED COPYRIGHT, PATENT, SERVICE MARK, OR TRADEMARK RIGHTS.

If Grantor shall obtain rights to any new copyright, service marks, trademarks, any new patentable inventions or become entitled to the benefit of any patent application or patent for any reissue, division, or continuation, of any patent, then: (a) the provisions of this Agreement shall automatically apply thereto; (b) if any of the same if registered, or an application for registration has been filed with respect thereto, Grantor shall give prompt notice in writing to Agent with respect thereto and shall at such time provide Agent with an amended Schedule A, Schedule B, or Schedule C, as the case may be; (c) Agent, for the ratable benefit of the Lenders, is hereby authorized to have an amendment to this Agreement recorded at the United States Patent and Trademark Office to reflect Agent's and Lenders' security interest in such new copyrights, service marks, trademarks, or patents; and (d) all representations, warranties, and covenants of Grantor hereunder shall be deemed to be remade and restated, to the extent applicable, with respect to all such new items of Collateral. Grantor shall bear any expenses incurred in connection with future patent applications or service mark or trademark registrations.

5. LITIGATION AND PROCEEDINGS.

Grantor shall commence and diligently prosecute in its own name, as the real party in interest, for its own benefit, and its own expense, such suits, administrative proceedings, or other action for infringement or other damages as are in its reasonable business judgment necessary to protect the Collateral. Grantor shall provide to Agent any information with respect thereto requested by Agent. Agent shall provide at Grantor's expense all necessary cooperation in connection with any such suits, proceedings, or action, including, without limitation, joining as a necessary party. Following Grantor's becoming aware thereof, Grantor shall notify Agent of the institution of, or any adverse determination in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office, or any United States, state, or foreign

court regarding Grantor's claim of ownership in any of the copyrights, patents, service marks or trademarks, its right to apply for the same, or its right to keep and maintain such copyright, patent, service mark or trademark rights.

6. POWER OF ATTORNEY.

Grantor grants Agent, for the ratable benefit of the Lenders' power of attorney, having the full authority, and in the place of Grantor and in the name of Grantor, from time to time following an Event of Default in Agent's discretion, to take any action and to execute any instrument which Agent may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation, as may be subject to the provisions of this Agreement: to endorse Grantor's name on all applications, documents, papers, and instruments necessary for Agent to use or maintain the Collateral; to ask, demand, collect, sue for, recover, impound, receive, and give acquittance and receipts for money due or to become due under or in respect of any of the Collateral; to file any claims or take any action or institute any proceedings that Agent may deem necessary or desirable for the collection of any of the Collateral or otherwise to enforce Agent's rights with respect to any of the Collateral and to assign, pledge, convey, or otherwise transfer title in or dispose of the Collateral to any person.

7. RIGHT TO INSPECT.

Subject to Section 7.4(b) of the Credit Agreement, Grantor grants to Agent, for the ratable benefit of the Lenders and its employees and agents the right to visit Grantor's plants and facilities which manufacture, inspect, or store products sold under any of the Collateral, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours.

8. EVENTS OF DEFAULT.

The occurrence of an Event of Default under, and as defined in, the Credit Agreement shall constitute an event of default ("Event of Default"), under this Agreement.

9. SPECIFIC REMEDIES.

Upon the occurrence of any Event of Default, Agent shall have, in addition to, other rights given by law or in this Agreement, the Credit Agreement, or in any other Loan Document, all of the rights and remedies with respect to the Collateral of a secured party under the Code, including the following:

9.1 Notification. Agent may notify licensees to make royalty payments on license agreements directly to Agent;

9.2 Sale. Agent may sell or assign the Collateral and associated goodwill at public or private sale for such amounts, and at such time or times as Agent deems advisable. Any requirement of reasonable notice of any disposition of the Collateral shall be satisfied if such notice is sent to Grantor five days prior to such disposition. Grantor shall be credited with the net proceeds of such sale only when they are actually received by Agent, and Grantor shall continue to be liable for any deficiency remaining after the Collateral is sold or collected. If the

sale is to be a public sale, Agent shall also give notice of the time and place by publishing a notice one time at least five days before the date of the sale in a newspaper of general circulation in the county in which the sale is to be held. To the maximum extent permitted by applicable law, Agent may be the purchaser of any or all of the Collateral and associated goodwill at any public sale and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any public sale, to use and apply all or any part of the Obligations as a credit on account of the purchase price of any collateral payable by Agent at such sale.

10. GENERAL PROVISIONS.

10.1 Effectiveness of this Agreement. This Agreement shall be binding and deemed effective when executed by Grantor and accepted and executed by Agent.

10.2 Cumulative Remedies; No Prior Recourse to Collateral. The enumeration herein of the Agent's and Lenders' rights and remedies is not intended to be exclusive, and such rights and remedies are in addition to and not by way of limitation of any other rights or remedies that Agent and Lenders may have under the Code or other applicable law. Agent shall have the right, in its sole discretion, to determine which rights and remedies are to be exercised and in which order. The exercise of one right or remedy shall not preclude the exercise of any others, all of which shall be cumulative. Agent may, without limitation, proceed directly against Grantor to collect the Obligations without any prior recourse to the Collateral.

10.3 No Implied Waivers. No act, failure or delay by Agent shall constitute a waiver of any rights and remedies. No single or partial waiver by Agent of any provision of this Agreement, the Credit Agreement, or any other Loan Document, or of breach or default hereunder or thereunder, or of any right or remedy which Agent may have, shall operate as a waiver of any other provision, breach, default, right or remedy or of the same provision, breach, default, right or remedy of a future occasion. No waiver by Agent shall affect its rights to require strict performance of this Agreement.

10.4 Severability. If any provision of this Agreement shall be prohibited or invalid, under applicable law, it shall be effective only to such extent, without invalidating the remainder of this Agreement.

10.5 Governing Law. This Agreement shall be deemed to have been made in the State of California and shall be governed by and interpreted in accordance with the laws of such state, except that no doctrine of choice of law shall be used to apply the laws of any other state or jurisdiction.

10.6 Survival of Representations and Warranties. Each and every representation and warranty of Grantor contained in this Agreement shall survive the execution, delivery and acceptance thereof by the parties, notwithstanding any investigation by Agent, the Lenders or any of their respective agents.

10.7 Notices. Except as otherwise provided herein, all notices, demands, and requests that either party is required or elects to give to the other shall be in writing (including

facsimile communication), and shall be delivered pursuant to the terms of Section 14.8 of the Credit Agreement.

10.8 Waiver of Notices. Unless otherwise expressly provided herein, each Pledgor waives presentment, protest, and notice of demand or dishonor and protest as to any instrument, as well as any and all other notices to which it might otherwise be entitled. No notice to or demand on any Pledgor which Agent may elect to give shall entitle any Pledgor to any or further notice or demand in the same, similar or other circumstances.

10.9 Binding Effect; Assignment. The provisions of this Agreement shall be binding upon and inure to the benefit of the respective representatives, successors and assigns of the parties hereto; provided, however, that no interest herein may be assigned by Grantor without the prior written consent of Agent. The rights and benefits of Agent hereunder shall, if Agent so agrees, inure to any party acquiring any interest in the Obligations or any part thereof.

10.10 Modification. This Agreement, together with the Security Agreement, is intended by Grantor and Agent to be the final, complete, and exclusive expression of the agreement between them. This Agreement, together with the Security Agreement, supersedes any and all prior oral or written agreements relating to the subject matter hereof and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no oral agreements between the parties. No modification, rescission, waiver, release or amendment of any provision of this Agreement shall be made, except by a written agreement signed by Grantor and Agent.

10.11 Ambiguities. To the extent permitted by applicable law, neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved using any presumption against Grantor or Agent, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by Grantor and Agent and their respective counsel. To the extent permitted by applicable law, in case of any ambiguity or uncertainty, this Agreement shall be construed and interpreted according to the ordinary meaning of the words used to accomplish fairly the purposes and intentions of all parties hereto.

10.12 Counterparts. This Agreement may be executed in any number of counterparts, and by Agent and Grantor in separate counterparts, each of which shall be an original, but all of which shall together constitute one and the same agreement.

10.13 Captions. The captions contained in this Agreement are for convenience only, are without substantive meaning and should not be construed to modify, enlarge or restrict any provision.

10.14 Termination by the Agent. After termination of all commitments under the Credit Agreement, the expiration or termination of all Letters of Credit, and the payment and performance in full of all Obligations (excluding inchoate indemnification and reimbursement obligations), Agent shall execute and deliver to Grantor a termination of all of the security interests granted by Grantor hereunder.

* * * * *

IN WITNESS WHEREOF, the parties have executed this Intellectual Property Security Agreement on the date first written above.

“AGENT”

BANK OF AMERICA, N.A.,
as Agent for the Lenders

By: Robert Mostert
Name: Robert Mostert
Title: Vice President

“GRANTOR”

HC PRODUCTS, LLC,
a Delaware limited liability company

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties have executed this Intellectual Property Security Agreement on the date first written above.

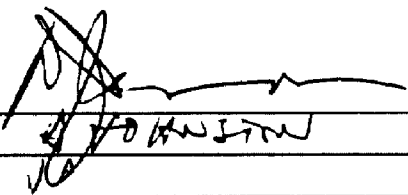
“AGENT”

BANK OF AMERICA, N.A.,
as Agent for the Lenders

By: _____
Name: _____
Title: _____

“GRANTOR”

HC PRODUCTS, LLC,
a Delaware limited liability company

By:  _____
Name: JOHN J. STANLEY
Title: _____

**INTELLECTUAL PROPERTY SECURITY AGREEMENT
SCHEDULE A - TRADEMARKS**

United States Federally Registered Trademarks

<u>Mark Name</u>	<u>Registration Number</u>	<u>Int. Class</u>
CADI	1,058,969	7
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Source One	1,497,553	10
Thin-Brite	864,166	21
Ultima	1,797,601	9

**INTELLECTUAL PROPERTY SECURITY AGREEMENT
SCHEDULE B - PATENTS**

Patents

Name	Status	Number	Jurisdiction
Flush for Fluid Mixing and Dispensing System	Issued and subsisting	4,941,131	U.S.
Disposable Cape for use in Mammographic Examinations	Issued and subsisting	D314,078	U.S.

**INTELLECTUAL PROPERTY SECURITY AGREEMENT
SCHEDULE C – COPYRIGHTS**

None.