

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

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

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

Tab settings

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

1. Name of conveying party(ies): Regeneration Technologies, Inc. [] Individual(s) [] Association [] General Partnership [] Limited Partnership [x] Corporation-State Delaware [] Other As Additional name(s) of conveying party(ies) attached? [x] Yes [] No

2. Name and Address of receiving party(ies): Name: Merrill Lynch Business Financial Services, Inc., through its division Merrill Lynch Capital Internal Address: 16th Floor Street Address: City: Chicago State: IL Zip: 60601 [] Individual(s) citizenship [] Association [] General Partnership [] Limited Partnership [x] Corporation-State Delaware [] Other if assigned 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 [] Merger [x] Security Agreement [] Change of Name [] Other Execution Date: March 23, 2004

4. Application number(s) or registration number(s): A. Trademark Application No.(s) ALLOANCHOR 75/942,280 STERLING 76/128,518 Additional numbers attached? [x] Yes [] No

B. Trademark registration No.(s) OPTIFORM 2,392,670 REGENAFIL 2,405,341 OSTEOPIL 2,409,722

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Timothy J. Lyden Internal Address: Hogan & Hartson LLP Street Address: 8300 Greensboro Drive Suite 1100 City: McLean State: VA Zip: 22102

6. Total number of applications and registrations involved: 9 7. Total fee (37 CFR 3.41): \$240.00 [] Enclosed [x] Authorized to be charged to deposit account 8. Deposit account number: 08-2550 (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. Timothy J. Lyden Name of Person Signing [Signature] Signature 6/16/04 Date

Total number of pages including cover sheet, attachments, and document: 9 Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

CH \$240.00 062550 75942280

ADDITIONAL CONVEYING PARTIES

Additional Conveying Parties:

Alabama Tissue Center, Inc. (an Alabama corporation)
RTI Services, Inc. (a Delaware Corporation)
Biological Recovery Group, Inc., a Delaware corporation

SCHEDULE 1**TRADEMARK REGISTRATIONS** (continued)

<u>Trademark Description</u>	<u>U.S. Registration No.</u>	<u>Date Registered</u>
REGENAFORM	2,485,743	September 4, 2001
STERNALPASTE	2,660,946	December 10, 2002
REGENERATION TECHNOLOGIES	2,712,222	April 29, 2003
BIOCLEANSE	2,779,739	November 4, 2003

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "Agreement") made as of this 23rd day of March 2004, among Regeneration Technologies, Inc., a Delaware corporation, Alabama Tissue Center, Inc., an Alabama corporation, RTI Services, Inc., a Delaware corporation, Biological Recovery Group, Inc., a Delaware corporation (collectively, "Grantor") and Merrill Lynch Business Financial Services, Inc., a Delaware corporation, through its division Merrill Lynch Capital ("Grantee"):

W I T N E S S E T H

WHEREAS, Grantor and Grantee are parties to that certain Loan Agreement, dated as of February 20, 2004 (as the same may be amended or otherwise modified from time to time, the "Loan Agreement"), making available to Grantor by Grantee a revolving loan facility in the amount of \$16,000,000 and a term loan facility in the amount of \$9,000,000; and

WHEREAS, pursuant to the terms of the Loan Agreement, Grantor has granted to Grantee a security interest in substantially all of the assets of Grantor including all right, title and interest of Grantor in, to and under all now owned and hereafter acquired trademarks, including state trademarks, trade names and all elements of package or trade dress of goods owned and/or distributed by Grantor, together with the goodwill of the business symbolized by each of the foregoing, and all products and proceeds thereof ("Trademarks"), to secure the payment of all amounts owing by Grantor under the Loan Agreement.

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

1. Loan Documents. This Agreement has been executed and delivered in conjunction with the Loan Agreement and the other Loan Documents and the parties hereto agree that this Agreement is a Loan Document under the Loan Agreement. The rights and remedies of the Grantee with respect to the security interest granted herein are as set forth in the Loan Agreement, the Loan Documents and under applicable law. In the event that any provisions of this Agreement are deemed to conflict with the Loan Agreement, the provisions of the Loan Agreement shall govern. All capitalized terms used but not otherwise defined herein shall have the meanings given such terms in the Loan Agreement.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the payment and performance of the Obligations, except as contemplated by Section 6.3 of the Loan Agreement, Grantor hereby grants to Grantee and reaffirms its prior grant pursuant to the Loan Agreement of a continuing security interest in Grantor's entire right, title and interest in and to the following, whether now owned or existing or hereafter created, acquired or arising (collectively, the "Trademark Collateral"):

(i) each Trademark listed on Schedule 1 annexed hereto, together with any reissues, continuations, renewals or extensions thereof and all of the goodwill of the business connected with the use of and symbolized by each Trademark; and

(ii) all products and proceeds of the foregoing, including without limitation, any claim by Grantor against third parties for past, present or future (a) infringement or dilution of any of the foregoing or (b) injury to the goodwill associated with any of the foregoing.

3. Warranties and Representations. Grantor warrants and represents to Grantee that on the date hereof:

(i) Grantor has good title to (or valid interests in) all its Trademarks, except for minor defects in title that do not (i) affect the value or access to such Trademarks or (ii) interfere with (A) its ability to conduct its business as currently conducted, (B) its ability to utilize such Trademarks for their intended purposes, or (C) its right and power to transfer such Trademarks, subject to no Lien, other than Permitted Liens. Grantor has not agreed or consented to cause any of its Trademarks whether owned now or hereafter acquired to be subject in the future (upon the happening of a contingency or otherwise) to any Lien, mortgage, pledge, encumbrance or charge of any kind other than Permitted Liens, except as contemplated by Section 6.3 of the Loan Agreement.

(ii) Except as disclosed in the Information Certificate, there are no actions, suits, proceedings or investigations pending or threatened against Grantor before any court or arbitrator or before or by any Governmental Authority with respect to any Trademark.

(iii) Grantor has full corporate, limited liability company or limited liability partnership (as the case may be) power and authority to enter into, execute, and deliver this Agreement and to perform its obligations under this Agreement.

4. Restrictions on Future Agreements. Grantor agrees that until the Obligations shall have been satisfied in full, Grantor shall not, without the prior written consent of Grantee, sell or assign their interest in, or grant any license under, any Trademark Collateral or enter into any other agreement with respect to any Trademark Collateral, other than as permitted under the Loan Agreement or in the ordinary course of Grantor's business and operations, and Grantor further agrees that it shall not take any action or permit any action to be taken by others subject to its control, including licensees, or fail to take any action which would affect the validity or enforcement of the rights transferred to Grantee under this Agreement.

5. Product Quality. Grantor agrees (i) to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with commercially reasonable business practices, and (ii) to provide Grantee, upon Grantee's reasonable request from time to time, with a certificate of an officer of Grantor certifying Grantor's substantial compliance with the foregoing. Upon the occurrence of an Event of Default, Grantor agrees that Grantee, or a conservator appointed by Grantee, shall have the right to establish such additional product quality controls as Grantee, or said conservator, in their reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Grantor under the Trademarks.

6. New Trademarks. If, before Grantor's Obligations shall have been satisfied in full or before the Notes have been terminated, Grantor shall (i) become aware of any existing Trademarks of which Grantor has not previously informed Grantee, (ii) obtain rights to any new Trademarks, or (iii) become entitled to the benefit of any Trademarks, which benefit is not in existence on the date hereof, the provisions of this Agreement shall automatically apply thereto and Grantor shall give to Grantee prompt written notice thereof. Grantor hereby authorizes Grantee to modify this Agreement by amending Schedule 1 to include any such Trademarks; provided, that Grantee, promptly after such amendment, provides Grantor with a copy of such amended Schedule 1.

7. Duties of Grantor. Grantor shall (except to the extent such filing, prosecution or enforcement of the Trademarks or copyright or trademark applications, as the case may be, is being performed by Grantee pursuant to Section 8 or 9 below), use commercially reasonable efforts to (i) file and prosecute diligently any trademark applications related thereto pending as of the date hercof or hereafter, (ii) preserve and maintain all rights in the Trademarks, and (iii) ensure that the Trademarks are and remain enforceable.

8. Grantee's Right to Sue. After an Event of Default, Grantee shall have the right, but shall in no way be obligated, to bring suit in their own names to enforce the Trademarks and, if Grantee shall commence any such suit, Grantor shall, at the request of Grantee, do any and all lawful and reasonable acts and execute any and all proper documents required by Grantee in aid of such enforcement.

9. Cumulative Remedies; Power of Attorney. Grantee hereby acknowledges and affirms that the rights and remedies with respect to the Trademarks, whether established hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Grantor hereby further acknowledges and agrees that the use by Grantee of all Trademarks shall be worldwide, except as limited by their terms, and without any liability for royalties or other related charges from Grantee to Grantor.

10. Miscellaneous.

(i) This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

(ii) If any term, covenant or condition of this Agreement, or the application of such term, covenant or condition to any party or circumstance shall be found by a court of competent jurisdiction to be, to any extent, invalid or unenforceable, the remainder of this Agreement and the application of such term, covenant, or condition to parties or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition shall be valid and enforced to the fullest extent permitted by law.

[Intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, Grantor and Grantee have each duly executed this Agreement as of the date first written above.

REGENERATION TECHNOLOGIES, INC.,
a Delaware corporation

By: Birk Hartst
Name:
Title:

ALABAMA TISSUE CENTER, INC.,
an Alabama corporation

By: Thomas F. R...
Name:
Title:

RTI SERVICES, INC.,
a Delaware corporation

By: Birk Hartst
Name:
Title:

BIOLOGICAL RECOVERY GROUP, INC.,
a Delaware corporation

By: Birk Hartst
Name:
Title:

MERRILL LYNCH BUSINESS FINANCIAL
SERVICES, INC., a Delaware corporation,
through its division Merrill Lynch Capital

By: _____
Name:
Title:

IN WITNESS WHEREOF, Grantor and Grantee have each duly executed this Agreement as of the date first written above.

REGENERATION TECHNOLOGIES, INC.,
a Delaware corporation

By: _____
Name:
Title:

ALABAMA TISSUE CENTER, INC.,
an Alabama corporation

By: _____
Name:
Title:

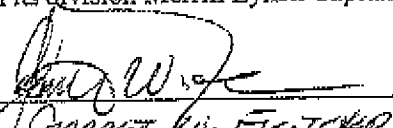
RTI SERVICES, INC.,
a Delaware corporation

By: _____
Name:
Title:

BIOLOGICAL RECOVERY GROUP, INC.,
a Delaware corporation

By: _____
Name:
Title:

MERRILL LYNCH BUSINESS FINANCIAL
SERVICES, INC., a Delaware corporation,
through its division Merrill Lynch Capital

By: 
Name: *Garrett W. Fletcher*
Title: *Vice Pres Const*

SCHEDULE 1TRADEMARK REGISTRATIONS

<u>Trademark Description</u>	<u>U.S. Registration No.</u>	<u>Date Registered</u>
OPTEFORM	2,392,670	October 10, 2000
REGENAFIL	2,405,341	November 21, 2000
OSTEOFIL	2,409,722	December 5, 2000
REGENAFORM	2,485,743	September 4, 2001
STERNALPASTE	2,660,946 (Supplemental Register)	December 10, 2002
REGENERATION TECHNOLOGIES	2,712,222 (Supplemental Register)	April 29, 2003
BIOCLEANSE	2,779,739	November 4, 2003

TRADEMARK APPLICATIONS

<u>Trademark Application Description</u>	<u>U.S. Application No.</u>	<u>Date Applied</u>
ALLOANCHOR	75/942280	March 13, 2000
STERLING	76/128518	September 13, 2000

STATE TRADEMARKS

<u>Trademark Description</u>	<u>State Registration No.</u>	<u>Date Registered</u>
None	N/A	N/A

COMMON LAW TRADEMARKS

RTI