

Form PTO-1594 (Rev. 07/05)  
OMB Collection 0651-0027 (exp. 6/30/2008)

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

### RECORDATION FORM COVER SHEET TRADEMARKS ONLY

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

**1. Name of conveying party(ies):**  
Advanced BioHealing, Inc.

Individual(s)       Association  
 General Partnership       Limited Partnership  
 Corporation- State: \_\_\_\_\_  
 Other Delaware

Citizenship (see guidelines) \_\_\_\_\_  
 Additional names of conveying parties attached?  Yes  No

**2. Name and address of receiving party(ies)**  Yes  
 Additional names, addresses, or citizenship attached?  No

Name: Smith & Nephew Wound Management (La Jolla)  
 Internal Address: \_\_\_\_\_  
 Street Address: 15 Adam Street  
 City: London  
 State: \_\_\_\_\_  
 Country: England Zip: WC2N6LA

Association      Citizenship \_\_\_\_\_  
 General Partnership      Citizenship Delaware  
 Limited Partnership      Citizenship \_\_\_\_\_  
 Corporation      Citizenship \_\_\_\_\_  
 Other \_\_\_\_\_      Citizenship \_\_\_\_\_

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)

**3. Nature of conveyance )/Execution Date(s) :**  
 Execution Date(s) May 25, 2006

Assignment       Merger  
 Security Agreement       Change of Name  
 Other \_\_\_\_\_

**4. Application number(s) or registration number(s) and identification or description of the Trademark.**

<b>A. Trademark Application No.(s)</b>	<b>B. Trademark Registration No.(s)</b>
	2944095      1934437      2386226

Additional sheet(s) attached?  Yes  No

**C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):**  
 2944095: Dermagraft mark  
 1934437: Dermagraft mark  
 2386226: Transcyte mark

**5. Name & address of party to whom correspondence concerning document should be mailed:**  
 Name: Barbara Alder  
 Internal Address: Paul, Hastings, Janofsky & Walker LLP  
 Street Address: 695 Town Center Drive, 17th Floor  
 City: Costa Mesa  
 State: CA Zip: 92626  
 Phone Number: 714.668.6327  
 Fax Number: 714.668.6457  
 Email Address: barbaraalder@paulhastings.com

**6. Total number of applications and registrations involved:** 3

**7. Total fee (37 CFR 2.6(b)(6) & 3.41 )** \$ 90.00  
 Authorized to be charged by credit card  
 Authorized to be charged to deposit account  
 Enclosed

**8. Payment Information**  
 a. Credit Card Last 4 Numbers 1007  
 Expiration Date 04/10  
 b. Deposit Account Number \_\_\_\_\_  
 Authorized User Name \_\_\_\_\_

**9. Signature:** Barbara Alder 6/20/06  
 Signature Date  
Barbara Alder  
 Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 9

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:  
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

OP \$90.00 2944095

**Attachment to  
Trademark Recordation Form Cover Sheet  
for Advanced BioHealing, Inc.**

**Continuation of #2. Name and address of receiving party(ies)**

Smith & Nephew, Inc.  
(a Delaware corporation)  
1450 Brooks Road  
Memphis, TN 38116

## TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT, dated as of May ~~25~~, 2006, by Advanced BioHealing, Inc., a Delaware corporation ("Grantor"), in favor of Smith & Nephew Wound Management (La Jolla), a Delaware general partnership, as agent ("Agent") for itself and Smith & Nephew, Inc. ("Smith & Nephew"; together with Agent, the "Secured Parties").

### WITNESSETH:

WHEREAS, Grantor and the Agent have entered into an Asset Purchase Agreement, dated ~~May 25, 2006~~ (the "Asset Purchase Agreement"), pursuant to which the Agent has agreed to sell to Grantor, and Grantor has agreed to purchase from the Secured Party, all of the Agent's right, title and interest in and to the Purchased Assets (as defined in the Asset Purchase Agreement), but excluding the Excluded Assets (as defined in the Asset Purchase Agreement); and

WHEREAS, pursuant to the Asset Purchase Agreement, Grantor and Secured Parties have entered into a Sublease Agreement pursuant to which the Debtor will sublease from the Secured Parties the premises located at 10933 North Torrey Pines Road, Suite 600, La Jolla, California and a Sublease Agreement pursuant to which Grantor will sublease from the Secured Parties the premises located at 10933 North Torrey Pines Road, La Jolla, California (together, the "Sublease Agreements"); and

WHEREAS, the Secured Parties are willing to enter into the Asset Purchase Agreement and the Sublease Agreements, but only upon the condition, among others, that Grantor shall have executed and delivered to Agent, for the benefit of Agent and the Secured Parties, that certain Security Agreement dated as of the date herewith (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Security Agreement"); and

WHEREAS, pursuant to the Security Agreement, Grantor is required to execute and deliver to Agent, for the benefit of Agent and the Secured Parties, this Trademark Security Agreement;

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

1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Asset Purchase Agreement.

2. GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL. Grantor hereby grants to Agent, on behalf of the Agent and the Secured Parties and subject to compliance by Agent with Section 11 of the Security Agreement, a continuing first priority security interest in all of Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Trademark Collateral"):

(a) all of its trademarks and trademark licenses to which it is a party that relate to the Business including those referred to on Schedule I hereto;

(b) all reissues, continuations or extensions of the foregoing;

(c) all goodwill of the Business connected with the use of, and symbolized by, each trademark and each trademark license that relates to the Business; and

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

3. SECURITY AGREEMENT. The security interests granted pursuant to this Trademark Security Agreement are granted in conjunction with the security interests granted to Agent, on behalf of the Agent and the Secured Parties, pursuant to the Security Agreement. The parties hereto hereby acknowledge and affirm that the rights and remedies of the parties with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[signature page follows]



IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

**ADVANCED BIOHEALING, INC.**

**SMITH & NEPHEW WOUND  
MANAGEMENT (LA JOLLA),  
as Agent and as Secured Party**

By: \_\_\_\_\_  
Title:

By: *[Signature]*  
Title: *Assistant Secretary*

**SMITH & NEPHEW, INC.  
as Secured Party**

By: *[Signature]*  
Title: *Assistant Secretary*

**SCHEDULE I**  
**TO**  
**TRADEMARK SECURITY AGREEMENT**  
**TRADEMARK REGISTRATIONS**

Federal Trademark Registrations:

<b>Filing Date</b>	<b>Issue Date</b>	<b>Serial Number</b>	<b>Reg. Number</b>	<b>Word Mark</b>
July 20, 2004	April 26, 2005	78453499	2944095	DERMAGRAFT
May 26, 1994	November 7, 1995	74530123	1934437	DERMAGRAFT
June 23, 1998	September 12, 2000	75507404	2386226	TRANSCYTE

Pending Federal Trademark Applications:

Common Law Marks and Trade Names:

Registered State Trademarks and Trademark Applications:

Trademark licenses:

Registered Foreign Trademarks and Trademark Applications:

<b>Trademark</b>	<b>Country</b>	<b>Registration Number</b>
<b>DERMAGRAFT</b>	China	1192926
	China	1170310
	Indonesia	406801
	Indonesia	406777

	Japan	4155757
	Japan	4124643
	Norway	197342
	Singapore	T96/13721Z
	South Africa	18191/96
	South Africa	18190/96
	Switzerland	445283
	Taiwan	847311
	Taiwan	795810
	Australia	719238
	Canada	TMA576824
	CTM	000339945
	France	93495971
	Korea	392899
	New Zealand	268010
	Singapore	T96/13722H
<b>TRANSCYTE</b>	Australia	765308
	Canada	530533
	CTM	000851972
	Japan	4890595
	New Zealand	294042
	New Zealand	294041



	Singapore	T03/02138J
	Singapore	T03/02137B
<b>Trade Mark</b>	<b>Country</b>	<b>Registration Number</b>
<b>TRANSCYTE</b>	South Africa	1998/11110
	South Africa	1998/10588

<b>Trade Mark</b>	<b>Country</b>	<b>Registration Number</b>
<b>DERMAGRAFT PLUS DEVICE</b>	Australia	774476
	New Zealand	298861
<b>DERMAGRAFT-TC</b>	Australia	719236
	CTM	000339903
	Korea	392900
	New Zealand	268011