

Name of Person Signing

: Honorable Commissioner of Patents and Trademarks

|  | record the attached ori  | record the attached original document or copy thereof.                                       |  |  |
|--|--|--|--|--|
| 101016804. Communication of the communication of th | rest:  | 2. Name and Address of Name: Rachman Scientifi Internal Address:                             | Party(ies) receiving an interest: ic, Inc. |  |
|  |  | Street Address: 111 Cleaveland Road  |  |  |
|  |  | City: Pleasanton   |  |  |
|  |  | State: California  | Zip: 94523                                 |  |
|  | d Mark to the cold decrease when the cold decrease to the cold |  | 1  |  |
| . Description of the interest convey   | ed:  |  |  |  |
| Assignment   | Change of Name   | Other  |  |  |
| Security Agreement   | Merger   | Execution Date March 5, 1999   |  |  |
| 3. Application number(s) or patent n If this document is being filed tog   |  |  | No ication is:                             |  |
|  | D  | ate  |  |  |
| A. Patent Application No.(s)   |  | B. Patent No.(s)   |  |  |
|  |  | 5,692,518<br>5,871,452   |  |  |
| 5. Name and address of party to whom correspondence concerning document should be mailed:  |  | 6. Number of applications and patents involved: Two  |  |  |
| Name: <u>Donald L. Beeson</u><br>Internal Address:   |  | 7. Amount of fee enclosed or authorized to be charged: \$50.00                               |  |  |
| Street Address: One Kaiser Plaza, Suite 2360   |  | 8. Deposit account number (Attach duplicate copy of this form if paying by deposit account): |  |  |
| City: Oakland State: California  | Zip: <u>94612</u>  | Deposit Acct. No. 19-2383  |  |  |
| /21/1999 DNGUYEN 00000247 5692518<br>FC:581 40.0<br>FC:998 10.0  | DO NOT USE   | E THIS SPACE   |  |  |
| 9. Statement and signature.  |  |  |  |  |
| To the best of my knowledge an is a true copy of the original doc  |  | nation is true and correct and a   | ny attached copy                           |  |
| Danald I. Dassan   | [k.M/1   |  | 4/12/99                                    |  |
| Donald L. Beeson  Name of Person Signing   | Signature  |  | Date                                       |  |

Signature

Total number of pages comprising cover sheet: \_

**SECURITY AGREEMENT** 

THIS AGREEMENT is made by and between Rachman Scientific, Inc., a

California corporation, having a place of business at 111 Cleaveland Road, Pleasant Hill,

California (hereinafter "Secured Party"), and Greer Laboratories, Inc., a corporation of

North Carolina, having a place of business at 639 Nuway Circle, Lenoir, North Carolina

(hereinafter "Debtor").

WHEREAS, Debtor is obligated to pay Secured Party certain payments pursuant

to a patent assignment agreement (hereinafter "Assignment Agreement") executed by

Debtor and Secured Party concurrently herewith; and

WHEREAS, Secured Party desires to obtain a security interest in the collateral

identified below to secure Debtor's obligation to Secured Party under such Patent

Assignment Agreement, and Debtor is willing to grant such security interest;

IT IS THEREFORE AGREED:

1. Debtor hereby grants to Secured Party a security interest in the collateral

described in paragraph 2 hereof to secure Debtor's obligation to Secured Party as

indicated above and as more specifically described in paragraph 3 hereof.

2. The property which is the subject of the security interest created by this

security agreement consists of the following issued United States Patents (hereinafter

collectively referred to as "Collateral"):

**U.S. Patent No. 5,692,518** issued December 2, 1997

Entitled: Skin Test Applicator

U.S. Patent No. 5,871,452 issued February 16, 1999

Entitled: Skin Test Applicator

PATENT REEL: 9893 FRAME: 0206

- 3. This security agreement secures Debtor's obligations under the Assignment Agreement, as the same may be amended, modified or supplemented from time to time.
- 4. In the event Debtor defaults in the payment under the Assignment Agreement secured hereunder, then Secured Party shall be entitled to any and all remedies available under the Uniform Commercial Code in force in the State of California as of the date of default, and such other rights and remedies as might be provided for by law.
- 5. Debtor shall take all actions and shall furnish all information as may be required by Secured Party to enable Secured Party to perfect and protect in any way the security interest granted hereunder or to exercise any of his rights hereunder in respect to the Collateral, including, without limitation, all actions and information necessary for filing any UCC-1 Financing Statement and for recording of the security interest granted herein with the United States Patent and Trademark Office.
- 6. Debtor represents and warrants that, except for the security interest granted herein, that Debtor is the owner of the Collateral free and clear of all liens, charges, or encumbrances and has made and will make no assignment, transfer, pledge, mortgage or hypothecation of the Collateral without Secured Party's written consent so long as this security agreement is in force.
- 7. This Agreement shall continue in force until the Assignment Agreement, and all obligations thereunder, are paid in full at which time Secured Party shall release to Debtor his security interest in the Collateral, and, if requested by Debtor, shall execute and deliver to Debtor any termination statements, releases or other documents necessary

PATENT REEL: 9893 FRAME: 0207 to file or record such release with any governmental office or agency in which a financing statement or other record of the security interest granted herein has been filed or recorded.

8. This Agreement shall be governed by the laws of the State of California, except as required by mandatory provisions of law, or to the extent that the validity of the security interest or remedies hereunder in respect to the Collateral are, pursuant to California law, governed by the laws of a jurisdiction other than California.

IN WITNESS WHEREOF, the parties have caused this Security Agreement to be duly executed as of the 5th day of February, 1999.

RACHMAN SCIENTIFIC, INC.

GREER LABORATORIES, INC.

By John Baker, President

**RECORDED: 04/16/1999** 

By William White, Jr., President

CLT01/4356002v1