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# 07-14-1999



NOTE: The following appe



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REEL: 009942 FRAME: 0023

|               | FORM PTO-1595 U.S. DEPARTMENT OF COMMERCE<br>1-31-92 RECORDATION FORM COVER SHEET Paters and Trademark Office<br>PATENTS ONLY   |  |
|---------------|---|--|
|               | Tab semings 0 0 0 V   | <u> </u>   |
|               | To the Honorable Commissioner of Patents and Trademar   | ks. Please record the attached original documents or copy thereof.                         |
|               | 1. Name of conveying party(ies):<br>G&D, Inc. d/b/a Star Guide Corporation<br>5000 Independence Street  | 2. Name and address of receiving party(ies):<br>Name: NationsCredit Commercial Corporation |
|               | Arvada, Colorado 80002  |  |
|               | Additional name(s) of conveying party(ies) attached?  | Internal Address:  |
|               | 3. Nature of Conveyance:  |  |
|               | Assignment Merger   | Street Address: 50 Glenlake Parkway, Ste. 600  |
|               | Security Agreement Change of Na   | me   |
|               | Other   | CityAtlanta StateGA ZIP 30328  |
|               | Execution Date:July 6, 1999   | Additional name(s) & address(cs) attached? 🚺 Yes 🕅 No                                      |
|               | 4. Application number(s) or patent number(s):   |  |
|               | If this document is being filed together with a new appli   | cation, the execution date of the application is:  |
|               | A. Patent Application No.(s)  | B. Patent No.(s)   |
|               | PCT/US97/21593  | 4,391,307  |
|               | Additional n  | imbers attached? Yes No  |
|               | 5. Name and address of party to whom correspondence<br>concerning document should be mailed:<br>Name:Pamela A. Allen  | 6. Total number of applications and patents involved: 2                                    |
|               |   |  |
|               | Internal Address:   | 7. Total fee (37 CFR 3.41):  |
|               |   | <b>Enclosed</b> \$120.00 expedited fee   |
|               | King & Spalding Street Address: 191 Peachtree Street  | Authorized to be changed to deposit account  |
|               | Juice Address. 191 Feachtree Street   | 8. Deposit account number: 110980  |
|               | City: <u>Atlanta</u> State: <u>GA</u> ZIP 30  | (Attach duplicate copy of this page if paying by deposit account)                          |
|               | DO NOT USE THIS SPACE   |  |
|               | 9. Statement and signature.   |  |
|               |   | nformation is true and correct and any attached copy is a true copy                        |
|               | of the original document.<br>Pamela A. Allen  | anch allen 7/8/99  |
|               | Name of Person Signing  | Signature Date   |
|               |   | Total number of pages comprising cover sheet: 8  |
|               | OMB No. 0651-0011 (exp. 4/94)   |  |
|               | Do not detach this portion  |  |
|               | Mail documents to be recorded with required cover sheet information to:   |  |
| DATES 0000008 | 9721593 Commissioner of Patents and Trademarks<br>Box Assignments   |  |
|               | 80.00 DP Washington, D.C. 20231<br>120.00 DP<br>Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per<br>document to be recorded, including time for reviewing the document and gathering the data needed. |  |
|               | and completing and reviewing the sample cover sheet.<br>to the U.S. Patent and Trademark Office, Office of Int<br>D.C. 20231, and to the Office of Management and Bud   | Send comments regarding this burden estimate<br>formation Systems, PK2-1000C, Washington,  |

# Attachment 1

# Item A. Patents.

Title: Wire Straightening and Cutting Mechanism Patent No.: 4,391,307

Title: Method and Apparatus for Centerless Grinding Patent Application No.: PCT/US97/21593

Item B. Patent Licenses.

NONE

# PATENT SECURITY AGREEMENT

**THIS PATENT SECURITY AGREEMENT** is made as of July 2, 1999, by and between **NATIONSCREDIT COMMERCIAL CORPORATION**, a Delaware corporation, in its capacity as Agent for the Lenders (the "Lenders") from time to time party to the Credit Agreement defined below (the "Agent"), and G&D, INC. d/b/a Star Guide Corporation, a Colorado corporation ("Pledgor").

# $\underline{W I T N E S S E T H:}$

WHEREAS, pursuant to a Credit Agreement (including all annexes, exhibits or schedules thereto, and as from time to time amended, restated, supplemented or otherwise modified, the "<u>Credit Agreement</u>"), dated of even date herewith, among Medical Device Manufacturing, Inc., a Colorado corporation (the "<u>Company</u>"), the Lenders and the Agent, Lenders have agreed to make the Loans to the Company; and

WHEREAS, to induce Lenders to make such Loans to the Company under the Credit Agreement, as provided therein, Pledgor has executed and delivered in favor of the Agent the "Star Guide Guaranty Agreement" and the "Star Guide Security Agreement" (as such terms are defined in the Credit Agreement); and

WHEREAS, as a further condition precedent to any extension of credit under the Credit Agreement, Pledgor is required to execute and deliver this Agreement and to grant to the Agent a continuing security interest in all of the Patent Collateral (as defined below), to secure repayment of the Obligations pursuant to and as defined under the Credit Agreement; and

WHEREAS, Pledgor has duly authorized the execution, delivery, and performance of this Agreement;

**NOW, THEREFORE**, for good and valuable consideration, the receipt of which is hereby acknowledged, and in order to induce Lender to make Loans and other extensions of credit to the Company pursuant to the Credit Agreement, Pledgor agrees with Lender as follows:

1. **Definitions**. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided in the Credit Agreement.

2. <u>**Grant of Security Interest**</u>. For good and valuable consideration, receipt of which is hereby acknowledged, to secure all of the Secured Obligations (hereinafter defined), Pledgor does hereby mortgage, pledge, hypothecate, and grant to Agent, for the benefit of itself and the Lenders, a continuing security interest in, to, and under, all rights, titles and interests of Pledgor in, to and under the following property (the "Patent Collateral"), whether now existing or hereafter arising or acquired:

PATENT REEL: 009942 FRAME: 0025 (a) all patents, including each patent referred to in <u>Item A</u> ("<u>Patents</u>") of <u>Attachment 1</u> hereto;

(b) all patent licenses, including each patent license referred to in <u>Item B</u> ("<u>Patent Licenses</u>") of <u>Attachment 1</u> hereto;

(c) all reissues, continuations, extensions or renewals of any of the items described in <u>clauses (a)</u> and <u>(b)</u>; and

(d) all products and proceeds of, and rights associated with, the foregoing, including (i) any claim by any Pledgor against third parties for past, present, or future infringement or dilution of any patent, patent registration, or patent license, including any patent, patent registration or patent license referred to in Item A and Item B of Attachment 1 hereto, and (ii) rights to royalties and other payments with respect to the foregoing.

3. Secured Obligations. This Agreement and the security interest granted hereunder to the Agent secures all obligations which may be now or hereafter owing by Pledgor to Agent under this Agreement as well as any and all indebtedness, obligations or other liabilities which may be now or hereafter owing by the Company or Pledgor to the Agent or the Lenders under or on account of the Credit Agreement, the Star Guide Guaranty Agreement and any other agreement, instrument or other document executed by the Company or Pledgor with or in favor of the Agent or the Lenders under or in connection therewith, or any extensions, renewals, refinancings, restructurings, modifications or replacements, in whole or in part, of or for any of the foregoing, and including, without limitation, any interest which would accrue on the foregoing indebtedness, obligations or liabilities but for the filing by or against the Company or Pledgor of a proceeding under any bankruptcy, insolvency, receivership or moratorium law. All of the foregoing indebtedness, obligations or other liabilities are herein collectively called the "Secured Obligations". As used herein, the term "Secured Obligations" shall include, without limitation, all Obligations pursuant to and as defined under the Credit Agreement.

4. <u>Star Guide Security Agreement</u>. This Agreement has been executed and delivered by Pledgor for the purpose of registering the security interest of Agent in the Patent Collateral with the United States Patent and Trademark Office and perfecting the security interest therein. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interests granted to the Agent under the Star Guide Security Agreements and the other Financing Documents. The Credit Agreement and the other Financing Documents (and all rights and remedies of the Agent thereunder) shall remain in full force and effect in accordance with their respective terms.

5. <u>Release of Security Interest</u>. At such time as the Secured Obligations have been paid in full and the Credit Agreement has been terminated, the Agent shall, at Pledgor's expense, execute and deliver to Pledgor all instruments and other documents as may be necessary or proper to release the lien on and security interest in the Patent Collateral which has been granted thereunder.

6. <u>Acknowledgment</u>. Pledgor does hereby further acknowledge and affirm that the rights and remedies of the Agent with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Financing Documents, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

7. <u>Collateral Document, Etc.</u> This Agreement is a Security Document and a Financing Document executed pursuant to the Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Credit Agreement.

8. <u>Counterparts</u>. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

9. <u>Governing Law</u>. This Agreement shall be governed by and construed in accordance with the laws of the State of Georgia and applicable federal laws.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized, and Pledgor has affixed its seal hereto, as of the day and year first above written.

#### **<u>Pledgor</u>**:

#### G&D INC., d/b/a Star Guide Corporation

Attest:

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

(CORPORATE SEAL)

#### NATIONSCREDIT COMMERCIAL CORPORATION

By: Title: Managine Director

STATE OF Colorado

COUNTY OF Denver

#### **CERTIFICATE OF ACKNOWLEDGMENT**

Before me, the undersigned, a Notary Public in and for the state and county aforesaid, on this Ist day of July, 1999, personally appeared <u>Enc</u> <u>bolocic</u>, to me known personally, and who, being by me duly sworn, deposes and says that (s)he is the <u>bolocic</u> of G&D, INC., d/b/a Star Guide Corporation, a Colorado corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and said officer acknowledged said instrument to be the free act and deed of said corporation.

My commission expires:  $\frac{7/22}{02}$ 



STATE OF GEORGIA COLORADO

COUNTY OF FULTON DERVER

#### **CERTIFICATE OF ACKNOWLEDGMENT**

Before me, the undersigned, a Notary Public in and for the state and county aforesaid, on this 1st day of July, 1999, personally appeared <u>JAMES M. BABCOCK</u>, to me known personally, and who, being by me duly sworn, deposes and says that (s)he is the <u>MANACING DIFECTOR</u> of NATIONSCREDIT COMMERCIAL CORPORATION, and that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and said officer acknowledged said instrument to be the free act and deed of said corporation.

Notary Public

My commission expires: 10-21+02



# Attachment 1

### Item A. Patents.

Title: Wire Straightening and Cutting Mechanism Patent No.: 4,391,307

Title: Method and Apparatus for Centerless Grinding Patent Application No.: PCT/US97/21593

Item B. Patent Licenses.

NONE