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U.S. Department of Commerce
Patent and Trademark Office
PATENT

PATION FORM COVER SHEET

PATENTS ONLY

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X New		Assignment	Security A	greement	
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Conveying	Party(ies)	Mark if additional	names of conveying	parties attac	- November Date
Name (line 1)	STRATEGIC DIAGNOSTICS INC				Month Day Year 5-5-2000
Name (line 2)					_
Second Party Name (line 1)	,				Execution Date Month Day Year
Name (line 2)					4499286
Receiving F	Party		lark if additional name		
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Name (line 2)					is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative is attach.
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Name (line 2) Address (line 1) Address (line 2) Address (line 3) Domestic R	222 DELAWARE AVENUE  WILIMINGTON  City  Representative Name and Action	State/Country		Zip Code  Party only.	is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative is attach (Designation must be a separate document from Assignment.)
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Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:

Commissioner of Patents and Trademarks, Box Assignments, Washington 20231

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FORM PTO Expires 06/30/99 OMB 0651-0027	-1619B	Page 2	U.S. Department of Commerce Patent and Trademark Office PATENT
Corresponde	ent Name and Address	Area Code and Telephone Num	ber 800-833-9848
Name [	TONYA CHAPPLE		
Address (line 1)	C/O CSC		
Address (line 2)	80 STATE STREET		
Address (line 3)	ALBANY, NEW YORK 12207		
Address (line 4)			
Pages	Enter the total number of paincluding any attachments	ages of the attached conveyance d	ocument # 30
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TONYA CHAPPLE		Inura charall	5-16-00
Name	of Person Signing	Signature	Date

### SCHEDULE A

REGISTERED PATENTS			
Patent	Registration Number	Registration Date	Country
Sulfate reducing bacteria determination and control	4,999,286	03/12/91	USA
Aldicarb immunoassay by sulfone equivalents	5,200,346	04/06/93	USA
Immunological analogs for captan	5,411,869	05/02/95	USA
Polyaromatic hydrocarbon (PAH) immunoassay method, its components and a kit for use in performing the same	5,449,611	09/12/95	USA
Immunoassay method for detecting an immunologically non-remarkable compound	5,484,709	01/16/96	USA
Methods for the rapid detection of toxic halogenated hydrocarbons and kits useful in performing the same	5,547,877	08/20/96	USA
Fungus extraction method and kit	5,558,996	09/24/96	USA
Standards for phosphorothioate insecticide immunoassays	5,576,187	11/19/96	USA
Monitoring of industrial water quality using monoclonal antibodies to polymers	5,593,850	01/14/97	USA
Polyaromatic hydrocarbon (PAH) immunoassay method, its components and a kit for use in performing the same	5,618,681	04/08/97	USA
Kits and processes for extraction of analytes from solid materials	5,658,463	08/19/97	USA
Quantitative test for oils, crude oil, hydrocarbon, or other contaminants in soil and a kit for performing the same	5,679,574	10/21/97	USA

Form 10G - Multistate Rev. 2/99

REGISTERED PATENTS			
Patent	Registration Number	Registration Date	Country
A petroleum immunoassay method, its components and a kit for performing the same	5,691,148	11/25/97	USA
Immunoassay standards for volatile analytes with benzene rings	5,891,657	04/06/99	USA
Immunoassay standards for polyaromatic hydrocarbon detection	5,780,250	07/14/98	USA
Polychlorinated Biphenyls (PCB) immunoassay method	5,834,222	11/10/98	USA
PCB immunoassay	5,858,692	01/12/99	USA
Indirect label assay device for detecting small molecules and method of use thereof	5,874,216	02/23/99	USA
Reagents, methods and kits for detecting TCE and PCE	5,994,145	11/30/99	USA
Monoclonal and polyclonal antibodies and test method for determination of organophosphates (license)	5,541,079	07/30/96	USA
Marking of products to establish identity and source (license)	5,429,952	07/04/95	USA

Form 10G - Multistate Rev. 2/99



#### PATENT SECURITY AGREEMENT

This Patent Security Agreement ("Agreement"), dated May 5, 2000, is entered into by Strategic Diagnostics Inc., a Delaware corporation ("Grantor"), with an address of 111 Pencader Drive, Newark, Delaware 19702, and delivered to PNC Bank, Delaware ("Grantee"), with an address of 222 Delaware Avenue, Wilmington, Delaware 19801.

### **Background**

- A. This Agreement is being executed in connection with that certain Loan Agreement and that certain Security Agreement each of even date herewith, by and between Grantor and Grantee, as amended, supplemented, restated, replaced, or otherwise modified from time to time (collectively, the "Loan Agreement"). Capitalized terms used but not defined herein shall have the meanings given to such terms in, or by reference in, the Loan Agreement.
- B. As security for all Obligations (as defined in the Loan Agreement), Grantor is granting Grantee a lien on and security interest in certain assets of Grantor associated with or relating to services or products sold under Grantor's Patent Collateral (as defined herein), and under which Grantee is entitled to foreclose or otherwise deal with such assets under the terms and conditions set forth therein.
- C. Grantor has adopted, used and/or is using (i) the Letters Patent and the inventions described and claimed therein set forth on Schedule A hereto (hereinafter referred to collectively as the "Patents"); (ii) the applications for Letters Patent and the inventions described and claimed therein set forth on Schedule A hereto and any Letters Patent which may be issued upon any of said applications (hereinafter referred to collectively as the "Applications"). In conjunction with the Patents and Applications, Grantor may use and/or adopt any reissues, extensions, divisions or continuations of the Patents or Applications (such reissues, extensions, divisions and continuations being herein referred to collectively as the "Reissued Patents"); and may be entitled to future royalties or other fees paid or payments made to Grantor in respect of the Patents (hereinafter referred to collectively as the "Royalties"), (the Patents, Applications, Reissued Patents and Royalties being herein referred to collectively as the "Patent Rights").
- D. Pursuant to the Loan Agreement, Grantee is acquiring a lien on and security interest in the Patent Collateral (as defined herein) and the registration thereof, as security for all of the Obligations, and Grantee desires to have its security interest in such Patent Collateral confirmed by a document identifying same and in such form that it may be recorded in the United States Patent and Trademark Office and/or The Patent Office of Canada, as applicable.

NOW THEREFORE, with the foregoing Background hereinafter deemed incorporated by reference and made a part hereof, and in consideration of the premises and mutual promises

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herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

- 1. In consideration of and pursuant to the terms of the Loan Agreement, and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure the Obligations, Grantor grants a lien and security interest to Grantee in all of the Patent Rights and all proceeds thereof and all Grantor's right, title, interest, claims and demands that Grantor has or may have in profits and damages for past and future infringements of the Patent Rights (such rights, interest, claims and demand being herein called the "Claims") (the Patent Rights and Claims are collectively herein referred to as the "Patent Collateral").
- 2. Grantor hereby covenants and agrees to maintain the Patent Collateral in full force and effect (except to the extent any Patent Collateral expires by its terms) until all of the Obligations are satisfied in full.
  - 3. Grantor represents, warrants and covenants to Grantee that:
- (a) Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Patent Collateral as set forth on Schedule A.
- (b) The Patent Collateral is subsisting and has not been adjudged invalid or unenforceable:
- (c) To the best of Grantor's knowledge, all of the Patent Rights is registered, valid and enforceable;
- (d) All of the Patent Collateral is free and clear of any liens, charges and encumbrances including, without limitation, pledges, assignments (other than to Grantor and Grantee hereunder) and covenants by Grantor not to sue third persons;
- (e) Grantor has no notice of any suits or actions commenced or threatened against it, or notice of claims asserted or threatened against it, with reference to the Patent Collateral;
- (f) Grantor has the unqualified right, power and authority to enter into this Agreement and perform its terms;
- (g) Grantor has used and will continue to use for the duration of this Agreement, consistent standards of quality in services or products leased or sold under the Patent Collateral and hereby grants to Grantee and its employees and agents the right (with no obligation of any kind upon Grantee to do so) upon prior notice to visit Grantor's affiliates, franchises or management locations and to inspect the use of the Patent Collateral and quality

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control records relating thereto at reasonable times during regular business hours to ensure Grantor's compliance with this paragraph 3(g).

#### 4. Grantor further covenants that:

- (a) Until all of the Obligations have been satisfied in full, Grantor will not enter into any agreement, which are inconsistent with Grantor's obligations under this Agreement or any obligations under the Loan Agreement or which restrict or impair Grantee's rights hereunder.
- (b) If Grantor shall acquire or hold any new Patent Collateral not listed on Schedule A attached hereto ("Additional Patent Collateral"), then (i) the provisions of this Agreement shall be deemed to automatically apply thereto and such Additional Patent Collateral shall be deemed part of the Patent Collateral, (ii) Grantor shall give Grantee prompt written notice thereof, and (iii) Grantor shall promptly deliver to Grantee with respect to such Additional Patent Collateral, a Supplement to Patent Security Agreement in the form attached hereto as Exhibit 1, duly completed and executed by Grantor and accompanied by a fully completed Schedule A-1 with respect to such Additional Patent Collateral. Each Schedule A-1 attached to each such Supplement to Patent Security Agreement shall be incorporated and become a part of Schedule A attached hereto, and all references to Schedule A contained in this Agreement, the Loan Agreement, or any other Loan Documents shall be deemed, for all purposes, to also include each such Schedule A-1.
- 5. So long as this Agreement is in effect and so long as Grantor has not received notice from Grantee that an Event of Default has occurred and is continuing under the Loan Agreement and that Grantee has elected to exercise its rights hereunder (i) Grantor shall continue to have the exclusive right to use the Patent Collateral; and (ii) Grantee shall have no right to use the Patent Collateral or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Patent Collateral to anyone else.
- 6. Grantor agrees not to sell, license, grant any option, assign or further encumber its rights and interest in the Patent Collateral to any entity or person without the prior written consent of Grantee.
- 7. Anything herein contained to the contrary notwithstanding, if and while an Event of Default exists under the Loan Agreement, Grantor hereby covenants and agrees that Grantee, as the holder of a security interest under the Uniform Commercial Code, as now or hereafter in effect in the Commonwealth of Pennsylvania, may take such action permitted hereunder, in its exclusive discretion, to foreclose upon the Patent Collateral covered hereby. For such purposes, and in the event of an Event of Default and an acceleration of the Loans under the Loan Agreement and while such Event of Default exists, Grantor hereby authorizes and empowers Grantee to make, constitute and appoint any officer or agent of Grantee as Grantee may select, in its exclusive discretion, as Grantor's true and lawful attorney-in-fact, with the power to endorse

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Grantor's name on all applications, documents, papers and instruments necessary for Grantee to use the Patent Collateral or to grant or issue any exclusive or non-exclusive license under the Patent Collateral to anyone else, or necessary for Grantee to assign, pledge, convey or otherwise transfer title in or dispose of the Patent Collateral to anyone else including, without limitation, the power to execute a Patent Collateral assignment in the form attached hereto as Exhibit 2. Grantor hereby ratifies all that such attorney or agent shall lawfully do or cause to be done by virtue hereof, except for the gross negligence or wilful misconduct of such attorney or agent. This power of attorney shall be irrevocable for the life of this Agreement, the Loan Documents, and until all of the Obligations are indefeasibly paid and satisfied in full.

- 8. This Agreement shall be subject to the terms, provisions, and conditions set forth in the Loan Agreement and may not be modified without the written consent of the party against whom enforcement is being sought.
- 9. All rights and remedies herein granted to Grantee shall be in addition to any rights and remedies granted to Grantee under the Loan Documents. In the event of an inconsistency between this Agreement and Loan Agreement, the language of this Agreement shall control.
- 10. Upon performance of all of the obligations under the Loan Documents and full and unconditional satisfaction of all of the Obligations, Grantee shall promptly execute and deliver to Grantor all documents reasonably necessary to terminate Grantee's security interest in the Patent Collateral.
- 11. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by Grantee in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or costs otherwise incurred in protecting, maintaining, preserving the Patent Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Patent Collateral, in each case in accordance with the terms of this Agreement, shall be borne and paid by Grantor promptly after demand by Grantee and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the rate prescribed in the Loan Agreement applicable to the Loans.
- 12. Subject to the terms of the Loan Agreement and except to the extent that the Grantor reasonably determines such Patent Collateral is not material to its business, Grantor shall have the duty to prosecute diligently any application and/or registration with respect to the Patent Collateral pending as of the date of this Agreement or thereafter, until all of the Obligations shall have been satisfied in full, to preserve and maintain all rights in the Patent Collateral, and upon reasonable request of Grantee, Grantor shall make federal application on registerable but unregistered Patent Collateral belonging to Grantor and licensed to Grantor. Any reasonable expenses incurred in connection with such applications shall be borne exclusively

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by Grantor. Grantor shall not abandon any Patent Collateral (other than Patent Collateral that the Grantor reasonably determines is not material to its business) without the prior written consent of the Grantee, which consent shall not be unreasonably withheld.

- 13. Grantor shall have the right to bring suit in its own name to enforce the Patent Collateral, in which event Grantee may, if Grantor reasonably deems it necessary, be joined as a nominal party to such suit if Grantee shall have been satisfied, in its sole discretion, that it is not thereby incurring any risk of liability because of such joinder. Grantor shall promptly, upon demand, reimburse and indemnify Grantee for all damages, costs and expenses, including reasonable attorneys' fees and costs, incurred by Grantee in the fulfillment of the provisions of this paragraph.
- 14. Upon the occurrence and during the continuance of an Event of Default under the Loan Agreement, Grantee may, without any obligation to do so, complete any obligation of Grantor hereunder, in Grantor's name or in Grantee's name, but at the expense of Grantor, and Grantor hereby agrees to reimburse Grantee in full for all reasonable expenses, including, without limitation, all reasonable attorneys' fees incurred by Grantee in protecting, defending and maintaining the Patent Collateral.
- 15. No course of dealing between Grantor and Grantee, nor any failure to exercise, nor any delay in exercising, on the part of Grantee, any right, power or privilege hereunder, shall operate as a waiver thereof, and all of Grantee's rights and remedies with respect to the Patent Collateral, whether established hereby or by the Loan Documents, or by any other future agreements between Grantor and Grantee or by law, shall be cumulative and may be exercised singularly or concurrently.
- 16. The provisions of this Agreement are severable and the invalidity or unenforceability of any provision herein shall not affect the remaining provisions which shall continue unimpaired and in full force and effect.
- 17. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.
- 18. This Agreement shall be governed by and construed in conformity with the laws of the State of Delaware, without regard to its otherwise applicable principles of conflicts of laws.
- 19. GRANTOR AND GRANTEE EACH WAIVES ANY AND ALL RIGHTS EITHER MAY HAVE TO A JURY TRIAL ARISING IN CONNECTION WITH ANY PROCEEDING OR CONTROVERSY RELATING TO THIS AGREEMENT OR ANY OTHER AGREEMENT BETWEEN GRANTOR AND GRANTEE.

-5-

IN WITNESS WHEREOF, the parties hereto have executed under seal this Agreement on the date first above written.

STRATEGIC DIAGNOSTICS INC.

\_(SEAL)

Name:

Title: VP 4CCO

Approved and Accepted:

PNC BANK, DELAWARE

Bv:

Theodore J. Prushinski, Vice President

## SCHEDULE A Patents

REGISTERED PATENTS			
Patent	Registration Number	Registration Date	Country
Sulfate reducing bacteria determination and control	4,999,286	03/12/91	USA
Aldicarb immunoassay by sulfone equivalents	5,200,346	04/06/93	USA
Immunological analogs for captan	5,411,869	05/02/95	USA
Polyaromatic hydrocarbon (PAH) immunoassay method, its components and a kit for use in performing the same	5,449,611	09/12/95	USA
Immunoassay method for detecting an immunologically non-remarkable compound	5,484,709	01/16/96	USA
Methods for the rapid detection of toxic halogenated hydrocarbons and kits useful in performing the same	5,547,877	08/20/96	USA
Fungus extraction method and kit	5,558,996	09/24/96	USA
Standards for phosphorothioate insecticide immunoassays	5,576,187	11/19/96	USA
Monitoring of industrial water quality using monoclonal antibodies to polymers	5,593,850	01/14/97	USA
Polyaromatic hydrocarbon (PAH) immunoassay method, its components and a kit for use in performing the same	5,618,681	04/08/97	USA
Kits and processes for extraction of analytes from solid materials	5,658,463	08/19/97	USA
Quantitative test for oils, crude oil, hydrocarbon, or other contaminants in soil and a kit for performing the same	5,679,574	10/21/97	USA

REGISTERED PATENTS			
Patent	Registration Number	Registration Date	Country
A petroleum immunoassay method, its components and a kit for performing the same	5,691,148	11/25/97	USA
Immunoassay standards for volatile analytes with benzene rings	5,891,657	04/06/99	USA
Immunoassay standards for polyaromatic hydrocarbon detection	5,780,250	07/14/98	USA
Polychlorinated Biphenyls (PCB) immunoassay method	5,834,222	11/10/98	USA
PCB immunoassay	5,858,692	01/12/99	USA
Indirect label assay device for detecting small molecules and method of use thereof	5,874,216	02/23/99	USA
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Monoclonal and polyclonal antibodies and test method for determination of organophosphates (license)	5,541,079	07/30/96	USA
Marking of products to establish identity and source (license)	5,429,952	07/04/95	USA

### CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA : STATE OF \_\_\_\_\_\_\_ : SS COUNTY OF NEW CASTLY :

On this 5th day of May, 2000, before me personally appeared ARTHUR A. KOCH, IR who being duly sworn, deposes and says that he/she is the VP COO of Strategic Diagnostics Inc. the corporation described in the foregoing document, that he/she in such capacity as officer of said corporation is authorized to execute on behalf of the said corporation the foregoing document for the purposes contained therein, and that he/she is the person whose name and signature is subscribed to the foregoing document.

Notary Public

My commission expires:

Christophe, J. Lamb Attorney At Law 20 Del G. § 4323(a)(3)

## EXHIBIT 1 Supplement to Patent Security Agreement

This Supplement to Patent Security Agreement ("Supplement"), dated	,
, is entered into by, a, a, and d	corporation
("Grantor"), with an address of, and d	delivered to
("Grantor"), with an address of, and d ("Grantee"), with an address of,	
<u>Background</u>	
A. This Supplement is being delivered in connection with that confidence and Security Agreement, each dated	ted, restated, ertain Patent Grantee, as ime ("Patent erespective
B. Pursuant to the Loan Agreement and the Patent Security Agreement granted to Grantee a lien on and security interest in certain assets of Grantor associatelating to services or products sold under Grantor's Patent Collateral (as defined the	ated with or
C. Grantor has adopted, used and/or is using (i) certain additional Letters the inventions described and claimed therein set forth on Schedule A-1 hereto referred to collectively as the "Additional Patents"); (ii) applications for Letters Pateinventions described and claimed therein set forth on Schedule A-1 hereto and any Lewhich may be issued upon any of said applications (hereinafter referred to collecti "Additional Applications"). In conjunction with the Additional Patents and Applications, Grantor may use and/or adopt any reissues, extensions, divisions or conformations being herein referred to collectively as the "Additional Reissued Patents".	(hereinafter tent and the etters Patent cively as the Additional entinuations ivisions and

D. Grantor and Grantee desire to execute this Supplement for the purpose of, interalia, granting, ratifying and confirming Grantee's lien on and security interest in the Additional Patent Rights and all of Grantor's additional right, title, interest, claims and demands that Grantor has or may have in profits and damages for past and future infringements of the Additional Patent Rights (such rights, interest, claims and demand being herein called the "Additional Claims")(the Additional Patent Rights and Additional Claims are collectively herein referred to as the "Additional Patent Collateral"), as more fully set forth in the Patent Security

be entitled to future royalties or other fees paid or payments made to Grantor in respect of the Additional Patents (hereinafter referred to collectively as the "Additional Royalties"), (the Additional Patents, Additional Applications, Additional Reissued Patents and Additional

Royalties being herein referred to collectively as the "Additional Patent Rights").

Agreement and for recording in the United States Patent and Trademark Office and/or The Patent Office of Canada, as applicable.

NOW THEREFORE, with the foregoing Background hereinafter deemed incorporated by reference and made a part hereof, and for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Grantor, intending to be legally bound hereby, covenant and agree as follows:

- 1. In consideration of and pursuant to the terms of the Loan Documents, and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure the Obligations, Grantor grants a lien and security interest to Grantee in all of its present and future right, title and interest in and to the Additional Patent Collateral.
- 2. Grantor acknowledges and confirms that the rights and remedies of Grantee with respect to the security interest in the Additional Patent Collateral granted hereby are more fully set forth in the Loan Agreement and the Patent Security Agreement, the terms and provisions of which are incorporated herein by reference. All references to the Patent Security Agreement contained in the Loan Agreement or other Loan Documents shall be deemed, for all purposes, to also refer to and include this Supplement.
- 3. Schedule A to the Patent Agreement (and Schedule A to Exhibit 2 of the Patent Agreement) is hereby supplemented by the information contained on Schedule A-1 attached hereto. All references to Schedule A contained in the Loan Agreement, Patent Security Agreement or other Loan Documents shall be deemed, for all purposes, to also refer to and include Schedule A-1.
- 4. Except as expressly amended by this Supplement, all of the terms, conditions and provisions of the Loan Agreement are hereby ratified and continue unchanged and remain in full force and effect.
- 5. This Supplement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Signature by facsimile shall also bind the parties hereto.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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

Name: Title:

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date

## **CORPORATE ACKNOWLEDGMENT**

UNITED STATES OF AMERICA	:
STATE OF	: SS
COUNTY OF	:
On this day of	,, before me personally appeared
, who being	g duly sworn, deposes and says that he/she is the
of	, the corporation described in the foregoing
document, that he/she in such capacity as	officer of said corporation is authorized to execute on
behalf of the said corporation the foregoin	ng document for the purposes contained therein, and
that he/she is the person whose name and	signature is subscribed to the foregoing document.
	Notary Public
	My commission expires:

# SCHEDULE A-1 Patents

Application Number	Filing Date	Country
Registration Number	Registration Date	Country
	Registration Number	Registration Number Date

## EXHIBIT 2 Patent Assignment

WHEREAS,, a corporation ("Grant registered owner of: (i) the Letters Patent and the inventions described and claimed forth on Schedule A hereto (hereinafter referred to collectively as the "Patent application for Letters Patent and the inventions described and claimed therein a Schedule A hereto and any Letters Patent which may be issued upon any of said (hereinafter referred to collectively as the "Applications"), which are registered with States Patent and Trademark Office and/or The Patent Office of Canada, as applications and the inventions described and claimed therein applications are registered with the states are registered with the states of the patent of	ts"); (ii) the set forth on applications the United able.
WHEREAS, in conjunction with the Patents and Applications, Grantor may any reissues, extensions, divisions or continuations of the Patents or Applications (sue extension, divisions and continuations being herein referred to collectively as the Patents"); may be entitled to all future royalties or other fees paid or payments made in respect of the Patents (hereinafter referred to collectively as the "Royalties"), (Applications and the Reissued Patents and the Royalties being herein referred to cothe "Patent Rights") and may be entitled to profits and damages for past and future into of the Patent Rights (such rights, interest, claims and demand being herein called the (the Patent Rights and Claims are collectively referred to as the "Patent Collateral")	uch reissues, the "Reissued to Grantor the Patents, ollectively as fringements the "Claims")
WHEREAS, ("Grantee") having a place of is desirous of acquiring said Patent Colla	business at ateral;
NOW THEREFORE, for good and valuable consideration, receipt of which acknowledged, and intending to be legally bound hereby, Grantor, its successors and a hereby transfer, assign and set over unto Grantee, its successors, transferees and assign present and future right, title and interest in and to the Patent Collateral and all procand all goodwill associated therewith. No rights or duties of any kind are intended to or conferred upon Grantee unless and until this Patent Assignment is recorded with States Patent and Trademark Office and/or The Patent Office of Canada, as applications.	assigns, does gns, all of its eeds thereof o be granted a the United
IN WITNESS WHEREOF, the undersigned has caused this Patent Assign executed as of the day of,	ıment to be
[Name of Grantor]	
Witness:  By:	
Witness: By: As Attorney-in-fact	

## **CORPORATE ACKNOWLEDGMENT**

UNITED STATES OF AMERICA	:
STATE OF	: SS
STATE OF	:
On this day of	,, before me personally appeared
, who being dul	y sworn, deposes and says that he/she is the attorney-
in-fact on behalf of	, the corporation described in the foregoing
document, that he/she in such capacity as a	attorney-in-fact of said corporation is authorized to
execute on behalf of the said corporation the	he foregoing document for the purposes contained
therein, and that he/she is the person whose	e name and signature is subscribed to the foregoing
document.	
	Notary Public
	My commission expires:

## SCHEDULE A Patents

PENDING PATENT APPLICATIONS			
Patent	Application Number	Filing Date	Country
		1	
		:	
······································			
		<u> </u>	
REGISTERED PATENTS			
Patent	Registration Number	Registration Date	Country

### **POWER OF ATTORNEY**

The undersigned, Strategic Diagnostics Inc., a Delaware corporation ("Grantor"), executes and delivers to PNC Bank, Delaware, its successors and assigns, and any officer or agent thereof ("Grantee"), this Power of Attorney pursuant to that certain Loan Agreement and Security Agreement each dated of even date herewith by and between Grantor and Grantee, as amended, supplemented, restated, replaced, or otherwise modified from time to time (collectively, the "Loan Agreement").

Grantor hereby authorizes Grantee as Grantor's true and lawful attorney-in-fact, with the power to endorse Grantor's name on all applications, assignments, documents, papers and instruments necessary for Grantee to enforce and effectuate its rights under a certain Patent Security Agreement between Grantor and Grantee, of even date herewith (as it may hereafter be supplemented, restated, superseded, amended or replaced, the "Patent Agreement"), including, without limitation, the power to use the Patent Collateral (as defined in the Patent Agreement), to grant or issue any exclusive or nonexclusive license under the Patent Collateral to anyone else, or to assign, pledge, convey or otherwise transfer title in or dispose of the Patent Collateral, in each case to the extent provided in the Patent Agreement.

Any action taken pursuant hereto is intended to be so given or taken pursuant to the Loan Agreement. Grantor hereby unconditionally ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This Power of Attorney shall be irrevocable for the life of the Patent Agreement.

IN WITNESS WHEREOF, the Grantor has executed this Power of Attorney on this 5th day of May, 2000.

STRATEGIC DIAGNOSTICS INC.

Name: Ather A. Koch, Jr.

Title: UP 4CCU

### **CORPORATE ACKNOWLEDGMENT**

UNITED STATES OF.	AMERICA	:		
STATE OF DELLOW	Ma	: SS		
COUNTY OF NEW	CASTLE	:		
On this 5th day of	May, 2000, before me	e personally appear	ed ARTHUR A.	KOCH, JE
who being duly sworn, o	eposes and says that	he/she is the <b></b>	P	_ of Strategic
Diagnostics Inc., the con	poration described i	in the foregoing o	document, that l	ne/she in such
capacity as officer of said	corporation is autho	rized to execute o	n behalf of the sa	id corporation
the foregoing document	or the purposes conta	ained therein, and	that he/she is the	e person whose
name and signature is sul	oscribed to the forego	oing document.		
		Chris	lacher J-	4
		Notary Publ	(ic)	

Christophe, J. Lemb Anomey At Lew 29 Del C. § 4323(a)(3)

My commission expires: NA

THIS RIDER TO SECURITY AGREEMENT ("Rider") is executed as of this 5th day of May, 2000, by and between STRATEGIC DIAGNOSTICS INC., a Delaware corporation (the "Grantor") with an address at 111 Pencader Drive, Newark, Delaware 19702 and PNC BANK, DELAWARE (the "Bank"), with an address at 222 Delaware Avenue, Wilmington, Delaware 19801. This Rider is incorporated into and made part of that certain Security Agreement and Patent Security Agreement (collectively, the "Security Agreement") between the Grantor and Bank, each dated as of even date herewith, and also into certain other financing documents and security agreements executed by and between the Grantor and Bank (all such documents including this Rider being collectively referred to as "Loan Documents"). All capitalized terms not otherwise defined in this Rider shall have the same meanings ascribed to such terms in the other Loan Documents.

As collateral security for the Obligations (as defined in the Security Agreement) under the Loan Documents, the Grantor has agreed to grant a security interest in and to assign to Bank the Patent Collateral (as hereinafter defined). Bank desires to have its lien and security interest in such Patent Collateral confirmed by a document identifying such security interest and in such form as may be recorded in the United States Patent and Trademark Office.

NOW, THEREFORE, with the foregoing background deemed incorporated by reference and made part hereof, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

- 1. Grant of Security Interest. In consideration of and pursuant to the terms of the Security Agreement and for other good, valuable and sufficient consideration, the receipt and sufficiency of which is hereby acknowledged, and to secure the Obligations, the Grantor does hereby assign and grant to Bank a lien and security interest in (a) all of the Grantor's right, title and interest in and to (i) the United States Letters Patent and the inventions described and claimed therein set forth on Schedule A hereto and any future patents of Grantor (hereinafter referred to collectively as the "Patents"); (ii) the applications for Letters Patent and the inventions described and claimed therein set forth on Schedule A hereto and any United States Letters Patent which may be issued upon any of said applications and any future patent applications of Grantor (hereinafter referred to collectively as the "Applications"); (iii) any reissue, extension, division or continuation of the Patents or the Applications (such reissues, extensions, divisions and continuations being herein referred to collectively as the "Reissued Patents"); (iv) all future royalties or other fees paid or payment or payments made or to be made to the Grantor in respect of the Patents; and (v) proceeds of any and all of the foregoing (the Patents, Applications, Reissued Patents and Royalties and proceeds being herein referred to collectively as the "Patent Rights"); and (b) all rights, interests, claims and demands that the Grantor has or may have in existing and future profits and damages for past and future infringements of the Patent Rights (such rights, interests, claims and demands being herein called the "Claims") (the Patent Rights and Claims collectively referred to as the "Patent Collateral").
- 2. Representations and Warranties. The Grantor warrants and represents to Bank that: (a) the Grantor is the true and lawful exclusive owner of the Patent Rights set forth on Schedule A, including all rights and interests herein granted; (b) to the best of the Grantor's knowledge, the Patent Collateral is valid and enforceable; (c) the Grantor has full power and authority to execute and deliver this Rider; (d) the Grantor has no notice of any suits or actions commenced or threatened against it, or notice of claims asserted or threatened against it, with reference to the Patent Rights and the interests granted herein; and (e) the Patent Rights and all interests granted herein are so granted free from all liens, charges, claims, options, pledges and encumbrances of every kind and character.
- 3. Covenants. The Grantor further covenants that: (a) until all of the Obligations have been satisfied in full, the Grantor will not enter into any agreement, including without limitation, license agreements, which are inconsistent with the Grantor's obligations under this Rider; and (b) if the Grantor acquires rights to any new

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Patent Collateral, the provisions of this Rider shall automatically apply thereto and the Grantor shall give Bank prompt written notice thereof along with an amended Schedule A; provided, however, that notwithstanding anything to the contrary contained in this Agreement, the Grantor shall have the right to enter into agreements in the ordinary course of business with respect to the Patent Collateral.

- 4. <u>Maintenance of Patent Collateral</u>. The Grantor further covenants that: until all of the Obligations have been satisfied in full, it will (i) not enter into any agreement, including without limitation, license agreements, which are inconsistent with the Grantor's undertakings and covenants under this Rider or which restrict or impair Bank's rights hereunder and (ii) maintain the Patent Collateral in full force and effect.
- 5. <u>Negative Pledge</u>. The Grantor shall not sell, assign or further encumber its rights and interest in the Patent Collateral without prior written consent of Bank.
- 6. Remedies Upon Default. (a) Anything herein contained to the contrary notwithstanding, if and while an Event of Default exists under the Loan Documents, the Grantor hereby covenants and agrees that Bank, as the holder of a security interest under the Uniform Commercial Code, may take such action permitted under the Loan Documents or permitted by law, in its exclusive discretion, to foreclose upon the Patent Collateral covered hereby.
- (b) For such purposes, and in the Event of Default under the Loan Documents and while such Event of Default exists, the Grantor hereby authorizes and empowers Bank to make, constitute and appoint any officer or agent of Bank as Bank may select, in its exclusive discretion, as the Grantor's true and lawful attorney-in-fact, with the power to endorse the Grantor's name on all applications, documents, papers and instruments necessary for Bank to use the Patent Collateral or to grant or issue any exclusive or non-exclusive license under the Patent Collateral to anyone else, or necessary for Bank to assign, pledge, convey or otherwise transfer title in or dispose of the Patent Collateral itself or to anyone else. The Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof, except for the gross negligence or willful misconduct of such attorney. This power of attorney shall be irrevocable for the life of this Rider and the Loan Documents, and until all the Obligations are satisfied in full.
- (c) The Grantor expressly acknowledges that this Rider shall be recorded with the Patent and Trademark Office in Washington, D.C. Contemporaneously herewith, the Grantor shall also execute and deliver to Bank such documents as Bank shall reasonably require to permanently assign all rights in the Patent Collateral to Bank, which documents shall be held by Bank, in escrow, until the earlier of (i) the occurrence of an Event of Default hereunder or under the Loan Documents or (ii) indefeasible satisfaction in full of the Obligations. After such occurrence of the event described in subclause (i), Bank may, at its sole option, record such escrowed documents with the Patent and Trademark Office. After the occurrence of the event described in subclause (ii), Bank shall return such documents to the Grantor.
- 7. Prosecution of Patent Applications. (a) The Grantor shall, at its own expense, diligently maintain all patents and diligently file and prosecute all patent applications relating to the inventions described and claimed in the Patent Collateral in the United States Patent and Trademark Office, and shall pay or cause to be paid in their customary fashion all fees and disbursements in connection therewith, and shall not abandon any such application prior to the exhaustion of all administrative and judicial remedies or disclaim or dedicate any Patent without the prior written consent of Bank. The Grantor shall not abandon any Patent Collateral without the prior written consent of Bank.
- (b) Any and all fees, costs and expenses, including reasonable attorneys' fees and expenses incurred by Bank in connection with the preparation, modification, enforcement or termination of this Rider and all other documents relating hereto and the consummation of this transaction, the filing and recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or costs otherwise incurred in defending or prosecuting any actions or proceedings arising out of or related to the Patent Collateral shall be paid by the Grantor on demand by Bank.

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- (c) The Grantor shall have the right to bring suit in the name of the Grantor to enforce the Patent Collateral, in which case Bank may, at Bank's option, be joined as a nominal party to such suit if Bank shall be satisfied that such joinder is necessary and that Bank is not thereby incurring any risk of liability by such joinder. The Grantor shall promptly, upon demand, reimburse and indemnify, defend and hold harmless Bank for all damages, costs and expenses, including reasonable attorneys' fees, incurred by Bank pursuant to this paragraph and all other actions and conduct of the Grantor with respect to the Patent Rights during the term of this Rider.
- 8. <u>Subject to Security Agreement</u>. This Rider shall be subject to the terms, provisions, and conditions set forth in the Security Agreement and may not be modified without the written consent of the party against whom enforcement is being sought.
- 9. Inconsistent with Security Agreement. All rights and remedies herein granted to Bank shall be in addition to any rights and remedies granted to Bank under the Loan Documents. In the event of an inconsistency between this Rider and the Security Agreement, the language of the Security Agreement shall control. The terms and conditions of the Security Agreement are hereby incorporated herein by reference.
- 10. <u>Termination of Agreement</u>. Upon payment and performance of all Obligations under the Loan Documents, Bank shall promptly execute and deliver to the Grantor all documents necessary to terminate Bank's security interest in the Patent Collateral.
- 11. Fees and Expenses. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by Bank in connection with the preparation of this Rider and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or costs otherwise incurred in protecting, maintaining, preserving the Patent Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Patent Collateral, in each case in accordance with the terms of this Rider, shall be borne and paid by the Grantor on demand by Bank and until so paid shall be added to the principal amount of the Obligations to Bank and shall bear interest at the contract rate therefor.
- 12. Additional Remedies. Upon the occurrence of an Event of Default under the Loan Documents, Bank may, without any obligation to do so, complete any obligation of the Grantor hereunder, in the Grantor's name or in Bank's name, but at the Grantor's expense, and the Grantor hereby agrees to reimburse Bank in full for all reasonable expenses, including reasonable attorney's fees, incurred by Bank in protecting, defending and maintaining the Patent Collateral.
- 13. Governing Law. This Rider will be interpreted and the rights and liabilities of the Parties hereto determined in accordance with the laws of the State where Bank's office indicated above is located, excluding its conflict of laws rules, except that the federal laws of the United States of America shall govern to the extent applicable.
- 14. Counterparts. This Rider may be signed in any number of counterpart copies and by the parties hereto on separate counterparts, but all such copies shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Rider by facsimile transmission shall be effective as delivery of a manually executed counterpart. Any party so executing this Agreement by facsimile transmission shall promptly deliver a manually executed counterpart, provided that any failure to do so shall not affect the validity of the counterpart executed by facsimile transmission.

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WITNESS the due execution hereof as a document under seal, as of the date first written above.

By: Macha Me'clev
Print Name:
Title:

STRATEGIC DIAGNOSITCS INC.

By: Print Name: 4

(SEAL)

Print Nam Title: VPACCU A

PNC BANK, DELAWARE

By:

Theodore J. Prushinski, Vice President

STATE OF DELAWARE	) ) ss:			
COUNTY OF NEW CASTLE				
On this, the 5th day of May, 2000, before me appeared A. Kah, J., who whe she, in such capacity, being authorized to do so, execution of said company.	, a Notary Public, the undersigned officer, personally o acknowledged himself/herself to be the egic Diagnostics Inc., a Delaware corporation, and that cuted the foregoing instrument for the purposes therein			
IN WITNESS WHEREOF, I hereunto set my hand and official seal.				
3.5 · · · · · · · · · · · · · · · · · · ·	Monica Leigh Loftin Print Name			
My commission expires: $\mathcal{N} / \Delta$	Monica Leigh Loftin			
MONICA LEIGH LOFTEN  ATTORNEY-AT-LAW  PURSUANT TO 29 DEL. C. §4323  PERMANENT COMMISSION	Print Name			
STATE OF DELAWARE )	ss:			
COUNTY OF NEW CASTLE )				
On this, the 5th day of May, 2000 before me, a Notary Public, the undersigned officer, personally appeared Theodore J. Prushinski, who acknowledged himself to be a Vice President of PNC BANK, DELAWARE and that he, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said bank as such officer.				
IN WITNESS WHEREOF, I hereunto set my h	nand and official seal.			
My commission expires:	Notary Public			
	Print Name			

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**PATENT REEL: 010832 FRAME: 0424** 

**RECORDED: 05/18/2000**