

01-30-2003



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ATTN. BOX ASSIGNMENTS

To the Honorable Commissioner
Please record the attached origi

1. Name of conveying party(ies):
MaryAnn Robinson Prody
1-24-03
2. Name and address of receiving party(ies):
Name: Dale Medical Products, Inc.

Additional name(s) of conveying party(ies) attached? Yes No
Internal Address: [Text]

3. Nature of conveyance: Street Address: 7 Cross Street

Assignment Merger
City: Plainville

Security Agreement Change of Name
State: MA Zip Code: 02762

Other: Royalty License Agreement
Additional name(s) & Address(es) attached?

Execution Date: 3/26/01 and 4/2/01
 Yes No

4. Application number(s) or patent number(s): If this document is being filed together with a new application, the execution date of the application:

A. Patent Application Number(s):
09/643,104
60/150,090
Additional numbers attached? Yes No
B. Patent Number(s):
[Text]

5. Name and address of party to whom correspondence concerning document should be mailed:
6. Total number of applications and registrations involved: 1

Name: Christopher S. Schultz
7. Total fee (37 CFR 3.41): \$40
 Enclosed (Please charge deficiency to deposit account)
 Authorized to be charged to deposit account

Internal Address: FINNEGAN, HENDERSON, FARABOW, GARRETT & DUNNER, L.L.P.

Street Address: 1300 I Street, N.W.

City: Washington, D.C.

State: Zip: 20005-3315
8. Deposit Account No.: 06-0916

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.

Christopher S. Schultz

Signature

1/23/03
Date

Total number of pages including cover sheet, attachments and documents: 8

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ROYALTY LICENSE AGREEMENT

This Royalty License Agreement (hereinafter called "Agreement"), is effective as of the date signed by all parties (hereinafter called "Agreement Date"), and is made by and between MaryAnn Robinson Prody (hereinafter, referred to as "LICENSOR"), an individual having her principal place of residence at 8942 S.W. 17th Street, Boca Raton, FL 33433, and Dale Medical Products, Inc. a Massachusetts corporation, having its principal place of business at 7 Cross Street, Plainville, MA 02762 and all sublicensees and affiliates thereof (hereinafter, referred to jointly as "LICENSEE.")

WITNESSETH:

WHEREAS, LICENSOR is the owner of the Subject Technology as defined below; and
WHEREAS, LICENSOR is willing to grant a royalty bearing, worldwide, exclusive license to the Subject Technology to LICENSEE on the terms set forth herein; and
WHEREAS, LICENSEE desires to obtain said exclusive license under the Subject Technology;
NOW, THEREFORE, for and in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, as defined below, expressly agree as follows:

1. DEFINITIONS AS USED HEREIN

- 1.1 The term "Subject Technology" shall mean the invention disclosed in U.S. Patent Application Serial No. 09/643104 (The Patent), entitled "Surgical Drainage Device," filed 8/21/00, and provisional application no. 60/150,090, filed 8/20/99, together with all applications for patent or like protection on said invention and all patents or like protection that may in the future be granted on said invention and any later improvements by the Licensor thereto, whether in the United States of America or any other country and all substitutions for and divisions, continuations, continuations in part, renewals, reissues, extensions and the like on said applications and patents.
- 1.2 The term "Licensed Product(s)" shall mean all products and processes, including improvements thereto, that incorporate, utilize or are made with the use of the Subject Technology.
- 1.3 The term "Net Sales" shall mean the gross amount of monies or cash equivalent or other consideration which is paid by unrelated third parties to LICENSEE for the Licensed Products by sale or other mode of transfer, less all trade, quantity and cash discounts actually allowed, credits, and allowances actually granted on account of rejections, returns or billing errors, duties, transportation and insurance, taxes and other governmental charges actually paid. The term "Net Sales" in the case of non-cash sales, shall mean all equivalent or other consideration received by LICENSEE for the Licensed Products.
- 1.4 The term "Parties" shall mean LICENSOR and LICENSEE.

2. GRANT OF LICENSE

LICENSOR hereby grants to LICENSEE (1) an exclusive, worldwide, unrestricted and unlimited right and license under the Subject Technology to make, use, sell, market, import and offer for sale said Licensed Products; (2) the exclusive right to sublicense the Subject Technology provided LICENSOR receives royalties provided herein with respect to the

sales of any sublicense; (3) the exclusive right to sue for past, present and future infringements of any issued claim covering said Subject Technology as set forth below in section 4. The only rights in said Subject Technology retained by LICENSOR are specifically provided herein. The Parties agree to promptly communicate to each other any improvements or modifications to the Subject Technology and LICENSEE shall have the right to file one or more patent applications on such improvements or modifications in accordance with this agreement. The Parties agree to use their best efforts in assisting each other in the prosecution of said patent applications. Said patent applications and any patents that issue therefrom, whether prosecuted by LICENSOR or LICENSEE, are included in the licensed Subject Technology.

3. PAYMENTS AND REPORTS

4. PATENTS AND INFRINGEMENT

- 4.1 LICENSEE agrees to assume the responsibility of and pay all costs, incident to the prosecution of the above-identified application and any other United States and foreign applications, patents and like protection covering the Subject Technology, including all costs incurred for filing, prosecution, issuance and maintenance fees as well as any costs incurred in filing continuations, continuations-in-part, divisionals or related applications and any re-examination or reissue proceedings.
- 4.2 LICENSEE shall have the final say in all issues respecting the filing, prosecution and maintenance of patent applications to which LICENSEE assumes the responsibility as provided in section 4.1. However, in the event that LICENSEE decides not to continue prosecution of a patent application to issuance or maintain any United States or foreign patent application or patent covering the Subject Technology, LICENSEE shall timely notify LICENSOR in writing in order that LICENSOR may file said United States or said foreign applications and continue said prosecution or maintenance of such patents or patent applications at its own expense.
- 4.3 LICENSEE agrees to keep LICENSOR fully informed of patent prosecutions hereunder, and LICENSOR agrees to cooperate with LICENSEE to whatever extent is reasonably necessary to procure patent protection of any rights, including executing all documents necessary to provide LICENSEE the full benefit of the license granted herein.

5. TERM AND TERMINATION

5.1 Unless earlier terminated as hereinafter provided, this Agreement shall continue in full force and effect for a period not to exceed 15 years unless otherwise terminated as defined below, and shall then expire automatically. However, the term of this Agreement may be extended by written consent of all the Parties to this Agreement. At the end of the 15 year period should the LICENSEE wish to continue under the terms of this Agreement, the LICENSOR shall give the LICENSEE the right of first refusal to obtain further rights in Subject Technology. In the event the LICENSOR and LICENSEE are unable to agree on terms and conditions for LICENSEE to obtain further rights to Subject Technology, LICENSOR agrees that it will not grant said further rights to any third party on terms that LICENSEE will accept.

6. ASSIGNABILITY

This Agreement shall be binding upon and shall inure to the benefit of LICENSOR and its assigns and successors in interest, and shall be binding upon and shall inure to the benefit of LICENSEE and the successor to all, or substantially all, of its assets or business to which this Agreement relates. Nothing herein shall prevent LICENSEE from having Licensed Products made for it by others.

9.5 LICENSOR warrants that it invented and owns all right, title and interest in Subject Technology including U. S. Patent Application Serial No. 09/643104 , and has the right to enter into this Agreement and has made no agreements, assignments or the like, which would in way affect the scope or enforcement of this Agreement.

9.9 The terms and conditions herein constitute the entire agreement between the Parties and shall supersede all previous agreements, either oral or written, between the Parties hereto with respect to the subject matter hereof. No agreement of understanding bearing on this Agreement shall be binding upon either Party hereto unless it shall be in writing and signed

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by the duly authorized officer or representative of each of the Parties and shall expressly refer to this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed and delivered this Agreement in multiple originals by their duly authorized officers and representatives on the respective dates shown below, but effective as of the Agreement Date shown above.

LICENSOR: MaryAnn Robinson Prody, An individual

Signature: Mary Ann Robinson Prody
MaryAnn Robinson Prody

Date: 4/2/01

LICENSEE: Dale Medical Products, Inc.

Signature: John Brezack
John Brezack, President

Date: 3/26/01