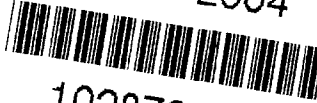


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11-10-04

Tab settings

To the Honorable Commissioner of Patents and Trademarks

original documents or copy thereof.

1. Name of conveying party(ies):
The Jerome Group Inc.

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment Merger
- Security Agreement Change of Name
- Other _____

Execution Date: October 7, 2004

2. Name and address of receiving party(ies)

Name Antares Capital Corporation, as Agent

Internal Address: _____

Street Address: 311 South Wacker Drive, Suite 4400

City: Chicago State: IL ZIP: 60606

Additional name(s) & address(es) attached? 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 No.(s)
See Attached Schedule 1

B. Patent No.(s)
See Attached Schedule 1

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Terese M. Scholl

Internal Address: Katten Muchin Zavis Rosenman

Street Address: 525 West Monroe Street

Suite 1600

City: Chicago State: IL ZIP: 60661

6. Total number of applications and patents involved:

9

7. Total fee (37 CFR 3.41) \$ 360.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

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 the original document.

Terese M. Scholl
Name of Person

Terese M. Scholl
Signature

November 8, 2004
Date

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

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments, Washington, D.C. 20231

11/12/2004 GTON11 00000044 60238162
01 FC:8021 360.00 OP

U.S. PATENT REGISTRATIONS

<u>PATENT</u>	<u>REG. NO.</u>	<u>DATE</u>
CERAMIC-TIPPED HALO PINS	60/238,162	10/05/00
CERAMIC-TIPPED SKULL PINS	09/917,385	07/27/01
CERVICAL COLLARS	6,254,560	07/03/01
ANTIDECUBITUS	5,437,612	08/01/95
IMMOBILIZATION CERVICAL COLLAR		
EXTERNAL FIXATION SYSTEM FOR THE NECK	5,302,170	04/12/94
CERVICAL COLLAR	5,632,722	05/27/97
CERVICAL COLLAR (ORTHOPEDIC SUPPORT UNIT FASTENER)	5,797,713	08/25/98

FOREIGN PATENT REGISTRATIONS

<u>PATENT</u>	<u>REG. NO.</u>	<u>DATE</u>
	None	

U.S. PATENT APPLICATIONS

<u>PATENT</u>	<u>SERIAL NO.</u>	<u>DATE</u>
CERVICAL BRACE	10/001,451	10/23/01
AIRWAY PAD	10/638,979	08/12/03

FOREIGN PATENT APPLICATIONS

<u>PATENT</u>	<u>SERIAL NO.</u>	<u>DATE</u>
	None	

PATENT SECURITY AGREEMENT

PATENT SECURITY AGREEMENT dated as of October 7, 2004 between **THE JEROME GROUP INC.**, a Delaware corporation (“**Grantor**”), and **ANTARES CAPITAL CORPORATION**, a Delaware corporation, as agent (in such capacity, the “**Grantee**”) for the benefit of itself and all financial institutions that from time to time become lenders under the Credit Agreement referred to below (collectively, the “**Lenders**”).

WITNESSETH:

WHEREAS, Grantor, owns the Patent, Patent registrations, and Patent applications listed on **Schedule 1** annexed hereto, and is a party to the Patent licenses listed on **Schedule 1** annexed hereto; and

WHEREAS, Royce Medical Company, a Delaware corporation (“**Borrower**”), has entered into a Credit Agreement dated as of July 11, 2003 (as the same has been and may be further amended, restated, supplemented or otherwise modified and in effect from time to time, the “**Credit Agreement**”), with Antares Capital Corporation, as agent (“**Agent**”) for the benefit of the Lenders, and such Lenders, providing for extensions of credit and other financial accommodations to be made to Borrower by Lenders; and

WHEREAS, Grantor is a wholly-owned Subsidiary of Royce Medical Holdings, Inc., a Delaware corporation and sole shareholder of Borrower, and, as such, will derive substantial benefit and advantage from the loans and other financial accommodations available to the Borrower set forth in the Credit Agreement;

WHEREAS, to induce Agent and the Lenders to continue to make the Loans under the Credit Agreement, Grantor has agreed (i) to guaranty the Obligations (as defined in the Credit Agreement) of Borrower pursuant to that certain Guaranty dated as of even date herewith by Grantor to Agent and (ii) to pledge and grant a security interest in the Collateral (as defined in the Security Agreement referred to below) as security for the Obligations; and

WHEREAS, pursuant to the terms of a Security Agreement dated as of even date herewith (as the same may be amended, restated, supplemented or otherwise modified from time to time, the “**Security Agreement**”), between Grantor and Grantee, Grantor has granted to Grantee for the benefit of Agent and Lenders a security interest in substantially all of the assets of Grantor including all right, title and interest of Grantor in, to and under all now owned and hereafter acquired Patents (as defined in the Security Agreement), Patent registrations, Patent applications and Patent licenses, and all proceeds thereof, to secure the payment of the “**Liabilities**” (as defined in the Security Agreement);

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant to Grantee a continuing security interest in all of Grantor’s right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the “**Patent Collateral**”), whether presently existing or hereafter created or acquired:

(1) each Patent, Patent registration and Patent application, including, without limitation, the Patents, Patent registrations (together with any reissues, continuations or extensions thereof) and Patent applications referred to in **Schedule 1** annexed hereto, all patentable inventions and all inventions and improvements described and claimed thereon and all of the goodwill of the business connected with the use of, and symbolized by, each Patent, Patent registration and Patent application;

(2) each Patent license, including, without limitation, each Patent license referred to in **Schedule 1** annexed hereto; and

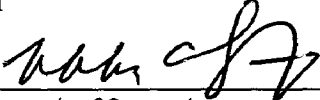
(3) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future infringement of any Patent or Patent registration including, without limitation, the Patents and Patent registrations referred to in **Schedule 1** annexed hereto, the Patent registrations issued with respect to the Patent applications referred in **Schedule 1** and the Patents licensed under any Patent license.

This security interest is granted in conjunction with the security interests granted to Grantee pursuant to the Security Agreement and is not intended to increase the rights of Grantee or the obligations of Grantor beyond the rights and obligations contained in the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Grantee with respect to the security interest in the Patent 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.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, Grantor has caused this Patent Security Agreement to be duly executed by its duly authorized officer as of the day and year first above written.

THE JEROME GROUP INC., a Delaware corporation

By: 
Name: Jeffrey Lipsitz
Title: President

Acknowledged:

ANTARES CAPITAL CORPORATION,
a Delaware corporation, as Agent

By: _____
Name: _____
Title: _____ Director

IN WITNESS WHEREOF, Grantor has caused this Patent Security Agreement to be duly executed by its duly authorized officer as of the day and year first above written.

THE JEROME GROUP INC., a Delaware corporation


By: _____

Name: _____

Title: _____

Acknowledged:

ANTARES CAPITAL CORPORATION,
a Delaware corporation, as Agent

By: 

Name: Chester R. Zara

Title: Director

U.S. PATENT REGISTRATIONS

<u>PATENT</u>	<u>REG. NO.</u>	<u>DATE</u>
CERAMIC-TIPPED HALO PINS	60/238,162	10/05/00
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CERVICAL COLLAR (ORTHOPEDIC SUPPORT UNIT FASTENER)	5,797,713	08/25/98

FOREIGN PATENT REGISTRATIONS

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	None	

U.S. PATENT APPLICATIONS

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FOREIGN PATENT APPLICATIONS

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