

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
Colby Manufacturing Corporation	07/10/2007
RECEIVING PARTY DATA	
Name:	General Electric Capital Corporation
Street Address:	500 West Monroe
City:	Chicago
State/Country:	ILLINOIS
Postal Code:	60661
PROPERTY NUMBERS Total: 3	
Property Type	Number
Application Number:	11441958
Patent Number:	5655258
Patent Number:	5720078
CORRESPONDENCE DATA	
Fax Number:	(404)541-3160
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	404 815 6500
Email:	mcogburn@kilpatrickstockton.com
Correspondent Name:	Laura Mendelson, Kilpatrick Stockton LLP
Address Line 1:	1100 Peachtree Street
Address Line 2:	Suite 2800
Address Line 4:	Atlanta, GEORGIA 30309
ATTORNEY DOCKET NUMBER:	G3560/333108
NAME OF SUBMITTER:	Margaret A. Cogburn

OP \$120.00 11441958

Total Attachments: 10
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INTELLECTUAL PROPERTY SECURITY AGREEMENT

This **INTELLECTUAL PROPERTY SECURITY AGREEMENT**, dated as of July 10, 2007, is made by COLBY MANUFACTURING CORPORATION (“**Grantor**”), with offices at 1016 Branagan Drive, Tullytown, PA 19007, in favor of **GENERAL ELECTRIC CAPITAL CORPORATION**, a Delaware corporation, acting in its capacity as Administrative Agent for the Lenders under the Credit Agreement described below, with offices at 500 West Monroe, Chicago, Illinois 60661 (the “**Administrative Agent**”).

WITNESSETH:

WHEREAS, pursuant to that certain Credit Agreement, dated as of September 1, 2006, among Aspen Surgical Products, Inc., (“**Borrower**”), the other Credit Parties signatory thereto, the Lenders signatory thereto (collectively, the “**Lenders**”), the Administrative Agent and National City Bank, as Documentation Agent (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented, extended replaced or otherwise modified, the “**Credit Agreement**”), the Lenders have agreed, subject to the terms and conditions set forth therein, to make Loans to, and incur L/C Obligations for the benefit of, Borrower;

WHEREAS, Grantor is a Subsidiary of Borrower and as such will derive direct and indirect economic benefit from the making of the Loans and other financial accommodations provided to the Borrower pursuant to the Credit Agreement;

WHEREAS, Administrative Agent and the Lenders are willing to make the Loans and to incur L/C Obligations as provided for in the Credit Agreement, but only upon the condition, among others, that Grantor shall have executed and delivered to the Administrative Agent, for itself and the ratable benefit of Lenders, that certain Subsidiary Security Agreement, dated as of the date hereof (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the “**Security Agreement**”); and

WHEREAS, pursuant to the Credit Agreement and the Security Agreement, Grantor is required to execute and deliver to Administrative Agent, for itself and the ratable benefit of the Lenders, this Intellectual Property Security Agreement.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby agrees as follows:

1. **Definitions**. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Security Agreement or in **Section 1.1** of the Credit Agreement, as applicable.

2. **Grant of Security Interest**. To secure the prompt and complete payment and performance of all of the Obligations, Grantor hereby grants, assigns, conveys, mortgages, pledges, hypothecates and transfers to Administrative Agent, for itself and the benefit of Lenders, a Lien upon all of its right, title and interest of Grantor in, to and

under the following, whether presently existing or hereafter created or acquired (collectively, the “**Intellectual Property Collateral**”):

(a) all of its Patents and Patent Licenses to which it is a party including those referred to on Schedule I hereto, respectively;

(b) all of its Trademarks and Trademark Licenses to which it is a party including those referred to on Schedule II hereto, respectively;

(c) all of its Copyrights and Copyright Licenses to which it is a party including those referred to on Schedule III hereto, respectively;

(d) all reissues, continuations or extensions of the foregoing;

(e) all goodwill of the business connected with the use of, and symbolized by, each Patent, each Patent License, each Trademark, each Trademark License, each Copyright and each Copyright License; and

(f) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (i) infringement or dilution of any Patent or Patent licensed under any Patent License, (ii) injury to the goodwill associated with any Patent or any Patent licensed under any Patent License, (iii) infringement or dilution of any Trademark or Trademark licensed under any Trademark License, (iv) injury to the goodwill associated with any Trademark or any Trademark licensed under any Trademark License, (v) infringement or dilution of any Copyright or Copyright licensed under any Copyright License, and (vi) injury to the goodwill associated with any Copyright or any Copyright licensed under any Copyright License.

3. **Representations and Warranties.** Grantor represents and warrants to the Administrative Agent and the Lenders that Grantor does not have any interest in, or title to, any Patent, registered Trademark or registered Copyright except as set forth in Schedule I, Schedule II and Schedule III, respectively, hereto. This Intellectual Property Security Agreement is effective to create a valid and continuing Lien on and, upon the recording hereof by the United States Copyright Office and the United States Patent and Trademark Office, perfected Liens in favor of Administrative Agent (for the benefit of itself and the Lenders) on Grantor’s Patents, registered Trademarks and registered Copyrights and such perfected Liens are enforceable as such as against any and all creditors of and purchasers from any Grantor to the extent that recording in the United States Copyright Office and the United State Patent and Trademark Office is effective to do so and subject to the proviso in the next sentence. Upon recording of this Intellectual Property Security Agreement by the United States Copyright Office and the United States Patent and Trademark Office and the filing of appropriate financing statements listed on Schedule I to the Security Agreement, all action necessary or desirable to protect and perfect Administrative Agent’s Lien on Grantor’s Patents, registered Trademarks or registered Copyrights shall have been duly taken; provided, however, that the subsequent recordation of this Intellectual Property Security Agreement in the U.S. Patent and

Trademark Office and U.S. Copyright Office, as applicable, may be necessary to perfect the security interest of the Administrative Agent in issued registrations and applications for other U.S. Intellectual Property that are acquired by Grantor after the date hereof, the registration of unregistered Copyrights in the U.S. Copyright Office may be required in order to perfect the Administrative Agent's Lien therein, and the taking of actions outside the United States may be required in order to perfect the Administrative Agent's Lien in Intellectual Property included in the Collateral which is protected under non-U.S. law.

4. **Covenants.** Grantor covenants and agrees with the Administrative Agent that from and after the date of this Intellectual Property Security Agreement and until the Termination Date:

(a) Grantor shall notify Administrative Agent immediately if it knows or has reason to know that any material application or registration relating to any Patent, Trademark or Copyright (now or hereafter existing) may become abandoned or dedicated to the public, or of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any court) regarding Grantor's ownership of any Patent, Trademark or Copyright, its right to register the same, or to keep and maintain the same.

(b) Grantor shall provide Administrative Agent with written notice of any application filed by Grantor, either by itself or through any agent, employee, licensee or designee, to register any Patent, Trademark or Copyright with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency in the United States within ninety (90) days of such filing, and, upon request of Administrative Agent, Grantor shall execute and deliver a supplement hereto as Administrative Agent may request to evidence Administrative Agent's Lien on such Patent, Trademark or Copyright, and the General Intangibles of Grantor relating thereto or represented thereby.

(c) Grantor shall take all commercially reasonable actions necessary or requested by Administrative Agent to maintain and pursue each application, to obtain the relevant registration and to maintain the registration of each of the Patents, Trademarks and Copyrights (now or hereafter existing), including the filing of applications for renewal, affidavits of use, affidavits of noncontestability and opposition and interference and cancellation proceedings, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

(d) In the event that any of the Intellectual Property Collateral is infringed upon, or misappropriated or diluted by a third party, Grantor shall (1) comply with Section 5(c) of the Security Agreement and (2) unless Grantor shall reasonably determine that such Intellectual Property Collateral is not material to the conduct of its business or operations, promptly take all commercially

reasonable actions, including to sue to enjoin any such conduct and/or to recover any and all damages for such infringement, misappropriation or dilution.

5. **Security Agreement.** The security interests granted by Grantor pursuant to this Intellectual Property Security Agreement are granted in conjunction with the security interest granted by Grantor to Administrative Agent, on behalf of itself and the Lenders, pursuant to the Security Agreement. Grantor and Administrative Agent expressly agree that the security interests granted under this Intellectual Property Security Agreement and the Security Agreement in the Intellectual Property Collateral are intended to be treated as a single security interest for purposes of Article 9 of the Code and other applicable law. The exercise by the Administrative Agent or the Lenders of any rights or remedies with respect to any of the Intellectual Property Collateral shall be deemed to be an exercise of such rights or remedies in connection with both this Intellectual Property Security Agreement and the Security Agreement. In the event of any inconsistency between the terms and conditions of this Intellectual Property Security Agreement and the Security Agreement, the terms and conditions of the Security Agreement shall prevail.

6. **Reinstatement.** This Intellectual Property Security Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against Grantor for liquidation or reorganization, should Grantor become insolvent or make an assignment for the benefit of any creditor or creditors or should a receiver or trustee be appointed for all or any significant part of Grantor's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

7. **Notices.** Whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the parties by any other party, or whenever any of the parties desires to give and serve upon any other party any communication with respect to this Intellectual Property Security Agreement, each such notice, demand, request, consent, approval, declaration or other communication shall be in writing and shall be given in the manner, and deemed received, as provided for in the Credit Agreement.

8. **Termination; Authorized Sales of Collateral.** Subject to Section 6 hereof, this Intellectual Property Security Agreement shall terminate upon the Termination Date. In the event Grantor proposes to sell any of the Intellectual Property Collateral and such sale is permitted pursuant to the terms and conditions set forth in Section 7.8 of the Credit Agreement, the Administrative Agent agrees, at the expense of the Grantor, to execute and deliver to the Grantor, prior to or contemporaneously with Grantor's receipt of the proceeds from such sale, such UCC-3 termination statements and

other collateral property releases necessary to release the applicable Intellectual Property Collateral from the lien and security interest of the Administrative Agent.

9. **Governing Law.** THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF ILLINOIS. GRANTOR HEREBY SUBMITS TO THE NONEXCLUSIVE JURISDICTION OF THE FEDERAL AND/OR STATE COURTS SITTING IN COOK COUNTY, CITY OF CHICAGO, ILLINOIS FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. GRANTOR IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM. EACH OF THE PARTIES HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 11.3 OF THE CREDIT AGREEMENT. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY TO THIS AGREEMENT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW.

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IN WITNESS WHEREOF, Grantor has caused this Intellectual Property Security Agreement to be executed and delivered by its duly authorized officer or other representative as of the date first set forth above.

GRANTOR:

COLBY MANUFACTURING CORPORATION

By: [Signature]
Name: Terry O'Rourke
Title: Vice President

ACKNOWLEDGMENT OF GRANTOR

STATE OF Michigan
COUNTY OF Kent

On this 10th day of July, 2007, before me personally appeared Terry O'Rourke who proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of Colby Manufacturing Corporation, who being by me duly sworn did depose and say that he is the Authorized Person of said company, that the said instrument was signed on behalf of said company as authorized by its Board of Directors (or equivalent governing body) and that he acknowledged said instrument to be the free act and deed of said company.

[Signature]
Notary Public John Sommerdyke
My Commission expires 10-26-09

{seal}

ACCEPTED AND ACKNOWLEDGED by:

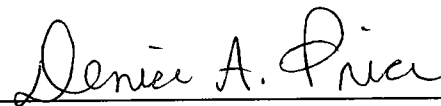
**GENERAL ELECTRIC CAPITAL CORPORATION,
as Administrative Agent**

By: 
Name: Adam Willis
Title: Duly Authorized Signatory

ACKNOWLEDGMENT OF ADMINISTRATIVE AGENT

STATE OF IL
COUNTY OF COOK

On this 10th day of July, 2007, before me personally appeared Adam Willis, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of General Electric Capital Corporation, who being by me duly sworn did depose and say that he is the Authorized Person of said company, that the said instrument was signed on behalf of said company as authorized by its Board of Directors (or equivalent governing body) and that he acknowledged said instrument to be the free act and deed of said company.


Notary Public

{seal}



SCHEDULE I
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Patents:

- U.S. Patent #5,655,258 — 8/12/97; J. Aaron Heintz; Device for Aspirating Fluids from Hospital Operating Room Floor
- U.S. Patent #5,720,078 — 2/24/98; J. Aaron Heintz; Device for Aspirating Fluids from Hospital Operating Room Floor
- European Patent #0902688 — 1/12/05; J. Aaron Heintz; Device for Aspirating Fluids from Operating Room Floor; Countries validated — Germany, France, and Great Britain
- Canadian Patent #2,247,104 — 9/6/2005 — Device for Aspirating Fluids from Operating Room Floor
- Japanese Patent Pending — Serial #532738/97 — Device for Aspirating Fluids from Hospital Operating Room Floor
- World Intellectual Property Organization (WIPO) — Serial #PCT/US97/03719 — National Phase — Device for Aspirating Fluids from Hospital Operating Room Floor
- U.S. Patent Pending — Serial #11/441,958 — A Pre-Surgical Safety, Warning, Notification, and/or Safety Device

SCHEDULE II
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Trademarks:

- U.S. Trademark #2,081,344 — WaterBug Quiet Floor Suction® — 7/22/97
- U.S. Trademark #2,249,472 — WaterBug® — 6/1/99
- U.S. Trademark #2,665,437 — SurgiGuard® — 12/24/02
- U.S. Trademark #2,751,943 — No Cut Symbol — 8/19/03
- U.S. Trademark #2,752,783 — SurgiSafe® Plus Design — 8/19/03
- U.S. Trademark #2,832,482 — VeriSite and Design (in circle) — 4/13/04
- U.S. Trademark #2,964,660 — VeriSite® — 7/5/05
- U.S. Trademark #3,010,034 — VeriSite Very Smart — 11/1/05
- U.S. Trademark #3,262,822 — WaterBoom™ — 7/10/07
- U.S. Trademark — Application # _____ (Pending) – AquaNot™

Colby uses numerous logos in addition to those protected by the trademarks above.

Colby owns the rights to the following domain names:

<u>Name</u>	<u>Expiration</u>
colbymfg.com	February 15, 2008
colbymfg.net	February 17, 2010
surgiguard.com	January 4, 2012
surgisafe.com	November 30, 2010
virasorb.com	December 8, 2011

SCHEDULE III
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

I. COPYRIGHT REGISTRATIONS

<u>Copyright</u>	<u>Reg. No.</u>	<u>Date</u>
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None

II. COPYRIGHT APPLICATIONS

<u>Copyright</u>	<u>Date</u>
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None

III. COPYRIGHT LICENSES

<u>Name of Agreement</u>	<u>Date of Agreement</u>	<u>Parties</u>
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None

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