

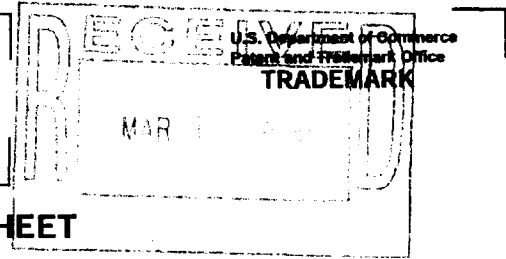
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FORM PTO-1618A
Expires 06/30/99
OMB 0651-0027

04-07-2000



101309007



RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment License
 - Security Agreement Nunc Pro Tunc Assignment
 - Merger Change of Name
 - Other
- Effective Date
Month Day Year

Conveying Party

Mark if additional names of conveying parties attached

Name Execution Date
Month Day Year

Formerly

- Individual General Partnership Limited Partnership Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)
City State/Country Zip Code

- Individual General Partnership Limited Partnership Corporation Association
 - Other
- If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

Citizenship/State of Incorporation/Organization

04/07/2000 JSNBRZZ 00000021 75404015

FOR OFFICE USE ONLY

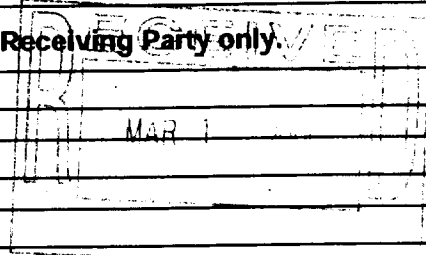
01 FC:481 40.00 OP
02 FC:482 290.00 OP

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, D.C. 20231
REEL: 002045 FRAME: 0173

Domestic Representative Name and Address

Enter for the first Receiving Party only.



Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

(415) 371-1200

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)			Registration Number(s)		
<input type="text" value="75404015"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="2217346"/>	<input type="text" value="2055255"/>	<input type="text" value="1370707"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="2077308"/>	<input type="text" value="2055254"/>	<input type="text" value="1035561"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="2055256"/>	<input type="text" value="1697316"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

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. Charges to deposit account are authorized, as indicated herein.

Mary A. Francis, Esq.

Feb. 29, 2000

Name of Person Signing

Signature

Date Signed

RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY

FORM PTO-1618C
Expires 06/30/99
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U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK

Conveying Party

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship State of Incorporation/Organization

Receiving Party

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

Galen Partners International III, L.P.

DBA/AKA/TA

Composed of

Address (line 1)

610 Fifth Avenue

Address (line 2)

Address (line 3)

New York

NY/U.S.A.

10020

City

State/Country

Zip Code

Individual General Partnership Limited Partnership

Corporation Association

Other

Citizenship/State of Incorporation/Organization Delaware

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**RECORDATION FORM COVER SHEET
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Registration Number(s)

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**CONDITIONAL ASSIGNMENT OF AND
SECURITY INTEREST IN INTELLECTUAL PROPERTY RIGHTS
(TRADEMARK)**

THIS CONDITIONAL ASSIGNMENT OF AND SECURITY INTEREST IN INTELLECTUAL PROPERTY RIGHTS (TRADEMARK) ("Conditional Assignment"), dated December ~~22~~, 1999, is made by Genetic Laboratories Wound Care, Inc., a Minnesota corporation with offices at 2726 Patton Road, St. Paul Minnesota 55113 ("Grantor"), in favor of Galen Partners III, L.P., a Delaware limited partnership with offices at 610 Fifth Avenue, New York, New York 10020, Galen Partners International III, L.P., a Delaware limited partnership with offices at 610 Fifth Avenue, New York, New York 10020, Galen Employee Fund III, L.P., a Delaware limited partnership with offices at 610 Fifth Avenue, New York, New York 10020 and Med-Tec Investors, LLC, a New Jersey limited liability company with offices at 777 Alexander Road, Princeton, New Jersey 08540 (collectively, the "Secured Parties").

WHEREAS, the Secured Parties have agreed to purchase from Derma Sciences, Inc., corporate parent of the Grantor, those certain convertible bonds due December 31, 2000 in the aggregate principal amount of \$750,000 ("Convertible Bonds"); and

WHEREAS, in order to secure payment of interest and principal on the Convertible Bonds the Grantor, its corporate affiliates and the Secured Parties have entered into that certain security agreement of even date herewith ("Security Agreement");

NOW, THEREFORE, in consideration of the purchase of the Convertible Bonds by the Secured Parties and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the parties hereto, the Grantor hereby makes this Conditional Assignment upon the terms hereinafter set forth:

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

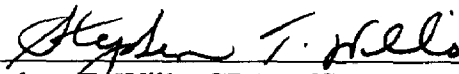
2. **Conditional Assignment and Grant of Security Interest.** The Grantor hereby: pledges, grants a continuing security interest in and a right of setoff against, and assigns, transfers and conveys to the Secured Parties, effective upon demand made upon the occurrence and during the continuance of an Event of Default, the trademarks (including, without limitation, those items listed on Schedule A hereto), together with all goodwill pertaining thereto.

3. **Purpose.** This Conditional Assignment has been executed and delivered by the Grantor for the purpose of registering the conditional assignment and grant of security interest with the United States Patent and Trademark Office. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Secured Parties under the Security Agreement. The Security Agreement (and all rights and remedies of the Secured Parties thereunder) shall remain in full force and effect in accordance with their terms.

4. **Acknowledgement.** The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Secured Parties with respect to the security interest in the trademarks granted hereby are more fully set forth in the Security Agreement the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

IN WITNESS WHEREOF, the Grantor has caused this Conditional Assignment to be duly executed and delivered by its Vice President and Chief Financial Officer thereunto duly authorized as of the day and year first above written.

GENETIC LABORATORIES WOUND CARE, INC.

By: 
Stephen T. Wills, CPA, MST
Vice President and Chief Financial Officer

SCHEDULE A

**CONDITIONAL ASSIGNMENT OF AND SECURITY INTEREST
IN INTELLECTUAL PROPERTY RIGHTS
(TRADEMARK)**

Mark	Registration Number (Serial Number)	Registration Date (Filing Date)
ACCU-CLEANSE (and all goodwill pertaining thereto)	2217346	January 12, 1999
UC STRIP (and all goodwill pertaining thereto)	2077308	July 8, 1997
NG STRIP (and all goodwill pertaining thereto)	2055256	April 22, 1997
PERCU-STAY (and all goodwill pertaining thereto)	2055255	April 22, 1997
LC STRIP (and all goodwill pertaining thereto)	2055254	April 22, 1997
SUTURE STRIP (and all goodwill pertaining thereto)	1697316	June 30, 1992
SUTURE STRIP (and all goodwill pertaining thereto)	1370707	November 12, 1985
FLEXINET (and all goodwill pertaining thereto)	1035561	March 9, 1976
PLEURA-STAY (and all goodwill pertaining thereto)	(75-404015)	(December 11, 1997)