

Form PTO-1594

(Rev. 03/01)

OMB No. 0651-0027 (exp. 5/31/2002)

RECORDATION FORM COVER SHEET

TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCE

U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Galen Partners III, L.P.

- Individual(s), Association, General Partnership, Limited Partnership, Corporation-State Delaware, Other

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

3. Nature of conveyance:

- Assignment, Merger, Security Agreement, Change of Name, Other Release of Conditional Assignment of and Security Agreement dated 08/16/1999

Execution Date: May 13, 2002

2. Name and address of receiving party(ies)

Name: Derma Sciences, Inc.

Internal

Address:

Street Address: 214 Carnegie Center, Suite 100

City: Princeton State: NJ Zip:

- Individual(s) citizenship, Association, General Partnership, Limited Partnership, Corporation-State Pennsylvania, Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

2,217,346 2,077,308 2,055,256 2,055,255 2,055,254 1,697,316 1,370,707 1,035,561 2,291,501

Additional number(s) attached Yes No

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

Name: James H. Marsh, Jr.

Internal Address: Stinson Morrison Hecker LLP

Street Address: 1201 Walnut, Suite 2800

City: Kansas City State: Missouri Zip: 64108-2150

6. Total number of applications and registrations involved:

9

7. Total fee (37 CFR 3.41) \$ 240.00

- Enclosed, Authorized to be charged to deposit account

8. Deposit account number:

19-4409

(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 copy of the original document.

James H. Marsh, Jr. Name of Person Signing

Signature

01/10/03 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

Continuation Page Containing Additional Conveying Parties

1. Name of conveying party(ies):
Galen Partners International III, L.P.

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State Delaware
 Other _____

1. Name of conveying party(ies):
Galen Employee Fund III, L.P.

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State Delaware
 Other _____

1. Name of conveying party(ies):
Hambrecht & Quist California, LLC

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State _____
 Other California, Limited Liability Company

1. Name of conveying party(ies):
Med-Tec Investors, LLC

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State _____
 Other New Jersey, Limited Liability Company

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

**RELEASE OF CONDITIONAL ASSIGNMENT OF AND
SECURITY INTEREST IN INTELLECTUAL PROPERTY RIGHTS
(GENETIC LABORATORIES WOUND CARE, INC. - TRADEMARK)**

THIS RELEASE OF CONDITIONAL ASSIGNMENT OF AND SECURITY INTEREST IN INTELLECTUAL PROPERTY RIGHTS (GENETIC LABORATORIES WOUND CARE, INC. - TRADEMARK) ("Release of Conditional Assignment"), dated May 2002, consisting of this page, five signature pages and Schedule A, is made in favor of Derma Sciences, Inc., successor in interest to Genetic Laboratories Wound Care, Inc., a Minnesota corporation with offices previously located at 214 Carnegie Center, Suite 100, Princeton, New Jersey ("Genetic Labs") by 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, Hambrecht & Quist California, LLC, a California limited liability company with offices at One Bush Street, San Francisco, California 94104, 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 previously purchased from Derma Sciences, Inc., Genetic Labs' former corporate parent, those certain convertible bonds due August 15, 2000 in the aggregate principal amount of \$800,000 ("Convertible Bonds");

WHEREAS, in order to secure payment of interest and principal on the Convertible Bonds, Genetic Labs, by instrument dated August 16, 1999 (the "Conditional Assignment") made a conditional assignment of, and granted a security interest in, its trademark rights including rights in those trademarks set forth in Schedule A hereto (collectively, the "Trademarks"); and

WHEREAS, the Convertible Bonds and all other indebtedness of Derma Sciences and Genetic Labs to the Secured Parties (collectively, the "Indebtedness") have been satisfied;

NOW, THEREFORE, in consideration of the satisfaction of the Indebtedness and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Secured Parties, the Secured Parties make this Release of Conditional Assignment as hereinafter set forth:

1. Release of Conditional Assignment. The Secured Parties hereby release in favor of Derma Sciences, Inc., successor in interest to Genetic Labs, the pledge and security interest in the Trademarks granted to them under the Conditional Assignment.

2. Purpose. This Release of Conditional Assignment has been executed and delivered by the Secured Parties for the purpose of registering same with the United States Patent and Trademark Office.

IN WITNESS WHEREOF, Med-Tec Investors, LLC has caused this Release of Conditional Assignment (Genetic Labs, Inc. – Trademark) to be duly executed and delivered by its officer thereunto duly authorized as of the day and year first above written.

MED-TEC INVESTORS, LLC

By: Stephen T. Wills
Stephen T. Wills, CPA, MST
Managing Member

ACKNOWLEDGMENT

STATE OF NEW JERSEY:

: ss

COUNTY OF MERCER:

On the 31st day of May, 2002, before me Stephen T. Wills, the undersigned officer, personally appeared Stephen T. Wills, CPA, MST, to me personally known to be the Managing Member of Med-Tec Investors, LLC, a New Jersey limited liability company, who, being duly sworn, did depose and say that he executed and delivered the foregoing instrument, having previously been thereunto duly authorized, and that said instrument was the free act and deed of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Marcus Molino
Notary Public

Marcus Molino
Notary Public of New Jersey
My Commission Expires Jan. 30, 05

[NOTARIAL SEAL]

IN WITNESS WHEREOF, Galen Partners III, L.P. has caused this Release of Conditional Assignment (Genetic Labs, Inc. - Trademark) to be duly executed and delivered by Claudius, L.L.C., its General Partner, by its Senior Managing Member thereunto duly authorized as of the day and year first above written.

GALEN PARTNERS III, L.P.

By: Claudius, L.L.C.
Its General Partner

By: Bruce F. Wesson
Bruce F. Wesson
Senior Managing Member

ACKNOWLEDGMENT

STATE OF NEW YORK:

: ss

BOROUGH OF MANHATTEN:

On the ~~13~~ day of May, 2002, before me Paula G Semelmacher, the undersigned officer, personally appeared Bruce F. Wesson, to me personally known to be the Senior Managing Member of Claudius, L.L.C., who, being duly sworn, did depose and say that he executed and delivered the foregoing instrument, having previously been thereunto duly authorized, and that said instrument was the free act and deed of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Paula G Semelmacher
Notary Public

[NOTARIAL SEAL]

PAULA G. SEMELMACHER
Notary Public, State of New York
No. 01SE6004120
Qualified in Nassau County
Commission Expires March 16, ~~2005~~

IN WITNESS WHEREOF, Galen Partners International III, L.P. has caused this Release of Conditional Assignment (Genetic Labs, Inc. - Trademark) to be duly executed and delivered by Claudius, L.L.C., its General Partner, by its Senior Managing Member thereunto duly authorized as of the day and year first above written.

GALEN PARTNERS INTERNATIONAL III, L.P.

By: Claudius, L.L.C.
Its General Partner

By: Bruce F. Wesson
Bruce F. Wesson
Senior Managing Member

ACKNOWLEDGMENT

STATE OF NEW YORK:

: ss

BOROUGH OF MANHATTEN:

On the ^{13th} day of May, 2002, before me Paula G. Semelmacher the undersigned officer, personally appeared Bruce F. Wesson, to me personally known to be the Senior Managing Member of Claudius, L.L.C., who, being duly sworn, did depose and say that he executed and delivered the foregoing instrument, having previously been thereunto duly authorized, and that said instrument was the free act and deed of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Paula G. Semelmacher
Notary Public

PAULA G. SEMELMACHER
Notary Public, State of New York
No. 01SE6004120
Qualified in Nassau County
Commission Expires March 16, 2006

[NOTARIAL SEAL]

IN WITNESS WHEREOF, Galen Employee Fund III, L.P. has caused this Release of Conditional Assignment (Genetic Labs, Inc. - Trademark) to be duly executed and delivered by Wesson Enterprises, Inc., its General Partner, by its President thereunto duly authorized as of the day and year first above written.

GALEN EMPLOYEE III, L.P.

By: Wesson Enterprises, Inc.
Its General Partner

By: Bruce F. Wesson
Bruce F. Wesson
President

ACKNOWLEDGMENT

STATE OF NEW YORK:

: ss

BOROUGH OF MANHATTEN:

On the ^{13th} day of May, 2002, before me Paula G. Semelmacher, the undersigned officer, personally appeared Bruce F. Wesson, to me personally known to be the President of Wesson Enterprises, Inc., who, being duly sworn, did depose and say that he executed and delivered the foregoing instrument, having previously been thereunto duly authorized, and that said instrument was the free act and deed of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Paula G. Semelmacher
Notary Public

PAULA G. SEMELMACHER
Notary Public, State of New York
No. 01SE6004120
Qualified in Nassau County
Commission Expires March 16, 2006

[NOTARIAL SEAL]

IN WITNESS WHEREOF, Hambrecht & Quist California, LLC has caused this Release of Conditional Assignment (Genetic Labs, Inc. - Trademark) to be duly executed and delivered by its officer thereunto duly authorized as of the day and year first above written.

HAMBRECHT & QUIST CALIFORNIA.

By: Thomas Szymoniak
Thomas Szymoniak
Attorney-in-Fact

ACKNOWLEDGMENT

STATE OF CALIFORNIA:

: ss

BOROUGH OF San Francisco

On the 4th day of May, 2002, before me Shannon Horton the undersigned officer, personally appeared Thomas Szymoniak, to me personally known to be the Attorney-in-Fact for Hambrecht & Quist California, who, being duly sworn, did depose and say that he executed and delivered the foregoing instrument, having previously been thereunto duly authorized, and that said instrument was the free act and deed of said company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



Shannon Horton
Notary Public

[NOTARIAL SEAL]

SCHEDULE A**RELEASE OF CONDITIONAL ASSIGNMENT OF AND
SECURITY INTEREST IN INTELLECTUAL PROPERTY RIGHTS
(GENETIC LABORATORIES WOUND CARE, INC. - 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)