

10-09-2003

10-3-03

Form PTO-1594

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102571225

U.S. DEPARTMENT OF COMMERCE

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

1. Name of conveying party(ies)
FINANCE SECTION

Celerity Group, Inc.

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

Other _____

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

3. Nature of conveyance:

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

Execution Date: September 26, 2003

2. Name and address of receiving party(ies)

Name: **Tennenbaum Capital Partners, LLC**

Internal Address: 11100 Santa Monica Blvd., Suite 210

Street Address: 11100 Santa Monica Blvd., Suite 210

City: Los Angeles State: CA Zip: 90025

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

Other Delaware Limited Liability Company

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) 78/113613, 78/152505, 78/278495

B. Trademark Registration No.(s)

Additional number(s) attached Yes No

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

Name: Janis Nici

Internal Address: Milbank, Tweed, Hadley &

McCloy LLP

Street Address: One Chase Manhattan Plaza, Rm. 4525

City: New York State: NY Zip: 10005

6. Total number of applications and registrations involved: 3

7. Total fee (37 CFR 3.41) \$90

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

13-3250

(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

Janis Nici
Name of Person Signing

[Signature]
Signature

10-02-03
Date

Total number of pages including cover sheet, attachments, and document: 64

10/09/2003 15:00:00 00000103 122826 78113613

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

01 FEB 2004 10:00 AM
02 FEB 2004 10:00 AM

NY2:4522626

TRADEMARK
REEL: 002841 FRAME: 0257

SECURITY AGREEMENT

SECURITY AGREEMENT dated as of September 26, between Kinetics Group, Inc., a Delaware corporation (the "Company"); Celerity Group, Inc., a Delaware corporation ("Holdings"), each of the Subsidiaries of the Company identified under the caption "Subsidiary Guarantors" on the signature pages hereto (individually, a "Subsidiary Guarantor" and, collectively, the "Subsidiary Guarantors" and, together with Holdings, the "Guarantors" and, the Guarantors together with the Company, the "Obligors"); and Tennenbaum Capital Partners, LLC, a Delaware limited liability company, as administrative agent and collateral agent under the Purchase Agreement referred to below (together with its successors in such capacity, the "Collateral Agent").

The Company, Holdings, the Subsidiary Guarantors, certain purchasers and the Collateral Agent are parties to a Purchase Agreement dated as of September 26, 2003 (as modified and supplemented and in effect from time to time, the "Purchase Agreement"), providing, subject to the terms and conditions thereof, for the purchase of notes and warrants by said purchasers from the Company in an aggregate principal or face amount of \$75,000,000.

To induce said purchasers to enter into the Purchase Agreement and to purchase the notes and warrants thereunder, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Obligor has agreed to grant a security interest in the Pledged Collateral (as hereinafter defined) as security for the Secured Obligations (as so defined). Accordingly, the parties hereto agree as follows:

Section 1. Definitions.

(a) Terms defined in the Purchase Agreement are used herein as defined therein.

(b) The terms "Accounts", "Chattel Paper", "Deposit Account", "Document", "Electronic Chattel Paper", "Equipment", "Fixtures", "General Intangible", "Goods", "Instrument", "Inventory", "Investment Property", "Letter-of-Credit Right", "Payment Intangible", "Proceeds" and "Software" have the respective meanings ascribed thereto in Article 9 of the UCC. The term "Financial Assets" shall have the meaning ascribed thereto in Article 8 of the UCC.

(c) In addition, as used herein:

“Agreement” shall mean this Security Agreement.

“Collateral Account” has the meaning assigned to such term in Section 4.

“Commercial Tort Claims” means “Commercial Tort Claims” as such term is defined in the UCC and which are described on Annex 8 hereto.

“Copyright Collateral” means all Copyrights, whether now owned or hereafter acquired by any Obligor, including each Copyright identified in Annex 4.

“Copyrights” means all copyrights, copyright registrations and applications for copyright registrations, including, without limitation, all renewals and extensions thereof, the right to recover for all past, present and future infringements thereof, and all other rights of any kind whatsoever accruing thereunder or pertaining thereto.

“Intellectual Property” means, collectively, all Copyright Collateral, all Patent Collateral and all Trademark Collateral, together with (a) all inventions, processes, production methods, proprietary information, know-how and trade secrets; (b) all licenses or user or other agreements granted to any Obligor with respect to any of the foregoing, in each case whether now or hereafter owned or used including, without limitation, the licenses or other agreements with respect to the Copyright Collateral, the Patent Collateral or the Trademark Collateral, listed in Annex 7; (c) all information, customer lists, identification of suppliers, data, plans, blueprints, specifications, designs, drawings, recorded knowledge, surveys, engineering reports, test reports, manuals, materials standards, processing standards, performance standards, catalogs, computer and automatic machinery software and programs; (d) all field repair data, sales data and other information relating to sales or service of products now or hereafter manufactured; (e) all accounting information and all media in which or on which any information or knowledge or data or records may be recorded or stored and all computer programs used for the compilation or printout of such information, knowledge, records or data; (f) all licenses, consents, permits, variances, certifications and approvals of governmental agencies now or hereafter held by any Obligor; and (g) all causes of action, claims and warranties now or hereafter owned or acquired by any Obligor in respect of any of the items listed above.

“Issuers” means, collectively, (a) the respective corporations, partnerships or other entities identified next to the names of the Obligors on Annex 3 under the caption “Issuer” and (b) any other entity that shall at any time be a Subsidiary of any of the Obligors.

“Motor Vehicles” means motor vehicles, tractors, trailers and other like property, whether or not the title thereto is governed by a certificate of title or ownership.

“Patent Collateral” means all Patents, whether now owned or hereafter acquired by any Obligor, including each Patent identified in Annex 5.

“Patents” means all patents and patent applications, including, without limitation, the inventions and improvements described and claimed therein together with the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, all income, royalties, damages and payments now or hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, the right to sue for past, present and future infringements thereof, and all rights corresponding thereto throughout the world.

“Pledged Collateral” has the meaning assigned to such term in Section 3.

“Pledged Stock” has the meaning assigned to such term in Section 3(k).

“Secured Obligations” means, collectively, (a) in the case of the Company, the principal of and interest on the Notes and all other amounts whatsoever now or hereafter from time to time owing by the Company to the Secured Parties, or any of them, under the Transaction Documents and (b) in the case of each Guarantor, all present and future obligations of such Guarantor under the Purchase Agreement and the other Transaction Documents to which it is party (including, without limitation, in respect of its Guarantee under Section 13 of the Purchase Agreement). The term “Secured Obligations” shall include any interest, fees and any and all other amounts accruing or arising after the date of any filing by any Obligor of any petition in bankruptcy or the commencing of any bankruptcy, insolvency or similar proceedings with respect to such Obligor, whether or not such interest, fees or other amounts are allowable as a claim in any such proceeding.

“Secured Parties” means, collectively, the Holders and the Collateral Agent.

“Stock Collateral” has the meaning assigned to such term in Section 3(k)(ii).

“Trademark Collateral” means all Trademarks, whether now owned or hereafter acquired by any Obligor, including each Trademark identified in Annex 6. Notwithstanding the foregoing, the Trademark Collateral does not and shall not include any Trademark that would be rendered invalid, abandoned, void or unenforceable by reason of its being included as part of the Trademark Collateral.

“Trademarks” means all trade names, trademarks and service marks, logos, trademark and service mark registrations, and applications for trademark and service mark registrations, including, without limitation, all renewals of trademark and service mark registrations, all rights corresponding thereto throughout the world, the right to recover for all past, present and future infringements thereof, all other rights of any kind whatsoever accruing thereunder or pertaining thereto, together, in each case, with the product lines and goodwill of the business connected with the use of, and symbolized by, each such trade name, trademark and service mark.

“UCC” means the Uniform Commercial Code as in effect from time to time in the State of New York.

Section 2. Representations and Warranties. Each Obligor represents and warrants to the Secured Parties that:

(a) Title and Priority. Such Obligor is the sole beneficial owner of the Pledged Collateral in which it purports to grant a security interest pursuant to Section 3, and no Lien exists upon such Pledged Collateral, except for Permitted Liens and except for the security interest in favor of the Secured Parties created pursuant hereto. The security interest created pursuant hereto constitutes a valid and perfected security interest in the Pledged Collateral in which such Obligor purports to grant a security interest pursuant to Section 3, subject to no equal or prior Lien except for Permitted Liens.

(b) Names, Etc. (i) The full and correct legal name, type of organization, jurisdiction of organization, organizational ID number (if applicable) and mailing address of each Obligor as of the date hereof are correctly set forth in Annex 1.

(ii) Annex 1 correctly specifies (i) the place of business of each Obligor or, if such Obligor has more than one place of business, the location of the chief executive office of such Obligor, and (ii) each location where Goods of each Obligor are located (other than Motor Vehicles constituting Equipment and Goods in transit).

(c) Changes in Circumstances. Such Obligor has not (i) within the period of four months prior to the date hereof, changed its location (as defined in Section 9-307 of the UCC), (ii) except as specified in Annex 1, heretofore changed its name, or (iii) except as specified in Annex 2, heretofore become a “new debtor” (as defined in Section 9-102(a)(56) of the UCC) with respect to a currently effective security agreement previously entered into by any other Person.

(d) Pledged Stock. The Pledged Stock identified under the name of such Obligor in Annex 3 is, and all other Pledged Stock in which such Obligor shall hereafter grant a security interest pursuant to Section 3 will be, duly authorized, validly existing, fully paid and non-assessable and none of such Pledged Stock is or will be subject to any contractual restriction, or any restriction under the charter or by-laws of the respective Issuer of such Pledged Stock, upon the transfer of such Pledged Stock (except for any such restriction contained herein or in the Purchase Agreement). The Pledged Stock identified under the name of such Obligor in Annex 3 constitutes all of the issued and outstanding shares of capital stock of any class of the Issuers beneficially owned by such Obligor on the date hereof (whether or not registered in the name of such Obligor) and Annex 3 correctly identifies, as at the date hereof, the respective Issuers of such Pledged Stock, the respective class and par value of the shares constituting such Pledged Stock and the respective number of shares (and registered owners thereof) represented by each such certificate.

(e) Intellectual Property. Annexes 4, 5, and 6, respectively, set forth under the name of such Obligor a complete and correct list of all Copyrights, Patents and Trademarks owned by such Obligor on the date hereof; except pursuant to licenses and other user agreements entered into by such Obligor in the ordinary course of business that are listed in Annex 7, such Obligor owns and possesses the right to use, and has done nothing to authorize or enable any other Person to use, any Copyright, Patent or Trademark listed in Annexes 4, 5, and 6, and all registrations listed in Annexes 4, 5, and 6, are valid and in full force and effect; and except as may be set forth in Annex 7, such Obligor owns and possesses the right to use all Copyrights, Patents and Trademarks.

Annex 7 sets forth a complete and correct list of all licenses and other user agreements included in the Intellectual Property on the date hereof.

To such Obligor's knowledge, (i) except as set forth in Annex 7, there is no violation by others of any right of such Obligor with respect to any Copyright, Patent or Trademark listed in Annexes 4, 5, and 6, respectively, under the name of such Obligor and (ii) such Obligor is not infringing in any respect upon any Copyright, Patent or Trademark of any other Person; and no proceedings have been instituted or are pending against such Obligor or threatened, and no claim against such Obligor has been received by such Obligor, alleging any such violation, except as may be set forth in Annex 7.

Such Obligor does not own any Trademarks registered in the United States of America to which the last sentence of the definition of Trademark Collateral applies.

(f) Fair Labor Standards Act. Any Goods now or hereafter produced by such Obligor or any of its Subsidiaries included in the Pledged Collateral have been and will be produced in compliance with the requirements of the Fair Labor Standards Act, as amended.

(h) Commercial Tort Claims. Each Commercial Tort Claim in which such Obligor, to such Obligor's knowledge, has an interest as of the date hereof is described in reasonable detail on Annex 8.

Section 3. Collateral. As collateral security for the prompt payment in full when due (whether at stated maturity, by acceleration or otherwise) of the Secured Obligations, whether now existing or hereafter from time to time arising, each Obligor hereby grants to the Collateral Agent, for the benefit of the Secured Parties as hereinafter provided, a security interest in all of such Obligor's right, title and interest in, to and under the following property, assets and revenues, whether now owned by such Obligor or hereafter acquired and whether now existing or hereafter coming into existence (all of the property, assets and revenues described in this Section 3 being collectively referred to herein as the "Pledged Collateral"):

- (a) all Accounts;
- (b) all Deposit Accounts;
- (c) all Instruments;
- (d) all Documents;
- (e) all Chattel Paper (whether tangible or electronic);
- (f) all Inventory;
- (g) all Equipment;
- (h) all Fixtures;
- (i) all Goods not covered by the preceding clauses of this Section 3;
- (j) all Letter-of-Credit Rights;
- (k) the shares of common and preferred stock of each Issuer identified in Annex 3 (which, in the case of Issuers that are Foreign Subsidiaries, shall not exceed

66% of the shares of such Issuers) under the name of such Obligor and all other shares of capital stock of whatever class of each Issuer, now or hereafter owned by such Obligor (which, in the case of Issuers that are Foreign Subsidiaries, shall not exceed 66% of the shares of such Issuers), and all certificates evidencing the same (collectively, the "Pledged Stock"), together with, in each case:

(i) all shares, securities, moneys or property representing a dividend on any of the Pledged Stock, or representing a distribution or return of capital upon or in respect of the Pledged Stock, or resulting from a split-up, revision, reclassification or other like change of the Pledged Stock or otherwise received in exchange therefor, and any subscription warrants, rights or options issued to the holders of, or otherwise in respect of, the Pledged Stock, and

(ii) without affecting the obligations of such Obligor under any provision prohibiting such action hereunder or under the Purchase Agreement, in the event of any consolidation or merger in which an Issuer is not the surviving corporation, all shares of each class of the capital stock of the successor corporation (unless such successor corporation is such Obligor itself) formed by or resulting from such consolidation or merger (the Pledged Stock, together with all other certificates, shares, securities, properties or moneys as may from time to time be pledged hereunder pursuant to this clause (ii) and clause (i) above being herein collectively called the "Stock Collateral");

(l) all Investment Property and Financial Assets not covered by clause (k) of this Section 3;

(m) all Intellectual Property;

(n) all Payment Intangibles, Software and all other General Intangibles whatsoever not covered by the preceding clauses of this Section 3;

(o) all Commercial Tort Claims described on Annex 8;

(p) all other tangible and intangible personal property whatsoever of such Obligor; and

(q) all Proceeds, products, offspring, accessions, rents, profits, income, benefits, substitutions and replacements of and to any of the Pledged Collateral and, to the extent related to any Pledged Collateral, all books, correspondence, credit files, records, invoices and other papers (including without limitation all tapes, cards,

computer runs and other papers and documents in the possession or under the control of such Obligor or any computer bureau or service company from time to time acting for such Obligor).

Notwithstanding the foregoing provisions of this Section 3, the grant, assignment and transfer of a security interest as provided herein shall not extend to, and the term "Pledged Collateral" shall not include (a) "intent-to-use" Trademarks at all times prior to the first use thereof, whether by actual use thereof in commerce, the recording of a statement of use with the United States Patent and Trademark Office or otherwise or (b) any Contract, Instrument or Chattel Paper in which any Grantor has any right, title or interest if and to the extent such Contract, Instrument or Chattel Paper includes a provision containing a restriction on assignment such that the creation of a security interest in the right, title or interest of Grantor therein would be prohibited and would, in and of itself, cause or result in a default thereunder enabling another person party to such Contract, Instrument or Chattel Paper to enforce any remedy with respect thereto; *provided* that the foregoing exclusion shall not apply if (i) such prohibition has been waived or such other person has otherwise consented to the creation hereunder of a security interest in such Contract, Instrument or Chattel Paper or (ii) such prohibition would be rendered ineffective pursuant to Sections 9-407(a) or 9-408(a) of the UCC, as applicable and as then in effect in any relevant jurisdiction, or any other applicable law (including the Bankruptcy Code) or principles of equity).

Section 4. Cash Proceeds of Collateral.

(a) Collateral Account. The Collateral Agent will cause to be established at a banking institution to be selected by the Collateral Agent a cash collateral account (the "Collateral Account"), which

(i) to the extent of all Investment Property or Financial Assets (other than cash) shall be a "securities account" (as defined in Section 8-501 of the UCC) in respect of which the Collateral Agent shall be the "entitlement holder" (as defined in Section 8-102(a)(7) of the UCC) and

(ii) to the extent of any cash, shall be a Deposit Account and

into which there shall be deposited from time to time the cash proceeds of any of the Pledged Collateral (including proceeds of insurance thereon) required to be delivered to the Collateral Agent pursuant hereto and into which the Obligors may from time to time deposit any additional amounts that any of them wishes to pledge to the Collateral Agent for the benefit of the Secured Parties as additional collateral security hereunder. The balance from time to time in the Collateral Account shall constitute part of the Pledged Collateral hereunder and shall

not constitute payment of the Secured Obligations until applied as hereinafter provided. Except as expressly provided in the next sentence, the Collateral Agent shall remit the collected balance standing to the credit of the Collateral Account to or upon the order of the respective Obligor as such Obligor through the Company shall from time to time instruct. However, at any time following the occurrence and during the continuance of an Event of Default, the Collateral Agent at the request of the Required Holders may apply or cause to be applied (subject to collection) the balance from time to time standing to the credit of the Collateral Account to the payment of the Secured Obligations in the manner specified in Section 5.09. The balance from time to time in the Collateral Account shall be subject to withdrawal only as provided herein.

(b) Proceeds of Accounts. If so requested by the Collateral Agent at any time after the occurrence and during the continuance of an Event of Default, each Obligor shall instruct all account debtors in respect of Accounts, Chattel Paper and General Intangibles and all obligors on Instruments to make all payments in respect thereof either (a) directly to the Collateral Agent (by instructing that such payments be remitted to a post office box which shall be in the name and under the control of the Collateral Agent) or (b) to one or more other banks in the United States of America (by instructing that such payments be remitted to a post office box which shall be in the name and under the control of the Collateral Agent) under arrangements, in form and substance satisfactory to the Collateral Agent, pursuant to which such Obligor shall have irrevocably instructed such other bank (and such other bank shall have agreed) to remit all proceeds of such payments directly to the Collateral Agent for deposit into the Collateral Account. All payments made to the Collateral Agent, as provided in the preceding sentence, shall be immediately deposited in the Collateral Account. In addition to the foregoing, each Obligor agrees that, at any time after the occurrence and during the continuance of an Event of Default, if the proceeds of any Pledged Collateral hereunder (including the payments made in respect of Accounts) shall be received by it, such Obligor shall, upon the request of the Collateral Agent, as promptly as possible deposit such proceeds into the Collateral Account. Until so deposited, all such proceeds shall be held in trust by such Obligor for and as the property of the Collateral Agent and shall not be commingled with any other funds or property of such Obligor.

(c) Investment of Balance in Collateral Account. The cash balance standing to the credit of the Collateral Account shall be invested from time to time in such Permitted Investments as the respective Obligor through the Company (or, after the occurrence and during the continuance of a Default, the Collateral Agent) shall determine, which Permitted Investments shall be held in the name and be under the control of the Collateral Agent (and credited to the Collateral Account), provided that at any time after the occurrence and during the continuance of an Event of Default, the Collateral Agent at the request of the Required Holders may in their discretion at any time and from time to time elect to liquidate any such Permitted Investments and to apply or cause to be applied the proceeds thereof to the payment of the Secured Obligations in the manner specified in Section 5.09.

Section 5. Further Assurances; Remedies. In furtherance of the grant of the pledge and security interest pursuant to Section 3, the Obligor hereby agree with the Collateral Agent for the benefit of the Secured Parties as follows:

5.01 Delivery and Other Perfection. Each Obligor shall:

(a) deliver to the Collateral Agent any and all Instruments constituting part of the Pledged Collateral in which such Obligor purports to grant a security interest hereunder, endorsed and/or accompanied by such instruments of assignment and transfer in such form and substance as the Collateral Agent may request; provided, that so long as no Default shall have occurred and be continuing, such Obligor may retain for collection in the ordinary course any Instruments received by such Obligor in the ordinary course of its business and the Collateral Agent shall, promptly upon request of such Obligor through the Company, make appropriate arrangements for making any Instrument pledged by such Obligor available to such Obligor for purposes of presentation, collection or renewal (any such arrangement to be effected, to the extent deemed appropriate by the Collateral Agent, against trust receipt or like document);

(b) give, execute, deliver, file, record, authorize or obtain all such financing statements, notices, instruments, documents, agreements or consents or other papers as may be necessary or desirable in the judgment of the Collateral Agent to create, preserve, perfect or validate the security interest granted pursuant hereto or to enable the Collateral Agent to exercise and enforce its rights hereunder with respect to such pledge and security interest, including, without limitation, causing any or all of the Stock Collateral to be transferred of record into the name of the Collateral Agent or its nominee (and the Collateral Agent agrees that if any Stock Collateral is transferred into its name or the name of its nominee, the Collateral Agent will thereafter promptly give to the respective Obligor copies of any notices and communications received by it with respect to the Stock Collateral pledged by such Obligor hereunder), provided that notices to account debtors in respect of any Accounts, Chattel Paper or General Intangibles and to obligors on Instruments shall be subject to the provisions of clause (c) below;

(c) upon the occurrence and during the continuance of any Event of Default, upon request of the Collateral Agent, promptly notify (and such Obligor hereby authorizes the Collateral Agent so to notify) each account debtor in respect of any Accounts, Chattel Paper, Instruments or General Intangibles of such Obligor that such Pledged Collateral has been assigned to the Collateral Agent hereunder, and that any payments due or to become due in respect thereof are to be made directly to the Collateral Agent;

(d) without limiting the obligations of such Obligor under Section 5.04(c), upon the acquisition after the date hereof by such Obligor of any Equipment covered by a certificate of title or ownership, cause the Collateral Agent to be listed as the lienholder on such certificate of title and take such other steps as may be required under the law applicable to perfection of a security interest in such property to perfect such security interest, and within 60 days of the acquisition thereof deliver evidence of the same to the Collateral Agent;

(e) keep full and accurate books and records relating to the Pledged Collateral, and stamp or otherwise mark such books and records in such manner as the Collateral Agent may reasonably require in order to reflect the security interests granted by this Agreement; and

(f) permit representatives of the Collateral Agent, at the Collateral Agent's expense and upon reasonable notice, at any time during normal business hours to inspect and make abstracts from its books and records pertaining to the Pledged Collateral, and permit representatives of the Collateral Agent, at the Collateral Agent's expense, to be present at such Obligor's place of business to receive copies of all communications and remittances relating to the Pledged Collateral, and forward copies of any notices or communications received by such Obligor with respect to the Pledged Collateral, all in such manner as the Collateral Agent may reasonably require.

5.02 Other Financing Statements and Liens. Except in connection with Permitted Liens, without the prior written consent of the Collateral Agent (granted with the authorization of the Required Holders as specified in Section 14.10 of the Purchase Agreement), no Obligor shall (a) file or suffer to be on file, or authorize or permit to be filed or to be on file, in any jurisdiction, any financing statement or like instrument with respect to any of the Pledged Collateral in which the Collateral Agent is not named as the sole secured party for the benefit of the Secured Parties, or (b) cause or permit any Person other than the Collateral Agent to have "control" (as defined in Section 9-104, 9-105, 9-106 or 9-107 of the UCC) of any Deposit Account, Electronic Chattel Paper, Investment Property or Letter-of-Credit Right constituting part of the Pledged Collateral.

5.03 Preservation of Rights. No Secured Party shall be required to take steps necessary to preserve any rights against prior parties to any of the Pledged Collateral, except for Pledged Collateral in possession of such Secured Party.

5.04 Special Provisions Relating to Certain Collateral.

(a) Stock Collateral.

(1) The Obligors will cause the Stock Collateral to constitute at all times 100% (or, in the case of any Issuer that is a Foreign Subsidiary, 66%) of the total number of shares of each class of capital stock of each Issuer then outstanding.

(2) If any of the shares, securities, moneys or property required to be pledged by such Obligor under Section 3 are received by such Obligor, forthwith either (x) transfer and deliver to the Collateral Agent such shares or securities so received by such Obligor (together with the certificates for any such shares and securities duly endorsed in blank or accompanied by undated stock powers duly executed in blank), all of which thereafter shall be held by the Collateral Agent, pursuant to the terms of this Agreement, as part of the Pledged Collateral or (y) take such other action as the Collateral Agent shall deem necessary or appropriate to duly record the Lien created hereunder in such shares, securities, moneys or property in said Section 3.

(3) So long as no Event of Default shall have occurred and be continuing, the Obligors shall have the right to exercise all voting, consensual and other powers of ownership pertaining to the Stock Collateral for all purposes not inconsistent with the terms of this Agreement, the Purchase Agreement or any other instrument or agreement referred to herein or therein, provided that the Obligors jointly and severally agree that they will not vote the Stock Collateral in any manner that is inconsistent with the terms of this Agreement, the Purchase Agreement or any such other instrument or agreement; and the Collateral Agent shall execute and deliver to the Obligors or cause to be executed and delivered to the Obligors all such proxies, powers of attorney, dividend and other orders, and all such instruments, without recourse, as the Obligors may reasonably request for the purpose of enabling the Obligors to exercise the rights and powers that they are entitled to exercise pursuant to this Section 5.04(a)(3) or Section 5.04(a)(4).

(4) Unless and until an Event of Default has occurred and is continuing, the Obligors shall be entitled to receive and retain any and all dividends, income, distributions and proceeds on or with respect to the Stock Collateral.

(5) If any Event of Default shall have occurred, then so long as such Event of Default shall continue, and whether or not the Collateral Agent or any Holder exercises any available right to declare any Secured Obligation due and payable or seeks or pursues any other relief or remedy available to it under applicable law or under this Agreement, the Purchase Agreement or any other agreement relating to such Secured Obligation, all dividends and other distributions on the Stock Collateral shall be paid directly to the Collateral Agent and retained by it in the Collateral Account as part of the Stock Collateral,

subject to the terms of this Agreement, and, if the Collateral Agent shall so request in writing, the Obligors jointly and severally agree to execute and deliver to the Collateral Agent appropriate additional dividend, distribution and other orders and documents to that end, provided that if such Event of Default is cured, any such dividend or distribution theretofore paid to the Collateral Agent shall, upon request of the Obligors (except to the extent theretofore applied to the Secured Obligations), be returned by the Collateral Agent to the Obligors.

(b) Intellectual Property.

(1) For the purpose of enabling the Collateral Agent to exercise rights and remedies under Section 5.05 at such time as the Collateral Agent shall be lawfully entitled to exercise such rights and remedies, upon the occurrence and during the continuance of an Event of Default, and for no other purpose, each Obligor hereby grants to the Collateral Agent, to the extent assignable, an irrevocable, non-exclusive license (exercisable without payment of royalty or other compensation to such Obligor) to use, assign, license or sublicense any of the Intellectual Property now owned or hereafter acquired by such Obligor, wherever the same may be located, including in such license reasonable access to all media in which any of the licensed items may be recorded or stored and to all computer programs used for the compilation or printout thereof.

(2) Notwithstanding anything contained herein to the contrary, but subject to the provisions of Sections 10.01 and 10.02 of the Purchase Agreement that limit the rights of the Obligors to dispose of their property, so long as no Event of Default shall have occurred and be continuing, the Obligors will be permitted to exploit, use, enjoy, protect, license, sublicense, assign, sell, dispose of or take other actions with respect to the Intellectual Property in the ordinary course of the business of the Obligors. In furtherance of the foregoing, unless an Event of Default shall have occurred and be continuing the Collateral Agent shall from time to time, upon the request of the respective Obligor, execute and deliver any instruments, certificates or other documents, in the form so requested, that such Obligor through the Company reasonably request to allow it to take any action permitted above (including relinquishment of the license provided pursuant to clause (1) immediately above as to any specific Intellectual Property). Further, upon the payment in full of all of the Secured Obligations or earlier expiration of this Agreement or release of the Pledged Collateral, the Collateral Agent shall grant back to the Obligors the license granted pursuant to clause (1) immediately above. The exercise of rights and remedies under Section 5.05 by the Collateral Agent shall not terminate the rights of the holders of any licenses or sublicenses theretofore granted by the Obligors in accordance with the first sentence of this clause (2).

(3) The Obligors will furnish to the Collateral Agent from time to time (but, unless an Event of Default shall have occurred and be continuing, no more frequently than quarterly) statements and schedules further identifying and describing the Copyright

Collateral, the Patent Collateral and the Trademark Collateral, respectively, and such other reports in connection with the Copyright Collateral, the Patent Collateral and the Trademark Collateral as the Collateral Agent may reasonably request, all in reasonable detail; and promptly upon request of the Collateral Agent, following receipt by the Collateral Agent of any statements, schedules or reports pursuant to this clause (3), modify this Agreement by amending Annexes 2, 3 and/or 4, as the case may be, to include any Copyright, Patent or Trademark that becomes part of the Pledged Collateral under this Agreement.

(c) Motor Vehicles. Upon the occurrence and during the continuance of an Event of Default:

(1) Each Obligor shall deliver to the Collateral Agent originals of the certificates of title or ownership for the Motor Vehicles owned by it with the Collateral Agent listed as lienholder and take such other action as the Collateral Agent shall deem appropriate to perfect the security interest created hereunder in all such Motor Vehicles.

(2) Without limiting the generality of the foregoing, upon the acquisition after the date hereof by any Obligor of any Motor Vehicle, such Obligor shall deliver to the Collateral Agent originals of the certificates of title or ownership for such Motor Vehicles, together with the manufacturer's statement of origin with the Collateral Agent listed as lienholder; provided, however, if the Motor Vehicle to be acquired is subject to a purchase money security interest, the Collateral Agent shall be listed as a junior lienholder to the Person holding such purchase money security interest.

(3) Without limiting Section 5.10, each Obligor hereby appoints the Collateral Agent as its attorney-in-fact, effective the date hereof and terminating upon the termination of this Agreement, for the purpose of (i) executing on behalf of such Obligor title or ownership applications for filing with appropriate state agencies to enable Motor Vehicles now owned or hereafter acquired by such Obligor to be retitled and the Collateral Agent listed as lienholder thereon, (ii) filing such applications with such state agencies and (iii) executing such other documents and instruments on behalf of, and taking such other action in the name of, such Obligor as the Collateral Agent may deem necessary or advisable to accomplish the purposes hereof (including, without limitation, the purpose of creating in favor of the Collateral Agent a perfected lien on the Motor Vehicles and exercising the rights and remedies of the Collateral Agent under Section 5.05). This appointment as attorney-in-fact is irrevocable and coupled with an interest.

(4) Any certificates of title or ownership delivered pursuant to the terms hereof shall be accompanied by odometer statements for each Motor Vehicle covered thereby.

5.05 Events of Default, Etc. During the period during which an Event of Default shall have occurred and be continuing:

(a) each Obligor shall, at the written request of the Collateral Agent, assemble the Pledged Collateral owned by it at such place or places, reasonably convenient to both the Collateral Agent and such Obligor, designated in its request;

(b) the Collateral Agent may make any reasonable compromise or settlement deemed desirable with respect to any of the Pledged Collateral and may extend the time of payment, arrange for payment in installments, or otherwise modify the terms of, any of the Pledged Collateral;

(c) the Collateral Agent shall have all of the rights and remedies with respect to the Pledged Collateral of a secured party under the Uniform Commercial Code (whether or not said Code is in effect in the jurisdiction where the rights and remedies are asserted) and such additional rights and remedies to which a secured party is entitled under the laws in effect in any jurisdiction where any rights and remedies hereunder may be asserted, including, without limitation, the right, to the fullest extent permitted by applicable law, to exercise all voting, consensual and other powers of ownership pertaining to the Pledged Collateral as if the Collateral Agent were the sole and absolute owner thereof (and each Obligor agrees to take all such action as may be appropriate to give effect to such right);

(d) the Collateral Agent in its discretion may, in its name or in the name of the Obligors or otherwise, demand, sue for, collect or receive any money or property at any time payable or receivable on account of or in exchange for any of the Pledged Collateral, but shall be under no obligation to do so; and

(e) the Collateral Agent may, upon ten days' prior written notice to the Obligors of the time and place, with respect to the Pledged Collateral or any part thereof that shall then be or shall thereafter come into the possession, custody or control of the Collateral Agent, the Holders or any of their respective agents, sell, lease, assign or otherwise dispose of all or any part of such Pledged Collateral, at such place or places as the Collateral Agent deems best, and for cash or for credit or for future delivery (without thereby assuming any credit risk), at public or private sale, without demand of performance or notice of intention to effect any such disposition or of the time or place thereof (except such notice as is required above or by applicable statute and cannot be waived), and any Secured Party or anyone else may be the purchaser, lessee, assignee or recipient of any or all of the Pledged Collateral so disposed of at any public sale (or, to the extent permitted by law, at any private sale) and thereafter hold the same absolutely, free from any claim or right of whatsoever kind, including any right or equity of redemption (statutory or otherwise), of the

Obligors, any such demand, notice and right or equity being hereby expressly waived and released. In the event of any sale, assignment, or other disposition of any of the Trademark Collateral, the goodwill connected with and symbolized by the Trademark Collateral subject to such disposition shall be included, and the Obligors shall supply to the Collateral Agent or its designee, for inclusion in such sale, assignment or other disposition, all Intellectual Property relating to such Trademark Collateral. The Collateral Agent may, without notice or publication, adjourn any public or private sale or cause the same to be adjourned from time to time by announcement at the time and place fixed for the sale, and such sale may be made at any time or place to which the sale may be so adjourned.

The Proceeds of each collection, sale or other disposition under this Section 5.05, including by virtue of the exercise of the license granted to the Collateral Agent in Section 5.04(b), shall be applied in the manner specified in Section 5.09.

The Obligors recognize that, by reason of certain prohibitions contained in the Securities Act of 1933, as amended, and applicable state securities laws, the Collateral Agent may be compelled, with respect to any sale of all or any part of the Pledged Collateral, to limit purchasers to those who will agree, among other things, to acquire the Pledged Collateral for their own account, for investment and not with a view to the distribution or resale thereof. The Obligors acknowledge that any such private sales may be at prices and on terms less favorable to the Collateral Agent than those obtainable through a public sale without such restrictions, and, notwithstanding such circumstances, agree that any such private sale shall be deemed to have been made in a commercially reasonable manner and that the Collateral Agent shall have no obligation to engage in public sales and no obligation to delay the sale of any Pledged Collateral for the period of time necessary to permit the respective Issuer or issuer thereof to register it for public sale.

5.06 Deficiency. If the proceeds of sale, collection or other realization of or upon the Pledged Collateral pursuant to Section 5.05 are insufficient to cover the costs and expenses of such realization and the payment in full of the Secured Obligations, the Obligors shall remain liable for any deficiency.

5.07 Locations; Names. Without at least 30 days' prior written notice to the Collateral Agent, no Obligor shall change its location (as defined in Section 9-307 of the UCC) or change its name from the name shown as its current legal name on Annex 1.

5.08 Private Sale. None of the Secured Parties shall incur any liability as a result of the sale of the Pledged Collateral, or any part thereof, at any private sale pursuant to Section 5.05 conducted in a commercially reasonable manner. Each Obligor hereby waives any claims against any Secured Party arising by reason of the fact that the price at which the Pledged Collateral may have been sold at such a private sale was less than the price that might

have been obtained at a public sale or was less than the aggregate amount of the Secured Obligations, even if the Collateral Agent accepts the first offer received and does not offer the Pledged Collateral to more than one offeree.

5.09 Application of Proceeds. Except as otherwise herein expressly provided and except as provided below in this Section 5.09, the Proceeds of any collection, sale or other realization of all or any part of the Pledged Collateral pursuant hereto, and any other cash at the time held by the Collateral Agent under Section 4 or this Section 5, shall be applied by the Collateral Agent in the following order:

First, to the payment of the taxes (excluding any taxes based on income to a Secured Party or similar concepts) and reasonable costs, expenses, fees and commissions in connection with the exercise of such remedies, including reasonable out-of-pocket costs and expenses of the Collateral Agent and the reasonable fees and expenses of its agents and counsel, and all reasonable costs, expenses or other liabilities incurred and advances made by the Collateral Agent or agent of the Collateral Agent in connection with the preservation or preparation for sale of the Pledged Collateral;

Second, to the payment in full of the Secured Obligations, in each case equally and ratably in accordance with the respective amounts thereof then due and owing or as the Holders may otherwise agree; and

Finally, to the payment to the relevant Obligor, or their respective successors or assigns, or as a court of competent jurisdiction may direct, of any surplus then remaining.

5.10 Attorney-in-Fact. Without limiting any rights or powers granted by this Agreement to the Collateral Agent while no Event of Default has occurred and is continuing, upon the occurrence and during the continuance of any Event of Default, the Collateral Agent is hereby appointed the attorney-in-fact of each Obligor for the purpose of carrying out the provisions of this Section 5 and taking any action and executing any instruments that the Collateral Agent may deem necessary or advisable to accomplish the purposes hereof, which appointment as attorney-in-fact is irrevocable and coupled with an interest. Without limiting the generality of the foregoing, so long as the Collateral Agent shall be entitled under this Section 5 to make collections in respect of the Pledged Collateral, the Collateral Agent shall have the right and power to receive, endorse and collect all checks made payable to the order of any Obligor representing any dividend, payment or other distribution in respect of the Pledged Collateral or any part thereof and to give full discharge for the same.

5.11 Perfection. Prior to or concurrently with the execution and delivery of this Agreement, each Obligor shall (i) file such financing statements and other documents in such offices as the Collateral Agent may request to perfect the security interests granted by

Section 3 of this Agreement, (ii) deliver to the Collateral Agent all certificates identified in Annex 1, accompanied by undated stock powers duly executed in blank and (iii) execute and deliver such short form assignments or security agreements relating to Pledged Collateral consisting of the Intellectual Property as the Collateral Agent may reasonably request. Without limiting the foregoing, each Obligor consents that UCC financing statements may be filed describing the Pledged Collateral as "all assets" or "all personal property" of such Obligor (provided that no such description shall be deemed to modify the description of Pledged Collateral set forth in Section 3).

5.12 Termination. When all Secured Obligations shall have been paid in full, this Agreement shall terminate, and the Collateral Agent shall forthwith cause to be assigned, transferred and delivered, against receipt but without any recourse, warranty or representation whatsoever, any remaining Pledged Collateral and money received in respect thereof, to or on the order of the respective Obligor and to be released and canceled all licenses and rights referred to in Section 5.04(b). The Collateral Agent shall also execute and deliver to the respective Obligor upon such termination such Uniform Commercial Code termination statements, certificates for terminating the Liens on the Motor Vehicles and such other documentation as shall be reasonably requested by the respective Obligor to effect the termination and release of the Liens on the Pledged Collateral.

5.13 Further Assurances. Each Obligor agrees that, from time to time upon the written request of the Collateral Agent, such Obligor will execute and deliver such further documents and do such other acts and things as the Collateral Agent may reasonably request in order fully to effect the purposes of this Agreement.

Notwithstanding anything to the contrary set forth in this Agreement, it is expressly agreed that Pledged Collateral required to be delivered by the Obligors to the Collateral Agent under this Agreement may be delivered to any agent of the Collateral Agent identified in a written agreement with or notice to the Company and any such delivery shall be deemed a delivery to the Collateral Agent.

Section 6. Miscellaneous.

6.01 Notices. All notices, requests, consents and demands hereunder shall be in writing and telecopied or delivered to the intended recipient at its "Address for Notices" specified pursuant to Section 14.03 of the Purchase Agreement and shall be deemed to have been given at the times specified in said Section.

6.02 No Waiver. No failure on the part of any Secured Party to exercise, and no course of dealing with respect to, and no delay in exercising, any right, power or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise by any Secured Party of any right, power or remedy hereunder preclude any other or further exercise

thereof or the exercise of any other right, power or remedy. The remedies herein are cumulative and are not exclusive of any remedies provided by law.

6.03 Amendments, Etc. The terms of this Agreement may be waived, altered or amended only by an instrument in writing duly executed by each Obligor and the Required Holders. Any such amendment or waiver shall be binding upon the Secured Parties and each holder of any of the Secured Obligations and each Obligor.

6.04 Expenses. The Obligors jointly and severally agree to reimburse each of the Secured Parties for all costs and expenses incurred by them (including, without limitation, the fees and expenses of legal counsel) in connection with (i) any Default and any enforcement or collection proceeding resulting therefrom, including, without limitation, all manner of participation in or other involvement with (w) performance by the Collateral Agent of any obligations of the Obligors in respect of the Pledged Collateral required to be performed hereunder that the Obligors have failed or refused to perform, (x) bankruptcy, insolvency, receivership, foreclosure, winding up or liquidation proceedings, or any actual or attempted sale, or any exchange, enforcement, collection, compromise or settlement in respect of any of the Pledged Collateral, and for the care of the Pledged Collateral and defending or asserting rights and claims of the Collateral Agent in respect thereof, by litigation or otherwise, including expenses of insurance, (y) judicial or regulatory proceedings and (z) workout, restructuring or other negotiations or proceedings (whether or not the workout, restructuring or transaction contemplated thereby is consummated) and (ii) the enforcement of this Section 6.04, and all such costs and expenses shall be Secured Obligations entitled to the benefits of the collateral security provided pursuant to Section 3.

6.05 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of each Obligor and the Secured Parties, (provided, however, that no Obligor shall assign or transfer its rights or obligations hereunder without the prior written consent of the Collateral Agent).

6.06 Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart.

6.07 Governing Law. This Agreement shall be governed by, and construed in accordance with, the law of the State of New York.

6.08 Captions. The captions and section headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

6.09 Agents. The Collateral Agent may employ agents and attorneys-in-fact in connection herewith and shall not be responsible for the negligence or misconduct of any such agents or attorneys-in-fact selected by it in good faith. The Collateral Agent shall be obligated, and shall have the right hereunder, to make demands, to give notices, to exercise or refrain from exercising any rights, and to take or refrain from taking any action (including without limitation the release or substitution of Pledged Collateral), solely in accordance with this Agreement and the Purchase Agreement.

The Collateral Agent shall at all times be the same Person that is Agent under the Purchase Agreement. Notice of resignation by the Agent pursuant to Section 15.06 of the Purchase Agreement shall also constitute notice of resignation as Collateral Agent under this Agreement; and appointment of a successor Agent pursuant to Section 15.06 of the Purchase Agreement shall also constitute appointment of a successor Collateral Agent under this Agreement. Upon the acceptance of any appointment as Agent under Section 15.06 of the Purchase Agreement by a successor Agent, that successor Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the predecessor Collateral Agent under this Agreement, and the predecessor Collateral Agent under this Agreement shall promptly (i) transfer to such successor Collateral Agent all sums, securities and other items of Pledged Collateral held hereunder, together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Collateral Agent under this Agreement, and (ii) execute and deliver to such successor Collateral Agent such amendments to financing statements, and take such other actions, as may be necessary or appropriate in connection with the assignment to such successor Collateral Agent of the security interests created hereunder, whereupon such predecessor Collateral Agent shall be discharged from its duties and obligations under this Agreement. After any predecessor Agent's resignation hereunder as Collateral Agent, the provisions of this Agreement shall inure to its benefit as to any actions taken or omitted to be taken by it under this Agreement while it was Collateral Agent hereunder.

6.10 Severability. If any provision hereof is invalid and unenforceable in any jurisdiction, then, to the fullest extent permitted by law, (a) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of the Secured Parties in order to carry out the intentions of the parties hereto as nearly as may be possible and (b) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

6.11 Additional Obligors. As contemplated in Section 9.12 of the Purchase Agreement, a new Subsidiary of the Company formed or acquired by the Company after the date hereof may become a "Subsidiary Guarantor" under the Purchase Agreement and an "Obligor" under this Agreement, by executing and delivering to the Collateral Agent a Joinder Agreement in the form of Exhibit J to the Purchase Agreement. Accordingly, upon

the execution and delivery of any such Joinder Agreement by any such Subsidiary, such new Subsidiary shall automatically and immediately, and without any further action on the part of any Person, become an "Obligor" for all purposes of this Agreement, and each of the Annexes hereto shall be supplemented in the manner specified in such Joinder Agreement.

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TRADEMARK
REEL: 002841 FRAME: 0278

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be duly executed and delivered as of the day and year first above written.

KINETICS GROUP, INC.,
as Company and an Obligor

By: [Signature]
Name:
Title:

CELERITY GROUP, INC., as Holdings and as a
Guarantor

By: [Signature]
Name:
Title:

SUBSIDIARY GUARANTORS

BIOKINETICS, INC.
as a Subsidiary Guarantor

By: [Signature]
Name:
Title:

KINETICS CHEMPURE SYSTEMS, INC.,
as a Subsidiary Guarantor

By: [Signature]
Name:
Title:

CELERITY GROUP, INC. (formerly known as
Kinetics Fluid Systems, Inc.),
as a Subsidiary Guarantor

By: [Signature]
Name:
Title:

KINETIC SYSTEMS, INC.,
as a Subsidiary Guarantor

By: [Signature]
Name:
Title:

KINETIC SYSTEMS CARIBE, INC.,
as a Subsidiary Guarantor

By: [Signature]
Name:
Title:

KINETIC SYSTEMS
INTERNATIONAL, INC.,
as a Subsidiary Guarantor

By: [Signature]
Name:
Title:

KINETICS THERMAL SYSTEMS, INC.,
as a Subsidiary Guarantor

By: [Signature]
Name:
Title:

TENNENBAUM CAPITAL PARTNERS,
LLC, as Collateral Agent

By: Tennenbaum & Co., LLC
Its: Managing Member

By: 
Name: Michael E. Tennenbaum
Title: Senior Managing Partner

FILING DETAILS

ANNEX 1

Current Legal Name (no trade names)	Type of Organization (corporation, limited liability company, etc.)	Jurisdiction of Organization	Organizational ID Number (if applicable)	Current Mailing Address	Place of Business or Location of Chief Executive Officer	Location of Goods	Former Legal Name(s) (if any)
Kinetics Group, Inc.	Corporation	Delaware	2595522	2805 Mission College Blvd., Santa Clara, CA 95054	2805 Mission College Blvd., Santa Clara, CA 95054	See Attachment -1	The Kinetics Group, Inc.; The KSI Group, Inc.; Kinetic Systems Group, Inc.
Celerity Group, Inc.	Corporation	Delaware	3110267	2805 Mission College Blvd., Santa Clara, CA 95054	2805 Mission College Blvd., Santa Clara, CA 95054	See Attachment -1	Kinetics Holdings Corporation
BioKinetics, Inc.	Corporation	Delaware	2649673	2805 Mission College Blvd., Santa Clara, CA 95054	2805 Mission College Blvd., Santa Clara, CA 95054	See Attachment -1	Kinetics Biopharm, Inc.; BioKinetic Systems, Inc.
Kinetics Chempure Systems, Inc.	Corporation	Arizona	0802943-6	2805 Mission College Blvd., Santa Clara, CA 95054	2805 Mission College Blvd., Santa Clara, CA 95054	See Attachment -1	Mega Systems & Chemicals, Inc.;
Celerity Group, Inc.	Corporation	California	1956597	2805 Mission College Blvd., Santa Clara, CA 95054	2805 Mission College Blvd., Santa Clara, CA 95054	See Attachment -1	Kinetics Fluid Systems, Inc.;
Kinetics Systems, Inc.	Corporation	California	C - 0690684	2805 Mission College Blvd., Santa Clara, CA 95054	2805 Mission College Blvd., Santa Clara, CA 95054	See Attachment -1	Submicron Products, Inc.
Kinetic Systems Caribe, Inc.	Corporation	Delaware	7590261	St. 3 Bldg. 19 Vega Alta Industrial Park, Vega Alta, Puerto Rico 00692	2805 Mission College Blvd., Santa Clara, CA 95054	See Attachment -1	N/A
Kinetic Systems International, Inc.	Corporation	California	1964354	2805 Mission College Blvd., Santa Clara, CA 95054	2805 Mission College Blvd., Santa Clara, CA 95054	See Attachment -1	Kinetics International, Inc.
Kinetics Thermal Systems, Inc.	Corporation	New York	N/A	3538 Main Street Stoneridge, NY 12484	2805 Mission College Blvd., Santa Clara, CA 95054	See Attachment -1	FTS Systems, Inc.

-ATTACHMENT 1 to Annex 1 -

Division	Facility Address 1	Facility City	Facility State
CELERITY	955 E. Javelina, Suites B101 thru B103	Mesa	AZ
KSI - WEST REGION - SW	2825 West Thomas Road	Phoenix	AZ
KSI - WEST REGION - SW	1964 West Broadway Road	Phoenix	AZ
KSI - WEST REGION - SW	3065 South 43rd Avenue	Phoenix	AZ
KSI - WEST REGION - SW	1667 North Priest Drive	Tempe	AZ
KSI - WEST REGION - SW	1667 North Priest Drive, 1667 North Priest Drive	Tempe	AZ
KSI - CHEMPURE	1315 West Drivers Way, Bldg. 4	Tempe	AZ
KSI - CHEMPURE	1320 West Auto Drive, Bldg 5	Tempe	AZ
KSI - WEST REGION - SW	3200 S. Dodge Blvd, Suite 5	Tucson	AZ
KSI - WEST REGION - NoCal	1013 Pardee Street, Suite 102	Berkeley	CA
KSI - WEST REGION - SoCal	6190 Corte Del Cedro	Carlsbad	CA
KSI - WEST REGION - SoCal	6190 Corte Del Cedro	Carlsbad	CA

<u>Division</u>	<u>Facility Address 1</u>	<u>Facility City</u>	<u>Facility State</u>
BIOPHARM	1335 Stanford Avenue, Suite 400 & 500	Emeryville	CA
KSI - WEST REGION - SoCal	9 Marconi Street	Irvine	CA
KSI - WEST REGION - SoCal	7 Marconi Street	Irvine	CA
KSI - WEST REGION - SoCal	4571 Electronics Place	Los Angeles	CA
CELERITY	1463 Centre Pointe Drive	Milpitas	CA
CELERITY	1507/1515 Centre Pointe Drive	Milpitas	CA
CELERITY	620/630 Price Avenue	Redwood City	CA
CELERITY	901 American Street	San Carlos	CA
KSI - WEST REGION - NoCal	124-G Blossom Hill Road	San Jose	CA
KGI	2805 Mission College Blvd.	Santa Clara	CA
KGI	2805 Mission College Boulevard	Santa Clara	CA
KSI - WEST REGION - NoCal	384 Oyster Point Blvd, Unit 10, South San Francisco	South San Francisco	CA
KSI - WEST REGION - NoCal	33225 Western Avenue	Union City	CA

<u>Division</u>	<u>Facility Address 1</u>	<u>Facility City</u>	<u>Facility State</u>
KSI - WEST REGION - NoCal	33225 Western Avenue	Union City	CA
CELERITY	22600 Savi Ranch Parkway	Yorba Linda	CA
KSI - WEST REGION - SW	1632,1634, 1636, 1638, 1640, 1642-1648, S. Murray Blvd.	Colorado Springs	CO
KSI - WEST REGION - SW	1632, 1634, 1636, 1638, 1640, 1642-1648, , S. Murray Blvd.	Colorado Springs	CO
KSI - EAST/SOUTHEAST REGION	2416 S. Lake Orange Drive, Suite 140	Orlando	FL
KSI - EAST/NORTHEAST REGION	Dawson Industrial Park, 50 Brigham St.	Marlboro	MA
KSI - EAST/NORTHEAST REGION	25 Washington Avenue, Scarborough Industrial Park	Scarborough	ME
KSI East/Central Region	161 John Roberts Rd. South,	Portland	ME
KSI - EAST REGION	4226 Surles Court, Suite 500, Bedford Building, Imperial Ctr Bus Park	Durham	NC
KGI	600 Park Avenue, Suite 100	Manalapan	NJ
KGI	600 Park Avenue, Suite 100	Manalapan	NJ
KSI - WEST REGION - SW	8904/8906 Washington N.E.	Albuquerque	NM
KSI - FTS	3538 Main Street	Stone Ridge	NY

<u>Division</u>	<u>Facility Address 1</u>	<u>Facility City</u>	<u>Facility State</u>
CELERITY	9665 SW Allen Blvd, Suite 113	Beaverton	OR
KSI - WEST REGION - NW	5711-5805 S.W. Hood	Portland	OR
KSI - WEST REGION - NW	2108 N.W. York	Portland	OR
KSI - WEST REGION - NW	5221 S.W. Corbett Avenue	Portland	OR
KSI - WEST REGION - NW	58181 McNary Lane	Sunriver	OR
CELERITY	9660 SW Herman Road	Tualatin	OR
KSI - WEST REGION - NW	26055 S.W. Canyon Creek Road	Wilsonville	OR
KSI - WEST REGION - NW	7930 SW Burns Way, Suite B, Stafford Corporate Park	Wilsonville	OR
BIOPHARM	9 Iron Bridge Drive	Collegeville	PA
KSI - EAST/NORTHEAST REGION	5 North Cannon Avenue	Lansdale	PA
KSI - EAST/NORTHEAST REGION	5 Boyertown Industrial Park	New Berlinville	PA
BIOPHARM	Seven Penn Center, 1635 Market Street, Suite 1500	Philadelphia	PA
KSI - EAST/CENTRAL REGION	3701 Drossett Drive, Suite 190	Austin	TX

<u>Division</u>	<u>Facility Address 1</u>	<u>Facility City</u>	<u>Facility State</u>
CELERITY	200C Parker Drive, Suite 600, Corridor Park Corporate Center	Austin	TX
CELERITY	400 Parker Drive, Suite 1100, Corridor Park Corporate Center	Austin	TX
CELERITY	400 Parker Drive, Suite 1100, Corridor Park Corporate Center	Austin	TX
CELERITY	2324 Ridge Point Drive, Suite F-1 & G-2 Promontory Point A	Austin	TX
CELERITY	2324 Ridge Point Drive, Suite F-1 & G-2 Promontory Point A	Austin	TX
KSI - EAST/CENTRAL REGION	7000 West William Cannon Dr., Suite 2100	Austin	TX
KSI - EAST/CENTRAL REGION	7000 West William Cannon Dr., Suite 2130	Austin	TX
KSI - EAST/CENTRAL REGION	7000 West William Cannon Dr., Suite 2140	Austin	TX
KSI - EAST/CENTRAL REGION	7000 West William Cannon Dr., Suite 2100/2130/2140	Austin	TX
KSI - EAST/CENTRAL REGION	400 Parker Drive, Suite 1100	Austin	TX
KSI - EAST/CENTRAL REGION	1960 W. Northwest Highway	Dallas	TX

“NEW DEBTOR” EVENTS

None

PLEDGED STOCK
- Domestic -

CERT. NO.	ISSUER	SHAREHOLDER	STOCK	PAR VALUE	SHARES
3	Kinetics Fluid Systems, Inc. (nka: Celerity Group, Inc, CA)	Kinetics Group, Inc.	Common	0.01	100,000
5	Kinetics Thermal Systems, Inc. (fka: FTS Systems, Inc.)	Kinetic Systems, Inc.	Common	0.05	1,000
10	Kinetic Systems Caribe, Inc.	Kinetic Systems, Inc.	Common	10.00	1,000
3	Kinetic Systems International, Inc.	Kinetic Systems, Inc.	Common	0.00	100,000
4	Kinetics Chempure Systems, Inc.	Kinetic Systems, Inc.	Common	0.01	2,838,000
1	Kinetics Group, Inc.	Kinetics Holdings Corporation (nka: Celerity Group, Inc., DE)	Common	0.01	904
3	Kinetic Systems, Inc*	Kinetics Group, Inc.	Common	0.01	1,000
2	BioKinetics, Inc.	Kinetics Group, Inc.	Common	0.01	100
1	Kinetics Mechanical Service, Inc.	Kinetic Systems, Inc.	Common	6.00	33,000

*The Articles of Incorporation were amended authorizing the Company to issue one class of shares: Common Stock, par value \$0.01 per share and the number of shares authorized to be issued is 1,000 shares, thus eliminating the Preferred Stock and removing the designation from the Series A and Series B Common Stock. However, Cahill has not been authorized from the Bank to release the stock certificates they are currently holding in exchange for the new stock certificate. Cahill is currently holding the following stock certificates:

1. Stock Certificate No. 22 for 5,100,000 shares of Series A Common Shares issued to The Kinetics Group, Inc.
2. Stock Certificate No. 23 for 4,900,000 shares of Series B Common Shares issued to The Kinetics Group, Inc.
3. Stock Certificate No. PSA-3 for 2,250,000 shares of Series A Preferred Shares issued to The Kinetics Group, Inc.
4. Stock Certificate No. PSB-5 for 137,718 shares of Series B Preferred Shares issued to The Kinetics Group, Inc.

PLEDGED STOCK

- Foreign -

CERT. NO.	ISSUER	SHAREHOLDER	STOCK	PAR VALUE	SHARES
5	Unit Instruments Limited (nka: Celerity Fluid Systems Limited)	Celerity Group, Inc. (formerly: Unit Instruments, Inc.)	Ordinary	\$1.00 Pound	62,862
6	Unit Instruments Limited (nka: Celerity Fluid Systems Limited)	Celerity Group, Inc. (formerly: Unit Instruments, Inc.)	Ordinary	\$1.00 Pound	33,849
10001	Unit Instruments Korea Ltd (nka: Celerity Korea Ltd)	Celerity Group, Inc. (formerly: Unit Instruments, Inc.)	Common	10,000 Won	20,150
10002	Unit Instruments Korea Ltd (nka: Celerity Korea Ltd)	Celerity Group, Inc. (formerly: Unit Instruments, Inc.)	Common	10,000 Won	10,850
0001	Nihon Kinetics KK (Formerly: Kinetics (Japan) KK)	Celerity Group, Inc. (formerly: Unit Instruments, Inc.)	-	50,000 Yen	1,300
0002	Nihon Kinetics KK (Formerly: Kinetics (Japan) KK)	Celerity Group, Inc. (formerly: Unit Instruments, Inc.)	-	50,000 Yen	700
1	Kinetics Process Piping Israel Ltd	Kinetic Systems Israel Ltd (formerly: MMD Israel Technology Ltd)	Ordinary	1.00 N.I.S.	2,535
2	Kinetics Process Piping Israel Ltd	Kinetic Systems Israel Ltd (formerly: MMD Israel Technology Ltd)	Ordinary	1.00 N.I.S.	4,707
3	Kinetics Process Piping Israel Ltd	Kinetic Systems International, Inc.	Ordinary	1.00 N.I.S.	2,435
4	Kinetics Process Piping Israel Ltd	Kinetic Systems International, Inc.	Ordinary	1.00 N.I.S.	4,522
1	F.E.I. Hi-Tec Systems, Ltd	Kinetic Systems, Inc. (formerly: Fullman International, Inc.)	Management	10.00 N.I.S.	3
2	F.E.I. Hi-Tec Systems, Ltd	Kinetic Systems, Inc. (formerly: Fullman International, Inc.)	Management	10.00 N.I.S.	7
3	F.E.I. Hi-Tec Systems, Ltd	Kinetic Systems, Inc. (formerly: Fullman International, Inc.)	Ordinary	1.00 N.I.S.	403
4	F.E.I. Hi-Tec Systems, Ltd	Kinetic Systems, Inc. (formerly: Fullman International, Inc.)	Ordinary	1.00 N.I.S.	747
3	KSI Mexico, S.A. de C.V.	Kinetic Systems, Inc.	Ordinary	1.00 Peso	32,499
4	KSI Mexico, S.A. de C.V.	Kinetic Systems, Inc.	Ordinary	1.00 Peso	17,500
6	KSI Mexico, S.A. de C.V.	Kinetic Systems International, Inc.	Ordinary	1.00 Peso	1
5	Kinetics Mexico, S.A. de C.V.	Kinetic Systems, Inc.	Ordinary	1,000 Pesos	31
6	Kinetics Mexico, S.A. de C.V.	Kinetic Systems, Inc.	Ordinary	1,000 Pesos	16
8	Kinetics Mexico, S.A. de C.V.	Kinetic Systems International, Inc.	Ordinary	1,000 Pesos	3
4	Kinetics Process Systems Pte Ltd	Kinetic Systems International, Inc.	Ordinary	SGD\$1.00	117,000
5	Kinetics Process Systems Pte Ltd	Kinetic Systems International, Inc.	Ordinary	SGD\$1.00	63,000
4	Kinetic Systems Singapore Pte Ltd	Kinetic Systems International, Inc.	Ordinary	SGD\$1.00	32,500
5	Kinetic Systems Singapore Pte Ltd	Kinetic Systems International, Inc.	Ordinary	SGD\$1.00	17,5000

9	Kinetics Process Systems Sdn Bhd	Kinetic Systems International, Inc.	Common	RM1.00	2,457,000
11	Kinetics Process Systems Sdn Bhd	Kinetic Systems International, Inc.	Common	RM1.00	1,269,000
003	Kinetics TEK Systems Sdn. Bhd.	Kinetics Process Systems Sdn Bhd	Common	RM 100,000	2
004	Kinetics TEK Systems Sdn. Bhd.	Kinetics Process Systems Sdn Bhd	Common	RM 100,000	63,998
005	Kinetics TEK Systems Sdn. Bhd.	Kinetic Systems International, Inc	Common	RM 100,000	18,000
009	Kinetics TEK Systems Sdn. Bhd.	Kinetic Systems International, Inc	Common	RM 100,000	7,000
4	Kinetics Australia PTY Limited	Kinetic Systems International, Inc.	Ordinary	\$1.00	35
5	Kinetics Australia PTY Limited	Kinetic Systems International, Inc.	Ordinary	\$1.00	65
4	Kinetics Construction (Canada), Inc.	Kinetic System International, Inc.	Common	-	35
5	Kinetics Construction (Canada), Inc.	Kinetic System International, Inc.	Common	-	65
13	Kinetics Modular Systems, Inc.	Biokinetics, Inc. (Formerly: Kinetics Biopharm, Inc.)	Common	-	1,170
14	Kinetics Modular Systems, Inc.	Biokinetics, Inc. (Formerly: Kinetics Biopharm, Inc.)	Common	-	630
6	Kinetics Tote Systems Limited	Kinetic Systems International, Inc.	Ordinary	\$1.00 Pound	65
7	Kinetics Tote Systems Limited	Kinetic Systems International, Inc.	Ordinary	\$1.00 Pound	35
N/A	Trimega Ireland Limited	Kinetic Systems International, Inc.	Ordinary	1.25 euros	321,530
N/A	Unit Instruments GmbH	Celerity Fluid Systems Ireland Ltd	N/A	N/A	100% Owned
3	Celerity Singapore Pte Ltd	Celerity Group, Inc.	Ordinary	SGD \$1.00	2
N/A	Fullman International (Thailand) Ltd	Kinetic Systems, Inc.	N/A	N/A	99.94% Owned
N/A	Kinetic Systems Costa Rica S.A.	Kinetic Systems International, Inc.	N/A	N/A	100% Owned
N/A	Kinetic Systems Israel Ltd	Kinetic Systems International, Inc.	N/A	N/A	100% Owned
N/A	Kinetic Systems Netherlands, B.V.	Kinetic Systems International, Inc.	N/A	N/A	100% Owned
N/A	Kinetics Brasil Ltd	Kinetic Systems International, Inc.	N/A	N/A	100% Owned
N/A	Kinetics Europe SPRL	Kinetic Systems International, Inc.	N/A	N/A	100% Owned
N/A	Kinetics France, SA	Kinetic Systems International, Inc.	N/A	N/A	100% Owned
N/A	Kinetics Germany GmbH	Kinetics Group, Inc.	N/A	N/A	100% Owned
N/A	Kinetics Italy srl	Kinetic Systems International, Inc.	N/A	N/A	100% Owned

N/A	Kinetics Japan KK	Kinetic Systems International, Inc.	N/A	N/A	49% Owned
N/A	Kinetics Process Systems (Shanghai) Ltd.	Kinetic Systems International, Inc.	N/A	N/A	100% Owned
N/A	Kinetics Process Systems (Tianjin) Ltd.	Kinetic Systems International, Inc.	N/A	N/A	100% Owned
N/A	Kinetics Process Systems SA	Kinetic Systems Netherlands, B.V.	N/A	N/A	100% Owned
N/A	Kinetics Process Systems UK Ltd	Kinetics Germany GmbH	N/A	N/A	100% Owned
N/A	Kinetics Taiwan Co Ltd	Kinetic Systems International, Inc.	N/A	N/A	100% Owned
N/A	MMD Building (Holding) Ltd	Kinetic Systems Israel Ltd	N/A	N/A	100% Owned
N/A	Reinhold Faeth (Malaysia) Sdn Bhd	Kinetics Germany GmbH	N/A	N/A	100% Owned
N/A	Reinhold Faeth Asia Pacific Pte Ltd	Kinetics Germany GmbH	N/A	N/A	100% Owned

**LIST OF COPYRIGHTS, COPYRIGHT REGISTRATIONS AND
APPLICATIONS FOR COPYRIGHT REGISTRATIONS**

<u>Copyrights</u>	<u>Country</u>	<u>Registration No.</u>	<u>Registration Date</u>	<u>Comments</u>
Virtual Plant Software	USA	Txu 1-047-321	12/18/2001	Owner: Kinetics Biopharm
Cassi--caterpillar service skills inventory system: system reference manual / for Marlin H. Troxell, service training supervisor, Boyce Machinery Corp.	USA	Txu-33913	10/15/1979	Owner: Kinetic Systems, Inc.
Accelerator: liquid burn-in systems for power-up testing of electronic components with high watt densities.	USA	TX-2-179-295	9/14/1987	Owner: Kinetics Thermal Systems, Inc. (fna: FTS Systems, Inc)

LIST OF PATENTS AND PATENT APPLICATIONS

Insync Systems, Inc (Merged with Celerity Group, Inc. (CA))

Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status
Integrated Gas Panel	PCT	PCT/US96/01945	2/13/1996			Abandoned
Integrated Gas Panel	U.S.A	404,485	3/17/1995	5,605,179	2/25/1997	Abandoned
Integrated Gas Panel	U.S.A	08/736/354	10/22/1996			Abandoned
Integrated Gas Panel	Japan					Abandoned
Apparatus and Method for Purifying Gas Distribution Systems	EP	92917799.6	8/5/1992	641241	7/10/1996	Abandoned
Apparatus and Method for Purifying Gas Distribution Systems	France	92917799.6	8/5/1992	641241	7/10/1996	Abandoned
Apparatus and Method for Purifying Gas Distribution Systems	Germany	92917799.6	8/5/1992	69212167.6	7/10/1996	Abandoned
Apparatus and Method for Purifying Gas Distribution Systems	Great Brian	98102740.2	4/1/1998	1003781	11/6/1998	Abandoned
Apparatus and Method for Purifying Gas Distribution Systems	Hong Kong	98102740.2	4/1/1998	1003781	11/6/1998	Abandoned
Apparatus and Method for Purifying Gas Distribution Systems	Japan	503820/93	8/5/1992	1003781	11/6/1998	Abandoned
Apparatus and Method for Purifying Gas Distribution Systems	WO	PCT/US92/06505	8/5/1992	WO93/02768	2/18/1993	Abandoned
Apparatus and Method for Purifying Gas Distribution Systems	Singapore	9605638.7	8/5/1992	52535	10/19/1999	Abandoned
Apparatus and Method for Purifying Gas Distribution Systems	U.S.A	741651	8/7/1991	5,17,8651	1/12/1993	Abandoned
Building Blocks for Integrated Gas Panel	EP	97947611.6	12/3/1996		11/17/1998	Active
Building Blocks for Integrated Gas Panel	JP	525622/98	11/19/1997			

Insync Systems, Inc (Merged with Celerity Group, Inc. (CA))

Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status
Building Blocks for Integrated Gas Panel ABANDON	KR	99-7004883	11/19/1997			Abandoned
Building Blocks for Integrated Gas Panel	PCT	PCT/US97/21327	11/19/1997	WO 98/25058	6/11/1998	Active
Building Blocks for Integrated Gas Panel	U.S.A	08/760,150	12/3/1996	5,836,355	11/17/1998	Active
Building Blocks for Integrated Gas Panel	U.S.A	08/931,060	9/15/1997	6,302,141	10/16/2001	Active
Improved Compression Seal	U.S.A	08/672,826	6/28/1996			Abandoned
Methods for Improving Semiconductor Processing	EP	9507316.4	1/12/1995			Abandoned
Methods for Improving Semiconductor Processing	Japan	520051/95	1/12/1995			Abandoned
Methods for Improving Semiconductor Processing	Korea	96-704068	1/12/1995			Abandoned
Methods for Improving Semiconductor Processing	PCT	PCT/US95/00131	1/12/1995	WO 95/20823	8/3/1995	Abandoned
Methods for Improving Semiconductor Processing	Singapore	9605426-7	1/12/1995			Abandoned
Methods for Improving Semiconductor Processing	U.S.A	08/918,673	8/21/1997			Abandoned
Methods for Improving Semiconductor Processing	U.S.A	08/229450	1/27/1994			Abandoned
Methods for Improving Semiconductor Processing	U.S.A	08/266,929	6/27/1994			Abandoned
Methods for Improving Semiconductor Processing	U.S.A	08/513599	8/10/1995			Active
Methods for Improving Semiconductor Processing	U.S.A	08/918,673	8/21/1997			Active
MFC - Quick Change Method and Apparatus	PCT	PCT/US96/04708	4/4/1996			Abandoned

Insync Systems, Inc (Merged with Celerity Group, Inc. (CA))

Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status
MFC - Quick Change Method and Apparatus	U.S.A	08/437/093	5/5/1995			Abandoned
Mounting Plane For Integrated Gas Panel	EP	98925252.3	6/4/1998	PCT/US98115474 WO99/02867	1/21/1999	Active
Mounting Plane For Integrated Gas Panel	Japan	2000-502327				Abandoned
Mounting Plane For Integrated Gas Panel	Korea					Abandoned
Mounting Plane For Integrated Gas Panel	PCT	PCT/US598/11574	6/4/1998	WO99/02867	1/25/1999	Abandoned
Mounting Plane For Integrated Gas Panel	U.S.A	08/893,773	7/11/1997	6,231,260	5/15/2001	Active
Sieve Like Structure for Fluid Flow Through Structural Arrangement	Canada	2332286 based on PCT/US99/07223	3/31/1999			Abandoned
Sieve Like Structure for Fluid Flow Through Structural Arrangement	China	99807334.2				Abandoned
Sieve Like Structure for Fluid Flow Through Structural Arrangement	EP	PCT99914326.6 Pursuant to PCT/US99/07223				Abandoned
Sieve Like Structure for Fluid Flow Through Structural Arrangement	JP	PCT99914326.6 Pursuant to PCT/US99/07223				Abandoned
Sieve Like Structure for Fluid Flow Through Structural Arrangement	KR	2000-7011447				Abandoned
Sieve Like Structure for Fluid Flow Through Structural Arrangement	PCT	PCT/US99/07223	3/31/1999	WO99/53115	10/21/1999	Abandoned
Sieve Like Structure for Fluid Flow Through Structural Arrangement	U.S.A	09/060,519	4/14/1998	6,158,454	12/12/2000	Active
System Of Modular Substrates For Enabling The Distribution of Process Fluids Through Removable Components	Taiwan	89125954 based on US 09/456,226	12/6/2000	146871	4/10/2001	Abandoned
System Of Modular Substrates For Enabling The Distribution of Process Fluids Through Removable Components	U.S.A	09/456,226	12/6/1999	6,283,155	9/4/2001	Active

Insync Systems, Inc (Merged with Celerity Group, Inc. (CA))

Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status
System Of Modular Substrates For Enabling The Distribution of Process Fluids Thorough Removable Components	WO	PCT/US00/42589 based on US 09/456,226	12/6/2000	WO 01/42694		Abandoned

Kinetics Chempure

Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status
Apparatus and Method for Homogeneous Mixing of a Solution with Tangential Jet Outlets	U.S.	08/934,819	9/22/1997	6,109,778	8/29/2000	Active
Apparatus and Method for Homogeneous Mixing of a Solution	WO	PCT/US 98/19595	9/18/1998			Abandoned
Continuous Blending of Semiconductor Chemicals and Abrasive Wafer Polishing Slurry Applications Using In-Line Blending Processes	U.S.					
Gas Handling Device	U.S.	08/965/077	11/6/1997	6,076,543	6/20/2000	Active
Method and Apparatus for Supplying Blended Process Materials	U.S.	60/222.124	7/31/2000			Active
Quick Disconnect Valve System for Abrasive Slurries	U.S.	08/649056	5/16/1996	5,791,376	8/11/1998	Active
Quick Disconnect Valve System for Abrasive Slurries	Japan	541085/97	5/14/1997	3,247,116	11/2/2001	Active
Quick Disconnect Valve System for Abrasive Slurries	PCT	PCT/US97/08127	5/14/1997	WO97/43574	3/20/1997	Active
Whirlpool Reduction Cap	Taiwan	90119234	8/7/2001			Active
Whirlpool Reduction Cap	U.S.	08/934,819	9/22/1997			Active
Whirlpool Reduction Cap	U.S.	09/635,288	8/9/2000	6,536,468	3/25/2003	Active

Kinetics Chempure

Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status
Whirlpool Reduction Cap	PCT	PCT/US0124953	8/9/2001			Active
Method and Apparatus for Blending Process Materials	WO	PCT /US01/41503	7/31/2001			Active
Method and Apparatus for Blending Process Materials	US	09919772 Based on US Application 60/222,124	7/31/2001			Abandoned
Method and Apparatus for Blending Process Materials	Korea	Korean Patent Application No. 10-2003-7001427 Based on International Application No. PCT/US01/41503	1/30/2003			Active
Method and Apparatus for Blending Process Materials	Taiwan	Based on US Application 60/222,124 Serial No. 90118539	7/31/2001			Active
Method and Apparatus for Blending Process Materials	Malaysia	PCT /US01/41503 PI 20021516	7/31/2001			Active
Method and Apparatus for Blending Process Materials	Israel	153673	04/24/02			Active
Method and Apparatus for Blending Process Materials	Singapore	200300356-3	12/25/2002			Active
Method and Apparatus for Blending Process Materials	Japan	2002-515403	007/31/01			Active
Method and Apparatus for Blending Process Materials	USA	Provisional Patent Application 60/397,441	1/23/2003			Active
Method and Apparatus for Blending Process Materials	USA	Provisional Patent Application 60/222,124 PCT Application No. PCT/US01/41503 filed on 07/31/03	7/19/2002			Active
Method and Apparatus for Blending Process Materials	USA	Application 60/222,124 PCT Application No. PCT/US01/41503 filed on 07/31/03	7/31/2000			Active
Slurry Equipment						Active

Kinetic Systems, Inc.						
Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status
MicroFabrication Tool Pedestal and Method of Use	USA	10/278,748	10/23/2002			Active

Kinetic Thermal Systems, Inc.						
Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status
Acid Resistant Freeze Drying Trap	USA	761,471	1/24/1977	4,114,287	09/19/1978	Expired
Apparatus and Methods for Effecting a Burn In Procedure on Semi-Conductor Devices	EP	97,900,548				Abandoned
Apparatus and Methods for Effecting a Burn In Procedure on Semi-Conductor Devices	EP	PCT/US86/02713	12/18/1986			Abandoned
Apparatus and Methods for Effecting a Burn In Procedure on Semi-Conductor Devices	EP	86900933.2				Abandoned
Apparatus and Methods for Effecting a Burn In Procedure on Semi-Conductor Devices	GB	8612184	5/20/1986	2175445	7/13/1988	Abandoned
Apparatus and Methods for Effecting a Burn In Procedure on Semi-Conductor Devices	Japan	Not filed				Abandoned
Apparatus and Methods for Effecting a Burn In Procedure on Semi-Conductor Devices	Korea	4344/1987	5/4/1987			Abandoned
Apparatus and Methods for Effecting a Burn In Procedure on Semi-Conductor Devices	Malaysia	PI 8700420	4/2/1987	MY-100200-A	4/10/1990	Abandoned
Apparatus and Methods for Effecting a Burn In Procedure on Semi-Conductor Devices	Singapore	876-88	12/15/1988	876/88	3/22/1989	Abandoned
Freeze Dryer for Unattended Operation	USA	126752	11/30/1987	4823478	4/25/1989	
Freeze Dryer Particularly Adapted for Freez Drying Materials Having Highly Corrosive Vapors	USA	729,593	10/4/1976	4,09,312	5/23/1978	Expired
Live Component Temperature Conditioning Device Providing Fast Temperature Variations	USA	922,520	10/24/1986	4,787,752	11/29/1988	

Kinetic Thermal Systems, Inc.

Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status
M&A For Heating and Cooling an Air Stream	USA	281,476	7/9/1981			Abandoned
Means For Sensing The End of the Primary Drying Cycle	USA					
Method and Apparatus for an Improved Shelf and Tray Assembly for a Freeze Dryer	USA	747,939	12/6/1976	4,109,396	8/29/1978	Expired
Positioning Device for Temperature Sensor in Freeze Drying	USA	176422	1/3/1994	5447374	9/5/1995	Active
Positioning Device for Temperature Sensor in Freeze Drying	USA	459534	1/2/1990	4966469	10/30/1990	Active
Process and Device for Determining the End of a Primary Stage of Freeze Drying	USA	077/126,077	11/30/1987	4,780,964	11/1/1988	Active
Vapor Recovery System	USA	370705	9/5/1989	5,015,337	5/14/1991	Abandoned
Freeze Dryer for Unattended Operation	USA	126752	11/30/1987	4823478	4/25/1989	Abandoned
Valve Particularity For Use In Vacuum Work	USA	568981	4/17/1975	3,945,603	3/23/1976	EXPIRED
Freeze Dryer	USA	4929887	7/29/1974	D240144	6/1/1976	EXPIRED
Freeze Dryer	USA	579679	5/21/1975	4,017,983	4/19/1977	EXPIRED
Flask For Freeze Drying With Adjustable Seal	USA	702345	7/2/1976	4,084,330	4/18/1978	EXPIRED
Resin Embedding Apparatus	USA	746294	12/1/1976			Abandoned
Shell Freezer	USA	816449	7/18/1977	4,139,992	2/20/1979	EXPIRED

Kinetic Thermal Systems, Inc.

Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status
Direct Condenser Defrosting System	USA	848497	11/4/1977	4,163,327	8/7/1979	EXPIRED
Direct Condenser Defrosting System	USA	848497	11/4/1977	4,163,327	8/7/1979	EXPIRED
Freeze Dryer Stopping Apparatus	USA	832786	9/12/1977	4,142,303	3/6/1979	EXPIRED
Freezer Dryer Container With Manual Stopping	USA	905427	5/12/1978	4,161,857	7/24/1979	EXPIRED
Tissue Freeze Dryer	USA	905426	5/12/1978	4,197,658	4/15/1980	EXPIRED
Apparatus and Methods for Effecting a Burn In Procedure on Semi-Conductor Devices	USA	736421	5/20/1985			Abandoned
Apparatus and Methods for Effecting a Burn In Procedure on Semi-Conductor Devices	USA	900530	8/26/1986	4,745,354	5/17/1988	
Apparatus and Methods for Effecting a Burn In Procedure on Semi-Conductor Devices	USA	/US86/0070	1/16/1986			Abandoned
Apparatus and Methods for Effecting a Burn In Procedure on Semi-Conductor Devices	EP	87900547.8				Abandoned
Apparatus and Methods for Effecting a Burn In Procedure on Semi-Conductor Devices	USA	185986	4/25/1988			Abandoned
Semiconductor Process Tool Incorporating Heat Exchanger	USA	10/094500	3/8/2002			Active

Marchi Associates (Ultimately merged with Celery Group, Inc. (CA))

Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status
Laminated Paddle Heater and Brazing Process	USA	239224	1/29/1999	6,147,334	11/24/2000	Active
Shielding Unique for Filtering RFI and EMI interference Signals from the measuring elements	USA	753790	11/29/1996	5,999,081	12/7/1999	Active
Unique Strain Relief Junction	USA	753773	11/29/1996	5,864,282	1/26/1999	Active

Unit Instruments (Merged with Celery Group, Inc. (CA))

Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status
Manifold System for Enabling a Distribution of Fluids	EP	94930532.0-2301 EP patent No. 0722552	9/30/1994	722552	7/4/2001	Active
Manifold System for Enabling a Distribution of Fluids	JP	7-510916	9/30/1994	664879		Active
Manifold System for Enabling a Distribution of Fluids	Korea	701790/1996	9/30/1994	664879		Active
Fluid Flow System	USA	60,291,430	Provisional Application 05/16/2001			Active
Gas Panel	Canada	2,307,663	10/28/1998			Active
Gas Panel	China	98811585.9 PCT/US98/22912	5/26/2000			Active
Gas Panel	EP	97913896.3	5/12/1999			Active

Unit Instruments (Merged with Celerity Group, Inc. (CA))

Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status
Gas Panel	EP	98,956,297	10/28/1998			Active
Gas Panel	EP/HONG KONG	1,102,387	10/28/1998			Active
Gas Panel	Japan	522,597/1998	10/29/1997			Active
Gas Panel	Japan					Active
Gas Panel	Korea	7003781/1999	10/29/1997			Abandoned
Gas Panel	Korea	10-2000-7004589	10/28/1998			Abandoned
Gas Panel	Mexico	4,198	4/28/2000			Active
Gas Panel	PCT	PCT/US98/22912	10/28/1998			Active
Gas Panel	Taiwan	86116147	10/30/1997	NI-122473	10/29/2000	Active
Gas Panel	USA	09/371,408	8/10/1999	6,192,938	2/27/2001	Active
Gas Panel	USA	09/371,655	8/10/1999	6,189,570	2/20/2001	Active
Gas Panel	USA	09/371,659	8/10/1999	6,142,539	11/7/2000	Active
Gas Panel	USA	08/960,464	10/29/1997	6,293,310	9/25/2001	Active
Gas Panel	USA	09/371,408	8/10/1998			Active
Gas Panel	USA	09/732,435	12/7/2000			Active
Gas Panel	USA	09/732,434	12/7/2000	6,474,700	11/5/2002	Abandoned

Unit Instruments (Merged with Celerity Group, Inc. (CA))

Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status
Gas Panel	USA	9939487	8/23/2001	6,435,215	8/20/2002	Active
Gas Panel	USA	08/739,936	10/30/1996	5,992,463	11/30/1999	Active
Manifold System of Removable Components For Distribution Of Fluids	EP	99933722.3				Active
Manifold System of Removable Components For Distribution Of Fluids	Japan	2000-229369	1/16/2001			Active
Manifold System of Removable Components For Distribution Of Fluids	Korea	10-2001-7000241	1/8/2001			Active
Manifold System of Removable Components For Distribution Of Fluids	USA	09/111,999	7/8/1998	6374859	4/23/2002	Active
Manifold System of Removable Components For Distribution Of Fluids	USA	09/229,722	1/13/1999	6,394,138	5/28/2002	Active
Manifold System of Removable Components For Distribution Of Fluids	WO	PCT/US99/15272 09/229,722	07/7/99 01/13/99			Active
Method and Apparatus for Balancing Resistance	Taiwan	90103216	2/14/2001			Active
Method and Apparatus for Balancing Resistance	USA	Provisional Application 60/182,306	2/14/2000			Active
Method and Apparatus for Balancing Resistance	USA	09/783,439	2/14/2000			Active
Method and Apparatus for Balancing Resistance	WO	PCT/US01/04609	2/14/2000			Active
Method and Apparatus for Balancing Resistance	EP	1910613.7 based on International App PCT/US01/04609	2/14/2000			Active
Method and Apparatus for Balancing Resistance	Japan	2001-560630 Based on PCT/US01/04609	2/14/2002			Active
Method and Apparatus for Balancing Resistance	Korea	10-2002-7010507 Based on PCT/US01/04609	8/13/2002			Active
Pressure Insensitive Gas Control System	Taiwan	89113822		130212	8/8/2001	Active

Unit Instruments (Merged with Celerity Group, Inc. (CA))

Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status
Pressure Insensitive Gas Control System	USA	09/616,819	7/12/2000	6425281	7/30/2002	Active
Pressure Insensitive Gas Control System	US Continuation Patent Application 09/616819	7/1/2002	7/1/2002			Active
Pressure Insensitive Gas Control System	WO	PCT/US00/19028 00945351.5	7/12/2000	WO 01/04585		Active
System and Method For A Mass Flow Controller	USA	60/285,801	4/24/2000			Active
System of Modular Substrates for Enabling the Distribution of Process Fluids Through Removable Components	USA	09/456/226	12/6/1999			Active
System of Modular Substrates for Enabling the Distribution of Process Fluids Through Removable Components	Taiwan	89125954	12/6/1999	146871	4/10/2002	Active
Thermal Mass Flow Controller	Germany			69327538-3	10/12/2000	Active
Thermal Mass Flow Controller Having Orthogonal Thermal Mass Flow Sensor of Fluids	EP	93924335.8	10/15/1993	664879	1/5/2000	Active
Thermal Mass Flow Controller Having Orthogonal Thermal Mass Flow Sensor of Fluids	France	93924335.8	10/15/1993	664879	1/5/2000	Active
Thermal Mass Flow Controller Having Orthogonal Thermal Mass Flow Sensor of Fluids	Germany	93924335.8	10/15/1993	664879	1/5/2000	Active
Thermal Mass Flow Controller Having Orthogonal Thermal Mass Flow Sensor of Fluids	Great Britian	93924335.8	10/15/1993	664879	1/5/2000	Active
Thermal Mass Flow Controller Having Orthogonal Thermal Mass Flow Sensor of Fluids	Italy	93924335.8	10/15/1993	664879	1/5/2000	Active
Thermal Mass Flow Controller Having Orthogonal Thermal Mass Flow Sensor of Fluids	Japan	510311/94	10/15/1993	3279567	2/22/2002	Active

Unit Instruments (Merged with Celerity Group, Inc. (CA))

Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status
Thermal Mass Flow Controller Having Orthogonal Thermal Mass Flow Sensor of Fluids	Korea	701451/1995	10/15/1993	323962	1/28/2002	Active
Thermal Mass Flow Controller Having Orthogonal Thermal Mass Flow Sensor of Fluids	Korea	70145/1995	10/15/1993	664879	1/5/2000	Active
Thermal Mass Flow Controller Having Orthogonal Thermal Mass Flow Sensor of Fluids	USA	8,815,323	3/10/1997	6,044,701	4/4/2000	Active
Thermal Mass Flow Controller Having Orthogonal Thermal Mass Flow Sensor of Fluids	USA	09/499,762	2/8/2000			Active
Method and Apparatus for Providing a Determined Ratio of Process Fluids	USA	New Provisional Patent Application 60/293,356	5/24/2001			Active
Gas Panel	HK	1102386.7				Active
Mass Flow Controller with Vertical Purifier	USA	758971	12/2/1996	5730181	3/24/1998	Active
Method and apparatus for aligning and Supporting semiconductor process gas delivery and regulation components	USA	612731	3/8/1996	5732744	3/31/1998	abandoned
Torque Tight Locking Device	USA	501682	7/12/1995	5524936	6/11/1996	abandoned
Method and Apparatus for Determining A Rate of Flow of Gas by a Rate of Change in Pressure	USA	08/790218	2/3/1997	5925829	7/20/1999	Active
Automatic Calibrator	USA	735464	5/17/1985	4667153	5/19/1987	Active
Fast Response control Circuit	USA	174515	3/28/1988	4928048	5/22/1990	Active
Modular Gas System						
Apparatus for Handling Process Fluid	USA	557378	11/13/1995	5803507	9/8/1998	Active

Unit Instruments (Merged with Celery Group, Inc. (CA))

Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status
Apparatus for Handling Process Fluid	Germany	94930532		69427645-6		Active
Apparatus for Handling Process Fluid	France	94930532		EP07222552		Active
Apparatus for Handling Process Fluid	Great Britian	94930532		EP07222552		Active
Apparatus for Handling Process Fluid	Italy	94930532		EP07222552		Active
Apparatus for Handling Process Fluid	Netherlands	94930532		EP07222552		Active
Micro- Orifice Bypass						Active
Method and Apparatus...						Active
System and Method for a Mass Flow Controller	USA	10/131,603	4/24/2002			Active
System and Method fo a Mass Flow Controller	Taiwan					Active
System and Method for a Mass Flow Controller	PCT	PCT/US02/13010 WO 02/086632	4/24/2002			Active
Pressure Insensitive Gas Control System	Japan	2001-509951 based on PCT/US00/19028	7/12/2000			Active
Thermal Mass Flow Meter	USA	526860	8/26/1983	4542650	9/24/1985	abandoned
Thermal Mass Flow Meter and Controller	USA	721535	4/10/1985	4685331	8/11/1987	abandoned
Welded Interconnection modules for High Purity Fluid Flow Control Applications	USA	09/398,302	9/20/1999	6,125,887	10/3/2000	Active
Electrical Interconnect System	USA	724743	4/18/1985	4647133	3/3/1987	Active
Electromagnetic Valve with Permanent Magnet Armature	USA	790279	10/22/1985	4690371	9/1/1987	Active

Unit Instruments (Merged with Celery Group, Inc. (CA))

Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status
Mass Flow Meter with Reducec Attitude Sensitivity	USA	173282	7/29/1980	4440021	4/3/1984	Active
Fluid Flow System	WO	PCT/US02/15474	5/16/2001			Active
Fluid Flow System	USA					
Fluid Flow System	Non -Provisional Application based on 60/291,430	10/147,427	5/16/2002			Active
Fluid Flow System	Taiwan	91110216	5/16/2002			Active
Method and Apparatus for Providing a Determined Ratio of Process Fluids	USA	10/154433	5/23/2002			Active
Method and Apparatus for Providing a Determined Ratio of Process Fluids	Taiwan	60/293,356	5/24/2001			Active
Method and Apparatus for Providing a Determined Ratio of Process Fluids	WO	PCT/US02/16289	5/23/2002			Active
methods and Apparatus for Pressure Compensation in a Mass Flow Controller	USA Provisional Patent Application	60/397,285	7/19/2002			Active
Modular Substrate Gas Panel Having Manifold Connections in a Common Plane	USA Provisional Application	60/406,132	8/27/2002			Active
Variable Resistance Sensor With Common Reference Leg	USA Provisional Patent Application	60/397,139	7/19/2002			Active

ProFlow							
Patent	Country	Patent Application No.	Filing Date	Patent Number	Patent Issue Date	Status	
Method and Apparatus for Improved Flow Controller.	USA	09/016554	1/30/1998	6002337	12/14/1999	We will have an exclusive license to ProFlow's MFC related patent	

LIST OF TRADE NAMES, TRADEMARKS, SERVICES MARKS,
TRADEMARK AND SERVICE MARK REGISTRATIONS AND
APPLICATIONS FOR TRADEMARK AND SERVICE MARK REGISTRATIONS

-Domestic and Foreign-

Note: Thomas Conveyor and Tote Systems have been sold. Their Trademarks have not been included in this group.

INSYNC SYSTEMS, INC (Merged with Celertiy Group, Inc. (CA))

Trademark	Country	Filing No.	Filing Date	Registration No.	Registration Date	Status
FABWARE	U.S.A.	75777050	8/16/1999			Abandoned
GASWARE	China	96-0041946	4/10/1996	1060070	7/21/1997	Active
GASWARE	Germany	39606965.7	2/14/1996	39606965	5/28/1997	Active
GASWARE	Great Britan	2056177	2/9/1996	407145	2/9/1996	Active
GASWARE	Japan	3795396	4/10/1996	4129016	3/27/1998	Active
GASWARE	Korea	96-5714	2/15/1996	407145	7/1/1998	Active
GASWARE	Malaysia	362,796	4/9/1996	96002627	4/9/1996	Active
GASWARE	Singapore	232,696	10/10/1995	T96/02326E	3/14/1996	Active
GASWARE	U.S.A.	75,003,123	10/10/1995	2146638	3/24/1998	Active
INSYNC	EM			178897	4/1/1996	Abandoned
INSYNC & DESIGN	U.S.A.	74552384	7/22/1994	1952486	1/30/1996	Abandoned
INSYNC	U.S.A.	740400375	3/20/1990			Abandoned

INSYNC SYSTEMS, INC (Merged with Celerity Group, Inc. (CA))

Trademark	Country	Filing No.	Filing Date	Registration No.	Registration Date	Status
K1						Abandoned
PULLBRITE	U.S.A.	74733600	9/25/1995	1,993,594	8/13/1996	Active
PURECLEAN	U.S.A.	74734275	9/25/1995	2,060,505	5/13/1997	Active
SMR	U.S.A.					Abandoned
VERSA PLANE	U.S.A.	75,253,968	3/6/1997	2534376	1/29/2002	Active

Kinetics Chempure

Trademark	Country	Filing No.	Filing Date	Registration No.	Registration Date	Status
MEGA	U.S.A	74,477,279	1/10/1994	1930638	10/31/1995	Active
MEGA AND DESIGN	U.S.A	74,488,834	2/10/1994	1987856	7/23/1996	Abandoned
MEGA-KINETICS	U.S.A	75,722,000	6/4/1999			Abandoned
MEGAFLOW	USA	78,124,935	4/29/2002			Active
MEGAFLOW	CMT	2737401	6/17/2002			Active
MEGAPURE	USA	78,124,923	4/29/2002			Abandoned
MEGABLEND	USA	78,124,866	4/29/2002	2686765	2/11/2003	Active
MEGABLEND	CMT	2,737,419	6/17/2002			Active
MEGAJET	USA	78,124,807	4/29/2002			Active
MEGAJET	CMT	2,737,393	6/17/2002			Active

Kinetics Chempure

Trademark	Country	Filing No.	Filing Date	Registration No.	Registration Date	Status
MEGAFLEX	USA	78,124,788	4/29/2002			Active
MEGAFLEX	CMT	2,737,377	6/17/2002			Active
MEGASHOT	USA	78/152,498	8/8/2002			Active
MEGASHOT	CMT	303848	2/3/2003			Active

Celerity Group, Inc. (Formerly Kinetic Fluid Systems, Inc)

Trademark	Country	Filing No.	Filing Date	Registration No.	Registration Date	Status
SCION	USA	78113590	3/8/2002			Abandoned
CELERITY	USA	78113613	3/8/2002			Active
CERES	USA	78113640	3/8/2002			Abandoned
CELERITY & DESIGN	USA	78/152505	8/8/2002			Active
CELERITY & DESIGN	CMT	3033230	2/3/2003			Active
STEP	USA	78278495	7/24/2003			Pending

Kinetics Systems, Inc.

Trademark	Country	Filing No.	Filing Date	Registration No.	Registration Date	Status
BUILDING SOLUTIONS	U.S.A	75,176,412	10/3/1996			Abandoned
KSI	USA	74,173,029	6/4/1991	1773312	5/25/1993	Abandoned
KINETICS	France	96/657,734	12/31/1996		6/13/1997	Active
KINETICS	U.S.A	75166046	9/11/1996	2158214	5/19/1998	Active
MISCELLANEOUS DESIGN (Chemical Icon)	U.S.A	75,176,410	10/3/1996	2281909	9/28/1999	Active
MISCELLANEOUS DESIGN (Ring Design)	China				10/707/98	Active
MISCELLANEOUS DESIGN (Gas Icon)	U.S.A	75,176,414	10/3/1996	2285861	10/12/1999	Active
MISCELLANEOUS DESIGN (Ring Design)	U.S.A	75,206,750	12/2/1996	2160105	5/26/1998	Active
MISCELLANEOUS DESIGN (Water Icon)	U.S.A	75,176,413	10/3/1996	2278282	9/14/1999	Active
X-50	U.S.A	75,034,069	12/18/1995	2168804	6/30/1998	Active
SYSTEM SOLUTIONS FOR A CHANGING WORLD	USA	76403553	5/3/2002			Active
FLEXIPED	USA	78/177174	10/22/2002			Active

BioKinetics

Trademark	Country	Filing No.	Filing Date	Registration No.	Registration Date	Status
BIOKINETICS	U.S.A	75,198,028	11/14/1996	2203512	11/17/1998	Active
OPTIPLANT						Abandoned
K-TOPS	U.S.A	76400269	4/24/2002			Active
VPLANT Software Copyright	USA			Txu 1-047-321	12/18/2001	Active

Kinetics Group, Inc.

Note: The Trademark "Surrounding the Tool for the Life of the Fab" was filed on behalf of and held pending assignment to Trimega Electronics, Inc.

Trademark	Country	Filing No.	Filing Date	Registration No.	Registration Date	Status	
SURROUNDING THE TOOL FOR THE LIFE OF THE FAB	Australia	889,956	06/16/2000	9/21/2001	839258	6/16/2000	Abandoned
SURROUNDING THE TOOL FOR THE LIFE OF THE FAB	China	2000085755	6/16/2000				Abandoned
SURROUNDING THE TOOL FOR THE LIFE OF THE FAB	CMT		12/16/1999	1708775		6/15/2000	Active
SURROUNDING THE TOOL FOR THE LIFE OF THE FAB	India			839,258		6/16/2000	Active
SURROUNDING THE TOOL FOR THE LIFE OF THE FAB	Israel	151938	6/15/2000				Active
SURROUNDING THE TOOL FOR THE LIFE OF THE FAB	Japan	66718/2000	6/15/2000				Abandoned
SURROUNDING THE TOOL FOR THE LIFE OF THE FAB	Korea	41-2002-3326 & 41-2000-17407	6/16/2000	0078656 & 80968		11/2/2002	Active
SURROUNDING THE TOOL FOR THE LIFE OF THE FAB	Malaysia	2000/07776 2000/07777					Active
SURROUNDING THE TOOL FOR THE LIFE OF THE FAB	Mexico	431697 413699	431698				Active
SURROUNDING THE TOOL FOR THE LIFE OF THE FAB	New Zealand	616902	645885			2/5/2002	Active
SURROUNDING THE TOOL FOR THE LIFE OF THE FAB	Philippines	4-2000-04998	6/16/2000				Abandoned

Kinetics Group, Inc. Note: The Trademark "Surrounding the Tool for the Life of the Fab" was filed on behalf of and held pending assignment to Trimega Electronics, Inc.

Trademark	Country	Filing No.	Filing Date	Registration No.	Registration Date	Status
SURROUNDING THE TOOL FOR THE LIFE OF THE FAB	Singapore	T00/10479Z	6/16/2000			Active
SURROUNDING THE TOOL FOR THE LIFE OF THE FAB	Singapore	101/14003Z	9/3/2001			Active
SURROUNDING THE TOOL FOR THE LIFE OF THE FAB	Taiwan		12/16/1999			Active
SURROUNDING THE TOOL FOR THE LIFE OF THE FAB	U.S.A	75,873,182	12/16/1999	2592322	7/9/2002	Active
SURROUND THE TOOL	U.S.A	75,694,685	4/29/1999			Abandoned

Kinetic Thermal Systems, Inc.

Trademark	Country	Filing No.	Filing Date	Registration No.	Registration Date	Status
ACCELERATOR	U.S.A	73/669,799	7/1/1987	1502867	9/6/1988	Abandoned
CHALLENGER	U.S.A	73,564,833	10/24/1985	1394756	5/27/1986	Abandoned
LYOMANAGER	U.S.A	75,917,947	2/14/2000	2587219	7/2/2002	Active
LYOSTAR	U.S.A	75,917,956	2/14/2000	2505955	11/13/2001	Active
MAXI COOL	U.S.A	75-656,066	3/8/1999	2432784	3/6/2001	Active
QUANTUM	U.S.A	75,918,190	2/14/2000	2577217	6/11/2002	Active
TURBO-JET	U.S.A	74,116,542	11/19/1990	1713407	9/8/1992	Active
ULTRACOOOL	U.S.A	75,656,067	3/8/1999			Abandoned
ULTRACOOOL	U.S.A	76,305,484	8/27/2001			Abandoned
FTS	U.S.A	73004234	10/23/1973	1015728	7/15/1975	Active

Kinetic Thermal Systems, Inc.

Trademark	Country	Filing No.	Filing Date	Registration No.	Registration Date	Status
MULTI-COOL	U.S.A	73024336	6/17/1974	1017898	8/12/1975	Active
BIO-COOL	U.S.A	73477416	4/26/1984	1320557	2/19/1985	Active
FLEXI-COOL	U.S.A	73024337	6/17/1974	1016758	7/29/1975	Active
AIR-JET	U.S.A	73477415	4/26/1984	1329425	4/9/1985	Active

Unit Instruments (Merged with Celerity Group, Inc. (CA))

Trademark	Country	Filing No.	Filing Date	Registration No.	Registration Date	Status
FLOGUARD	Canada	1,093,949	2/27/2001		8/30/2000	Active
FLOGUARD	China	2001021527	2/19/2000	1912267	11/7/2002	Active
FLOGUARD	Hong Kong	2001/02543	2/14/2001	B00771/2002	8/30/2000	Active
FLOGUARD	Israel	146636	2/11/2001	146636	1/2/2002	Active
FLOGUARD	Japan	11841/2001	2/14/2001	4614089	10/18/2002	Active
FLOGUARD	Korea	40-2001-0007403	2/28/2001		8/30/2000	Abandoned
FLOGUARD	Liechtenstein	90-2930-4	3/7/2001		8/30/2000	Active
FLOGUARD	Mexico	473411	2/28/2001	714159	8/31/2001	Active
FLOGUARD	CMT	2102051	2/23/2001		8/30/2001	Active
FLOGUARD	Singapore	T01/02617B	2/27/2001		8/30/2001	Abandoned
FLOGUARD	Switzerland	01476/2001 Registration No1 492127	2/12/2001	9	8/30/2000	

Unit Instruments (Merged with Celerity Group, Inc. (CA))

Trademark	Country	Filing No.	Filing Date	Registration No.	Registration Date	Status
FLOGUARD	Taiwan	90-005796	2/23/2001	1009102	8/1/2002	Active
FLOGUARD	U.S.A	76/119,301	8/30/2000	2485153	9/4/2001	Active
MULTIFLO	U.S.A	75533206	8/10/1998	2381936	8/29/2000	Active
Z-BLOC	USA	75562001	9/30/1998	2340239	4/11/2000	Active
Z& DESIGN	USA	75562001	9/30/1998	2340238	4/11/2000	Active

LIST OF LICENSES AND OTHER AGREEMENTS

None

COMMERCIAL TORT CLAIMS

None