

12-10-1999



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U.S. DEPARTMENT OF COMMERCE

Patent and Trademark Office

NOV 30

MRO 11-30-99

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

1. Name of conveying party(ies): **EMPI CORP.**

Individual(s)                       Association

General Partnership               Limited Partnership

Corporation-State (MN)

Other \_\_\_\_\_

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

2. Name and address of receiving party(ies):

Name: Lehman Commercial Paper Inc., as Administrative Agent

Internal Address: \_\_\_\_\_

Street Address: 3 World Financial Center

City: New York State: NY ZIP: 10285

3. Nature of conveyance:

Assignment                       Merger

Security Agreement               Change of Name

Other \_\_\_\_\_

Execution Date: August 31, 1999

Individual(s) citizenship \_\_\_\_\_

Association \_\_\_\_\_

General Partnership \_\_\_\_\_

Limited Partnership \_\_\_\_\_

Corporation-State New York

Other \_\_\_\_\_

If assignee is not domiciled in the United States, a domestic representative designation is attached:  Yes  No  
(Designation 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) **See Continuation of Item Four**

Additional numbers attached?  Yes  No

B. Trademark Registration No.(s) **See Continuation of Item Four**

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

Name: Kristopher E. Ahrend, Esq.

Internal Address: Simpson Thacher & Bartlett

Street Address: 425 Lexington Avenue

City: New York State: New York ZIP: 10017

6. Total number of applications and registrations involved: 50

7. Total fee (37 CFR 3.41): \$1,265.00

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

(Attached 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.

Kristopher E. Ahrend, Esq.                      Kristopher E. Ahrend                      11/30/99

Name of Person Signing                      Signature                      Date

Total number of pages comprising cover sheet: 117

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

12/10/1999 1158463 40.00 1225.00

TRADEMARK  
REEL: 001991 FRAME: 0001

**CONTINUATION OF ITEM FOUR FROM RECORDATION COVER SHEET****4. Application number(s) or registration number(s):**

<b>TITLE</b>	<b>REG. NO.</b>	<b>APP. NO.</b>
EMPI INC	1,155,463	
EMPI INC	1,155,464	
EPIX	1,292,027	
EPIX +	1,292,026	
EMPI	1,292,025	
THE SOFT TOUCH	1,454,089	
LOGIX	1,340,481	
BASIX	1,345,913	
PCS	1,379,627	
THE SOFT TOUCH	1,383,243	
SUE	1,383,248	
EMPI	1,428,276	
EPIX XL	1,526,708	
FOCUS	1,622,277	
DUPEL	1,738,987	
INNOVA	1,727,336	
SLIDEEASE	1,812,822	
COMORTPULSE	1,795,735	
NEUROEASE	1,331,886	
COMFORT BURST	1,195,098	
RESPOND	1,289,934	
RESPOND II	1,622,312	
RESPOND SELECT	1,715,418	
SELECTRA	1,219,865	
NEURO AID	1,300,398	

<b>TITLE</b>	<b>REG. NO.</b>	<b>APP. NO.</b>
NEURO AID HH	1,325,589	
MULTIFLEX	1,360,375	
NEUROPAD	1,371,165	
NEUROAID 3.5	1,419,076	
COMFORTEASE	1,453,097	
ECLIPSE	1,528,058	
ECLIPSE +	1,585,476	
DYNEX	1,581,197	
DYNEX	1,135,049	
SNAPPEASE	1,546,273	
ADVANCE DYNAMIC	1,951,954	
BIO-PROMPT	1,703,051	
BIO-SCOPE	1,831,215	
ELT	1,830,234	
CERC	2,027,959	
ASSIST	2,186,387	
RELION	2,133,364	
INNOSENSE	2,214,185	
EPIX VT	2,169,128	
INNOVA	2,248,905	
COMORTPULSE		75/058,582
MINOVA	2,254,314	
DUPEL BLUE		75/484,220
LARS		75/648,011
LARSYSTEM		75/646,416

**GUARANTEE AND COLLATERAL AGREEMENT**

made by

**EI MERGER CORP.**  
(to be merged with and into EMPI, INC.),

**EMPI CORP.**

and certain of its Subsidiaries

in favor of

**LEHMAN COMMERCIAL PAPER INC.,**  
as Administrative Agent

Dated as of August \_\_, 1999

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Annex I	Assumption Agreement
Annex II	Acknowledgment and Consent

GUARANTEE AND COLLATERAL AGREEMENT, dated as of August 31, 1999, made by each of the signatories hereto (together with any other entity that may become a party hereto as provided herein, the "Grantors"), in favor of LEHMAN COMMERCIAL PAPER INC., as administrative agent (in such capacity, the "Administrative Agent") for the banks and other financial institutions from time to time parties to the Credit Agreement (the "Lenders"), dated as of August 31, 1999 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among EI MERGER CORP., a Minnesota corporation, which will be merged with and into EMPI, INC., a Minnesota corporation, which shall be the surviving corporation of such merger, EMPI CORP., a Minnesota corporation (the "Borrower"), the Lenders, LEHMAN BROTHERS INC., as advisor, lead arranger and book manager, FIRST UNION CAPITAL MARKETS CORP., as syndication agent, Union Bank of California, N.A., as documentation agent and the Administrative Agent.

WITNESSETH:

WHEREAS, pursuant to the Credit Agreement, the Lenders have severally agreed to make loans and other extensions of credit to the Borrower upon the terms and subject to the conditions set forth therein;

WHEREAS, the Borrower is a member of an affiliated group of companies that includes each other Grantor;

WHEREAS, the proceeds of the loans and other extensions of credit under the Credit Agreement will be used to consummate the Acquisition and to enable the Borrower to make valuable transfers to one or more of the other Grantors in connection with the operation of their respective businesses;

WHEREAS, the Borrower and the other Grantors are engaged in related businesses, and each Grantor will derive substantial direct and indirect benefit from the making of the loans and other extensions of credit under the Credit Agreement; and

WHEREAS, it is a condition precedent to the obligation of the Lenders to make their respective loans and other extensions of credit to the Borrower under the Credit Agreement that the Grantors shall have executed and delivered this Agreement to the Administrative Agent for the ratable benefit of the Lenders;

NOW, THEREFORE, in consideration of the premises and to induce the Administrative Agent and the Lenders to enter into the Credit Agreement and to induce the Lenders to make their respective loans and other extensions of credit to the Borrower thereunder, each Grantor hereby agrees with the Administrative Agent, for the ratable benefit of the Lenders, as follows:



## SECTION 1. DEFINED TERMS

1.1 Definitions. (a) Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement, and the following terms which are defined in the Uniform Commercial Code in effect in the State of New York on the date hereof are used herein as so defined: Accounts, Certificated Security, Chattel Paper, Documents, Equipment, Farm Products, Goods, Instruments, Inventory and Investment Property.

(b) The following terms shall have the following meanings:

"Agreement": this Guarantee and Collateral Agreement, as the same may be amended, supplemented or otherwise modified from time to time.

"Borrower Credit Agreement Obligations": the collective reference to the unpaid principal of and interest on the Loans and Reimbursement Obligations and all other obligations and liabilities of the Borrower (including, without limitation, interest accruing at the then applicable rate provided in the Credit Agreement after the maturity of the Loans and Reimbursement Obligations and interest accruing at the then applicable rate provided in the Credit Agreement after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Borrower, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) to the Administrative Agent or any Lender, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, the Credit Agreement, this Agreement, the other Loan Documents, any Letter of Credit, or any other document made, delivered or given in connection therewith, in each case whether on account of principal, interest, reimbursement obligations, fees, indemnities, costs, expenses or otherwise (including, without limitation, all fees and disbursements of counsel to the Administrative Agent or to the Lenders that are required to be paid by the Borrower pursuant to the terms of any of the foregoing agreements).

"Borrower Hedge Agreement Obligations": the collective reference to all obligations and liabilities of the Borrower (including, without limitation, interest accruing at the then applicable rate provided in any Specified Hedge Agreement after the filing of any petition in bankruptcy, or the commencement of any insolvency, reorganization or like proceeding, relating to the Borrower, whether or not a claim for post-filing or post-petition interest is allowed in such proceeding) to any Lender or any affiliate of any Lender, whether direct or indirect, absolute or contingent, due or to become due, or now existing or hereafter incurred, which may arise under, out of, or in connection with, any Specified Hedge Agreement or any other document made, delivered or given in connection therewith, in each case whether on account of principal, interest, reimbursement obligations, fees, indemnities, costs, expenses or otherwise (including, without limitation, all fees and disbursements of counsel to the relevant Lender or affiliate thereof that are required to be paid by the Borrower pursuant to the terms of any Specified Hedge Agreement).

**"Borrower Obligations"**: the collective reference to (i) the Borrower Credit Agreement Obligations and (ii) the Borrower Hedge Agreement Obligations, but only to the extent that, and only so long as, the Borrower Credit Agreement Obligations are secured and guaranteed pursuant hereto.

**"Collateral"**: as defined in Section 3.

**"Collateral Account"**: any collateral account established by the Administrative Agent as provided in Section 6.1 or 6.4.

**"Contracts"**: the contracts and agreements listed in Schedule 7, as the same may be amended, supplemented or otherwise modified from time to time, including, without limitation, (i) all rights of any Grantor to receive moneys due and to become due to it thereunder or in connection therewith, (ii) all rights of any Grantor to damages arising thereunder and (iii) all rights of any Grantor to perform and to exercise all remedies thereunder.

**"Copyright Licenses"**: any written agreement naming any Grantor as licensor or licensee (including, without limitation, those listed in Schedule 6), granting any right under any Copyright, including, without limitation, the grant of rights to manufacture, distribute, exploit and sell materials derived from any Copyright.

**"Copyrights"**: (i) all copyrights arising under the laws of the United States, any other country or any political subdivision thereof, whether registered or unregistered and whether published or unpublished (including, without limitation, those listed in Schedule 6), all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, all registrations, recordings and applications in the United States Copyright Office, and (ii) the right to obtain all renewals thereof.

**"Deposit Account"**: as defined in the Uniform Commercial Code of any applicable jurisdiction and, in any event, including, without limitation, any demand, time, savings, passbook or like account maintained with a depository institution.

**"Foreign Subsidiary"**: any Subsidiary organized under the laws of any jurisdiction outside the United States of America.

**"Foreign Subsidiary Voting Stock"**: the voting Capital Stock of any Foreign Subsidiary.

**"General Intangibles"**: all "general intangibles" as such term is defined in Section 9-106 of the Uniform Commercial Code in effect in the State of New York on the date hereof and, in any event, including, without limitation, with respect to any Grantor, all contracts, agreements, instruments and indentures in any form, and portions thereof, to which such Grantor is a party or under which such Grantor has any right, title or interest or to which such Grantor or any property of such Grantor is subject, as the same may from time to time be amended, supplemented or otherwise modified, including, without

limitation, (i) all rights of such Grantor to receive moneys due and to become due to it thereunder or in connection therewith, (ii) all rights of such Grantor to damages arising thereunder and (iii) all rights of such Grantor to perform and to exercise all remedies thereunder, in each case to the extent the grant by such Grantor of a security interest pursuant to this Agreement in its right, title and interest in such contract, agreement, instrument or indenture is not prohibited by such contract, agreement, instrument or indenture without the consent of any other party thereto, would not give any other party to such contract, agreement, instrument or indenture the right to terminate its obligations thereunder, or is permitted with consent if all necessary consents to such grant of a security interest have been obtained from the other parties thereto (it being understood that the foregoing shall not be deemed to obligate such Grantor to obtain such consents); provided, that the foregoing limitation shall not affect, limit, restrict or impair the grant by such Grantor of a security interest pursuant to this Agreement in any Receivable or any money or other amounts due or to become due under any such contract, agreement, instrument or indenture.

**"Guarantor Obligations":** with respect to any Guarantor, all obligations and liabilities of such Guarantor which may arise under or in connection with this Agreement (including, without limitation, Section 2) or any other Loan Document to which such Guarantor is a party, in each case whether on account of guarantee obligations, reimbursement obligations, fees, indemnities, costs, expenses or otherwise (including, without limitation, all fees and disbursements of counsel to the Administrative Agent or to the Lenders that are required to be paid by such Guarantor pursuant to the terms of this Agreement or any other Loan Document).

**"Guarantors":** the collective reference to each Grantor other than the Borrower.

**"Hedge Agreements":** as to any Person, all interest rate swaps, caps or collar agreements or similar arrangements entered into by such Person providing for protection against fluctuations in interest rates or currency exchange rates or the exchange of nominal interest obligations, either generally or under specific contingencies.

**"Intellectual Property":** the collective reference to all rights, priorities and privileges relating to intellectual property, whether arising under United States, multinational or foreign laws or otherwise, including, without limitation, the Copyrights, the Copyright Licenses, the Patents, the Patent Licenses, the Trademarks and the Trademark Licenses, and all rights to sue at law or in equity for any infringement or other impairment thereof, including the right to receive all proceeds and damages therefrom.

**"Intercompany Note":** any promissory note evidencing loans made by any Grantor to Holdings or any of its Subsidiaries.

**"Investment Property":** the collective reference to (i) all "investment property" as such term is defined in Section 9-115 of the New York UCC (other than any Foreign Subsidiary Voting Stock excluded from the definition of "Pledged Stock") and

(ii) whether or not constituting "investment property" as so defined, all Pledged Securities.

**"Issuers"**: the collective reference to each issuer of a Pledged Security.

**"New York UCC"**: the Uniform Commercial Code as from time to time in effect in the State of New York.

**"Obligations"**: (i) in the case of the Borrower, the Borrower Obligations, and (ii) in the case of each Guarantor, its Guarantor Obligations.

**"Patent License"**: all agreements, whether written or oral, providing for the grant by or to any Grantor of any right to manufacture, use or sell any invention covered in whole or in part by a Patent, including, without limitation, any of the foregoing referred to in Schedule 6.

**"Patents"**: (i) all letters patent of the United States, any other country or any political subdivision thereof, all reissues and extensions thereof and all goodwill associated therewith, including, without limitation, any of the foregoing referred to in Schedule 6, (ii) all applications for letters patent of the United States or any other country and all divisions, continuations and continuations-in-part thereof, including, without limitation, any of the foregoing referred to in Schedule 6, and (iii) all rights to obtain any reissues or extensions of the foregoing.

**"Pledged Notes"**: all promissory notes listed on Schedule 2, all Intercompany Notes at any time issued to any Grantor and all other promissory notes issued to or held by any Grantor (other than promissory notes issued in connection with extensions of trade credit by any Grantor in the ordinary course of business).

**"Pledged Securities"**: the collective reference to the Pledged Notes and the Pledged Stock.

**"Pledged Stock"**: the shares of Capital Stock listed on Schedule 2, together with any other shares, stock certificates, options or rights of any nature whatsoever in respect of the Capital Stock of any Person that may be issued or granted to, or held by, any Grantor while this Agreement is in effect; provided, that in no event shall more than 66% of the total outstanding Foreign Subsidiary Voting Stock of any Foreign Subsidiary be required to be pledged hereunder.

**"Proceeds"**: all "proceeds" as such term is defined in Section 9-306(1) of the Uniform Commercial Code in effect in the State of New York on the date hereof and, in any event, shall include, without limitation, all dividends or other income from the Investment Property, collections thereon or distributions or payments with respect thereto.

**"Receivable"**: any right to payment for goods sold or leased or for services rendered, whether or not such right is evidenced by an Instrument or Chattel Paper and

whether or not it has been earned by performance (including, without limitation, any Account).

**"Securities Act"**: the Securities Act of 1933, as amended.

**"Specified Hedge Agreement"**: any Hedge Agreement (a) entered into by (i) the Borrower or any of its subsidiaries and (ii) any Lender or any affiliate thereof, as counterparty, and (b) which has been designated by such Lender and the Borrower, by notice to the Administrative Agent not later than 90 days after the execution and delivery by the Borrower or its Subsidiary thereof, as a Specified Hedge Agreement. The designation of any Hedge Agreement as a Specified Hedge Agreement shall not create in favor of the Lender or affiliate thereof that is a party thereto any rights in connection with the management or release of any Collateral or any Guarantor Obligations.

**"Trademark License"**: any agreement, whether written or oral, providing for the grant by or to any Grantor of any right to use any Trademark, including, without limitation, any of the foregoing referred to in Schedule 6.

**"Trademarks"**: (i) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source or business identifiers, and all goodwill associated therewith, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, whether in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, or otherwise, and all common-law rights related thereto, including, without limitation, any of the foregoing referred to in Schedule 6, and (ii) the right to obtain all renewals thereof.

**"Vehicles"**: all cars, trucks, trailers, construction and earth moving equipment and other vehicles covered by a certificate of title law of any state and, in any event including, without limitation, the vehicles listed on Schedule 8 and all tires and other appurtenances to any of the foregoing.

1.2 **Other Definitional Provisions.** The words "hereof," "herein", "hereto" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section and Schedule references are to this Agreement unless otherwise specified.

(a) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(b) Where the context requires, terms relating to the Collateral or any part thereof, when used in relation to a Grantor, shall refer to such Grantor's Collateral or the relevant part thereof.

## SECTION 2. GUARANTEE

2.1 Guarantee. (a) Each of the Guarantors hereby, jointly and severally, unconditionally and irrevocably, guarantees to the Administrative Agent, for the ratable benefit of the Lenders and their respective successors, indorsees, transferees and assigns, the prompt and complete payment and performance by the Borrower when due (whether at the stated maturity, by acceleration or otherwise) of the Borrower Obligations.

(b) Anything herein or in any other Loan Document to the contrary notwithstanding, the maximum liability of each Guarantor hereunder and under the other Loan Documents shall in no event exceed the amount which can be guaranteed by such Guarantor under applicable federal and state laws relating to the insolvency of debtors (after giving effect to the right of contribution established in Section 2.2).

(c) Each Guarantor agrees that the Borrower Obligations may at any time and from time to time exceed the amount of the liability of such Guarantor hereunder without impairing the guarantee contained in this Section 2 or affecting the rights and remedies of the Administrative Agent or any Lender hereunder.

(d) The guarantee contained in this Section 2 shall remain in full force and effect until all the Borrower Obligations and the obligations of each Guarantor under the guarantee contained in this Section 2 shall have been satisfied by payment in full, no Letter of Credit shall be outstanding and the Commitments shall have terminated, notwithstanding that from time to time during the term of the Credit Agreement the Borrower may be free from any Borrower Obligations.

(e) No payment made by the Borrower, any of the Guarantors, any other guarantor or any other Person or received or collected by the Administrative Agent or any Lender from the Borrower, any of the Guarantors, any other guarantor or any other Person by virtue of any action or proceeding or any set-off or appropriation or application at any time or from time to time in reduction of or in payment of the Borrower Obligations shall be deemed to modify, reduce, release or otherwise affect the liability of any Guarantor hereunder which shall, notwithstanding any such payment (other than any payment made by such Guarantor in respect of the Borrower Obligations or any payment received or collected from such Guarantor in respect of the Borrower Obligations), remain liable for the Borrower Obligations up to the maximum liability of such Guarantor hereunder until the Borrower Obligations shall have been paid in full, no Letter of Credit shall be outstanding and the Commitments shall have terminated.

2.2 Right of Contribution. Each Subsidiary Guarantor hereby agrees that to the extent that a Subsidiary Guarantor shall have paid more than its proportionate share of any payment made hereunder, such Subsidiary Guarantor shall be entitled to seek and receive contribution from and against any other Subsidiary Guarantor hereunder which has not paid its proportionate share of such payment. Each Subsidiary Guarantor's right of contribution shall be subject to the terms and conditions of Section 2.3. The provisions of this Section 2.2 shall in no respect limit the obligations and liabilities of any Subsidiary Guarantor to the Administrative

Agent and the Lenders, and each Subsidiary Guarantor shall remain liable to the Administrative Agent and the Lenders for the full amount guaranteed by such Subsidiary Guarantor hereunder.

2.3 No Subrogation. Notwithstanding any payment made by any Guarantor hereunder or any set-off or application of funds of any Guarantor by the Administrative Agent or any Lender, no Guarantor shall be entitled to be subrogated to any of the rights of the Administrative Agent or any Lender against the Borrower or any other Guarantor or any collateral security or guarantee or right of offset held by the Administrative Agent or any Lender for the payment of the Borrower Obligations, nor shall any Guarantor seek or be entitled to seek any contribution or reimbursement from the Borrower or any other Guarantor in respect of payments made by such Guarantor hereunder, until all amounts owing to the Administrative Agent and the Lenders by the Borrower on account of the Borrower Obligations shall have been paid in full, no Letter of Credit shall be outstanding and the Commitments shall have terminated. If any amount shall be paid to any Guarantor on account of such subrogation rights at any time when all of the Borrower Obligations shall not have been paid in full, such amount shall be held by such Guarantor in trust for the Administrative Agent and the Lenders, segregated from other funds of such Guarantor, and shall, forthwith upon receipt by such Guarantor, be turned over to the Administrative Agent in the exact form received by such Guarantor (duly indorsed by such Guarantor to the Administrative Agent, if required), to be applied against the Borrower Obligations, whether matured or unmatured, in such order as the Administrative Agent may determine.

2.4 Amendments, etc. with respect to the Borrower Obligations. Each Guarantor shall remain obligated hereunder notwithstanding that, without any reservation of rights against any Guarantor and without notice to or further assent by any Guarantor, any demand for payment of any of the Borrower Obligations made by the Administrative Agent or any Lender may be rescinded by the Administrative Agent or such Lender and any of the Borrower Obligations continued, and the Borrower Obligations, or the liability of any other Person upon or for any part thereof, or any collateral security or guarantee therefor or right of offset with respect thereto, may, from time to time, in whole or in part, be renewed, extended, amended, modified, accelerated, compromised, waived, surrendered or released by the Administrative Agent or any Lender, and the Credit Agreement and the other Loan Documents and any other documents executed and delivered in connection therewith may be amended, modified, supplemented or terminated, in whole or in part, as the Administrative Agent (or the Required Lenders or all Lenders, as the case may be) may deem advisable from time to time, and any collateral security, guarantee or right of offset at any time held by the Administrative Agent or any Lender for the payment of the Borrower Obligations may be sold, exchanged, waived, surrendered or released. Neither the Administrative Agent nor any Lender shall have any obligation to protect, secure, perfect or insure any Lien at any time held by it as security for the Borrower Obligations or for the guarantee contained in this Section 2 or any property subject thereto.

2.5 Guarantee Absolute and Unconditional. Each Guarantor waives any and all notice of the creation, renewal, extension or accrual of any of the Borrower Obligations and notice of or proof of reliance by the Administrative Agent or any Lender upon the guarantee contained in this Section 2 or acceptance of the guarantee contained in this Section 2; the

Borrower Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred, or renewed, extended, amended or waived, in reliance upon the guarantee contained in this Section 2; and all dealings between the Borrower and any of the Guarantors, on the one hand, and the Administrative Agent and the Lenders, on the other hand, likewise shall be conclusively presumed to have been had or consummated in reliance upon the guarantee contained in this Section 2. Each Guarantor waives diligence, presentment, protest, demand for payment and notice of default or nonpayment to or upon the Borrower or any of the Guarantors with respect to the Borrower Obligations. Each Guarantor understands and agrees that the guarantee contained in this Section 2 shall be construed as a continuing, absolute and unconditional guarantee of payment without regard to (a) the validity or enforceability of the Credit Agreement or any other Loan Document, any of the Borrower Obligations or any other collateral security therefor or guarantee or right of offset with respect thereto at any time or from time to time held by the Administrative Agent or any Lender, (b) any defense, set-off or counterclaim (other than a defense of payment or performance) which may at any time be available to or be asserted by the Borrower or any other Person against the Administrative Agent or any Lender, or (c) any other circumstance whatsoever (with or without notice to or knowledge of the Borrower or such Guarantor) which constitutes, or might be construed to constitute, an equitable or legal discharge of the Borrower for the Borrower Obligations, or of such Guarantor under the guarantee contained in this Section 2, in bankruptcy or in any other instance. When making any demand hereunder or otherwise pursuing its rights and remedies hereunder against any Guarantor, the Administrative Agent or any Lender may, but shall be under no obligation to, make a similar demand on or otherwise pursue such rights and remedies as it may have against the Borrower, any other Guarantor or any other Person or against any collateral security or guarantee for the Borrower Obligations or any right of offset with respect thereto, and any failure by the Administrative Agent or any Lender to make any such demand, to pursue such other rights or remedies or to collect any payments from the Borrower, any other Guarantor or any other Person or to realize upon any such collateral security or guarantee or to exercise any such right of offset, or any release of the Borrower, any other Guarantor or any other Person or any such collateral security, guarantee or right of offset, shall not relieve any Guarantor of any obligation or liability hereunder, and shall not impair or affect the rights and remedies, whether express, implied or available as a matter of law, of the Administrative Agent or any Lender against any Guarantor. For the purposes hereof "demand" shall include the commencement and continuance of any legal proceedings.

2.6 **Reinstatement.** The guarantee contained in this Section 2 shall continue to be effective, or be reinstated, as the case may be, if at any time payment, or any part thereof, of any of the Borrower Obligations is rescinded or must otherwise be restored or returned by the Administrative Agent or any Lender upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of the Borrower or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or trustee or similar officer for, the Borrower or any Guarantor or any substantial part of its property, or otherwise, all as though such payments had not been made.

2.7 **Payments.** Each Guarantor hereby guarantees that payments hereunder will be paid to the Administrative Agent without set-off or counterclaim in Dollars at the Payment Office specified in accordance with the Credit Agreement.



### SECTION 3. GRANT OF SECURITY INTEREST

Each Grantor hereby assigns and transfers to the Administrative Agent, and hereby grants to the Administrative Agent, for the ratable benefit of the Lenders (and any affiliates of any Lender to which Hedge Agreement Obligations are owing), a security interest in, all of the following property now owned or at any time hereafter acquired by such Grantor or in which such Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "Collateral"), as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of such Grantor's Obligations:

- (a) all Accounts;
- (b) all Chattel Paper;
- (c) all Contracts;
- (d) all Deposit Accounts;
- (e) all Documents;
- (f) all Equipment;
- (g) all General Intangibles;
- (h) all Instruments;
- (i) all Intellectual Property;
- (j) all Inventory;
- (k) all Investment Property;
- (l) all Vehicles;
- (m) all Goods and other property not otherwise described above;
- (n) all books and records pertaining to the Collateral; and

(o) to the extent not otherwise included, all Proceeds and products of any and all of the foregoing and all collateral security and guarantees given by any Person with respect to any of the foregoing.

provided however; that nothing hereunder constitutes or shall be deemed to constitute the grant of a security interest in favor of the Administrative Agent with respect to (i) any leasehold interest in real property and any fee interest in real property and (ii) any of Grantor's interest in any contract, contract right or any other General Intangible (each such contract right and other General Intangible being hereinafter referred to as "Excluded Property") if the granting of a security interest therein by a Grantor to the Administrative Agent is prohibited by any enforceable terms and provisions of the written agreement, document or instrument creating or evidencing such Excluded Property and the rights related thereto, and either (a) such agreement, document or instrument was entered prior to the Closing Date hereto or (b) such agreement, document or instrument is entered into after such date and such Grantor promptly delivers to the Administrative Agent a copy of such agreement, document or instrument. Excluded Property shall not include any General Intangible for money due or to become due or any Account which, if excluded, in the aggregate, would have a Material Adverse Effect on the value of the Collateral.

#### SECTION 4. REPRESENTATIONS AND WARRANTIES

To induce the Administrative Agent and the Lenders to enter into the Credit Agreement and to induce the Lenders to make their respective loans and other extensions of credit to the Borrower thereunder, each Grantor hereby represents and warrants to the Administrative Agent and each Lender that:

4.1 Representations in Credit Agreement. In the case of each Guarantor, the representations and warranties set forth in Section 4 of the Credit Agreement as they relate to such Guarantor or to the Loan Documents to which such Guarantor is a party, each of which is hereby incorporated herein by reference, are true and correct, and the Administrative Agent and each Lender shall be entitled to rely on each of them as if they were fully set forth herein, provided, that each reference in each such representation and warranty to the Borrower's knowledge shall, for the purposes of this Section 4.1, be deemed to be a reference to such Guarantor's knowledge.

4.2 Title; No Other Liens. Except for the security interest granted to the Administrative Agent for the ratable benefit of the Lenders pursuant to this Agreement and the other Liens permitted to exist on the Collateral by the Credit Agreement, such Grantor owns each item of the Collateral free and clear of any and all Liens or claims of others. No financing statement or other public notice with respect to all or any part of the Collateral is on file or of record in any public office, except such as have been filed in favor of the Administrative Agent, for the ratable benefit of the Lenders, pursuant to this Agreement or as are permitted by the Credit Agreement.

4.3 Perfected First Priority Liens. The security interests granted pursuant to this Agreement (a) upon completion of the filings and other actions specified on Schedule 3 (which, in the case of all filings and other documents referred to on said Schedule, have been delivered to the Administrative Agent duly executed) will constitute valid perfected security interests in all of the Collateral in favor of the Administrative Agent, for the ratable benefit of the

Lenders, as collateral security for such Grantor's Obligations, enforceable in accordance with the terms hereof against all creditors of such Grantor and any Persons purporting to purchase any Collateral from such Grantor and are prior to all other Liens on the Collateral in existence on the date hereof except for (i) Liens permitted by the Credit Agreement which have priority over the Liens on the Collateral by operation of law and (ii) Liens described on Schedule 9.

4.4 Chief Executive Office. On the date hereof, such Grantor's jurisdiction of organization and the location of such Grantor's chief executive office or sole place of business are specified on Schedule 4.

4.5 Inventory and Equipment. On the date hereof, the Inventory and the Equipment (other than mobile goods) are kept at the locations listed on Schedule 5.

4.6 Farm Products. None of the Collateral constitutes, or is the Proceeds of, Farm Products.

4.7 Pledged Securities. (a) The shares of Pledged Stock pledged by such Grantor hereunder constitute all the issued and outstanding shares of all classes of the Capital Stock of each Issuer owned by such Grantor or, in the case of Foreign Subsidiary Voting Stock, if less, 66% of the outstanding Foreign Subsidiary Voting Stock of each relevant Issuer.

(b) All the shares of the Pledged Stock have been duly and validly issued and are fully paid and nonassessable.

(c) Each of the Intercompany Notes constitutes the legal, valid and binding obligation of the obligor with respect thereto, enforceable in accordance with its terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing.

(d) Such Grantor is the record and beneficial owner of, and has good and marketable title to, the Investment Property pledged by it hereunder, free of any and all Liens or options in favor of, or claims of, any other Person, except the security interest created by this Agreement.

4.8 Contracts. (a) No consent of any party (other than such Grantor) to any Contract is required, or purports to be required, in connection with the execution, delivery and performance of this Agreement.

(b) Each Contract is in full force and effect.

(c) No consent or authorization of, filing with or other act by or in respect of any Governmental Authority is required in connection with the execution, delivery, performance, validity or enforceability of any of the Contracts by such Grantor other than those which have

been duly obtained, made or performed, are in full force and effect and do not subject the scope of any such Contract to any material adverse limitation, either specific or general in nature.

(d) Neither such Grantor nor (to the best of such Grantor's knowledge) any of the other parties to the Contracts is in default in the performance or observance of any of the terms thereof in any manner that, in the aggregate, could reasonably be expected to have a Material Adverse Effect.

(e) To the best of such Grantor's knowledge, such Grantor has delivered to the Administrative Agent a complete and correct copy of each Contract, including all amendments, supplements and other modifications thereto.

(f) No amount payable to such Grantor under or in connection with any Contract is evidenced by any Instrument or Chattel Paper which has not been delivered to the Administrative Agent.

(g) None of the parties to any Contract is a Governmental Authority.

4.9 Intellectual Property. (a) Schedule 6 lists all Intellectual Property owned by such Grantor in its own name on the date hereof.

(b) On the date hereof, all material Intellectual Property of such Grantor described on Schedule 6 is valid, subsisting, unexpired and enforceable, has not been abandoned and does not infringe the intellectual property rights of any other Person.

(c) Except as set forth on Schedule 6, on the date hereof, none of the Intellectual Property is the subject of any licensing or franchise agreement pursuant to which such Grantor is the licensor or franchisor.

(d) No holding, decision or judgment has been rendered by any Governmental Authority which would limit, cancel or question the validity of, or such Grantor's rights in, any Intellectual Property in any respect that could reasonably be expected to have a Material Adverse Effect.

(e) No action or proceeding is pending, or, to the knowledge of such Grantor, threatened, on the date hereof (i) seeking to limit, cancel or question the validity of any Intellectual Property or such Grantor's ownership interest therein, or (ii) which, if adversely determined, would have a material adverse effect on the value of any Intellectual Property.

4.10 Vehicles. The aggregate book value of all Vehicles owned by all Grantors and not pledged hereunder is less than \$150,000.

## SECTION 5. COVENANTS

Each Grantor covenants and agrees with the Administrative Agent and the Lenders that, from and after the date of this Agreement until the Obligations shall have been paid in full, no Letter of Credit shall be outstanding and the Commitments shall have terminated:

5.1 Covenants in Credit Agreement. In the case of each Guarantor, such Guarantor shall take, or shall refrain from taking, as the case may be, each action that is necessary to be taken or not taken, as the case may be, so that no Default or Event of Default is caused by the failure to take such action or to refrain from taking such action by such Guarantor or any of its Subsidiaries.

5.2 Delivery of Instruments and Chattel Paper. If any amount payable under or in connection with any of the Collateral shall be or become evidenced by any Instrument, Certificated Security or Chattel Paper, such Instrument, Certificated Security or Chattel Paper shall be promptly delivered to the Administrative Agent, duly indorsed in a manner reasonably satisfactory to the Administrative Agent, to be held as Collateral pursuant to this Agreement.

5.3 Maintenance of Insurance. (a) Such Grantor will maintain, with financially sound and reputable companies, insurance policies (i) insuring the Inventory, Equipment and Vehicles against loss by fire, explosion, theft and such other casualties as may be reasonably satisfactory to the Administrative Agent and (ii) insuring such Grantor, the Administrative Agent and the Lenders against liability for personal injury and property damage relating to such Inventory, Equipment and Vehicles, such policies to be in such form and amounts and having such coverage as may be reasonably satisfactory to the Administrative Agent and the Lenders.

(b) All such insurance shall (i) provide that no cancellation, material reduction in amount or material change in coverage thereof shall be effective until at least 30 days after receipt by the Administrative Agent of written notice thereof, (ii) name the Administrative Agent as insured party or loss payee, (iii) if reasonably requested by the Administrative Agent, include a breach of warranty clause and (iv) be reasonably satisfactory in all other respects to the Administrative Agent.

(c) The Borrower shall deliver to the Administrative Agent and the Lenders a report of a reputable insurance broker with respect to such insurance substantially concurrently with the delivery by the Borrower to the Administrative Agent of its audited financial statements for each fiscal year and such supplemental reports with respect thereto as the Administrative Agent may from time to time reasonably request.

5.4 Payment of Obligations. Such Grantor will pay and discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all taxes, assessments and governmental charges or levies imposed upon the Collateral or in respect of income or profits therefrom, as well as all claims of any kind (including, without limitation, claims for labor, materials and supplies) against or with respect to the Collateral, except that no such charge need be paid if the amount or validity thereof is currently being contested in good faith by appropriate proceedings, reserves in conformity with GAAP or other appropriate provision with respect thereto have been provided on the books of such Grantor and such

proceedings could not reasonably be expected to result in the sale, forfeiture or loss of any material portion of the Collateral or any interest therein.

**5.5 Maintenance of Perfected Security Interest; Further Documentation**

(a) Such Grantor shall maintain the security interest created by this Agreement as a perfected security interest having at least the priority described in Section 4.3 and shall defend such security interest against the claims and demands of all Persons whomsoever.

(b) Such Grantor will furnish to the Administrative Agent and the Lenders from time to time statements and schedules further identifying and describing the material assets and property of such Grantor and such other reports in connection with the Collateral as the Administrative Agent may reasonably request, all in reasonable detail.

(c) At any time and from time to time, upon the written request of the Administrative Agent, and at the sole expense of such Grantor, such Grantor will promptly and duly execute and deliver, and have recorded, such further instruments and documents and take such further actions as the Administrative Agent may reasonably request for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, (i) the filing of any financing or continuation statements under the Uniform Commercial Code (or other similar laws) in effect in any jurisdiction with respect to the security interests created hereby and (ii) in the case of Investment Property, Deposit Accounts and any other relevant Collateral, taking any actions necessary to enable the Administrative Agent to obtain "control" (within the meaning of the applicable Uniform Commercial Code) with respect thereto.

**5.6 Changes in Locations, Name, etc.** Such Grantor will not, except upon 10

days' prior written notice to the Administrative Agent and delivery to the Administrative Agent of (a) all additional executed financing statements and other documents reasonably requested by the Administrative Agent to maintain the validity, perfection and priority of the security interests provided for herein and (b) if applicable, a written supplement to Schedule 4.4 showing the location of its chief executive office or place of business or Schedule 5 showing any additional location at which Inventory or Equipment shall be kept, as the case may be:

(i) permit \$50,000 in the aggregate of the Inventory or Equipment to be kept in a jurisdiction not listed on Schedule 3;

(ii) change its jurisdiction of organization or the location of its chief executive office or sole place of business from that referred to in Section 4.4 as supplemented from time to time as set forth above;

(iii) change its name, identity or corporate structure to such an extent that any financing statement filed by the Administrative Agent in connection with this Agreement would become misleading; or

(iv) cease to keep Inventory or Equipment in more than one county in any of the following states: Arkansas, Kentucky, Massachusetts, Mississippi, Missouri, North Carolina, New Hampshire, New York, Ohio, Pennsylvania or Virginia.

5.7 Notices. Such Grantor will advise the Administrative Agent and the Lenders promptly, in reasonable detail, of:

(a) any Lien (other than security interests created hereby or Liens permitted under the Credit Agreement) on any of the Collateral which would adversely affect the ability of the Administrative Agent to exercise any of its remedies hereunder; and

(b) the occurrence of any other event which could reasonably be expected to have a material adverse effect on the aggregate value of the Collateral or on the security interests created hereby.

5.8 Investment Property. (a) If such Grantor shall become entitled to receive or shall receive any stock certificate (including, without limitation, any certificate representing a stock dividend or a distribution in connection with any reclassification, increase or reduction of capital or any certificate issued in connection with any reorganization), option or rights in respect of the Capital Stock of any Issuer, whether in addition to, in substitution of, as a conversion of, or in exchange for, any shares of the Pledged Stock, or otherwise in respect thereof, such Grantor shall accept the same as the agent of the Administrative Agent and the Lenders, hold the same in trust for the Administrative Agent and the Lenders and deliver the same promptly to the Administrative Agent in the exact form received, duly indorsed by such Grantor to the Administrative Agent, if required, together with an undated stock power covering such certificate duly executed in blank by such Grantor and with, if the Administrative Agent so requests, signature guaranteed, to be held by the Administrative Agent, subject to the terms hereof, as additional collateral security for the Obligations. Any sums paid upon or in respect of the Investment Property upon the liquidation or dissolution of any Issuer shall be paid over to the Administrative Agent to be held by it hereunder as additional collateral security for the Obligations, and in case any distribution of capital shall be made on or in respect of the Investment Property or any property shall be distributed upon or with respect to the Investment Property pursuant to the recapitalization or reclassification of the capital of any Issuer or pursuant to the reorganization thereof, the property so distributed shall, unless otherwise subject to a perfected security interest in favor of the Administrative Agent, be delivered to the Administrative Agent to be held by it hereunder as additional collateral security for the Obligations. If any sums of money or property so paid or distributed in respect of the Pledged Securities shall be received by such Grantor, such Grantor shall, until such money or property is paid or delivered to the Administrative Agent, hold such money or property in trust for the Lenders, segregated from other funds of such Grantor, as additional collateral security for the Obligations.

(b) Without the prior written consent of the Administrative Agent, such Grantor will not (i) vote to enable, or take any other action to permit, any Issuer to issue any stock or other equity securities of any nature or to issue any other securities convertible into or granting the right to purchase or exchange for any stock or other equity securities of any nature of

any Issuer, (ii) sell, assign, transfer, exchange, or otherwise dispose of, or grant any option with respect to, the Investment Property or Proceeds thereof (except pursuant to a transaction expressly permitted by the Credit Agreement), (iii) create, incur or permit to exist any Lien or option in favor of, or any claim of any Person with respect to, any of the Investment Property or Proceeds thereof, or any interest therein, except for the security interests created by this Agreement or (iv) enter into any agreement or undertaking restricting the right or ability of such Grantor or the Administrative Agent to sell, assign or transfer any of the Pledged Securities or Proceeds thereof.

(c) In the case of each Grantor which is an Issuer, such Issuer agrees that (i) it will be bound by the terms of this Agreement relating to the Pledged Securities issued by it and will comply with such terms insofar as such terms are applicable to it, (ii) it will notify the Administrative Agent promptly in writing of the occurrence of any of the events described in Section 5.8(a) with respect to the Pledged Securities issued by it and (iii) the terms of Sections 6.3(c) and 6.7 shall apply to it, mutatis mutandis, with respect to all actions that may be required of it pursuant to Section 6.3(c) or 6.7 with respect to the Pledged Securities issued by it.

5.9 Receivables. (a) Other than in the ordinary course of business consistent with its past practice, such Grantor will not (i) grant any extension of the time of payment of any Receivable, (ii) compromise or settle any Receivable for less than the full amount thereof, (iii) release, wholly or partially, any Person liable for the payment of any Receivable, (iv) allow any credit or discount whatsoever on any Receivable or (v) amend, supplement or modify any Receivable in any manner that could adversely affect the value thereof.

(b) Such Grantor will deliver to the Administrative Agent a copy of each material demand, notice or document received by it that questions or calls into doubt the validity or enforceability of more than 5% of the aggregate amount of the then outstanding Receivables.

5.10 Contracts. (a) Such Grantor will perform and comply in all material respects with all its obligations under the Contracts.

(b) Such Grantor will not amend, modify, terminate or waive any provision of any Contract in any manner which could reasonably be expected to materially adversely affect the value of such Contract as Collateral.

(c) Such Grantor will exercise promptly and diligently each and every material right which it may have under each material Contract (other than any right of termination).

(d) Such Grantor will deliver to the Administrative Agent a copy of each material demand, notice or document received by it relating in any way to any material Contract that questions the validity or enforceability of such Contract.

5.11 Intellectual Property. (a) Such Grantor (either itself or through licensees) will (i) continue to use each material Trademark on each and every trademark class of goods applicable to its current line as reflected in its current catalogs, brochures and price lists in order



to maintain such Trademark in full force free from any claim of abandonment for non-use, (ii) maintain as in the past the quality of products and services offered under such Trademark, (iii) use such Trademark with the appropriate notice of registration and all other notices and legends required by applicable Requirements of Law, (iv) not adopt or use any mark which is confusingly similar or a colorable imitation of such Trademark unless the Administrative Agent, for the ratable benefit of the Lenders, shall obtain a perfected security interest in such mark pursuant to this Agreement, and (v) not (and not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby such Trademark may become invalidated or impaired in any way.

(b) Such Grantor (either itself or through licensees) will not do any act, or omit to do any act, whereby any material Patent may become forfeited, abandoned or dedicated to the public.

(c) Such Grantor (either itself or through licensees) (i) will employ each material Copyright and (ii) will not (and will not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby any material portion of the Copyrights may become invalidated or otherwise impaired. Such Grantor will not (either itself or through licensees) do any act whereby any material portion of the Copyrights may fall into the public domain.

(d) Such Grantor (either itself or through licensees) will not do any act that knowingly uses any material Intellectual Property to infringe the intellectual property rights of any other Person.

(e) Such Grantor will notify the Administrative Agent and the Lenders immediately if it knows, or has reason to know, that any application or registration relating to any material Intellectual Property may become forfeited, abandoned or dedicated to the public, or of any adverse determination or development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any court or tribunal in any country) regarding such Grantor's ownership of, or the validity of, any material Intellectual Property or such Grantor's right to register the same or to own and maintain the same.

(f) Whenever such Grantor, either by itself or through any agent, employee, licensee or designee, shall file an application for the registration of any Intellectual Property with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency in any other country or any political subdivision thereof, such Grantor shall report such filing to the Administrative Agent within five Business Days after the last day of the fiscal quarter in which such filing occurs. Upon request of the Administrative Agent, such Grantor shall execute and deliver, and have recorded, any and all agreements, instruments, documents, and papers as the Administrative Agent may request to evidence the Administrative Agent's and the Lenders' security interest in any Copyright, Patent or Trademark and the goodwill and general intangibles of such Grantor relating thereto or represented thereby.

(g) Such Grantor will take all reasonable and necessary steps, including, without limitation, in any proceeding before the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency in any other country or any political subdivision thereof, to maintain and pursue each application (and to obtain the relevant registration) and to maintain each registration of the material Intellectual Property, including, without limitation, filing of applications for renewal, affidavits of use and affidavits of incontestability.

(h) In the event that any material Intellectual Property is infringed, misappropriated or diluted by a third party, such Grantor shall (i) take such actions as such Grantor shall reasonably deem appropriate under the circumstances to protect such Intellectual Property and (ii) if such Intellectual Property is of material economic value, promptly notify the Administrative Agent after it learns thereof and sue for infringement, misappropriation or dilution, to seek injunctive relief where appropriate and to recover any and all damages for such infringement, misappropriation or dilution.

5.12 Vehicles. (a) No Vehicle shall be removed from the state which has issued the certificate of title or ownership therefor for a period in excess of four months.

(b) Within 30 days after the date hereof, and, with respect to any Vehicle acquired by any Grantor subsequent to the date hereof such that the aggregate value of all Vehicles owned by all of the Grantors exceeds \$150,000, within 30 days after the date of acquisition thereof, all applications for certificates of title or ownership indicating the Administrative Agent's first priority security interest in such Vehicle covered by such certificate, and any other necessary documentation, shall be filed in each office in each jurisdiction which the Administrative Agent shall deem advisable to perfect its security interests in such Vehicle.

## SECTION 6. REMEDIAL PROVISIONS

6.1 Certain Matters Relating to Receivables. (a) The Administrative Agent shall have the right to make test verifications of the Receivables in any manner and through any medium that it reasonably considers advisable, and each Grantor shall furnish all such assistance and information as the Administrative Agent may require in connection with such test verifications. No more than once a year but, however, at any time during the continuance of an Event of Default, upon the Administrative Agent's reasonable request at the expense of the relevant Grantor, such Grantor shall cause independent public accountants or others satisfactory to the Administrative Agent to furnish to the Administrative Agent reports showing reconciliations, aging and test verifications of, and trial balances for, the Receivables.

(b) The Administrative Agent hereby authorizes each Grantor to collect such Grantor's Receivables, subject to the Administrative Agent's direction and control, and the Administrative Agent may curtail or terminate said authority at any time after the occurrence and during the continuance of an Event of Default. If required by the Administrative Agent at any time after the occurrence and during the continuance of an Event of Default, any payments of Receivables, when collected by any Grantor, (i) shall be forthwith (and, in any event, within two

Business Days) deposited by such Grantor in the exact form received, duly indorsed by such Grantor to the Administrative Agent if required, in a Collateral Account maintained under the sole dominion and control of the Administrative Agent, subject to withdrawal by the Administrative Agent for the account of the Lenders only as provided in Section 6.5, and (ii) until so turned over, shall be held by such Grantor in trust for the Administrative Agent and the Lenders, segregated from other funds of such Grantor. Each such deposit of Proceeds of Receivables shall be accompanied by a report identifying in reasonable detail the nature and source of the payments included in the deposit.

(c) At the Administrative Agent's request, each Grantor shall deliver to the Administrative Agent all original and other documents evidencing, and relating to, the agreements and transactions which gave rise to the Receivables, including, without limitation, all original orders, invoices and shipping receipts.

6.2 Communications with Obligors; Grantors Remain Liable. (a) Upon the occurrence and during the continuance of an Event of Default, the Administrative Agent in its own name or in the name of others may at any time communicate with obligors under the Receivables and parties to the Contracts to verify with them to the Administrative Agent's satisfaction the existence, amount and terms of any Receivables or Contracts.

(b) Upon the request of the Administrative Agent at any time after the occurrence and during the continuance of an Event of Default, each Grantor shall notify obligors on the Receivables and parties to the Contracts that the Receivables and the Contracts have been assigned to the Administrative Agent for the ratable benefit of the Lenders and that payments in respect thereof shall be made directly to the Administrative Agent.

(c) Anything herein to the contrary notwithstanding, each Grantor shall remain liable under each of the Receivables and Contracts to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with the terms of any agreement giving rise thereto. Neither the Administrative Agent nor any Lender shall have any obligation or liability under any Receivable (or any agreement giving rise thereto) or Contract by reason of or arising out of this Agreement or the receipt by the Administrative Agent or any Lender of any payment relating thereto, nor shall the Administrative Agent or any Lender be obligated in any manner to perform any of the obligations of any Grantor under or pursuant to any Receivable (or any agreement giving rise thereto) or Contract, to make any payment, to make any inquiry as to the nature or the sufficiency of any payment received by it or as to the sufficiency of any performance by any party thereunder, to present or file any claim, to take any action to enforce any performance or to collect the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

6.3 Pledged Securities. (a) Unless an Event of Default shall have occurred and be continuing and the Administrative Agent shall have given notice to the relevant Grantor of the Administrative Agent's intent to exercise its corresponding rights pursuant to Section 6.3(b), each Grantor shall be permitted to receive all cash dividends paid in respect of the Pledged Stock and all payments made in respect of the Pledged Notes, in each case paid in the normal course of business of the relevant Issuer and consistent with past practice, to the extent

permitted in the Credit Agreement, and to exercise all voting and corporate rights with respect to the Pledged Securities; provided, however, that no vote shall be cast or corporate right exercised or other action taken which, in the Administrative Agent's reasonable judgment, would impair the Collateral or which would be inconsistent with or result in any violation of any provision of the Credit Agreement, this Agreement or any other Loan Document.

(b) If an Event of Default shall occur and be continuing and the Administrative Agent shall give notice of its intent to exercise such rights to the relevant Grantor or Grantors, (i) the Administrative Agent shall have the right to receive any and all cash dividends, payments or other Proceeds paid in respect of the Pledged Securities and make application thereof to the Obligations in the order set forth in Section 6.5, and (ii) any or all of the Pledged Securities shall be registered in the name of the Administrative Agent or its nominee, and the Administrative Agent or its nominee may thereafter exercise (x) all voting, corporate and other rights pertaining to such Pledged Securities at any meeting of shareholders of the relevant Issuer or Issuers or otherwise and (y) any and all rights of conversion, exchange and subscription and any other rights, privileges or options pertaining to such Pledged Securities as if it were the absolute owner thereof (including, without limitation, the right to exchange at its discretion any and all of the Pledged Securities upon the merger, consolidation, reorganization, recapitalization or other fundamental change in the corporate structure of any Issuer, or upon the exercise by any Grantor or the Administrative Agent of any right, privilege or option pertaining to such Pledged Securities, and in connection therewith, the right to deposit and deliver any and all of the Pledged Securities with any committee, depository, transfer agent, registrar or other designated agency upon such terms and conditions as the Administrative Agent may determine), all without liability except to account for property actually received by it, but the Administrative Agent shall have no duty to any Grantor to exercise any such right, privilege or option and shall not be responsible for any failure to do so or delay in so doing.

(c) Each Grantor hereby authorizes and instructs each Issuer of any Pledged Securities pledged by such Grantor hereunder to (i) comply with any instruction received by it from the Administrative Agent in writing that (x) states that an Event of Default has occurred and is continuing and (y) is otherwise in accordance with the terms of this Agreement, without any other or further instructions from such Grantor, and each Grantor agrees that each Issuer shall be fully protected in so complying, and (ii) unless otherwise expressly permitted hereby, pay any dividends or other payments with respect to the Pledged Securities directly to the Administrative Agent.

6.4 Proceeds to be Turned Over To Administrative Agent. In addition to the rights of the Administrative Agent and the Lenders specified in Section 6.1 with respect to payments of Receivables, if an Event of Default shall occur and be continuing, all Proceeds received by any Grantor consisting of cash, checks and other near-cash items shall be held by such Grantor in trust for the Administrative Agent and the Lenders, segregated from other funds of such Grantor, and shall, promptly upon receipt by such Grantor, be turned over to the Administrative Agent in the exact form received by such Grantor (duly indorsed by such Grantor to the Administrative Agent, if required). All Proceeds received by the Administrative Agent hereunder shall be held by the Administrative Agent in a Collateral Account maintained under its sole dominion and control. All Proceeds while held by the Administrative Agent in a Collateral

Account (or by such Grantor in trust for the Administrative Agent and the Lenders) shall continue to be held as collateral security for all the Obligations and shall not constitute payment thereof until applied as provided in Section 6.5.

**6.5 Application of Proceeds.** At such intervals as may be agreed upon by the Borrower and the Administrative Agent, or, if an Event of Default shall have occurred and be continuing, at any time at the Administrative Agent's election, the Administrative Agent may apply all or any part of Proceeds constituting Collateral, whether or not held in any Collateral Account, and any proceeds of the guarantee set forth in Section 2, in payment of the Obligations in the following order:

First, to pay incurred and unpaid fees and expenses of the Administrative Agent under the Loan Documents;

Second, to the Administrative Agent, for application by it towards payment of amounts then due and owing and remaining unpaid in respect of the Obligations, pro rata among the Lenders according to the amounts of the Obligations then due and owing and remaining unpaid to the Lenders; and

Third, any balance of such Proceeds remaining after the Obligations shall have been paid in full, no Letters of Credit shall be outstanding and the Commitments shall have terminated shall be paid over to the Borrower or to whomsoever may be lawfully entitled to receive the same.

**6.6 Code and Other Remedies.** If an Event of Default shall occur and be continuing, the Administrative Agent, on behalf of the Lenders, may exercise, in addition to all other rights and remedies granted to them in this Agreement and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of a secured party under the New York UCC or any other applicable law. Without limiting the generality of the foregoing, the Administrative Agent, without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon any Grantor or any other Person (all and each of which demands, defenses, advertisements and notices are hereby waived), may in such circumstances forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option or options to purchase, or otherwise dispose of and deliver the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of the Administrative Agent or any Lender or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. The Administrative Agent or any Lender shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in any Grantor, which right or equity is hereby waived and released. Each Grantor further agrees, at the Administrative Agent's request, to assemble the Collateral and make it available to the Administrative Agent at places which the Administrative Agent shall reasonably select, whether at such Grantor's premises or elsewhere. The Administrative Agent

shall apply the net proceeds of any action taken by it pursuant to this Section 6.6, after deducting all reasonable costs and expenses of every kind incurred in connection therewith or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Administrative Agent and the Lenders hereunder, including, without limitation, reasonable attorneys' fees and disbursements, to the payment in whole or in part of the Obligations, in such order as the Administrative Agent may elect, and only after such application and after the payment by the Administrative Agent of any other amount required by any provision of law, including, without limitation, Section 9-504(1)(c) of the New York UCC, need the Administrative Agent account for the surplus, if any, to any Grantor. To the extent permitted by applicable law, each Grantor waives all claims, damages and demands it may acquire against the Administrative Agent or any Lender arising out of the exercise by them of any rights hereunder. If any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least 10 days before such sale or other disposition.

6.7 Private Sales. (a) Each Grantor recognizes that the Administrative Agent may be unable to effect a public sale of any or all the Pledged Stock, by reason of certain prohibitions contained in the Securities Act and applicable state securities laws or otherwise, and may be compelled to resort to one or more private sales thereof to a restricted group of purchasers which will be obliged to agree, among other things, to acquire such securities for their own account for investment and not with a view to the distribution or resale thereof. Each Grantor acknowledges and agrees that any such private sale may result in prices and other terms less favorable than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall be deemed to have been made in a commercially reasonable manner. The Administrative Agent shall be under no obligation to delay a sale of any of the Pledged Stock for the period of time necessary to permit the Issuer thereof to register such securities for public sale under the Securities Act, or under applicable state securities laws, even if such Issuer would agree to do so.

(b) Each Grantor agrees to use its best efforts to do or cause to be done all such other acts as may be necessary to make such private sale or sales of all or any portion of the Pledged Stock pursuant to this Section 6.7 valid and binding and in compliance with any and all other applicable Requirements of Law. Each Grantor further agrees that a breach of any of the covenants contained in this Section 6.7 will cause irreparable injury to the Administrative Agent and the Lenders, that the Administrative Agent and the Lenders have no adequate remedy at law in respect of such breach and, as a consequence, that each and every covenant contained in this Section 6.7 shall be specifically enforceable against such Grantor, and such Grantor hereby waives and agrees not to assert any defenses against an action for specific performance of such covenants except for a defense that no Event of Default has occurred under the Credit Agreement.

6.8 Waiver; Deficiency. Each Grantor waives and agrees not to assert any rights or privileges which it may acquire under Section 9-112 of the New York UCC. Each Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay its Obligations and the fees and disbursements of any attorneys employed by the Administrative Agent or any Lender to collect such deficiency.

## SECTION 7. THE ADMINISTRATIVE AGENT

7.1 Administrative Agent's Appointment as Attorney-in-Fact, etc. (a) Each Grantor hereby irrevocably constitutes and appoints the Administrative Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of such Grantor and in the name of such Grantor or in its own name, for the purpose of carrying out the terms of this Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement, and, without limiting the generality of the foregoing, each Grantor hereby gives the Administrative Agent the power and right, on behalf of such Grantor, without notice to or assent by such Grantor, to do any or all of the following:

(i) in the name of such Grantor or its own name, or otherwise, take possession of and indorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any Receivable or Contract or with respect to any other Collateral and file any claim or take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Administrative Agent for the purpose of collecting any and all such moneys due under any Receivable or Contract or with respect to any other Collateral whenever payable;

(ii) in the case of any Intellectual Property, execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the Administrative Agent may request to evidence the Administrative Agent's and the Lenders' security interest in such Intellectual Property and the goodwill and general intangibles of such Grantor relating thereto or represented thereby;

(iii) pay or discharge taxes and Liens levied or placed on or threatened against the Collateral, effect any repairs or any insurance called for by the terms of this Agreement and pay all or any part of the premiums therefor and the costs thereof;

(iv) execute, in connection with any sale provided for in Section 6.6 or 6.7, any indorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral; and

(v) (1) direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Administrative Agent or as the Administrative Agent shall direct; (2) ask or demand for, collect, and receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral; (3) sign and indorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other documents in connection with any of the Collateral; (4) commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to

collect the Collateral or any portion thereof and to enforce any other right in respect of any Collateral; (5) defend any suit, action or proceeding brought against such Grantor with respect to any Collateral; (6) settle, compromise or adjust any such suit, action or proceeding and, in connection therewith, give such discharges or releases as the Administrative Agent may deem appropriate; (7) assign any Copyright, Patent or Trademark (along with the goodwill of the business to which any such Copyright, Patent or Trademark pertains), throughout the world for such term or terms, on such conditions, and in such manner, as the Administrative Agent shall in its sole discretion determine; and (8) generally, sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Administrative Agent were the absolute owner thereof for all purposes, and do, at the Administrative Agent's option and such Grantor's expense, at any time, or from time to time, all acts and things which the Administrative Agent deems necessary to protect, preserve or realize upon the Collateral and the Administrative Agent's and the Lenders' security interests therein and to effect the intent of this Agreement, all as fully and effectively as such Grantor might do.

Anything in this Section 7.1 (a) to the contrary notwithstanding, the Administrative Agent agrees that it will not exercise any rights under the power of attorney provided for in this Section 7.1(a) unless an Event of Default shall have occurred and be continuing.

(b) If any Grantor fails to perform or comply with any of its agreements contained herein, the Administrative Agent, at its option, but without any obligation so to do, may perform or comply, or otherwise cause performance or compliance, with such agreement.

(c) The expenses of the Administrative Agent incurred in connection with actions undertaken as provided in this Section 7.1, together with interest thereon at a rate per annum equal to the rate per annum at which interest would then be payable on past due Revolving Credit Loans that are Base Rate Loans under the Credit Agreement, from the date of payment by the Administrative Agent to the date reimbursed by the relevant Grantor, shall be payable by such Grantor to the Administrative Agent on demand.

(d) Each Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. All powers, authorizations and agencies contained in this Agreement are coupled with an interest and are irrevocable until this Agreement is terminated and the security interests created hereby are released.

7.2 Duty of Administrative Agent. The Administrative Agent's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the New York UCC or otherwise, shall be to deal with it in the same manner as the Administrative Agent deals with similar property for its own account. None of the Administrative Agent, any Lender or any of their respective officers, directors, employees or agents shall be liable for failure to demand, collect or realize upon any of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of any Grantor or any other Person or to take any other action whatsoever with



regard to the Collateral or any part thereof. The powers conferred on the Administrative Agent and the Lenders hereunder are solely to protect the Administrative Agent's and the Lenders' interests in the Collateral and shall not impose any duty upon the Administrative Agent or any Lender to exercise any such powers. The Administrative Agent and the Lenders shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their officers, directors, employees or agents shall be responsible to any Grantor for any act or failure to act hereunder, except for their own gross negligence or willful misconduct.

7.3 Execution of Financing Statements. Pursuant to Section 9-402 of the New York UCC and any other applicable law, each Grantor authorizes the Administrative Agent to file or record financing statements and other filing or recording documents or instruments with respect to the Collateral without the signature of such Grantor in such form and in such offices as the Administrative Agent reasonably determines appropriate to perfect the security interests of the Administrative Agent under this Agreement. A photographic or other reproduction of this Agreement shall be sufficient as a financing statement or other filing or recording document or instrument for filing or recording in any jurisdiction.

7.4 Authority of Administrative Agent. Each Grantor acknowledges that the rights and responsibilities of the Administrative Agent under this Agreement with respect to any action taken by the Administrative Agent or the exercise or non-exercise by the Administrative Agent of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Agreement shall, as between the Administrative Agent and the Lenders, be governed by the Credit Agreement and by such other agreements with respect thereto as may exist from time to time among them, but, as between the Administrative Agent and the Grantors, the Administrative Agent shall be conclusively presumed to be acting as agent for the Lenders with full and valid authority so to act or refrain from acting, and no Grantor shall be under any obligation, or entitlement, to make any inquiry respecting such authority.

## SECTION 8. MISCELLANEOUS

8.1 Amendments in Writing. None of the terms or provisions of this Agreement may be waived, amended, supplemented or otherwise modified except in accordance with Section 10.1 of the Credit Agreement.

8.2 Notices. All notices, requests and demands to or upon the Administrative Agent or any Grantor hereunder shall be effected in the manner provided for in Section 10.2 of the Credit Agreement; provided, that any such notice, request or demand to or upon any Guarantor shall be addressed to such Guarantor at its notice address set forth on Schedule 1.

8.3 No Waiver by Course of Conduct; Cumulative Remedies. Neither the Administrative Agent nor any Lender shall by any act (except by a written instrument pursuant to Section 8.1), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default. No failure to exercise, nor any delay in exercising, on the part of the Administrative Agent or any Lender, any

right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Administrative Agent or any Lender of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Administrative Agent or such Lender would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any other rights or remedies provided by law.

8.4 Enforcement Expenses; Indemnification. (a) Each Guarantor agrees to pay, or reimburse each Lender and the Administrative Agent for, all its costs and expenses incurred in collecting against such Guarantor under the guarantee contained in Section 2 or otherwise enforcing or preserving any rights under this Agreement and the other Loan Documents to which such Guarantor is a party, including, without limitation, the fees and disbursements of counsel (including the allocated fees and expenses of in-house counsel) to each Lender and of counsel to the Administrative Agent.

(b) Each Guarantor agrees to pay, and to save the Administrative Agent and the Lenders harmless from, any and all liabilities with respect to, or resulting from any delay in paying, any and all stamp, excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Collateral or in connection with any of the transactions contemplated by this Agreement.

(c) Each Guarantor agrees to pay, and to save the Administrative Agent and the Lenders harmless from, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever with respect to the execution, delivery, enforcement, performance and administration of this Agreement to the extent the Borrower would be required to do so pursuant to Section 10.5 of the Credit Agreement.

(d) The agreements in this Section shall survive repayment of the Obligations and all other amounts payable under the Credit Agreement and the other Loan Documents.

8.5 Successors and Assigns. This Agreement shall be binding upon the successors and assigns of each Grantor and shall inure to the benefit of the Administrative Agent and the Lenders and their successors and assigns; provided, that no Grantor may assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Administrative Agent.

8.6 Set-Off. Each Grantor hereby irrevocably authorizes the Administrative Agent and each Lender at any time and from time to time while an Event of Default shall have occurred and be continuing, without notice to such Grantor or any other Grantor, any such notice being expressly waived by each Grantor, to set-off and appropriate and apply any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by the Administrative Agent or

such Lender to or for the credit or the account of such Grantor, or any part thereof in such amounts as the Administrative Agent or such Lender may elect, against and on account of the obligations and liabilities of such Grantor to the Administrative Agent or such Lender hereunder and claims of every nature and description of the Administrative Agent or such Lender against such Grantor, in any currency, whether arising hereunder, under the Credit Agreement, any other Loan Document or otherwise, as the Administrative Agent or such Lender may elect, whether or not the Administrative Agent or any Lender has made any demand for payment and although such obligations, liabilities and claims may be contingent or unmatured. The Administrative Agent and each Lender shall notify such Grantor promptly of any such set-off and the application made by the Administrative Agent or such Lender of the proceeds thereof, provided, that the failure to give such notice shall not affect the validity of such set-off and application. The rights of the Administrative Agent and each Lender under this Section 8.6 are in addition to other rights and remedies (including, without limitation, other rights of set-off) which the Administrative Agent or such Lender may have.

8.7 Counterparts. This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by telecopy), and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

8.8 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

8.9 Section Headings. The Section headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

8.10 Integration. This Agreement and the other Loan Documents represent the agreement of the Grantors, the Administrative Agent and the Lenders with respect to the subject matter hereof and thereof, and there are no promises, undertakings, representations or warranties by the Administrative Agent or any Lender relative to subject matter hereof and thereof not expressly set forth or referred to herein or in the other Loan Documents.

**8.11 GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**

8.12 Submission To Jurisdiction; Waivers. Each Grantor hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Loan Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the

Courts of the State of New York, the courts of the United States of America for the Southern District of New York, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to such Grantor at its address referred to in Section 8.2 or at such other address of which the Administrative Agent shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section any special, exemplary, punitive or consequential damages.

8.13 Acknowledgements. Each Grantor hereby acknowledges that:

(a) it has been advised by counsel in the negotiation, execution and delivery of this Agreement and the other Loan Documents to which it is a party;

(b) neither the Administrative Agent nor any Lender has any fiduciary relationship with or duty to any Grantor arising out of or in connection with this Agreement or any of the other Loan Documents, and the relationship between the Grantors, on the one hand, and the Administrative Agent and Lenders, on the other hand, in connection herewith or therewith is solely that of debtor and creditor; and

(c) no joint venture is created hereby or by the other Loan Documents or otherwise exists by virtue of the transactions contemplated hereby among the Lenders or among the Grantors and the Lenders.

8.14 Additional Grantors. Each Subsidiary of the Borrower that is required to become a party to this Agreement pursuant to Section 6.9 of the Credit Agreement shall become a Grantor for all purposes of this Agreement upon execution and delivery by such Subsidiary of an Assumption Agreement in the form of Annex 1 hereto.

8.15 Releases. (a) At such time as the Loans, the Reimbursement Obligations and the other Obligations (other than Borrower Hedge Agreement Obligations) shall have been paid in full, the Commitments shall have terminated and no Letters of Credit shall be outstanding, the Collateral shall be released from the Liens created hereby, and this Agreement and all obligations (other than those expressly stated to survive such termination) of the Administrative Agent and each Grantor hereunder shall terminate, all without delivery of any

instrument or performance of any act by any party, and all rights to the Collateral shall revert to the Grantors. At the request and sole expense of any Grantor following any such termination, the Administrative Agent shall deliver to such Grantor any Collateral held by the Administrative Agent hereunder, and execute and deliver to such Grantor such documents as such Grantor shall reasonably request to evidence such termination.

(b) If any of the Collateral shall be sold, transferred or otherwise disposed of by any Grantor in a transaction permitted by the Credit Agreement, then the Administrative Agent, at the request and sole expense of such Grantor, shall execute and deliver to such Grantor all releases or other documents reasonably necessary or desirable for the release of the Liens created hereby on such Collateral. At the request and sole expense of the Borrower, a Subsidiary Guarantor shall be released from its obligations hereunder in the event that all the Capital Stock of such Subsidiary Guarantor shall be sold, transferred or otherwise disposed of in a transaction permitted by the Credit Agreement; provided, that the Borrower shall have delivered to the Administrative Agent, at least ten Business Days prior to the date of the proposed release, a written request for release identifying the relevant Subsidiary Guarantor and the terms of the sale or other disposition in reasonable detail, including the price thereof and any expenses in connection therewith, together with a certification by the Borrower stating that such transaction is in compliance with the Credit Agreement and the other Loan Documents.

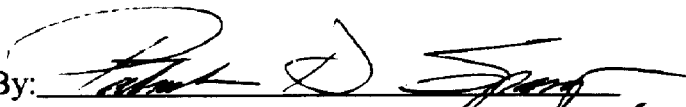
**8.16 WAIVER OF JURY TRIAL. EACH GRANTOR AND, BY ACCEPTANCE OF THE BENEFITS HEREOF, EACH AGENT AND EACH LENDER, HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AND FOR ANY COUNTERCLAIM THEREIN.**

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed and delivered as of the date first above written.

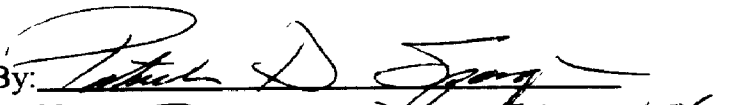
EI MERGER CORP.  
(to be merged with and into EMPI, INC.)

By: \_\_\_\_\_  
Name:  
Title:

EMPI CORP.

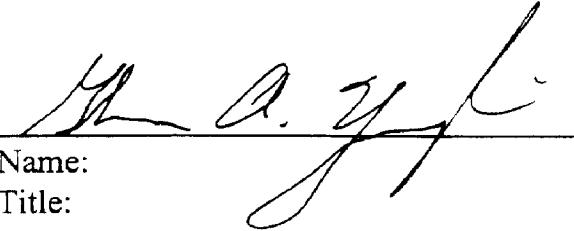
By:   
Name: *PATRICK D SPANGLER*  
Title: *VP CFO*

EMPI SALES CORP.

By:   
Name: *PATRICK D SPANGLER*  
Title: *VP CFO*

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed and delivered as of the date first above written.

EI MERGER CORP.  
(to be merged with and into EMPI, INC.)

By:   
Name:  
Title:

EMPI CORP.

By: \_\_\_\_\_  
Name:  
Title:

EMPI SALES CORP.

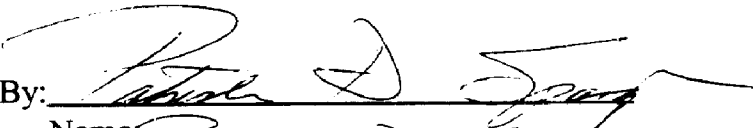
By: \_\_\_\_\_  
Name:  
Title:

053113-1192-02617-998RJTH-SCA

## ACKNOWLEDGMENT AND ASSUMPTION

Empi, Inc., as surviving corporation of the merger between itself and EI Merger Corp. pursuant to the Agreement and Plan of Merger by and Among Empi, Inc., MPI Holdings, L.L.C. and EI Merger Corp. dated as of May 27, 1999, hereby acknowledges and assumes all of the rights, obligations and liabilities of EI Merger Corp. under the foregoing Guarantee and Collateral Agreement.

EMPI, INC.

By:   
Name: Patrick D Sengler  
Title: VP CFO



## FORM OF COMPLIANCE CERTIFICATE

This Compliance Certificate is delivered to you pursuant to Section 6.2 of the Credit Agreement, dated as of August 31, 1999 (as amended, supplemented or modified from time to time, the "Credit Agreement"), among EI MERGER CORP., which will be merged with and into EMPI, INC., which shall be the surviving corporation of such merger, EMPI CORP. (the "Borrower"), the several banks and other financial institutions or entities from time to time parties to the Credit Agreement (the "Lenders"), LEHMAN BROTHERS INC., as advisor, lead arranger and book manager, FIRST UNION CAPITAL MARKETS CORP., as syndication agent, UNION BANK OF CALIFORNIA, N.A., as documentation agent, and LEHMAN COMMERCIAL PAPER INC., as administrative agent (in such capacity, the "Administrative Agent"). Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

1. I am the duly elected, qualified and acting [Chief Financial Officer] [Vice President - Finance] of the Borrower.

2. I have reviewed and am familiar with the contents of this Certificate.

3. I have reviewed the terms of the Credit Agreement and the Loan Documents and have made or caused to be made under my supervision, a review in reasonable detail of the transactions and condition of the Borrower during the accounting period covered by the financial statements attached hereto as Attachment 1 (the "Financial Statements"). Such review did not disclose the existence during or at the end of the accounting period covered by the Financial Statements, and I have no knowledge of the existence, as of the date of this Certificate, of any condition or event which constitutes a Default or Event of Default [, except as set forth below].

4. Attached hereto as Attachment 2 are the computations showing compliance with the covenants set forth in Sections 7.1, 7.2, 7.5, 7.6 and 7.7 of the Credit Agreement.

IN WITNESS WHEREOF, I execute this Certificate this \_\_\_\_\_ day of \_\_\_\_\_,

199\_\_.

EMPI CORP.

By: \_\_\_\_\_

Name:

Title:

[Financial Statement]

The information described herein is as of \_\_\_\_\_, 199\_, and pertains to the period  
from \_\_\_\_\_, 19\_ to \_\_\_\_\_, 19\_.

[Covenant Calculations]

## FORM OF CLOSING CERTIFICATE

Pursuant to subsection 5.1(m) of the Credit Agreement, dated as of August 31, 1999 (the "Credit Agreement"; unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement), among EI MERGER CORP., which will be merged with and into EMPI, INC., which shall be the surviving corporation of such merger, EMPI CORP. (the "Borrower"), the several banks and other financial institutions or entities from time to time parties to the Credit Agreement, LEHMAN BROTHERS INC., as advisor, lead arranger and book manager, FIRST UNION CAPITAL MARKETS CORP., as syndication agent, UNION BANK OF CALIFORNIA, N.A., as documentation agent, and LEHMAN COMMERCIAL PAPER INC., as administrative agent (in such capacity, the "Administrative Agent"), the undersigned [INSERT TITLE OF OFFICER] of [INSERT NAME OF COMPANY] (the "Company") hereby certifies as follows:

1. The representations and warranties of the Company set forth in each of the Loan Documents to which it is a party or which are contained in any certificate furnished by or on behalf of the Company pursuant to any of the Loan Documents to which it is a party are true and correct in all material respects on and as of the date hereof with the same effect as if made on the date hereof, except for representations and warranties expressly stated to relate to a specific earlier date, in which case such representations and warranties were true and correct in all material respects as of such earlier date.

2. \_\_\_\_\_ is the duly elected and qualified Corporate Secretary of the Company and the signature set forth for such officer below is such officer's true and genuine signature.

3. No Default or Event of Default has occurred and is continuing as of the date hereof or after giving effect to the Loans and other extensions of credit to be made on the date hereof. [Borrower only]

4. The conditions precedent set forth in Section 5.1 of the Credit Agreement were satisfied as of the Closing Date except as set forth on Schedule I hereto. [Borrower only]

The undersigned Corporate Secretary of the Company hereby certifies as follows:

1. There are no liquidation or dissolution proceedings pending or to my knowledge threatened against the Company, nor has any other event occurred adversely affecting or threatening the continued corporate existence of the Company.

2. The Company is a corporation duly incorporated, validly existing and in good standing under the laws of the jurisdiction of its organization.

3. Attached hereto as Annex 1 is a true and complete copy of resolutions duly adopted by the Board of Directors of the Company on \_\_\_\_\_; such resolutions have not in any way been amended, modified, revoked or rescinded, have been in full force and effect since their adoption to and including the date hereof and are now in full force and effect and are the only corporate proceedings of the Company now in force relating to or affecting the matters referred to therein.

4. Attached hereto as Annex 2 is a true and complete copy of the By-Laws of the Company as in effect on the date hereof.

5. Attached hereto as Annex 3 is a true and complete copy of the Certificate of Incorporation of the Company as in effect on the date hereof, and such certificate has not been amended, repealed, modified or restated.

6. The following persons are now duly elected and qualified officers of the Company holding the offices indicated next to their respective names below, and such officers have held such offices with the Company at all times since the date indicated next to their respective titles to and including the date hereof, and the signatures appearing opposite their respective names below are the true and genuine signatures of such officers, and each of such officers is duly authorized to execute and deliver on behalf of the Company each of the Loan Documents to which it is a party and any certificate or other document to be delivered by the Company pursuant to the Loan Documents to which it is a party:

<u>Name</u>	<u>Office</u>	<u>Date</u>	<u>Signature</u>
-------------	---------------	-------------	------------------

IN WITNESS WHEREOF, the undersigned have hereunto set our names as of the date set forth below.

\_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
Name:  
Title:

Date: \_\_\_\_\_, 1999

Schedule I  
to Closing Certificate

[Describe any conditions precedent waived on  
Closing Date and terms of any waiver]

[Board Resolutions]



[By-Laws]

[Certificate of Incorporation]

FORM OF  
ASSIGNMENT AND ACCEPTANCE

Reference is made to the Credit Agreement, dated as of August 31, 1999 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among EI MERGER CORP., which will be merged with and into EMPI, INC., which shall be the surviving corporation of such merger, EMPI CORP. (the "Borrower"), the Lenders named therein, LEHMAN BROTHERS INC., as Arranger, FIRST UNION CAPITAL MARKETS CORP., as Syndication Agent, UNION BANK OF CALIFORNIA, N.A., as Documentation Agent, and LEHMAN COMMERCIAL PAPER INC., as administrative agent for the Lenders (in such capacity, the "Administrative Agent"). Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

The Assignor identified on Schedule I hereto (the "Assignor") and the Assignee identified on Schedule I hereto (the "Assignee") agree as follows:

1. The Assignor hereby irrevocably sells and assigns to the Assignee without recourse to the Assignor, and the Assignee hereby irrevocably purchases and assumes from the Assignor without recourse to the Assignor, as of the Effective Date (as defined below), the interest described in Schedule I hereto (the "Assigned Interest") in and to the Assignor's rights and obligations under the Credit Agreement with respect to those credit facilities contained in the Credit Agreement as are set forth on Schedule I hereto (individually, an "Assigned Facility"; collectively, the "Assigned Facilities"), in a principal amount for each Assigned Facility as set forth on Schedule I hereto.

2. The Assignor (a) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Credit Agreement or with respect to the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement, any other Loan Document or any other instrument or document furnished pursuant thereto, other than that the Assignor has not created any adverse claim upon the interest being assigned by it hereunder and that such interest is free and clear of any such adverse claim; (b) makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower, any of its Subsidiaries or any other obligor or the performance or observance by the Borrower, any of its Subsidiaries or any other obligor of any of their respective obligations under the Credit Agreement or any other Loan Document or any other instrument or document furnished pursuant hereto or thereto; and (c) attaches any Notes held by it evidencing the Assigned Facilities and (i) requests that the Administrative Agent, upon request by the Assignee, exchange the attached Notes for a new Note or Notes payable to the Assignee and (ii) if the Assignor has retained any

interest in the Assigned Facility, requests that the Administrative Agent exchange the attached Notes for a new Note or Notes payable to the Assignor, in each case in amounts which reflect the assignment being made hereby (and after giving effect to any other assignments which have become effective on the Effective Date).

3. The Assignee (a) represents and warrants that it is legally authorized to enter into this Assignment and Acceptance; (b) confirms that it has received a copy of the Credit Agreement, together with copies of the financial statements delivered pursuant to Section 4.1 thereof and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance; (c) agrees that it will, independently and without reliance upon the Assignor, the Administrative Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement, the other Loan Documents or any other instrument or document furnished pursuant hereto or thereto; (d) appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Credit Agreement, the other Loan Documents or any other instrument or document furnished pursuant hereto or thereto as are delegated to the Administrative Agent by the terms thereof, together with such powers as are incidental thereto; and (e) agrees that it will be bound by the provisions of the Credit Agreement and will perform in accordance with its terms all the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender including, if it is organized under the laws of a jurisdiction outside the United States, its obligation pursuant to Section 2.18(d) of the Credit Agreement.

4. The effective date of this Assignment and Acceptance shall be the Effective Date of Assignment described in Schedule 1 hereto (the "Effective Date"). Following the execution of this Assignment and Acceptance, it will be delivered to the Administrative Agent for acceptance by it and recording by the Administrative Agent pursuant to the Credit Agreement, effective as of the Effective Date (which shall not, unless otherwise agreed to by the Administrative Agent, be earlier than five Business Days after the date of such acceptance and recording by the Administrative Agent).

5. Upon such acceptance and recording, from and after the Effective Date, the Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignee whether such amounts have accrued prior to the Effective Date or accrue subsequent to the Effective Date. The Assignor and the Assignee shall make all appropriate adjustments in payments by the Agent for periods prior to the Effective Date or with respect to the making of this assignment directly between themselves.

6. From and after the Effective Date, (a) the Assignee shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender thereunder and under the other Loan Documents and shall be bound by the provisions thereof and (b) the Assignor shall, to the extent provided in this Assignment

and Acceptance, relinquish its rights and be released from its obligations under the Credit Agreement.

7. This Assignment and Acceptance shall be governed by and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Acceptance to be executed as of the date first above written by their respective duly authorized officers on Schedule 1 hereto.

053113-1192-01401-997PA4SF-AGR

1  
**TRADEMARK**  
**REEL: 001991 FRAME: 0053**

Name of Assignor: \_\_\_\_\_

Name of Assignee: \_\_\_\_\_

Effective Date of Assignment: \_\_\_\_\_

<u>Credit Facility Assigned</u>	<u>Principal Amount Assigned</u>	<u>Commitment Percentage Assigned</u> <sup>1</sup>
	\$ _____	_____%

[Name of Assignee]

[Name of Assignor]

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

- 
1. Calculate the Commitment Percentage that is assigned to at least 15 decimal places and show as a percentage of the aggregate commitments of all Lenders.

Accepted:

Consented To:

LEHMAN COMMERCIAL PAPER INC,  
as Administrative Agent

EMPI CORP.

By: \_\_\_\_\_

By: \_\_\_\_\_

Name:

Name:

Title:

Title:

LEHMAN COMMERCIAL PAPER INC.,  
as Administrative Agent

By: \_\_\_\_\_

Name:

Title:

## FORM OF TERM NOTE

THIS NOTE AND THE OBLIGATIONS REPRESENTED HEREBY MAY NOT BE TRANSFERRED EXCEPT IN COMPLIANCE WITH THE TERMS AND PROVISIONS OF THE CREDIT AGREEMENT REFERRED TO BELOW. TRANSFERS OF THIS NOTE AND THE OBLIGATIONS REPRESENTED HEREBY MUST BE RECORDED IN THE REGISTER MAINTAINED BY THE ADMINISTRATIVE AGENT PURSUANT TO THE TERMS OF SUCH CREDIT AGREEMENT.

\$ \_\_\_\_\_

New York, New York  
August 31, 1999

FOR VALUE RECEIVED, the undersigned, EMPI CORP., a Minnesota corporation (the "Borrower"), hereby unconditionally promises to pay to \_\_\_\_\_ (the "Lender") or its registered assigns at the Payment Office specified in accordance with the Credit Agreement (as hereinafter defined) in lawful money of the United States and in immediately available funds, the principal amount of (a) \_\_\_\_\_ DOLLARS (\$\_\_\_\_), or, if less, (b) the unpaid principal amount of the Tranche [A] [B] Term Loan made by the Lender pursuant to Section 2.1 of the Credit Agreement. The principal amount shall be paid in the amounts and on the dates specified in Section 2.3 of the Credit Agreement. The Borrower further agrees to pay interest in like money at the Payment Office on the unpaid principal amount hereof from time to time outstanding at the rates and on the dates specified in Section 2.13 of the Credit Agreement.

The holder of this Note is authorized to endorse on the schedules annexed hereto and made a part hereof or on a continuation thereof which shall be attached hereto and made a part hereof the date, the Type and amount of the Tranche [A] [B] Term Loan and the date and amount of each payment or prepayment of principal with respect thereto, each conversion of all or a portion thereof to another Type, each continuation of all or a portion thereof as the same Type and, in the case of Eurodollar Loans, the length of each Interest Period with respect thereto. Each such endorsement shall constitute prima facie evidence of the accuracy of the information endorsed. The failure to make any such endorsement or any error in any such endorsement shall not affect the obligations of the Borrower in respect of the Tranche [A] [B] Term Loan.

This Note (a) is one of the Term Notes referred to in the Credit Agreement, dated as of August 31, 1999 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, the Lender, the other banks and financial institutions or entities from time to time parties thereto, Lehman Commercial Paper Inc., as Administrative Agent, Lehman Brothers Inc., as Arranger, First Union Capital Markets Corp., as Syndication



Agent, and Union Bank of California, N.A., as Documentation Agent, (b) is subject to the provisions of the Credit Agreement and (c) is subject to optional and mandatory prepayment in whole or in part as provided in the Credit Agreement. This Note is secured and guaranteed as provided in the Loan Documents. Reference is hereby made to the Loan Documents for a description of the properties and assets in which a security interest has been granted, the nature and extent of the security and the guarantees, the terms and conditions upon which the security interests and each guarantee were granted and the rights of the holder of this Note in respect thereof.

Upon the occurrence of any one or more of the Events of Default, all principal and all accrued interest then remaining unpaid on this Note shall become, or may be declared to be, immediately due and payable, all as provided in the Credit Agreement.

All parties now and hereafter liable with respect to this Note, whether maker, principal, surety, guarantor, endorser or otherwise, hereby waive presentment, demand, protest and all other notices of any kind.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

**NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN OR IN THE CREDIT AGREEMENT, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT PURSUANT TO AND IN ACCORDANCE WITH THE REGISTRATION AND OTHER PROVISIONS OF SECTION 10.6 OF THE CREDIT AGREEMENT.**

**THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**

EMPI CORP.

By: \_\_\_\_\_

Name:

Title:





## FORM OF REVOLVING CREDIT NOTE

THIS NOTE AND THE OBLIGATIONS REPRESENTED HEREBY MAY NOT BE TRANSFERRED EXCEPT IN COMPLIANCE WITH THE TERMS AND PROVISIONS OF THE CREDIT AGREEMENT REFERRED TO BELOW. TRANSFERS OF THIS NOTE AND THE OBLIGATIONS REPRESENTED HEREBY MUST BE RECORDED IN THE REGISTER MAINTAINED BY THE ADMINISTRATIVE AGENT PURSUANT TO THE TERMS OF SUCH CREDIT AGREEMENT.

\$ \_\_\_\_\_

New York, New York  
August 31, 1999

FOR VALUE RECEIVED, the undersigned, EMPI CORP., a Minnesota corporation (the "Borrower"), hereby unconditionally promises to pay to \_\_\_\_\_ (the "Lender") or its registered assigns at the Payment Office specified in accordance with the Credit Agreement (as hereinafter defined) in lawful money of the United States and in immediately available funds, on the Revolving Credit Termination Date the principal amount of (a) \_\_\_\_\_ DOLLARS (\$ \_\_\_\_\_), or, if less, (b) the aggregate unpaid principal amount of all Revolving Credit Loans made by the Lender to the Borrower pursuant to Section 2.4 of the Credit Agreement. The Borrower further agrees to pay interest in like money at such Payment Office on the unpaid principal amount hereof from time to time outstanding at the rates and on the dates specified in Section 2.13 of the Credit Agreement.

The holder of this Note is authorized to endorse on the schedules annexed hereto and made a part hereof or on a continuation thereof which shall be attached hereto and made a part hereof the date, the Type and amount of each Revolving Credit Loan made pursuant to the Credit Agreement and the date and amount of each payment or prepayment of principal thereof, each continuation thereof, each conversion of all or a portion thereof to another Type and, in the case of Eurodollar Loans, the length of each Interest Period with respect thereto. Each such endorsement shall constitute prima facie evidence of the accuracy of the information endorsed. The failure to make any such endorsement or any error in any such endorsement shall not affect the obligations of the Borrower in respect of any Revolving Credit Loan.

This Note (a) is one of the Revolving Credit Notes referred to in the Credit Agreement, dated as of August 31, 1999 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrower, the Lender, the other banks and financial institutions or entities from time to time parties thereto, Lehman Commercial Paper Inc., as Administrative Agent, Lehman Brothers Inc., as Arranger, First Union Capital Markets

Corp., as Syndication Agent, and Union Bank of California, N.A. as Documentation Agent, (b) is subject to the provisions of the Credit Agreement and (c) is subject to optional and mandatory prepayment in whole or in part as provided in the Credit Agreement. This Note is secured and guaranteed as provided in the Loan Documents. Reference is hereby made to the Loan Documents for a description of the properties and assets in which a security interest has been granted, the nature and extent of the security and the guarantees, the terms and conditions upon which the security interests and each guarantee were granted and the rights of the holder of this Note in respect thereof.

Upon the occurrence of any one or more of the Events of Default, all principal and all accrued interest then remaining unpaid on this Note shall become, or may be declared to be, immediately due and payable, all as provided in the Credit Agreement.

All parties now and hereafter liable with respect to this Note, whether maker, principal, surety, guarantor, endorser or otherwise, hereby waive presentment, demand, protest and all other notices of any kind.

Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

**NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN OR IN THE CREDIT AGREEMENT, THIS NOTE MAY NOT BE TRANSFERRED EXCEPT PURSUANT TO AND IN ACCORDANCE WITH THE REGISTRATION AND OTHER PROVISIONS OF SECTION 10.6 OF THE CREDIT AGREEMENT.**

**THIS NOTE SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**

EMPI CORP.

By: \_\_\_\_\_  
Name:  
Title:





FORM OF  
PREPAYMENT OPTION NOTICE

Attention of [            ]  
Telecopy No. [            ]

[Date]

Ladies and Gentlemen:

The undersigned, LEHMAN COMMERCIAL PAPER INC., as administrative agent (in such capacity, the "Administrative Agent") for the Lenders, refers to the Credit Agreement, dated as of August 31, 1999 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among EI MERGER CORP., which will be merged with and into EMPI, INC., which shall be the surviving corporation of such merger, EMPI CORP. (the "Borrower"), the several banks and other financial institutions or entities from time to time parties to the Credit Agreement, LEHMAN BROTHERS INC., as advisor, lead arranger and book manager, FIRST UNION CAPITAL MARKETS CORP., as syndication agent, UNION BANK OF CALIFORNIA, N.A., as documentation agent, and the Administrative Agent. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement. The Administrative Agent hereby gives notice of an offer of prepayment made by the Borrower pursuant to Section 2.16(d) of the Credit Agreement of the Tranche B Prepayment Amount. Amounts applied to prepay the Tranche B Term Loans shall be applied pro rata to the Tranche B Term Loan held by you. The portion of the prepayment amount to be allocated to the Tranche B Term Loan held by you and the date on which such prepayment will be made to you (should you elect to receive such prepayment) are set forth below:

- |     |  |       |
|-----|--|-------|
| (A) | Total Tranche B Term Loan Prepayment<br>Amount                                       | _____ |
| (B) | Portion of Tranche B Term Loan Prepayment<br>Amount to be received by you            | _____ |
| (C) | Prepayment Date (7 Business Days after the<br>date of this Prepayment Option Notice) | _____ |

**IF YOU DO NOT WISH TO RECEIVE ALL OF THE TRANCHE B TERM  
LOAN PREPAYMENT AMOUNT TO BE ALLOCATED TO YOU ON THE**



**MANDATORY PREPAYMENT DATE INDICATED IN PARAGRAPH (B) ABOVE,**  
please sign this notice in the space provided below and indicate the percentage of the Tranche B  
Term Loan Prepayment Amount otherwise payable which you do not wish to receive. Please  
return this notice as so completed via telecopy to the attention of \_\_\_\_\_ at  
\_\_\_\_\_, no later than 10:00 a.m., New York City time, on the Prepayment Date.  
at Telecopy No. \_\_\_\_\_. **IF YOU DO NOT RETURN THIS NOTICE, YOU  
WILL RECEIVE 100% OF THE TRANCHE B TERM LOAN PREPAYMENT  
ALLOCATED TO YOU ON THE MANDATORY PREPAYMENT DATE.**

LEHMAN COMMERCIAL PAPER INC.,  
as Administrative Agent

By: \_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
as Lender

By: \_\_\_\_\_  
Name:  
Title:

Percentage of Tranche B Prepayment  
Amount Declined: \_\_\_\_\_%

## FORM OF EXEMPTION CERTIFICATE

Reference is made to the Credit Agreement, dated as of August 31, 1999 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among EI MERGER CORP., which will be merged with and into EMPI, INC., which shall be the surviving corporation of such merger, EMPI CORP. (the "Borrower"), the several banks and other financial institutions or entities from time to time parties to the Credit Agreement, LEHMAN BROTHERS INC., as advisor, lead arranger and book manager, FIRST UNION CAPITAL MARKETS CORP., as syndication agent, UNION BANK OF CALIFORNIA, N.A., as documentation agent, and LEHMAN COMMERCIAL PAPER INC., as administrative agent. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

\_\_\_\_\_ (the "Non-U.S. Lender") is providing this certificate pursuant to Section 2.18(d) of the Credit Agreement. The Non-U.S. Lender hereby represents and warrants that:

**1. The Non-U.S. Lender is the sole record and beneficial owner of the Loans or the obligations evidenced by Note(s) in respect of which it is providing this certificate.**

2. The Non-U.S. Lender is not a "bank" for purposes of Section 881(c)(3)(A) of the Code. In this regard, the Non-U.S. Lender further represents and warrants that:

(a) the Non-U.S. Lender is not subject to regulatory or other legal requirements as a bank in any jurisdiction; and

(b) the Non-U.S. Lender has not been treated as a bank for purposes of any tax, securities law or other filing or submission made to any Governmental Authority, any application made to a rating agency or qualification for any exemption from tax, securities law or other legal requirements;

3. The Non-U.S. Lender is not a 10-percent shareholder of the Borrower within the meaning of Section 881(c)(3)(B) of the Code; and

4. The Non-U.S. Lender is not a controlled foreign corporation receiving interest from a related person within the meaning of Section 881(c)(3)(C) of the Code.

IN WITNESS WHEREOF, the undersigned has duly executed this certificate.

[NAME OF NON-U.S. LENDER]

By: \_\_\_\_\_

Name:

Title:

Date: \_\_\_\_\_

## FORM OF LENDER ADDENDUM

Reference is made to the Credit Agreement, dated as of August 31, 1999 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among EI MERGER CORP., which will be merged with and into EMPI, INC., which shall be the surviving corporation of such merger, EMPI CORP., the banks and other financial institutions from time to time parties thereto as Lenders, LEHMAN BROTHERS INC., as Arranger, FIRST UNION CAPITAL MARKETS CORP., as Syndication Agent, UNION BANK OF CALIFORNIA, N.A., as Documentation Agent, and LEHMAN COMMERCIAL PAPER INC., as Administrative Agent. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

Upon execution and delivery of this Lender Addendum by the parties hereto as provided in Section 10.17 of the Credit Agreement, the undersigned hereby becomes a Lender thereunder having the Commitments set forth in Schedule 1 hereto, effective as of the Closing Date.

THIS LENDER ADDENDUM SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

This Lender Addendum may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page hereof by facsimile transmission shall be effective as delivery of a manually executed counterpart hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Lender Addendum to be duly executed and delivered by their proper and duly authorized officers as of this \_\_\_\_ day of \_\_\_\_\_, 1999.

\_\_\_\_\_  
[Name of Lender]

By: \_\_\_\_\_

Name:

Title:

Accepted and agreed:

EMPI CORP.

By: \_\_\_\_\_

Name:

Title:

LEHMAN COMMERCIAL PAPER INC.,  
as Administrative Agent

By: \_\_\_\_\_

Name:

Title:

COMMITMENTS AND NOTICE ADDRESS

1. Name of Lender: \_\_\_\_\_  
Notice Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Facsimile: \_\_\_\_\_

- 2. Revolving Credit Commitment:
- 3. Tranche A Term Loan Commitment:
- 4. Tranche B Term Loan Commitment:

**Schedule 1**  
**Notice Addresses of Guarantors**

Empi, Inc.  
599 Cardigan Road  
St. Paul, MN 55126-4099

Empi Sales Corp.  
599 Cardigan Road  
St. Paul, MN 55126-4099

**Schedule 2  
Description of Pledged Securities**

**Pledged Stock:** -

<b>Issuer</b>	<b>Class of Stock</b>	<b>Stock Certificate No.</b>	<b>No. of Shares</b>
Empi Corp.	Common	1	1,000
Empi Sales Corp.	Common	1	1,000
Empi International, Inc.	Common	1	1,000 (only 660 shares to be pledged)

**Pledged Notes:**

<b>Issuer</b>	<b>Payee</b>	<b>Principal Amount</b>
Empi, Inc.	Empi Corp.	\$85,000,000



**Schedule 3**  
**Filings and Other Actions**  
**Required to Perfect Security Interests**

Uniform Commercial Code Filings

See attached chart

Patent and Trademark Filings

Any Non-U.S trademark or patent requires assistance of local foreign counsel for perfection.  
U.S. trademark and patent filings require:

- (a) UCC Filings against Empi Corp. in the State of Minnesota and County of Ramsey
- (b) Filings with the United States Patent and Trademark Office

Action with respect to Pledged Stock

Delivery of Stock Certificates listed on Schedule 2 hereto with undated stock powers executed in blank.

Other Actions

Delivery of the Promissory Note listed on Schedule 2 hereto with endorsement.

EMPI  
053113/1192

UCC FILING JURISDICTIONS

Secured Party:  
Lehman Commercial Paper Inc.,  
as Administrative Agent  
3 World Financial Center  
New York, NY 10285

DEBTOR	JURISDICTION
Empi Corp. 599 Cardigan Road St. Paul, MN 55126  Tax ID: 41-1933682	MN SOS MN - Ramsey Cty SD SOS SD - Deuel Cty
Empi, Inc. 599 Cardigan Road St. Paul, MN 55126  Tax ID: 41-1310335	MN SOS MN - Ramsey Cty SD SOS SD - Deuel Cty
Empi Sales Corp. 599 Cardigan Road St. Paul, MN 55126  Tax ID: 41-1947725	AK SOS AL SOS AR SOS AZ SOS CA SOS CO SOS CT SOS DC SOS DE SOS FL SOS GA - Fulton Cty HI SOS ID SOS

DEBTOR	JURISDICTION
Empi Sales Corp - Continued	IL SOS IN SOS IA SOS KS SOS KY SOS LA - Jefferson Parish ME SOS MD SOS MA SOS MI SOS MN SOS MN - Ramsey Cty MS SOS MO SOS MT SOS NE SOS NV SOS NH SOS NJ SOS NM SOS NY SOS NC SOS ND SOS OH SOS OK - Oklahoma Cty OR SOS PA SOS RI SOS SC SOS SD SOS SD - Deuel Cty TN SOS TX SOS UT SOS VT SOS VA SOS WA SOS WV SOS WI SOS WY SOS

**Schedule 4**  
**Jurisdiction of Organization and Location of Chief Executive Office**

**Empi, Inc.**            -

Jurisdiction: Minnesota  
Chief Executive Office:  
599 Cardigan Road  
St. Paul, MN 55126-4099

**Empi Corp.**

Jurisdiction: Minnesota  
Chief Executive Office:  
599 Cardigan Road  
St. Paul, MN 55126-4099

**Empi Sales Corp.**

Jurisdiction: Minnesota  
Chief Executive Office:  
599 Cardigan Road  
St. Paul, MN 55126-4099

**Schedule 5**  
**Locations of Inventory and Equipment**

Grantor	Locations
Empi, Inc.	599 Cardigan Road Shoreview, MN 55126-4099
Empi Corp.	599 Cardigan Road Shoreview, MN 55126-4099
Empi Corp.	East Highway 22 Clear Lake Industrial Park Clear Lake, SD 57226
Empi Sales Corp.	599 Cardigan Road Shoreview, MN 55126-4099
Empi Sales Corp.	West Highway 22 Clear Lake, SD 57226
Empi Sales Corp.	In addition to the inventory at the Clear Lake Facility, Empi Sales Corp. has inventory at clinics throughout the United States.

**Schedule 6**  
**Intellectual Property**

Copyrights and Copyright Licenses  
None

Patents and Patent Licenses  
See attached chart

Trademarks and Trademark Licenses  
See attached chart

**US & Foreign Patents****Granted U.S. Patents**

<b>Kinney &amp; Lange File No.</b>	<b>Patent Number</b>	<b>Grant Date</b>
E33.12-0018	297,168	08/09/88
E33.12-0024	296,364	06/21/88
E33.12-0025	300,357	03/21/89
E33.12-0028	298,569	11/15/88
E33.12-0030	298,570	11/15/88
E33.12-0039	4,881,526	11/21/89
E33.12-0040	4,873,996	10/17/89
E33.12-0041	4,973,303	11/27/90
E33.12-0043	319,881	09/10/91
E33.12-0044	4,964,411	10/23/90
E33.12-0045	5,010,895	04/30/91
E33.12-0049	5,087,241	02/11/92
E33.12-0052	5,254,081	10/19/93
E33.12-0053	5,199,443	04/06/93
E33.12-0059	348,934	07/19/94
E33.12-0060	5,370,671	12/06/94
E33.12-0061	5,376,206	12/27/94
E33.12-0063	5,376,465	05/24/94
E33.12-0065	5,431,625	07/11/95
E33.12-0071	4,770,328	09/13/88
E33.12-0073	Re.32,091	03/11/86
E33.12-0075	282,968	03/11/86
E33.12-0076	286,676	11/11/86
E33.12-0078	5,464,448	11/07/95
E33.12-0083	5,788,666	08/04/98
E33.12-0084	5,516,396	05/14/96
E33.12-0085	5,520,627	05/28/96
E33.12-0086	5,520,625	05/28/96
E33.12-0090	5,277,197	01/11/94
E33.12-0091	5,399,154	03/21/95
E33.12-0093	5,437,619	08/01/95

**Granted U.S. Patents - Continued**

<b>Kinney &amp; Lange File No.</b>	<b>Patent Number</b>	<b>Grant Date</b>
E33.12-0097	5,759,165	06/02/98
E33.12-0098	5,571,078	11/05/96
E33.12-0099	371,200	06/25/96
E33.12-0106	5,649,976	07/22/97
E33.12-0108	5,667,615	09/16/97
E33.12-0117	5,759,471	06/02/98
E33.12-0130	399,970	10/20/98
E33.12-0102	5,840,056	06/15/95
E33.12-0114	5,871,461	07/12/96
E33.12-0115	5,857,993	07/12/96
E33.12-0119	5,873,900	06/18/97
E33.12-0121	407,157	06/24/97
E33.12-0094	5,653,739	08/05/97
E33.12-0061	5,385,577	01/31/95

**Pending U.S. Patent Applications**

<b>Kinney &amp; Lange File No.</b>	<b>Serial Number</b>	<b>Filing Date</b>
E33.12-0109	08/679,073	07/12/96
E33.12-0116	08/679,073	07/12/96
E33.12-0122	29/072,753	06/24/97
E33.12-0131	08/989,304	12/12/97
E33.12-0132	08/990,080	12/12/97
E33.12-0134	08/916,602	08/22/97
E33.12-0135	29/082,131	01/15/98
E33.12-0137	09/021,795	02/11/98
<b>Oppenheimer - Description</b>	<b>Serial Number</b>	<b>Filed Date</b>
Unidirectional Resistance Dev	09/124,797	07/29/98
Tinnitus Treatment		In Preparation

**Granted Foreign Patents**

<b>Kinney &amp; Lange File No.</b>	<b>Patent Number</b>	<b>Grant Date</b>	<b>Country</b>
E33.13-0071	M9600514	04/23/96	Germany



**Pending Foreign Patent Applications**

<b>Kinney &amp; Lange File No.</b>	<b>Application Number</b>	<b>Filing Date</b>	<b>Country</b>
E33.13-0066	95917208.1	04/28/95	European Patent Office
E33.13-0068	7503582	06/27/94	Japan
E33.13-0074	961067535	11/25/91	European Patent Office
E33.13-0075	19637196.1	09/12/96	Germany
E33.13-0076	2187903	04/28/95	Canada
E33.13-0077	7-528433	04/28/95	Japan
E33.13-0078	964633	04/28/95	Norway
E33.13-0079	US97/12097	07/11/97	Patent Cooperation Treaty
<b>Oppenheimer - Description</b>	<b>Application Number</b>	<b>Filing Date</b>	<b>Country</b>
TENS Device	PCT/US 98/26400	12/11/98	Patent Cooperation Treaty

## **Additional U.S. Patents**

Patent No. 5,941,843 issued 8/24/99 for Iontophoresis electrode

Patent No. D412,364 issued 7/27/99 for Combined pelvic floor stimulation and electromyography device

Patent No. D411,887 issued 7/6/99 for combined pelvic floor stimulation and electromyography device.

**TRADEMARK**

**REEL: 001991 FRAME: 0082**

US and Foreign Trademarks

Granted U.S. Trademarks

Kinney & Lange File No.	Mark	Registration Number	Registration Date
E33.22-0001	EMPI INC.	1,155,463	05/26/81
E33.22-0002	EMPI INC.	1,155,464	05/26/81
E33.22-0003	EPIX	1,292,027	08/28/84
E33.22-0004	EPIX +	1,292,026	08/28/84
E33.22-0006	EMPI	1,292,025	08/28/84
E33.22-0008	THE SOFT TOUCH	1,454,089	08/25/87
E33.22-0009	LOGIX	1,340,481	06/11/91
E33.22-0010	BASIX	1,345,913	07/02/85
E33.22-0011	PCS & Design	1,379,627	01/21/86
E33.22-0012	THE SOFT TOUCH	1,383,243	02/18/86
E33.22-0013	SUE	1,383,248	02/18/86
E33.22-0018	EMPI	1,428,276	02/10/87
E33.122-0020	EPIX XL	1,526,708	02/28/89
E33.22-0021	FOCUS	1,622,277	11/13/90
E33.22-0025	DUPEL	1,738,987	12/08/92
E33.22-0026	INNOVA	1,727,336	10/27/92
E33.22-0033	SLIDEEASE	1,812,822	12/21/93
E33.22-0034	COMFORTPULSE	1,795,735	09/28/93
E33.22-0037	NEUROEASE	1,331,886	04/23/85
E33.22-0038	COMFORT BURST	1,195,098	05/11/82
E33.22-0039	RESPOND	1,289,934	08/14/84
E33.22-0040	RESPOND II	1,622,312	11/13/90
E33.22-0041	RESPOND SELECT	1,715,418	09/15/92
E33.22-0042	SELECTRA	1,219,865	12/14/82
E33.22-0043	NEURO AID	1,300,398	10/16/84
E33.22-0044	NEURO AID HH	1,325,589	03/19/85
E33.22-0045	MULTIFLEX	1,360,375	09/17/85
E33.22-0046	NEUROPAD	1,371,165	11/19/85
E33.22-0047	NEUROAID 3.5	1,419,076	12/02/86
E33.22-0048	COMFORTEASE	1,453,097	08/18/87
E33.22-0049	ECLIPSE	1,528,058	03/07/89
E33.22-0050	ECLIPSE +	1,585,476	03/06/90
E33.22-0051	DYNEX	1,581,197	02/06/90
E33.22-0052	DYNEX	1,135,049	05/13/80

TRADEMARK

REEL: 001991 FRAME: 0083

Granted U.S. Trademarks - Continued

Kinney & Lange File No.	Mark	Registration Number	Registration Date
E33.22-0053	SNAP-EASEL	1,546,273	07/04/89
E33.22-0056	ADVANCE DYNAMIC ROM	1,951,954	01/23/96
E33.22-0057	BIO-PROMPT	1,703,051	07/28/92
E33.22-0058	PHD INACTIVE	1,771,274	05/18/93
E33.22-0060	BIO-SCOPE	1,831,215	04/19/94
E33.22-0061	ELT	1,830,234	04/12/94
E33.22-0067	CERC	2,027,959	12/31/96
E33.22-0071	ASSIST	2,186,387	09/01/98
E33.22-0073	RELION	2,133,364	01/27/98
	INNOSENSE	2,214,185	12/29/98
E33.22-0074	EPIX VT	2,169,128	06/30/98

Pending U.S. Trademark Applications

Kinney & Lange File No.	Mark	Serial No.	Filing Date
E33.22-0075	INNOVA	75/363,108	09/25/97
	COMFORTPULSE	75/058582	2/15/96
E33.22-0076	MINNOVA	75/343,087	08/18/97
Oppenheimer	Mark	Serial No.	Filing Date
	DUPEL BLUE	75/484220	05/13/98
	LARS	75/648011	02/22/99
	LARSSYSTEM	75/646416	02/22/99

Granted Foreign Trademarks

Kinney & Lange File No.	Mark	Registration Number	Registration Date	Country
E33.23-0001	EMPI	1,682,502	07/16/91	France
E33.23-0002	EPIX XL	1,682,503	07/16/91	France
E33.23-0003	FOCUS	1,682,501	07/16/91	France
E33.23-0004	EMPI	501,165	05/31/91	Benelux
E33.23-0005	EPIX XL	498,987	05/31/91	Benelux
E33.23-0006	FOCUS	503,278	05/31/91	Benelux
E33.23-0007	EMPI	2020390	09/11/92	Germany
E33.23-0008	EPIX XL	2020391	09/11/92	Germany

Granted Foreign Trademarks - Continued

Kinney & Lange File No.	Mark	Registration Number	Registration Date	Country
E33.23-0010	EMPI	665179	12/11/95	Italy
E33.23-0014	RESPOND QUADRIFLEX	1077784	07/08/87	Spain
E33.23-0024	NEURO-AID	1036813	12/20/85	Spain
E33.23-0033	NEURO-EASE	320,373	11/07/86	Canada
E33.23-0043	RESPOND	190275	02/17/84	Sweden
E33.23-0044	RESPOND	390090	11/15/83	Benelux
E33.23-0045	RESPOND	B390791		Australia
E33.23-0046	RESPOND	1036814	02/06/84	Spain
E33.23-0047	RESPOND	270,963	07/09/82	Canada
E33.23-0048	RESPOND	1,234,290	04/27/83	France
E33.23-0049	RESPOND	B1194907	04/28/83	United Kingdom
E33.23-0055	EMPI	422,410	01/21/94	Canada
E33.23-0056	COMFORTEASE	430239	12/10/87	Benelux
E33.23-0057	COMFORTEASE	343,165	07/29/88	Canada
E33.23-0059	MEDTRONIC COMFORTEASE	1306467		United Kingdom
E33.23-0060	COMFORTEASE	1190272	05/06/91	Spain
E33.23-0061	COMFORTEASE INACTIVE	213517	04/07/89	Sweden
E33.23-0062	MED/TENS	340,693	05/20/88	Canada
E33.23-0063	MED/TENS & Design	342142	06/30/88	Canada
E33.23-0079	QUADRIFLEX INACTIVE	293,513	07/27/84	Canada
E33.23-0094	MULTIFLEX	315948	07/04/86	Canada
E33.23-0096	NEUROAID	302284	04/26/85	Canada
E33.23-0098	NEURO AID	B1194803	04/27/83	United Kingdom
E33.23-0099	NEURO AID	457215	11/17/86	Italy
E33.23-0101	EMPI	3141124	04/30/96	Japan
E33.23-0103	INNOVA	425854	03/25/94	Canada
E33.23-0105	INNOVA	93462716	9/17/93	France
E33.23-0107	INNOVA	2069701	07/01/94	Germany
E33.23-0108	EMPI	A599304	05/12/95	Australia
E33.23-0109	INNOVA	A599305	05/12/95	Australia
E33.23-0110	EMPI	1530923	03/26/93	United Kingdom
E33.23-0111	INNOVA	1530920	03/26/93	United Kingdom
E33.23-0112	EMPI COMFORTEASE	1570217		United Kingdom
E33.23-0113	INNOVA	339254	05/09/96	South Korea

TRADEMARK

REEL: 001991 FRAME: 0085

**Granted Foreign Trademarks – Continued**

<b>Kinney &amp; Lange File No.</b>	<b>Mark</b>	<b>Registration Number</b>	<b>Registration Date</b>	<b>Country</b>
E33.23-0114	AUTO-RANGE	2575421	09/30/93	Japan
E33.23-0116	BIO-PROMPT	2563967	08/31/93	Japan
E33.23-0118	ERGONOMIC LIFT TRAINER	2563968	08/31/93	Japan
E33.23-0119	ERGOMETRIC LIFT TRANSCEIVER	2575420	09/30/93	Japan
E33.23-0120	STIM-TRIGGER	2575422	09/30/93	Japan
E33.23-0121	WAKE-UP ALERT	2575423	09/30/93	Japan

**Pending Foreign Trademark Applications**

<b>Oppenheimer</b>	<b>Mark</b>	<b>Registration Number</b>	<b>Registration Date</b>	<b>Country</b>
	FOCUS STIM	N/A	03/04/99	Germany

**Schedule 7  
Contracts**

See attached chart

Payor & Clinic Contracts (All Inclusive)

NAME	ADDRESS	CITY	STATE	ZIP	TYPE	EFFECTIVE
ABOUT HEALTH, INC.	11900 PARKLAWN DR., STE. 320	ROCKVILLE	MD	20852	PAYOR	05/22/95
ADVOCARE, INC.	1296 RICKERT DRIVE	NAPERVILLE	IL	60540	PAYOR	03/17/94
AGGRESSIVE MEDICAL AMCC	3158 DES PLAINES	DES PLAINES	IL	60018	PAYOR	09/15/98
ALEXIS	312 ACE STREET STE. 410	DES MOINES	IA	50309	PAYOR	06/21/95
ALEXSIS	PO BOX 1360	MINNEAPOLIS	MN	55440	PAYOR	04/02/90
ALL SAINTS MED GROUP	3807 SPRING ST	RACINE	WI	53405	PAYOR	04/24/95
ALLIANCE PPO	PO BOX 1399	ROCKVILLE	MD	20850	PAYOR	09/01/97
ALLIED GROUP INS	PO BOX 80758	LINCOLN	NE	68501	PAYOR	05/04/98
ALLSTATE	PO BOX 42009	SAINT PETERSBURG	FL	33742	PAYOR	08/07/98
AM MED SECURITY	PO BOX 19032	GREEN BAY	WI	54307	PAYOR	05/30/95
AMERICAN CARESOURCE	3232 MCKINNEY AVE, STE 840	DALLAS	TX	75204	PAYOR	04/07/97
AMERICAN HEALTH CARE PROVIDERS	900 S. SHACKLEFORD	LITTLE ROCK	AR	72211	PAYOR	08/03/93
AMERICAN MANAGED CARE	4330 CIVIC CENTER PLAZA #203	SCOTTSDALE	AZ	85251	PAYOR	04/01/93
AMVEST CORP	PO BOX 3237	WISE	VA	24293	PAYOR	04/25/95
ANTHEM BLUE CROSS BLUE SHIELD	9901 LINN STATION ROAD	LOUISVILLE	KY	40223	PAYOR	07/01/95
ANTHEM HEALTH	5451 W LAKEVIEW PKWY	INDIANAPOLIS	IN	46268	PAYOR	04/20/98
ARAZ GROUP	8500 NORMANDALE BLVD	BLOOMINGTON	MN	55437	PAYOR	09/22/98
ARIZONA PUBLIC SERVICE CO.	P.O. BOX 53999 STATION 8390	PHOENIX	AZ	85072	PAYOR	01/04/95
ARKANSAS MUNICIPAL HEALTH BENEFIT FUND	PO BOX 38	NORTH LITTLE ROCK	AR	72115	PAYOR	01/01/98
ARKANSAS MUNICIPAL LEAGUE	2ND & WILLOW	NORTH LITTLE ROCK	AR	72115	PAYOR	12/23/97
ASSOCIATED HEALTH PLANS	3636S. I-10 SERVICE ROAD STE. 200	METAIRIE	LA	70002	PAYOR	08/21/95
ASSOCIATES FOR HEALTH CARE, INC.	18650 W. CORPORATE DR., STE 310	BROOKFIELD	WI	53045	PAYOR	07/01/95
AURORA HOME MED SERVICES	11333 W NATIONAL AVENUE	MILWAUKEE	WI	53227	PAYOR	11/25/95
AVMED, INC.	4305 N. W. 90TH BLVD	GAINESVILLE	FL	32606	PAYOR	09/01/97
AXIA/AETNA TECHNICAL SERVICE	PO BOX 35891	MINNEAPOLIS	MN	55435	PAYOR	04/12/89
BAY SHORES MEDICAL GROUP, INC.	1960J MARINER AVENUE	TORRANCE	CA	90503	PAYOR	12/04/95
BCBS	1133 SW TOPEKA BLVD	TOPEKA	KS	66629	PAYOR	06/30/97
BCBS	PO BOX 239	TOPEKA	KS	66601	PAYOR	06/30/97
BCBS	PO BOX 3248	OMAHA	NE	68180	PAYOR	01/01/98
BCBS ALLIANCE	1831 CHESTNUT ST.	ST. LOUIS	MO	63103	PAYOR	05/01/96
BCBS HMO	PO BOX 1364	CHICAGO	IL	60690	PAYOR	08/01/94
BCBS MOUNTAIN STATE	700 MARKET SQUARE	PARKERSBURG	WV	26101	PAYOR	04/22/98
BCBS OF FL	532 RIVERSIDE AVENUE	JACKSONVILLE	FL	32203	PAYOR	05/29/98
BCBS OF KANSAS CITY	ONE PERSHING SQUARE 2301 MAIN	KANSAS CITY	MO	64141	PAYOR	05/21/96
BCBS OF OK	1215 SOUTH BOULDER	TULSA	OK	74102	PAYOR	02/01/93
BCBS OF TEXAS/MIDWEST AND NE REGIONS	8200 IH 10 WEST, #410	SAN ANTONIO	TX	78230	PAYOR	07/01/98
BCBS OF TN	801 PINE ST	CHIATTANOOGA	TN	37402	PAYOR	01/14/93

TRADEMARK

REFL: 001991 FRAME: 0088



Payor & Clinic Contracts (All Inclusive)

NAME	ADDRESS	CITY	STATE	ZIP	TYPE	EFFECTIVE
BCBS OF TX	1010 S. SHERMAN ST, 2ND FL.	RICHARDSON	TX	75081	PAYOR	03/15/98
BENCHMARK HEALTH INS. CO.	616 HOLLISTER AVENUE	ROCKFORD	IL	61108	PAYOR	11/26/96
BLUE CARE NETWORK	3375 MERRIAM AVE	MUSKEGON HEIGHTS	MI	49444	PAYOR	01/01/97
BLUE CARE NETWORK	1769 S GARFIELD AVE #B	TRAVERSE CITY	MI	49686	PAYOR	01/01/97
BLUE CARE NETWORK, BCBS	3624 S. WESTNEDGE	KALAMAZOO	MI	49008	PAYOR	01/01/97
BLUE CHOICE	150 E MAIN ST	ROCHESTER	NY	14647	PAYOR	03/01/93
BLUE CROSS & BLUE SHIELD MN	PO BOX 64560	ST. PAUL	MN	55164	PAYOR	08/01/92
BLUE CROSS BLUE SHIELD IA/WELLMARK	636 GRAND AVENUE	DES MOINES	IA	50309	PAYOR	06/17/98
BLUE CROSS BLUE SHIELD OF MA.	100 SUMMER STREET	BOSTON	MA	2110	PAYOR	09/01/96
BLUE CROSS OF CA	21555 OXNARD ST	WOODLAND HILLS	CA	91367	PAYOR	06/17/98
BLUE RIDGE HEALTH ALLIANCE, INC.	1807 SEMINOLE TRAIL, STE.201	CHARLOTTESVILLE	VA	22901	PAYOR	01/01/97
BLUECROSS BLUESHIELD OF CO	700 BROADWAY	DENVER	CO	80273	PAYOR	01/01/98
BLUELINCS HMO	1400 S. BOSTON	TULSA	OK	74102	PAYOR	01/01/95
BPS HEALTHCARE	888 SOUTH FIGUEROA ST	LOS ANGELES	CA	90017	PAYOR	09/01/98
BYU RISK MANAGEMENT AND SAFETY	TOMH PO BOX 20100	PROVO	UT	84602	PAYOR	03/01/95
CAPITAL DISTRICT PHYSICIAN HEALTH PLAN	17 COLUMBIA CIRCLE	ALBANY	NY	12203	PAYOR	06/01/93
CARE CHOICES	34605 TWELVE MILE ROAD	FARMINGTON HILLS	MI	48331	PAYOR	07/01/95
CARELINK	141 SIMMER ST	CHARLESTON	WV	25326	PAYOR	04/01/98
CARING PHYSICIAN NETWORK, INC.	714 FM 1960 WEST, STE.201	HOUSTON	TX	77090	PAYOR	03/10/98
CASE MANAGEMENT CONSULTANTS	1260 ANDES BLVD.	ST. LOUIS	MO	63132	PAYOR	11/28/95
CASE MANAGEMENT, INC.	4235 HOWARD AVENUE	WESTERN SPRINGS	IL	60558	PAYOR	11/19/96
CASECO	15326 ALTON PARKWAY	IRVINE	CA	92713	PAYOR	11/05/95
CDS OF NV	1055 E. TROPICANA AVE., STE.800	LAS VEGAS	NV	89119	PAYOR	08/25/95
CENTRE FOR HEALTH CARE	10865 RANCHO BERNARDO RD	SAN DIEGO	CA	92127	PAYOR	08/01/98
CHA PROVIDER NETWORK, INC.	PO BOX 22171	LEXINGTON	KY	40522	PAYOR	03/15/97
CHOICE PLUS	PO BOX 1289	MINNEAPOLIS	MN	55440	PAYOR	01/01/94
CIGNA	3838 N. CAUSEWAY BLVD. STE 2800-B LAKEWAY III	METAIRIE	LA	70002	PAYOR	05/01/90
CIGNA	TULSA HMO CLAIMS	SHERMAN	TX	75091	PAYOR	10/07/94
CIGNA HEALTHCARE	3131 CAMINO DEL RIO N	SAN DIEGO	CA	92108	PAYOR	04/01/98
CIGNA HEALTHPLAN OF AZ	535 N. WILMOT ROAD	TUCSON	AZ	85711	PAYOR	10/14/94
CIGNA OF SOUTHERN CA	505 N BRAND BLVD, STE 500	GLENDALE	CA	91203	PAYOR	02/01/98
CITY OF LAS CRUCES	575 S. ALAMEDA RM. 11	LAS CRUCES	NM	88004	PAYOR	06/07/95
CITY OF SAN DIEGO	WORKERS' COMP. CLAIM MANAGER	SAN DIEGO	CA	92101	PAYOR	06/22/95
CITY OF WICHITA	455 NORTH MAIN	WICHITA	KS	67202	PAYOR	11/17/93
CLAIMS MANAGEMENT	P.O. BOX 3042	SACRAMENTO	CA	95812	PAYOR	09/20/95
CLAIMS MANAGEMENT	PO BOX 10888	GREEN BAY	WI	54307	PAYOR	08/01/95
CNA	10400 LINN STATION ROAD	LOUISVILLE	KY	40223	PAYOR	09/28/98

TRADEMARK

Payor & Clinic Contracts (All Inclusive)

NAME	ADDRESS	CITY	STATE	ZIP	TYPE	EFFECTIVE
CNA HEALTH PARTNERS	27 CORPORATE HILL DRIVE	LITTLE ROCK	AR	72205	PAYOR	10/15/96
COLONIAL	322 BLVD. OF THE ALLIES, STE. 610	PITTSBURGH	PA	15212	PAYOR	04/15/95
COMMUNITY CARE HEALTH SERVICES	7801 NORTH ROBINSON	OKLAHOMA CITY	OK	73116	PAYOR	07/01/97
COMMUNITY HEALTH PLAN	1915 TAMARACK RD.	NEWARK	OH	43055	PAYOR	05/02/96
COMMUNITY HEALTH PLAN OF SARAH BUSH LINCOLN	700 WEST LINCOLN STE. 800	CHARLESTON	IL	61920	PAYOR	09/11/95
COMP CARE AURORA PARTNERS	% AURORA HOME MED SERV	MILWAUKEE	WI	53227	PAYOR	11/22/95
COMP CARE/PFS ONLY	PO BOX 2947	MILWAUKEE	WI	53201	PAYOR	11/18/92
COMP CURE, INC.	2812 N. WISHON	FRESNO	CA	93704	PAYOR	08/24/95
COMP MANAGEMENT HEALTH SYSTEMS, INC.	5777 FRANTZ RD.	DUBLIN	OH	43017	PAYOR	07/01/97
COMPRO, INC.	555 W. MADISON	CHICAGO	IL	48018	PAYOR	03/19/90
COMP CARE	2000 MCCrackEN BLVD.	PADUCAH	KY	42001	PAYOR	04/04/97
COMPREHENSIVE BENEFIT ADMINISTRATORS	PO BOX 2365	SOUTH BURLINGTON	VT	5407	PAYOR	03/01/97
COMPREHENSIVE CARE MANAGEMENT	PO BOX 957564	DULUTH	GA	30243	PAYOR	08/25/95
COMPSOLUTION	104 INVERNESS CENTER PLACE	BIRMINGHAM	AL	35242	PAYOR	11/02/94
CORE SOURCE	26-28 WEST KING RD.	LANCASTER	PA	17603	PAYOR	05/13/97
CORE SOURCE	2600 HORIZON DRIVE	GRAND RAPIDS	MI	49546	PAYOR	09/01/95
CORVEL CORPORATION	600 CITY PARKWAY WEST	ORANGE	CA	92668	PAYOR	01/01/97
CORVEL CORPORATION CORCARE	7223 WEST 95TH STREET	OVERLAND PARK	KS	66212	PAYOR	09/24/96
COUNTY MEDICAL SERVICES (NOW CIHS)	P.O. BOX 939016	SAN DIEGO	CA	92193	PAYOR	07/01/97
CRAWFORD	1295 BANDANA RD. STE. 240	ST. PAUL	MIN	55108	PAYOR	05/16/89
CRAWFORD & COMPANY	5620 GLENRIDGE DR. NE	ATLANTA	GA	30342	PAYOR	05/20/91
DCA	13100 WAYZATA BLVD. WC DEPT.	MINNETONKA	MN	55343	PAYOR	03/22/91
DEACONESS HEALTH CONNECTION	423 N. MAIN ST., STE. 101	EVANSVILLE	IN	47711	PAYOR	03/11/98
DELMARVA HEALTH PLAN	100 S. CHARLES ST., TOWER II	BALTIMORE	MD	21201	PAYOR	04/28/95
EBPA HEALTHSOURCE NH	PO BOX 2000	HAMPTON	NH	3842	PAYOR	03/07/95
EBPA HEALTHSOURCE NH	PO BOX 5090	HAMPTON	NH	3842	PAYOR	03/07/95
EMPLOYERS MUTUAL INSURANCE	PO BOX 2070	OMAHA	NE	68103	PAYOR	06/21/95
EXCLUSIVE HEALTHCARE HMO	10250 REGENCY CIRCLE	OMAHA	NE	68114	PAYOR	07/02/98
FAMILY CARENET	6142 W. SAHARA AVE.	LAS VEGAS	NV	89102	PAYOR	12/01/96
FARMERS	PO BOX 1428	WAUKESHA	WI	53187	PAYOR	08/19/91
FARMER'S INS.	PO BOX 2236	BISMARCK	ND	58502	PAYOR	12/22/93
FARMERS INSURANCE GROUP	10850 LOWELL	SHAWNEE MISSION	KS	66210	PAYOR	06/15/98
FINGERLAKES BCBS	150 EAST MAIN ST.	ROCHESTER	NY	14647	PAYOR	05/15/96
FIRST FORTIS	PO BOX 2989	SYRACUSE	NY	13220	PAYOR	07/11/95
FIRST HEALTH	% AURORA HOME MED SERV	MILWAUKEE	WI	53227	PAYOR	11/22/95
FIRST HEALTH PLAN	% AURORA HEALTH MED SERV	MILWAUKEE	WI	53227	PAYOR	11/22/95
FIRST PLAN HMO COMMUNITY HEALTH CTR	1010 4TH STREET	TWO HARBORS	MN	55616	PAYOR	09/01/91

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NAME	ADDRESS	CITY	STATE	ZIP	TYPE	EFFECTIVE
FIRSTCARE	12940 RESEARCH BLVD	AUSTIN	TX	78750	PAYOR	01/01/98
FOCUS/CONCENTRA MANAGED CARE	16135 PRESTON ROAD	DALLAS	TX	75248	PAYOR	04/01/96
FORTIS BENEFIT INS	1950 SPECTRUM CIR	MARIETTA	GA	30067	PAYOR	07/11/95
FORTIS BENEFIT INS	2425 N CENTRAL EXPWY	RICHARDSON	TX	75080	PAYOR	07/11/95
FORTIS COMPANIES	PO BOX 64271, STE. 5300	ST. PAUL	MN	55164	PAYOR	07/11/95
FRANK GATES	4893 RIVERDALE ROAD STE. 130	ATLANTA	GA	30337	PAYOR	11/27/95
GAB	3000 HIGHWOODS BLVD, STE 215	RALEIGH	NC	27604	PAYOR	11/20/95
GAB BUSINESS SERVICES	789 SHERMAN STREET STE. 100	DENVER	CO	80203	PAYOR	09/05/89
GEHA	310 NE MULBERRY	LEE'S SUMMIT	MO	64086	PAYOR	08/01/97
GENEX SERVICES, INC.	440 E. SWEDES FORD ROAD	WAYNE	PA	19087	PAYOR	03/01/97
GREATER MARSHFIELD HEALTH PLANS	1000 N OAK DR	MARSHFIELD	WI	54449	PAYOR	05/22/90
GROUP ADMINISTRATORS, INC.	4673 HWY 280 E.	BIRMINGHAM	AL	35243	PAYOR	06/11/96
GUARDIAN HEALTHSOURCE	PO BOX 5055	HAMPTON	NH	3842	PAYOR	03/07/95
GUNDERSON LUTHERAN HEALTH PLAN, INC.	1836 SOUTH AVENUE	LACROSSE	WI	54601	PAYOR	01/01/98
HARTFORD	4811 BEACH BLVD.	JACKSONVILLE	FL	32207	PAYOR	05/09/90
HARTFORD	PO BOX 25200	CHARLOTTE	NC	28229	PAYOR	02/21/95
HARVARD PILGRIM HEALTHCARE	1200 CROWN COLONY DRIVE	QUINCY	MA	2169	PAYOR	01/01/96
HCH ADMINISTRATORS	209 W FIFTH ST	PEORIA	IL	61605	PAYOR	07/29/98
HEALTH ALLIANCE MEDICAL PLANS, INC.	102 EAST MAIN STREET STE. 200	URBANA	IL	61801	PAYOR	03/06/97
HEALTH CARE NETWORK	% AURORA HOME MED SERV	MILWAUKEE	WI	53227	PAYOR	11/22/95
HEALTH CHOICE	PO BOX 24870	OKLAHOMA CITY	OK	73124	PAYOR	05/14/97
HEALTH MANAGEMENT SOLUTIONS	5880 SAWMILL RD., STE.200	DUBLIN	OH	43017	PAYOR	07/24/97
HEALTH NETWORK AMERICA	187 MONMOUTH PKWY.	W. LONG BRANCH	NJ	7764	PAYOR	08/31/95
HEALTH NEW ENGLAND	ONE MONARCH PLACE	SPRINGFIELD	MA	1144	PAYOR	04/01/97
HEALTH PATHWAYS OF NEW ENGLAND	965 CONCORD ST.	FRAMINGHAM	MA	1701	PAYOR	12/08/97
HEALTH PLUS OF LA	2708 GREENWOOD ROAD	SHREVEPORT	LA	71109	PAYOR	12/02/97
HEALTHCARE SUPPLY NETWORK	555 BURBANK ST, #D	BROOMFIELD	CO	80020	PAYOR	05/29/98
HEALTHCORP	300 SECURITY BUILDING	DUBUQUE	IA	52004	PAYOR	11/17/97
HEALTHHEAT	1690 UNIVERSITY AVENUE W., STE. 370	ST. PAUL	MN	55104	PAYOR	07/01/97
HEALTHHORIZONS	PO BOX 13206	TUCSON	AZ	85732	PAYOR	12/31/90
HEALTHPARTNERS	8100 34TH AVENUE S.	MINNEAPOLIS	MN	55440	PAYOR	01/01/94
HEALTHSOURCE	2 STONEWOOD DRIVE	FREEPORT	ME	4032	PAYOR	07/15/98
HEALTHSOURCE	JOB CARE	CONCORD	NH	3302	PAYOR	02/01/94
HEALTHSOURCE CHUBB	380 MADISON AVE., 20TH FL.	NEW YORK	NY	10017	PAYOR	03/01/97
HEALTHSOURCE MA	100 FRONT ST., STE.300	WORCESTER	MA	1608	PAYOR	06/01/93
HEALTHSOURCE NH	54 REGIONAL DR.	CONCORD	NH	3302	PAYOR	02/21/94
HEALTHSOURCE PREF CHOICE	PO BOX 5001	HAMPTON	NH	3842	PAYOR	02/01/94

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NAME	ADDRESS	CITY	STATE	ZIP	TYPE	EFFECTIVE
HEALTHSOURCE PREF CHOICE	GUARDIAN	HAMPTON	NH	3842	PAYOR	02/01/94
HEALTHSTAR, INC.	4807 ROCKSIDE RD., STE 510	INDEPENDENCE	OH	44131	PAYOR	02/04/97
HHS, INC.	5363 44TH ST. SE	GRAND RAPIDS	MI	49512	PAYOR <sup>1</sup>	01/01/98
HINZ CLAIM MANAGEMENT	525 W MONROE ST, #2400	CHICAGO	IL	60661	PAYOR	05/15/98
HL DUKE & CO	801 B MAIN ST, STE 1110	RICHMOND	VA	23219	PAYOR	02/08/95
HMO BCBS	300 B RANDOLPH ST	CHICAGO	IL	60601	PAYOR	09/01/94
HUMANA	111 W PLEASANT ST	MILWAUKEE	WI	53212	PAYOR	04/01/90
IA BEEF PROCESSORS	PO BOX 515	DAKOTA CITY	NE	68731	PAYOR	04/28/98
IBA HEALTH PLAN	106 FARMERS ALLEY, STE. 300	KALAMAZOO	MI	49005	PAYOR	02/01/97
IL COMPENSATION TRUST	1151 E. WARRENVILLE ROAD	NAPERVILLE	IL	60566	PAYOR	04/13/95
IL DEPT OF CENTRAL MGT SERVICES	604 WILLIAM G. STRATTON	SPRINGFIELD	IL	62706	PAYOR	07/20/98
INDUSTRIAL MEDICAL INSTITUTE	5310 EAST SHEA BLVD.	SCOTTSDALE	AZ	85254	PAYOR	10/13/95
INTEGRITY MUTUAL INS	PO BOX 539	APPLETON	WI	54912	PAYOR	11/29/93
INTERGROUP HMO	PO BOX 18050	TUCSON	AZ	85710	PAYOR	05/15/98
INTERMED PPO	1701 W. CHARLESTON, STE. 530	LAS VEGAS	NV	89102	PAYOR	10/07/94
IOWA MEDICAID, UNISYS CORP.	PO BOX 10394	DES MOINES	IA	50306	PAYOR	12/01/94
JOHN ALDEN LIFE INSURANCE COMPANY	1610 ARDEN WAY	SACRAMENTO	CA	95815	PAYOR	11/01/95
JOHN DEERE HEALTH PLAN	1300 RIVER DR. STE. 200	MOLINE	IL	61265	PAYOR	01/01/98
JOHNS HOPKINS HOME CARE GROUP, INC.	2400 BROENING HIGHWAY	BALTIMORE	MD	21224	PAYOR	02/01/98
KAISER	500 NE MULTNOMAH STE. 100	PORTLAND	OR	97232	PAYOR	01/01/94
KAISER COMM HEALTH PLANS	PO BOX 15109	ALBANY	NY	12212	PAYOR	10/01/97
KAISER FOUNDATION HEALTH PLAN OF NC	6035 FAIRVIEW RD	CHARLOTTE	NC	28210	PAYOR	02/01/98
KANSAS HEALTH PLAN	345 RIVERVIEW, STE 100	WICHITA	KS	67203	PAYOR	06/01/98
KEY RISK MGMT SERV BCN	5E OAK BRANCH DR	GREENSBORO	NC	27407	PAYOR	01/24/96
KHCP FAMILY	% AURORA HOME MED SERV	MILWAUKEE	WI	53227	PAYOR	11/22/95
LUTHERAN GENERAL HEALTH PLAN	1661 FEEHANVILLE DR. STE.200	MOUNT PROSPECT	IL	60056	PAYOR	11/15/95
M•PLAN	8802 N. MERIDAN ST. STE. 100	INDIANAPOLIS	IN	46260	PAYOR	12/01/95
MAMSI ALLIANCE PPO	4 TAFT COURT	ROCKVILLE	MD	20850	PAYOR	09/01/97
MAMSI ALLIANCE PPO	4 TAFT COURT	ROCKVILLE	MD	20850	PAYOR	09/01/97
MAMSI LIFE & HEALTH	PO BOX 1399	ROCKVILLE	MD	20850	PAYOR	09/01/97
MAMSI MDIPA, MDPHP	4 TAFT COURT	ROCKVILLE	MD	20850	PAYOR	09/01/97
MAMSI OPTIMUM CHOICE	4 TAFT COURT	ROCKVILLE	MD	20850	PAYOR	09/01/97
MAMSI OPTIMUM CHOICE	4 TAFT COURT	ROCKVILLE	MD	20850	PAYOR	09/01/97
MANAGED COST GROUP	PO BOX 948274	WINTER PARK	FL	32792	PAYOR	09/01/98
MANAGED HEALTHCARE INC	HEALTH FIRST ANCILLARY SE	HOUSTON	TX	77027	PAYOR	09/01/94
MANAGED HEALTHCARE, INC. HFAS	50 BRIAR HOLLOW, STE.500	HOUSTON	TX	77027	PAYOR	09/01/94
MATTHEW THORNTON	PO BOX 9518	MANCHESTER	NH	3108	PAYOR	08/25/95

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NAME	ADDRESS	CITY	STATE	ZIP	TYPE	EFFECTIVE
MCNERNEY HEINTZ	317 6TH AVE. STE. 1002	DES MOINES	IA	50309	PAYOR	06/21/95
MDIPA	PO BOX 932	FREDERICK	MD	21705	PAYOR	09/01/97
MEDCENTERS MANAGED CARE	8100 34TH AVENUE S.	MINNEAPOLIS	MN	55440	PAYOR	11/01/91
MEDICA HEALTH PLANS	5601 SMETANA DRIVE	MINNEAPOLIS	MN	55440	PAYOR	10/01/94
MEDICARE	NATIONAL SUPPLIER CLEARINGHOUSE	COLUMBIA	SC	29202	PAYOR	02/28/95
MEDSPAN	5656 S STAPLES, STE 324	CORPUS CHRISTI	TX	78411	PAYOR	05/26/95
METRACOMP	5130 EISENHOWER BLVD	TAMPA	FL	33634	PAYOR	08/15/98
MISSOURI ADVANTAGE	428 E CAPITAL AVE, 3RD FL	JEFFERSON CITY	MO	65101	PAYOR	05/01/98
MOTHER FRANCES	800 E DAWSON	TYLER	TX	75701	PAYOR	07/10/95
MOTOROLA, INC.	PO BOX 29005	PHOENIX	AZ	85033	PAYOR	02/02/98
MS PHYSICIANS CARE NETWORK	PO BOX 5229	JACKSON	MS	39296	PAYOR	03/18/98
MULTIPLAN	115 FIFTH AVE.	NEW YORK	NY	10003	PAYOR	11/26/96
NATIONAL COMP. CARE, INC.	1300 JOHNSON ROAD	SPRINGDALE	AR	72762	PAYOR	07/25/97
NATIONAL HEALTH CARE ALLIANCE	770 S. POST OAK LANE #445	HOUSTON	TX	77056	PAYOR	10/01/97
NATIONAL HEALTH PLANS/VALLEY IPA	1005 WEST ORANGEBURG AVE.	MODESTO	CA	95350	PAYOR	02/07/94
NATIONAL HEALTH SERVICES	9200 SHELBYVILLE RD., STE. 700	LOUISVILLE	KY	40222	PAYOR	03/10/97
NETWORK EPO	PO BOX 12999	MILWAUKEE	WI	53213	PAYOR	
NETWORK HEALTH PLAN	1165 APPLETON RD	MENASHA	WI	54952	PAYOR	04/01/94
NM MUNICIPAL LEAGUE	1231 PASO DE PERALTA	SANTE FE	NM	87501	PAYOR	08/08/95
NORFOLK SOUTHERN	110 FRANKLIN RD	ROANOKE	VA	24042	PAYOR	10/23/95
NORTH AM HEALTHCARE INC	PO BOX 9501	AMHERST	NY	14228	PAYOR	12/04/97
NORTHWESTERN STEEL AND WIRE	121 WALLACE STREET	STERLING	IL	61081	PAYOR	10/28/97
NPIC	SAINT PAUL INS	BLOOMINGTON	MN	55431	PAYOR	04/11/94
NPP/NAT'L PREFERRED PROVIDER NETWORK	407 EAST MAIN ST.	MIDDLETOWN	NY	10940	PAYOR	04/09/97
NW COMM HEALTH PLAN	PO BOX 1277	OIL CITY	PA	16301	PAYOR	01/01/98
NY CENTRAL INS	1899 CENTRAL PLAZA E.	EDMESTON	NY	13335	PAYOR	07/07/95
OBWC	30 W SPRING ST	COLUMBUS	OH	43218	PAYOR	06/22/96
OK CITY CLINIC	701 NE 10TH	OKLAHOMA CITY	OK	73104	PAYOR	10/07/94
OLSTEN HEALTH SERVICES	175 BROAD HOLLOW RD.	MELVILLE	NY	11747	PAYOR	12/30/96
OPTIMUM CHOICE	PO BOX 6430	ROCKVILLE	MD	20850	PAYOR	09/01/97
OPTIMUM CHOICE CAROLINAS	PO BOX 6430	ROCKVILLE	MD	20850	PAYOR	09/01/97
OXFORD HEALTH PLANS	800 CONNECTICUT AVE	NORWALK	CT	6856	PAYOR	03/12/98
PACIFIC CARE GREAT STATES	410 N 44TH ST #500	PHOENIX	AZ	85082	PAYOR	12/01/97
PACIFICARE	7666 E. 61ST ST.	TULSA	OK	74133	PAYOR	10/07/94
PACIFICARE	1800 W. LOOP SOUTH, STE.350	HOUSTON	TX	77027	PAYOR	01/01/98
PACIFICARE GREAT STATES WORKERS COMP PROGRAM	PO BOX 61330	PHOENIX	AZ	85082	PAYOR	12/01/97
PACIFICARE OF OR	5 CENTERPOINTE DR. STE. 600	LAKE OSWEGO	OR	97035	PAYOR	08/03/95

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NAME	ADDRESS	CITY	STATE	ZIP	TYPE	EFFECTIVE
PARK DISTRICT RISK MANAGEMENT AGENCY PARTNERS	PO BOX 4320 2085 FRONTIS PLAZA BLVD.	WHEATON	IL	60189	PAYOR	09/15/95
PCA SOLUTIONS	PO BOX 37429	WINSTON-SALEM	NC	27114	PAYOR	03/01/97
PERSONALCARE	510 DEVONSHIRE DRIVE	RALEIGH	NC	27627	PAYOR	12/15/95
PHYSICIANS CARE NETWORK	PO BOX 11188	CHAMPAIGN	IL	61820	PAYOR	08/18/95
PHYSICIANS HEALTH PLAN	106 FARMERS ALLEY, STE. 400	COLUMBIA	SC	29211	PAYOR	12/19/97
PHYSICIANS OF GREATER LONG BEACH	3030 OLD RANCH PARKWAY	KALAMAZOO	MI	49005	PAYOR	02/01/98
PIMA HEALTH SYSTEMS	5055 B BROADWAY BLVD	SEAL BEACH	CA	90740	PAYOR	08/31/95
POSITIVE CARE	11935 RILEY, STE. 200	TUCSON	AZ	85711	PAYOR	09/16/92
PREFERRED HEALTH CARE	345 RIVERVIEW, STE 100	OVERLAND PARK	KS	66213	PAYOR	01/01/97
PREFERRED HEALTH NETWORK	PO BOX 60308 GMF	WICHITA	KS	67203	PAYOR	06/01/98
PREFERRED HEALTH NETWORKS	PO BOX 7000	LOS ANGELES	CA	90060	PAYOR	02/01/98
PREFERRED ONE HEALTH PLAN	200 S. SIXTH ST., STE.300	LANCASTER	SC	29721	PAYOR	11/19/97
PREMIER WORKCOMP MANAGEMENT	4740 GRAND AVE. STE. 300	MINNEAPOLIS	MN	55402	PAYOR	04/01/95
PRIMECARE	10701 W RESEARCH DR	KANSAS CITY	MO	64112	PAYOR	06/04/97
PRINCIPAL HEALTH CARE OF IOWA	4600 WESTOWN PKWY., STE.301	MILWAUKEE	WI	53226	PAYOR	06/01/92
PRINCIPAL HEALTH CARE OF KANSAS CITY, INC.	101 S WEBB RD, STE 200	WEST DES MOINES	IA	50266	PAYOR	11/01/96
PRIORITY HEALTH	1231 EAST BELTLINE NE	WICHITA	KS	67207	PAYOR	02/01/98
PRIVATE HEALTHCARE SYSTEMS (PHCS) PPO	9399 WEST HIGGINS RD., STE. 500	GRAND RAPIDS	MI	49505	PAYOR	11/01/97
PRM PREFERRED LTD.	725 BOARDMAN-CANFIELD RD	ROSEMONT	IL	60018	PAYOR	03/01/98
PROGRESSIVE COMPANIES	PO BOX 15066	BOARDMAN	OH	44512	PAYOR	02/02/97
PRONET	2260 PARK TOWNE CIRCLE	ALBANY	NY	12212	PAYOR	06/12/95
PRUDENTIAL	7912 E. 31ST COURT, STE.300	SACRAMENTO	CA	95865	PAYOR	09/12/94
PRUDENTIAL HEALTHCARE PLAN, INC. OF NE TX	4100 ALPHA RD., STE.400	TULSA	OK	74145	PAYOR	07/01/95
QUAD GRAPHICS	W224 N3322 DUPLAINVILLE R	DALLAS	TX	75244	PAYOR	03/01/97
QUALCHOICE OF ARKANSAS, INC.	FIRST LITTLE ROCK PLAZA	PEWAUKEE	WI	53072	PAYOR	05/02/98
RAYTHEON AIRCRAFT	PO BOX 85 DEPT 69	LITTLE ROCK	AR	72211	PAYOR	11/01/96
REDLANDS GROUP	PO BOX 958	WICHITA	KS	67201	PAYOR	02/09/95
REPUBLIC INDEMNITY	100 PINE STREET	COUNCIL BLUFFS	IA	51502	PAYOR	06/21/95
ROCHESTER AREA SCHOOLS WC PLAN	3599 BIG RIDGE RD.	SAN FRANCISCO	CA	94111	PAYOR	03/25/95
ROCK ISLAND COUNTY	1504 3RD AVENUE	SPENCERPORT	NY	14559	PAYOR	05/01/95
SANUS OF NC	6320 QUADRANGLE DR., STE 180	ROCK ISLAND	IL	61201	PAYOR	10/28/94
SCOTT WETZEL	3060 PEACHTREE RD NW, STE 700	CHAPEL HILL	NC	27514	PAYOR	12/07/95
SECURA INSURANCE	6750 FRANCE AVE. S., STE. 200	ATLANTA	GA	30305	PAYOR	10/10/95
SEDGWICK JAMES OF MN	7905 GOLDEN TRIANGLE DR., STE. 150	MINNEAPOLIS	MIN	55435	PAYOR	08/02/93
SELECT CARE	PO BOX 2042	EDEN PRAIRIE	MIN	55344	PAYOR	04/20/90
SHARP REES-STEELY MEDICAL GROUP	3571 CORPORATE COURT	HOPKINS	MIN	55343	PAYOR	07/01/95
		SAN DIEGO	CA	92123	PAYOR	09/01/95

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Payor & Clinic Contracts (All Inclusive)

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SHAWNEE MEDICAL CENTER CLINIC, INC.	2801 N. SARATOGA	SHAWNEE	OK	74802	PAYOR	01/01/98
SPARROW PHYSICIANS HEALTH NETWORK	2170 COMMONS PARKWAY	OKEMOS	MI	48864	PAYOR	02/06/97
SPECTRACARE	240 WHITTINGTON PKWY.	LOUISVILLE	KY	40222	PAYOR	01/08/98
SPRING INDUSTRIES, INC.	PO BOX 70	FORT MILL	SC	29716	PAYOR	03/06/95
STATE FARM	1500 W. HWY. 36	ST. PAUL	MN	55161	PAYOR	11/02/90
STATE FARM	3124 HANNAH AVE NW	BEMIDJI	MN	56601	PAYOR	03/27/96
STATE FARM	PO BOX 2810	BAXTER	MN	56425	PAYOR	03/27/96
STATE FARM	5930 SHINGLE CREEK PKWY	BROOKLYN CENTER	MN	55430	PAYOR	03/27/96
STATE FARM	PO BOX 12	BURNSVILLE	MN	55337	PAYOR	03/27/96
STATE FARM	PO BOX 685	DETROIT LAKES	MN	56502	PAYOR	03/27/96
STATE FARM	PO BOX 16840	DULUTH	MN	55811	PAYOR	03/27/96
STATE FARM	PO BOX 329	HIBBING	MN	55746	PAYOR	03/27/96
STATE FARM	PO BOX 4099	MANKATO	MN	56002	PAYOR	03/28/96
STATE FARM	311 OCONNELL ST	MARSHALL	MN	56258	PAYOR	03/28/96
STATE FARM	15600 37TH AVE N	PLYMOUTH	MN	55446	PAYOR	03/28/96
STATE FARM	PO BOX 6998	ROCHESTER	MN	55903	PAYOR	03/28/96
STATE FARM	PO BOX 550	SAINT CLOUD	MN	56302	PAYOR	03/28/96
STATE FARM	PO BOX 634	THIEF RIVER FALLS	MN	56701	PAYOR	03/28/96
STATE FARM	1055 E COUNTY RDE	VADNAIS HEIGHTS	MN	55110	PAYOR	03/28/96
STATE FARM	222 S. 84TH ST.	LINCOLN	NE	68510	PAYOR	11/14/95
STATE FUND	1 MARINE MIDLAND PLAZA	ROCHESTER	MN	14604	PAYOR	04/19/91
STATE FUND/COMP COST	7500 WILSON RIDGE, STE. 940	EDEN PRAIRIE	MN	55344	PAYOR	07/07/95
STATE WORKERS INS. FUND (SWIF)	100 LACKAWANNA AVE	SCRANTON	PA	18505	PAYOR	03/27/95
SUMMACARE HEALTH PLAN	400 W MARKET	AKRON	OH	44309	PAYOR	04/10/95
THE ALLIANCE	3033 EAST FIRST AVENUE STE.810	DENVER	CO	80206	PAYOR	05/01/95
THE BRACE SHOP	111 WELLINGTON PLACE	CINCINNATI	OH	45219	PAYOR	07/01/98
THE PRO-LINK ASSOCIATES	PO BOX 4503	NAPERVILLE	IL	60567	PAYOR	02/18/95
THE PRUDENTIAL	227 FRENCH LANDING DR., STE.300	NASHVILLE	TN	37228	PAYOR	10/01/92
THE UNIVERSITY PHYSICIANS M.C.	DIRECTOR OF MANAGED CARE	TUCSON	AZ	85704	PAYOR	06/01/94
TOPA RISK SERVICES	PO BOX 37757	PHOENIX	AZ	85069	PAYOR	03/29/95
TRANS GENERAL	PO BOX 2738	PITTSBURGH	PA	15230	PAYOR	02/27/96
TRAVELERS	8 3RD ST. N., STE. 514	GREAT FALLS	MT	59401	PAYOR	08/01/94
TUCKER & CLARK	PO BOX 802516	DALLAS	TX	75240	PAYOR	12/09/93
TURKEY STORE CO	34 N 7TH	BARRON	WI	54812	PAYOR	04/30/91
TX WORKER'S COMP INS FUND	221 W. 6TH ST., STE.300	AUSTIN	TX	78701	PAYOR	12/15/96
U CARE MINNESOTA	2550 UNIVERSITY AVENUE W., STE. 201 SOUTH	ST. PAUL	MN	55114	PAYOR	12/02/93
UNITED HEALTHCARE	2409 HARRODSBURG ROAD	LEXINGTON	KY	40504	PAYOR	03/18/97

TRADEMARK

REF: 001991 FRAME: 0095

Payor & Clinic Contracts (All Inclusive)

NAME	ADDRESS	CITY	STATE	ZIP	TYPE	EFFECTIVE
UNITED HEALTHCARE OF AR	PO BOX 830638	BIRMINGHAM	AL	35283	PAYOR	06/01/97
UNITED HEALTHCARE OF KY	1945 SCOTTSVILLE RD	BOWLING GREEN	KY	42104	PAYOR	03/26/97
UNITED HEALTHCARE OF LA	3900 N. CAUSEWAY BLVD., STE. 860	METAIRIE	LA	70002	PAYOR	09/01/97
US WEST	1801 CALIFORNIA ST. RM 1150	DENVER	CO	80202	PAYOR	09/29/95
USA HEALTH NETWORK COMPANY, INC. OF ARIZONA	7301 NORTH 16TH STREET	PHOENIX	AZ	85020	PAYOR	05/15/94
UWHC REGIONAL SERVICES	810 UNIV BAY DR	MADISON	WI	53705	PAYOR	10/17/97
VA MED ASSISTANCE	600 B BROAD ST, #1300	RICHMOND	VA	23219	PAYOR	07/01/98
VALLEY HEALTH NETWORK	1044 BELMONT AVE.	YOUNGSTOWN	OH	44501	PAYOR	09/08/95
VALLEY HEALTH PLAN	PO BOX 3128	BAU CLAIRE	WI	54702	PAYOR	09/01/89
VALLEY PRESBYTERIAN IPA	15107 VAOWEN ST.	VAN NUYS	CA	91409	PAYOR	10/31/97
VALUE CARE	PO BOX 25790	FRESNO	CA	93729	PAYOR	06/21/94
VIRTUALNET	701 CONGRESSIONAL BLVD. STE. 300	CARMEL	IN	46032	PAYOR	04/01/97
WAUSAU	2000 WESTWOOD DR	WAUSAU	WI	54401	PAYOR	05/20/98
WAYNE FINGER LAKES AREA SCHOOLS WC PLAN	3599 BIG RIDGE RD.	SPENCERPORT	NY	14559	PAYOR	05/01/95
WEA INS GROUP	45 NOB HILL RD	MADISON	WI	53707	PAYOR	07/01/94
WELBORN CLINIC	421 CHESTNUT STREET	EVANSVILLE	IN	47713	PAYOR	02/08/95
WELLCARE OF NY	120 WOOD RD.	KINSTON	NY	12401	PAYOR	04/24/96
WELLPATH COMMUNITY HEALTH PLAN	6330 QUADRANGLE DR., STE.500	CHAPEL HILL	NC	27514	PAYOR	02/01/97
WEST TENNESSEE HEALTHCARE, INC.	1804 HIGHWAY 45 BU-PASS, STE. 400	JACKSON	TN	38305	PAYOR	11/19/97
WEYCO	2370 SCIENCE PKWY.	OKEMOS	MI	48864	PAYOR	04/26/94
WHEATON HEALTH NETWORK	11310 W THEO TREKKER WAY	MILWAUKEE	WI	53214	PAYOR	06/01/98
WILLIS CORROON - KACO CLAIMS	PO BOX 20039	LOUISVILLE	KY	40250	PAYOR	10/17/95
WORXS	1420 CTR PT BLVD	KNOXVILLE	TN	37932	PAYOR	11/08/95
WPPN EMPLOYERS HEALTH	% AURORA HOME MED SERV	MILWAUKEE	WI	53227	PAYOR	11/22/95
WPPN PRAIRIE STATES	% AURORA HOME MED SERV	MILWAUKEE	WI	53227	PAYOR	11/22/95
WPPN THE GUARDIAN	% AURORA HOME MED SERV	MILWAUKEE	WI	53227	PAYOR	12/06/95
WPS WPPN	% AURORA HOME MED SERV	MILWAUKEE	WI	53227	PAYOR	11/22/95
BMJ MEDICAL MNGMT	4800 N FEDERAL HIGHWAY	BOCA RATON	FL	33431	CLINIC	08/31/98
COMPLETE WELLNESS CTRS	725 INDEPENDENCE AV SE	WASHINGTON	DC	20003	CLINIC	12/18/97
CONCENTRA HEALTH SERVICES	5080 SPECTRUM DRIVE	DALLAS	TX	75248	CLINIC	08/31/98
CONSORTA, INC.	11925 WEST LAKE PARK DRIVE, SUITE 100	MILWAUKEE	WI	53224	CLINIC	07/15/98
HEALTH CARE & RETIREMENT	ONE SEAGATE	TOLEDO	OH	43604	CLINIC	08/29/97
HEALTH FITNESS REHAB	3500 W 80TH ST STE 120	MINNEAPOLIS	MN	55431	CLINIC	09/01/98
NOVACARE	1016 W NINTH ST	KING OF PRUSSIA	PA	19406	CLINIC	10/20/97
PHARMED GROUP FOR COLUMBIA/VENCOR	3075 NW 107TH AVE	MIAMI	FL	33172	CLINIC	05/18/98
PHYSICAL REHAB NETWORK	5962 LA PLACE CT STE 170	CARLSBAD	CA	92008	CLINIC	

TRADEMARK

REF: 001991 FRAME: 0096



Payor & Clinic Contracts (All Inclusive)

NAME	ADDRESS	CITY	STATE	ZIP	TYPE	EFFECTIVE
PHYSICAL THERAPY NETWORK	20955 WARNER CENTER LANE	WOODLAND HILLS	CA	91367	CLINIC	08/01/98
PHYSIOTHERAPY ASSOC INC	3250 PLAYERS CLUB PKWYS	MEMPHIS	TN	38125	CLINIC	06/30/98
PREF THERAPY PROVIDERS	5010 E SHEA BLVD	SCOTTSDALE	AZ	85254	CLINIC	05/20/98
REHAB MNGMNT SYSTEMS	PO BOX 90429	LAKELAND	FL	33804	CLINIC	09/24/97
SUNBELT THERAPY MNGMNT	2 DOCTOR DRIVE	OCEAN SPRINGS	MS	39564	CLINIC	06/01/98
THERAPEUTIC ASSOCIATES	15060 VENTURA BLVD	SHERMAN OAKS	CA	91403	CLINIC	05/13/98
TIRR SYSTEMS, INC	4200 MONTROSE STE 200	HOUSTON	TX	77006	CLINIC	01/31/98
U.S. PHYSICAL THERAPY	3040 POST OAK BLVD	HOUSTON	TX	77056	CLINIC	05/30/98
WEST TN HEALTH AUTHORITY	708 W FOREST	JACKSON	TN	38301	CLINIC	06/29/98
DEPARTMENT OF VETERANS ADMINISTRATIN	NAT'L ACQUISITION CTR. BLDG 37, PO BOX 76	HINES	UK	60141		

- (ii) Conditional Line of Credit in an amount not to exceed at any one time ten million dollars between Empi, Inc. and Norwest Bank Minnesota, National Association dated June 12, 1998.

Consulting Agreement between Empi, Inc. and Laurence Flaherty dated October 3, 1994.

- (iii) Office/Light Manufacturing Lease dated June 14, 1996 between Empi, Inc. and Cardigan Investments Limited Partnership including Memorandum of Lease, Assignment and Agreement, and Non-disturbance and Attornment Agreement, and Consent to Lease.

- (iv) Separation Agreement between Empi, Inc. and Donald Maurer dated May 1, 1997 as amended.

Employment Agreement between Empi, Inc. and Joseph E. Laptewicz, Jr. dated October 1, 1994.

Vendor/Consultant Confidentiality Agreements (All Inclusive)

CONTRACTOR	DATE	TYPE OF AGREEMENT
BACRO, THIERRY R.H., RPT, MS, PH.D.	5/20/98	CLINICAL STUDY AGREEMENT
DIBBLE, LELAND E. - UNIVERSITY OF UTAH	5/6/99	CLINICAL STUDY AGREEMENT
DUMAN, LEE	7/21/98	CLINICAL STUDY AGREEMENT
MEDICAL UNIVERSITY OF SOUTH CAROLINA - THIERRY BACRO	5/20/98	CLINICAL STUDY AGREEMENT
GEORGE WASHINGTON UNIVERSITY - DR. JONATHAN SACKIER	7/31/97	CLINICAL STUDY BAILMENT AGREEMENT
UNIVERSITY OF IOWA	3/3/97	CLINICAL STUDY BAILMENT AGREEMENT
WILSON, JENNIFER	8/6/98	CLINICAL STUDY BAILMENT AGREEMENTS
SCIREX CORPORATION	6/29/98	CLINICAL STUDY BAILMENT AGREEMENTS
GRAYMATTER, INC.	3/16/98	CONFIDENTIAL DISCLOSURE
MEDICAL DEVICE DESIGNS, INC.	5/7/98	CONFIDENTIAL DISCLOSURE
ELLIE KINGSBURY PICTURES	8/1/97	CONFIDENTIALITY AGREEMENT
ROBERT DUNBAR	8/22/97	CONFIDENTIALITY AGREEMENT
CORRELL, DARIN J., MD - HONORARIUM	3/18/99	CONSULTANT AGREEMENT
INFOSTAT - SETTJE, TERRY	5/14/97	CONSULTANT AGREEMENT
MPS MEDICAL PRODUCT SERVICE GMBH	5/3/99	CONSULTANT AGREEMENT
PUBLIC POLICY PARTNERS LLC	2/17/98	CONSULTANT AGREEMENT
SCUDDS, RHONDA, PhD, PT - MUSC	9/15/98	CONSULTANT AGREEMENT
STRATIS HEALTH	8/7/97	CONSULTANT AGREEMENT
TEASDALE, NANCY	1/7/98	CONSULTANT AGREEMENT
REGULATORY STRATEGIES, INC.	11/16/98	CONSULTANT AGREEMENT - AMENDMENT
ANALYTICAL RESEARCH LABORATORIES	8/1/98	CONSULTANT AGREEMENTS
BANGA, AJAY K., Ph.D. / DEPT. OF PHARMACAL SCIENCES, AUBURN U.	1/1/97	CONSULTANT AGREEMENTS
CASTNER, DAVID G. (UNIV. OF WASHINGTON)	1/1/97	CONSULTANT AGREEMENTS
DENNIS A. SMITH ASSOCIATES	5/28/98	CONSULTANT AGREEMENTS
DIMENNA & ASSOCIATES, INC.	9/8/97	CONSULTANT AGREEMENTS
DUNBAR, ROBERT	8/22/97	CONSULTANT AGREEMENTS
FRANA, DARCY A.	12/31/97	CONSULTANT AGREEMENTS
HEALTH CARE POLICY CONSULTANTS, INC.	7/30/97	CONSULTANT AGREEMENTS
HUBER, MICHAEL	12/1/98	CONSULTANT AGREEMENTS
JOHNSON, MICHAEL T.V., M.D.	1/1/97	CONSULTANT AGREEMENTS
LEICHT, STUART S., DR.	4/21/97	CONSULTANT AGREEMENTS
MUSE & ASSOCIATES	2/5/97	CONSULTANT AGREEMENTS
NELSON, PATRICIA	9/22/98	CONSULTANT AGREEMENTS

TRADEMARK

REF: 001991 FRAME: 0099

Vendor/Consultant Confidentiality Agreements (All Inclusive)

CONTRACTOR	DATE	TYPE OF AGREEMENT
OHRT, DEL, M.D.	1/23/98	CONSULTANT AGREEMENTS
PANUS, PETER C., P.T., Ph.D. / EAST TENNESSEE STATE U.	1/1/97	CONSULTANT AGREEMENTS
SIEGEL, STEVEN W., M.D.	6/10/98	CONSULTANT AGREEMENTS
VINCENT E. EILERS		CONSULTANT AGREEMENTS
ALLEN, LOYD V., PHD - MIDWEST INSTITUTE OF RES. & TECH.	2/19/99	CONSULTING AGREEMENT
HALL, LINDA	9/10/98	CONSULTING AGREEMENT
LILL, CINDI	1/4/99	CONSULTING AGREEMENT
MAYO FOUND. FOR MEDICAL ED. & RES. - GEORGE FACER, MD	5/4/99	CONSULTING AGREEMENT
MAYO FOUND. FOR MEDICAL ED. & RES. - JON SHALLOR, Ph.D.	5/4/99	CONSULTING AGREEMENT
MEHLISCH, DONALD R., MD, DDS	1/11/99	CONSULTING AGREEMENT
TEASDALE, NANCY	12/17/98	CONSULTING AGREEMENT
ESSEX INSTITUTIONAL REVIEW BOARD, INC.	6/22/98	INDEMNIFICATION AGREEMENT
JONES, LIN, MD / MEMORIAL HOSPITAL SOUTHWEST	10/21/97	INDEMNIFICATION AGREEMENT
JONES, LIN, MD / MEMORIAL HOSPITAL SOUTHWEST	10/7/97	INDEMNIFICATION AGREEMENT
CHABEL, CHARLES, MD / PUGET SOUND VET. AFFS. HEALTH CARE SYS	6/24/98	INVESTIGATOR AGREEMENT
JARRATT, MICHAEL, MD - DERMRESEARCH, INC.	8/10/98	INVESTIGATOR AGREEMENT
JONES, LIN, MD / SOUTHWEST BONE & JOINT CLINIC	12/23/97	INVESTIGATOR AGREEMENT
PARK NICOLLET HAND THERAPY (NANCY CALLINAN)	10/1/98	INVESTIGATOR AGREEMENT
DYRUD, RACHEL, OTR, CHT / FAIRVIEW HAND CENTER	8/2/97	INVESTIGATOR AGREEMENTS
JORGENSEN, JULIE, P.T. - PARK NICOLLET CLINIC	4/22/97	INVESTIGATOR AGREEMENTS
SCUDDS, ROGER, Ph.D., B.Sc (PT)	1/28/97	INVESTIGATOR AGREEMENTS
REGTECH, LTD.	2/16/99	MISCELLANEOUS - INDEPENDENT CONTRACTOR
REGTECH, LTD. (GALE VAN BUSKIRK)	5/16/97	MISCELLANEOUS - INDEPENDENT CONTRACTOR
STEUWER, SUSAN	1/17/97	MISCELLANEOUS - LETTER AGREEMENT
NOVOCOL PHARMACEUTICAL OF CANADA (Lidocaine IND/NDA)	4/10/97	MISCELLANEOUS - PROJECT AGREEMENT
NOVOCOL PHARMACEUTICAL OF CANADA (Lidocaine IND/NDA)	8/13/97	MISCELLANEOUS - PROJECT AGREEMENT AMENDMENT
BRJ QUALITY REGULATORY ALLIANCE, INC.	1/21/97	MISCELLANEOUS AGREEMENTS
SCIREX CORPORATION - AMENDMENT	2/17/97	MISCELLANEOUS AGREEMENTS
SCIREX CORPORATION	3/5/98	MISCELLANEOUS AGREEMENTS
SCIREX CORPORATION (LETTER AGREEMENT)	6/19/98	MISCELLANEOUS AGREEMENTS
U.S. PATENT & TRADEMARK OFFICE - RESPOND SELECT	3/10/99	MISCELLANEOUS AGREEMENTS
LAZARD FRÈRES & CO. LLC	6/19/98	MISCELLANEOUS AGREEMENTS - LETTER OF AGREEMENT
ETHICON ENDO-SURGERY, INC. (A JOHNSON & JOHNSON COMPANY)	1/22/97	MISCELLANEOUS CONFIDENTIALITY AGREEMENTS

TRADEMARK

REEL: 001991 FRAME: 0100

Vendor/Consultant Confidentiality Agreements (All Inclusive)

CONTRACTOR	DATE	TYPE OF AGREEMENT
CARLSON, SONJA -- HONORARIUM	2/24/99	MISCELLANEOUS CONTRACTS
DERMATOLOGY ASSOCIATES	3/12/98	MUTUAL CONFIDENTIAL DISCLOSURE
FRANA, DARCY A.	12/10/97	MUTUAL CONFIDENTIAL DISCLOSURE
MICHAEL HUBER	12/10/97	MUTUAL CONFIDENTIAL DISCLOSURE
UNIVERSITY OF ORTHOPAEDICS	3/30/98	MUTUAL CONFIDENTIAL DISCLOSURE
SYMPHONY REHABILITATION SERVICES	1/31/97	MUTUAL NONDISCLOSURE
ABBOTT LABORATORIES, INC.	3/19/99	MUTUAL NONDISCLOSURE AGREEMENT
ALON, GAD, PH.D., P.T. (UNIV. OF MARYLAND)	7/29/98	MUTUAL NONDISCLOSURE AGREEMENT
CARLSON, SONJA (SEATTLE INST. FOR BIOMED. & CLIN. RESEARCH)	8/19/98	MUTUAL NONDISCLOSURE AGREEMENT
COOK COUNTY HOSPITAL, ALON P. WINNIE, M.D.	5/16/97	MUTUAL NONDISCLOSURE AGREEMENT
DESAIN, CAROL	7/16/97	MUTUAL NONDISCLOSURE AGREEMENT
DIMENNA & ASSOCIATES, INC.	8/1/97	MUTUAL NONDISCLOSURE AGREEMENT
DYKHUIS, DEBBIE	4/1/99	MUTUAL NONDISCLOSURE AGREEMENT
FJELSTUL, JEFF (VA MEDICAL CENTER - SEATTLE, WA)	8/18/98	MUTUAL NONDISCLOSURE AGREEMENT
GREAT MANE MARKETING COMPANY	2/11/97	MUTUAL NONDISCLOSURE AGREEMENT
GROSS, LARRY	10/31/98	MUTUAL NONDISCLOSURE AGREEMENT
GUANCHE, CARLOS A., MD	2/17/99	MUTUAL NONDISCLOSURE AGREEMENT
HALL, LINDA	9/10/98	MUTUAL NONDISCLOSURE AGREEMENT
LILL, CINDI	1/6/99	MUTUAL NONDISCLOSURE AGREEMENT
LUDEWIG, PAULA M., Ph.D., PT	2/17/99	MUTUAL NONDISCLOSURE AGREEMENT
MARIANO, ANTHONY	5/4/98	MUTUAL NONDISCLOSURE AGREEMENT
METAP INTERNATIONAL, INC.	7/14/97	MUTUAL NONDISCLOSURE AGREEMENT
MEHLISCH, DONALD R., MD, DDS	1/11/99	MUTUAL NONDISCLOSURE AGREEMENT
METROPOLITAN HAND THERAPY & REHABILITATION	6/15/98	MUTUAL NONDISCLOSURE AGREEMENT
MULTI CENTER THERAPY	6/18/98	MUTUAL NONDISCLOSURE AGREEMENT
PARK NICOLLET CLINIC - CARLSON PARKWAY	3/19/98	MUTUAL NONDISCLOSURE AGREEMENT
PARK NICOLLET CLINIC - REHAB SERVICES	6/11/98	MUTUAL NONDISCLOSURE AGREEMENT
PARK NICOLLET HAND THERAPY (NANCY CALLINAN)	7/29/98	MUTUAL NONDISCLOSURE AGREEMENT
PRINCETON REIMBURSEMENT GROUP	4/23/99	MUTUAL NONDISCLOSURE AGREEMENT
SIEGEL, STEVEN W., M.D.	6/10/98	MUTUAL NONDISCLOSURE AGREEMENT
SPRINGBORN LABORATORIES	5/30/97	MUTUAL NONDISCLOSURE AGREEMENT
THAYER, DEBRA, M.S., R.M.	2/11/97	MUTUAL NONDISCLOSURE AGREEMENT
TOXIKON	6/18/97	MUTUAL NONDISCLOSURE AGREEMENT

Vendor/Consultant Confidentiality Agreements (All Inclusive)

CONTRACTOR	DATE	TYPE OF AGREEMENT
VISCUSI, EUGENE R., MD	2/26/99	MUTUAL NONDISCLOSURE AGREEMENT
WHITE EAGLE TOXICOLOGY LABORATORIES	8/21/97	MUTUAL NONDISCLOSURE AGREEMENT
ZEMPSKY, WILLIAM, M.D.	2/19/99	MUTUAL NONDISCLOSURE AGREEMENT
ALLIANCZ MEDICAL CONSULTANTS	8/27/98	MUTUAL NONDISCLOSURE AGREEMENTS
ARENDT, ELIZABETH, M.D.	10/17/97	MUTUAL NONDISCLOSURE AGREEMENTS
AVERY DENNISON	3/31/98	MUTUAL NONDISCLOSURE AGREEMENTS
BLOOM, CAROLYN	4/27/98	MUTUAL NONDISCLOSURE AGREEMENTS
COMPUTER DEVICES	3/31/98	MUTUAL NONDISCLOSURE AGREEMENTS
DENNIS A. SMITH ASSOCIATES	6/15/98	MUTUAL NONDISCLOSURE AGREEMENTS
ECKOFF, DONALD, M.D.	12/21/98	MUTUAL NONDISCLOSURE AGREEMENTS
FERSLEW, KENNETH E., DR.	8/4/97	MUTUAL NONDISCLOSURE AGREEMENTS
GARRISON, DAVID, PhD	11/7/98	MUTUAL NONDISCLOSURE AGREEMENTS
HEALTH OUTCOMES INSTITUTE / STRATIS HEALTH	4/10/97	MUTUAL NONDISCLOSURE AGREEMENTS
HOLLADAY, BLAIR, PH.D.	5/5/98	MUTUAL NONDISCLOSURE AGREEMENTS
HORDINSKY, MARIA K., MD	11/9/97	MUTUAL NONDISCLOSURE AGREEMENTS
HUBER, MICHAEL	12/10/97	MUTUAL NONDISCLOSURE AGREEMENTS
INSTITUTE FOR ATHLETIC MEDICINE	10/20/98	MUTUAL NONDISCLOSURE AGREEMENTS
JONES, W. LIN, MD / SOUTHWEST BONE & JOINT CLINIC	11/26/97	MUTUAL NONDISCLOSURE AGREEMENTS
KENNEDY, SUSANNA C.	12/2/97	MUTUAL NONDISCLOSURE AGREEMENTS
MAIZE, JOHN, M.D.	5/5/98	MUTUAL NONDISCLOSURE AGREEMENTS
MAP MANAGERS, INC.	1/8/98	MUTUAL NONDISCLOSURE AGREEMENTS
MEMORIAL HOSPITAL SOUTHWEST OUTPATIENT P. T.	9/29/97	MUTUAL NONDISCLOSURE AGREEMENTS
MINNEAPOLIS SPORTS MEDICINE CENTER	1/12/98	MUTUAL NONDISCLOSURE AGREEMENTS
MINNEAPOLIS SPORTS MEDICINE CENTER	1/19/99	MUTUAL NONDISCLOSURE AGREEMENTS
MISSION TECHNOLOGIES, INC.	9/5/97	MUTUAL NONDISCLOSURE AGREEMENTS
NATIONAL MEDICAL SERVICES	8/22/97	MUTUAL NONDISCLOSURE AGREEMENTS
NELSON, PATRICIA	9/22/98	MUTUAL NONDISCLOSURE AGREEMENTS
OHRT, DEL, MD	1/20/98	MUTUAL NONDISCLOSURE AGREEMENTS
PHARMACOECONOMIC SERVICES	8/5/97	MUTUAL NONDISCLOSURE AGREEMENTS
PPD PHARMACO	6/4/97	MUTUAL NONDISCLOSURE AGREEMENTS
PRACS INSTITUTE, LTD.	7/14/97	MUTUAL NONDISCLOSURE AGREEMENTS
SETTJE, TERRY L. / INFOSTAT	4/29/97	MUTUAL NONDISCLOSURE AGREEMENTS
SILOVSKY, PAUL	4/30/98	MUTUAL NONDISCLOSURE AGREEMENTS

TRADEMARK

REEL: 001991 FRAME: 0102

Vendor/Consultant Confidentiality Agreements (All Inclusive)

CONTRACTOR	DATE	TYPE OF AGREEMENT
TALARIA, INC.	11/6/98	MUTUAL NONDISCLOSURE AGREEMENTS
TEASDALE, NANCY	12/17/97	MUTUAL NONDISCLOSURE AGREEMENTS
VIA CHRISTI RESEARCH, INC.	10/7/97	MUTUAL NONDISCLOSURE AGREEMENTS
WHITE EAGLE TOXICOLOGY LABORATORIES (Amendment 2)	7/10/98	MUTUAL NONDISCLOSURE AGREEMENTS
YANG, STEVENS, MD	3/2/98	MUTUAL NONDISCLOSURE AGREEMENTS
AMERICARE INC. OF RED WING, DBA REDWING HEALTH CENTER	2/12/97	MUTUAL NONDISCLOSURE DISCLOSURE
BACRO, THIERRY, PH.D., M.S., P.T.	4/22/98	NONDISCLOSURE AGREEMENT
BLOOM, CAROLYN	4/29/98	NONDISCLOSURE AGREEMENT
MEDTAP INTERNATIONAL, INC.	3/10/97	NONDISCLOSURE AGREEMENT
MENSINK, MANON	2/5/97	NONDISCLOSURE AGREEMENT
PARK NICOLLET CLINIC, DEPARTMENT OF P. T.	2/4/97	NONDISCLOSURE AGREEMENT
PAUL SILOVSKY	4/31/98	NONDISCLOSURE AGREEMENT
THERMAPEUTICS, INC.	6/9/97	NONDISCLOSURE AGREEMENT
TOPE, WHITNEY DAVISON, Mphl, MD, UNIV. OF OKLAHOMA	5/2/97	NONDISCLOSURE AGREEMENT
VIA CHRISTI RESEARCH, INC.	3/11/97	NONDISCLOSURE AGREEMENT
ORMED GMBH	12/21/98	NONDISCLOSURE AGREEMENTS
HENRY M. JACKSON FOUND. FOR THE ADV. OF MILITARY MEDICINE	1/23/97	RESEARCH AGREEMENTS
MEDTAP INTERNATIONAL, INC.	10/10/98	SERVICE AGREEMENT
MEDTAP INTERNATIONAL, INC.	8/12/97	SERVICE AGREEMENT
MIDWEST INSTITUTE OF RESEARCH & TECHNOLOGY	11/10/98	VENDOR CONFIDENTIALITY AGREEMENT
AARD SPRING & STAMPING	11/5/97	VENDOR CONFIDENTIALITY AGREEMENT
ALLIED GEAR	2/16/98	VENDOR CONFIDENTIALITY AGREEMENT
CONTOUR PLASTICS	3/16/99	VENDOR CONFIDENTIALITY AGREEMENT
CRAFT PATTERN & MODEL, INC.	9/22/97	VENDOR CONFIDENTIALITY AGREEMENT
FOX VALLEY SPRING COMPANY, THE	5/29/98	VENDOR CONFIDENTIALITY AGREEMENT
HAYS-NELSON ASSOCIATES, INC.	2/4/98	VENDOR CONFIDENTIALITY AGREEMENT
HIGH TECH ELASTOMERS, INC.	3/4/99	VENDOR CONFIDENTIALITY AGREEMENT
LANSCAPE, INC.	11/5/97	VENDOR CONFIDENTIALITY AGREEMENT
OMNETICS CONNECTOR CORPORATION	2/4/98	VENDOR CONFIDENTIALITY AGREEMENT
OSHKOSH COIL SPRING, INC.	8/19/97	VENDOR CONFIDENTIALITY AGREEMENT
QUALITY HEALTHCARE RESOURCES	6/12/98	VENDOR CONFIDENTIALITY AGREEMENT
REGAL MACHINE	2/9/98	VENDOR CONFIDENTIALITY AGREEMENT
SMITH METAL PRODUCTS	5/26/98	VENDOR CONFIDENTIALITY AGREEMENT

TRADEMARK

REF: 001991 FRAME: 0103

Vendor/Consultant Confidentiality Agreements (All Inclusive)

CONTRACTOR	DATE	TYPE OF AGREEMENT
SOURCE, INC.	2/7/97	VENDOR CONFIDENTIALITY AGREEMENT
VITAL CONNECTIONS	7/30/97	VENDOR CONFIDENTIALITY AGREEMENT
AARON, DAVID - SOUTH DAKOTA STATE UNIV.	5/27/98	VENDOR CONFIDENTIALITY AGREEMENTS
ABERDEEN TECHNOLOGIES, INC.	3/23/99	VENDOR CONFIDENTIALITY AGREEMENTS
ALATEC	2/4/99	VENDOR CONFIDENTIALITY AGREEMENTS
ALL SHORE INDUSTRIES	6/15/98	VENDOR CONFIDENTIALITY AGREEMENTS
ALPHA GRAPHICS	2/18/97	VENDOR CONFIDENTIALITY AGREEMENTS
ARROW ELECTRONICS, INC.	1/29/97	VENDOR CONFIDENTIALITY AGREEMENTS
BECK VISUAL COMMUNICATIONS, INC.	5/20/97	VENDOR CONFIDENTIALITY AGREEMENTS
BLEDSOE BRACE	11/5/97	VENDOR CONFIDENTIALITY AGREEMENTS
BOWIE REHABILITATION SERVICES	8/22/97	VENDOR CONFIDENTIALITY AGREEMENTS
BREG, INC.	5/26/98	VENDOR CONFIDENTIALITY AGREEMENTS
BRO-MACHINE	9/17/98	VENDOR CONFIDENTIALITY AGREEMENTS
CAL SWITCH	2/4/99	VENDOR CONFIDENTIALITY AGREEMENTS
CORDIAN TECHNOLOGIES, INC.	4/8/99	VENDOR CONFIDENTIALITY AGREEMENTS
DIELECTRIC CORPORATION	10/22/98	VENDOR CONFIDENTIALITY AGREEMENTS
ENHANCE CABLE TECHNOLOGY	6/16/98	VENDOR CONFIDENTIALITY AGREEMENTS
EWC (ELECTRIC WIRE CORPORATION)	7/25/97	VENDOR CONFIDENTIALITY AGREEMENTS
EXCELL MACHINE & TOOL	8/6/98	VENDOR CONFIDENTIALITY AGREEMENTS
FISHER PAPER BOX COMPANY	9/2/98	VENDOR CONFIDENTIALITY AGREEMENTS
HAMPSHIRE CHEMICAL CORPORATION	3/19/97	VENDOR CONFIDENTIALITY AGREEMENTS
HUBERTY MARKETING RESEARCH	6/4/98	VENDOR CONFIDENTIALITY AGREEMENTS
INTERNATIONAL LANGUAGE SERVICES, INC. (ILS)	8/18/98	VENDOR CONFIDENTIALITY AGREEMENTS
JACO ELECTRONICS	3/22/99	VENDOR CONFIDENTIALITY AGREEMENTS
JUNO INC.	1/30/97	VENDOR CONFIDENTIALITY AGREEMENTS
KINKO'S CORPORATION	7/28/98	VENDOR CONFIDENTIALITY AGREEMENTS
K-TECH	1/15/97	VENDOR CONFIDENTIALITY AGREEMENTS
LEEDS ELECTRONICS, INC.	2/4/98	VENDOR CONFIDENTIALITY AGREEMENTS
LeSUEUR INC.	1/30/97	VENDOR CONFIDENTIALITY AGREEMENTS
MEDICAL DEVICE DESIGNS, INC.	5/6/98	VENDOR CONFIDENTIALITY AGREEMENTS
MOUSER ELECTRONICS, INC.	1/22/99	VENDOR CONFIDENTIALITY AGREEMENTS
MTI, INC.	3/22/99	VENDOR CONFIDENTIALITY AGREEMENTS
NECOA	5/13/99	VENDOR CONFIDENTIALITY AGREEMENTS

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Vendor/Consultant Confidentiality Agreements (All Inclusive)

CONTRACTOR	DATE	TYPE OF AGREEMENT
NORTHSTAR CONTAINERS	2/13/97	VENDOR CONFIDENTIALITY AGREEMENTS
PHOENIX DESIGN GROUP, INC.	4/30/98	VENDOR CONFIDENTIALITY AGREEMENTS
PRECISION PRODUCTS GROUP, MICHIGAN SPRING DIV.	1/29/97	VENDOR CONFIDENTIALITY AGREEMENTS
PROTOTYPE EXPRESS, INC.	1/15/97	VENDOR CONFIDENTIALITY AGREEMENTS
RESISTANCE TECHNOLOGY, INC. - PLASTICS GROUP	4/8/99	VENDOR CONFIDENTIALITY AGREEMENTS
RML INTERNATIONAL INC.	3/17/98	VENDOR CONFIDENTIALITY AGREEMENTS
RUDISILL	3/7/97	VENDOR CONFIDENTIALITY AGREEMENTS
SPECOR SYSTEMS	7/3/97	VENDOR CONFIDENTIALITY AGREEMENTS
TENS/ACC, INC.	2/24/98	VENDOR CONFIDENTIALITY AGREEMENTS
TRACER TOOL & MACHNE CO., INC.	8/7/98	VENDOR CONFIDENTIALITY AGREEMENTS
TRI-TECH TOOL & DESIGN CORPORATION	3/8/99	VENDOR CONFIDENTIALITY AGREEMENTS
UPFRONT PRODUCTIONS	2/13/97	VENDOR CONFIDENTIALITY AGREEMENTS
WILLIAMS COMPANY	7/17/98	VENDOR CONFIDENTIALITY AGREEMENTS
WILSON, BOYD - REGIONS HOSPITAL	8/24/98	VENDOR CONFIDENTIALITY AGREEMENTS
QUALITY HEALTHCARE RESOURCES	7/27/98	VENDOR CONFIDENTIALITY AGREEMENTS (Reimb. of Exp.)

EMPI

ACTIVE EMPLOYEE

CONFIDENTIALITY AGREEMENTS

As of May 21, 1999

PROF	SALES	TECH	EMPLOYEE NAME	JOB TITLE	HIRE DAT	LOCATION
1			MARTINSON, PATRICIA	A/P GROUP LEADER	04/07/86	SHOREVIEW
1			GISH, CHRISTINE E.	A/R CREDIT SPECIALIST	05/09/94	SHOREVIEW
1			BURICH, LEANN	A/R SUPERVISOR	06/01/87	SHOREVIEW
1			BRUGGER, MARCIA L.	ACCOUNTING ASSISTANT	04/27/98	SHOREVIEW
1			GOFF, SHIRLEY ANN	ACCOUNTING SUPERVISOR	03/08/99	SHOREVIEW
1			GRECO, BERNADETTE S.	ASST DIRECTOR, MED BILL & MEDIC	11/20/95	SHOREVIEW
1			JOHNSON, JULIE RAE	BUSINESS SYSTEMS ANALYST	06/20/94	SHOREVIEW
1			KITTLESON-HURLEY, K.A.	BUYER/ PLANNER	09/23/96	SHOREVIEW
1			GRAPP, TAMMARA K.	CASH RECEIPTS BOOKKPR	01/20/92	SHOREVIEW
1			DERHEIM-FUNDINGSLAND, S	CLINIC SERVICE ASSISTANCE	12/14/92	SHOREVIEW
1			BASSO, JENNIFER L.	CLINIC SERVICE REP	06/08/98	SHOREVIEW
1			CHERMACK, KATIANN M	CLINIC SERVICE REP	07/14/97	SHOREVIEW
1			DEVALLIER, MARK	CLINIC SERVICE REP	10/21/91	SHOREVIEW
1			JOHNSON, BARBARA C.	CLINIC SERVICE REP	12/16/96	SHOREVIEW
1			GOEHTZ, BONNIE	CLINIC SVC TECH ADMIN	12/01/87	SHOREVIEW
1			KEHLER, JANICE P.	CLINICAL OUTCOMES RES ANALYST	07/07/98	SHOREVIEW
1			KELSON, JANET LYNN	CLINICAL RESEARCH ASSOC.	11/16/92	SHOREVIEW
1			JAROS, THERESA M.	CLINICAL SCIENCE SPEC.	05/13/97	SHOREVIEW
1			KRAHULEC, GAIL	CLINICAL SCIENCE SPEC.	05/05/97	SHOREVIEW
1			BLACKWELL, GAYLE R.	CREDIT REPRESENTATIVE	08/01/91	SHOREVIEW
1			ABBRUZZESE, NICOLE J.	DOCUMENTATION ASSISTANT	02/27/96	SHOREVIEW
1			KOWALSKI, BEVERLY	EXECUTIVE ASSISTANT	03/15/91	SHOREVIEW
1			DUMKE, DEBBE RAE	GROUP LEADER, NDC	09/09/96	CLEAR LAKE
1			DUFFNEY, BONITA M.	INS. AUTHORIZATION SPEC	02/15/99	SHOREVIEW
1			ALLEN, JILL A.	INS. VERIFICATION SPEC.	02/16/96	SHOREVIEW
1			BAACK, DIANE M.	INS. VERIFICATION SPEC.	09/30/96	SHOREVIEW
1			GRASSER, JEANNE M.	INS. VERIFICATION SPEC.	10/22/97	SHOREVIEW
1			BUSH, RAMONA G.	INVENTORY CONTROL SPEC.	12/14/92	SHOREVIEW
1			JOHNSON, DARLA S.	INVENTORY CONTROL SPEC.	12/14/92	SHOREVIEW
1			ASHLEY, ESTHER L.	LITIGATION	02/14/96	SHOREVIEW
1			ASPLUND, JUDITH J.	LITIGATION	10/01/91	SHOREVIEW
1			ADAMOVICH, MICHAEL D.	LTS SUPERVISOR	04/15/99	SHOREVIEW
1			KRAUSE, LOREN H.	MAINTENANCE, CL	10/27/97	CLEAR LAKE
1			HANSON, RANDY A.	MANAGER, COST MANAGEMENT	06/12/89	SHOREVIEW
1			GUNDERSON, PRISCILLA A	MARKETING MANAGER	12/09/85	SHOREVIEW
1			BENSON, CAROL A.	MEDICAL BILLING ASSISTANT	01/06/97	SHOREVIEW
1			ADAMS, AMBER M.	MEDICAL BILLING SPEC.	06/29/98	SHOREVIEW
1			BARRITT, SUSAN J.	MEDICAL BILLING SPEC.	08/17/98	SHOREVIEW
1			BAUER, BARBARA L.	MEDICAL BILLING SPEC.	08/01/93	SHOREVIEW
1			BLANCHARD, CHARLES M.	MEDICAL BILLING SPEC.	04/01/96	SHOREVIEW
1			CARPENTER, JENNIFER JUNE	MEDICAL BILLING SPEC.	01/18/99	SHOREVIEW
1			CARTER, BETTY	MEDICAL BILLING SPEC.	03/01/87	SHOREVIEW
1			DAY, TAMARA A.	MEDICAL BILLING SPEC.	03/20/95	SHOREVIEW
1			DEICK, TERRA R.	MEDICAL BILLING SPEC.	05/04/98	SHOREVIEW

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EMPI

ACTIVE EMPLOYEE

CONFIDENTIALITY AGREEMENTS

As of May 21, 1999

PROF	SALES	TECH	EMPLOYEE NAME	JOB TITLE	HIRE DAT	LOCATION
1			HEMP,NANCY I.	MEDICAL BILLING SPEC.	07/06/98	SHOREVIEW
1			HEMRICH,ANNETTE	MEDICAL BILLING SPEC.	12/09/91	SHOREVIEW
1			HOPE,MAUREEN	MEDICAL BILLING SPEC.	05/01/93	SHOREVIEW
1			JACKSON,PATRICIA M.	MEDICAL BILLING SPEC.	08/31/98	SHOREVIEW
1			KELLEHER,ERIN E.	MEDICAL BILLING SPEC.	12/04/98	SHOREVIEW
1			KENYON,JENNIFER DAWN	MEDICAL BILLING SPEC.	08/18/98	SHOREVIEW
1			KOCHEVAR,JOHN K.	MEDICAL BILLING SPEC.	12/01/93	SHOREVIEW
1			ALLICKSON,CHRISTINE M.	MEDICARE SERVICE SPEC.	09/24/93	SHOREVIEW
1			ANDERSON,MELISSA J.	MEDICARE SERVICE SPEC.	12/08/97	SHOREVIEW
1			BOLNICK,MARSHA LYNN	MEDICARE SERVICE SPEC.	12/14/98	SHOREVIEW
1			DILLEY,DIXIE LEE MARIE	MEDICARE SERVICE SPEC.	10/26/89	SHOREVIEW
1			HAKE,WILLIAM T.	MEDICARE SERVICE SPEC.	11/01/98	SHOREVIEW
1			DUPERON,JEFFREY M.	NATIONAL ACCOUNT MANAGER	08/09/98	FIELD
1			CLAREY,TIM J.	NATIONAL ACCTS ADMIN	12/05/94	SHOREVIEW
1			GILBERTSON,BRADLEY J.	NATL EMPLOYMENT SPEC.	03/25/97	SHOREVIEW
1			FRESE, LORI	NDC SHIPPING CLERK	10/28/97	CLEAR LAKE
1			GOEMAN,CONSTANCE RUTH	NDC SHIPPING CLERK	10/28/96	CLEAR LAKE
1			KREUL,KATIE N.	NDC SHIPPING CLERK	05/26/98	CLEAR LAKE
1			GUSTAFSON,TODD	NETWORK ADMINISTRATOR	05/12/97	SHOREVIEW
1			CLAUSNITZER,HOLLIE A	PCS REPRESENTATIVE	09/08/97	SHOREVIEW
1			ICE,WILLIAM P.	PCS REPRESENTATIVE	07/22/98	SHOREVIEW
1			DAILEY,ROBIN LYNN	PRODUCTION - CL	02/03/97	CLEAR LAKE
1			GAGE,LORI R.	PRODUCTION - CL	03/19/97	CLEAR LAKE
1			GIESE,CHERYL A.	PRODUCTION - CL	10/14/96	CLEAR LAKE
1			HOLT,KIMBERLY R.	PRODUCTION - CL	11/25/96	CLEAR LAKE
1			KLEMMANN,JUNE E.	PRODUCTION - CL	12/30/96	CLEAR LAKE
1			KRAUSE,MARLENE K.	PRODUCTION - CL	08/19/96	CLEAR LAKE
1			BATY,RHONDA K.	PROGRAMMER/ ANALYST	07/07/97	SHOREVIEW
1			HASS,KELLY R.	PURCHASE CREDIT TECH	01/31/94	SHOREVIEW
1			ABDULLAHI-AGANE,IDLIL	QUALITY SYSTEMS COORD	06/23/97	SHOREVIEW
1			CHERMACK,AMY JEAN	R A OPERATIONS ASSISTANT	03/01/97	SHOREVIEW
1			HEMPSTEAD,CONNIE S.	R A OPERATIONS COORDINATOR	05/11/98	SHOREVIEW
1			GRUENER,MISTY A.	RECEIVING CLERK, CL	06/24/96	CLEAR LAKE
1			JOHNSON,ELEGIA ROSE	RECEPTIONIST	12/16/96	SHOREVIEW
1			KRUEGER,SHIRLEY A.	RECEPTIONIST	04/14/97	SHOREVIEW
1			HANSON,BETTY ANN	RECORDS/INFO. ASSISTANT	11/30/89	SHOREVIEW
1			HINES,SHANNON KAY	RECORDS/INFO. ASSISTANT	02/01/99	SHOREVIEW
1			CAUSTON,AMY H.	RECORDS/INFO. WORK COORD.	05/11/93	SHOREVIEW
1			CHMIELEWSKI,KRISTAN R.	RECORDS/INFO. WORK COORD.	03/14/94	SHOREVIEW
1			ANTOLIK,NANCY C	SCHEDULING ASSISTANT	02/18/85	SHOREVIEW
1			BOEKÉ,MICHELE L.	SHIPPING CLERK, CL	06/01/94	CLEAR LAKE
1			ABEBE,HAILU T.	SHIPPING/RECEIVING CLERK	03/30/98	SHOREVIEW
1			CERNOHOUS,JILL M.	SR. CLINICAL RES ASSOC.	02/24/97	SHOREVIEW
1			ANDERSON,STEVEN J.	SR. MEDICAL BILLING SPEC.	06/05/95	SHOREVIEW

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EMPI

ACTIVE EMPLOYEE

CONFIDENTIALITY AGREEMENTS

as of May 21, 1999

PROF	SALES	TECH	EMPLOYEE NAME	JOB TITLE	HIRE DAT	LOCATION
1			HOLTMAN,GWEN W.	SR. MEDICARE SERVICE SPEC	12/14/92	SHOREVIEW
1			JONES,TODD H.	SR. PROGRAMMER/ ANALYST	09/16/96	SHOREVIEW
1			JOHN,RICHARD R.	SUPERVISOR, MEDICAL BILL	05/11/98	SHOREVIEW
1			KOREN,PAUL A.	TAX SUPERVISOR	08/16/93	SHOREVIEW
1			AUKEMA,TERRY L.	TELECOMM. ADMIN II	12/14/92	SHOREVIEW
1			COPLIEN,JOAN E.	TREASURER	08/01/92	SHOREVIEW
1			HUTTO,BARBARA C.	VP/ HR & FACILITIES	07/15/96	SHOREVIEW
1			HAMLIN,ROBERT N.	VP/ R & D	01/01/98	SHOREVIEW
1			JENSEN,DEBORAH L.	VP/ RA/QA/CLINICAL	10/23/95	SHOREVIEW
1			GUSE,SARA M.		06/12/98	SHOREVIEW

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Employment Agreement between Empi, Inc. and Joseph Laptewicz, Jr. dated October 1, 1994.

Separation Agreement between Empi, Inc. and Donald Maurer dated May 1, 1997 as amended.

The Manufacturer's Representative Agreement (the "Agreement") between Empi, Inc. and Rehab Med Equip, Inc. dated August 1, 1995 prohibits Empi from utilizing a catalog distribution system for marketing disposable physical therapy products which are in competition with the Products defined in the Agreement.

The Master Distributor Agreement (the "Agreement") between Empi, Inc. and Biotronics, Inc. dated January 1, 1996 provides that Empi shall not appoint another distributor with rights to resell to retail dealers in the United States. Empi also agrees to not pursue national buying groups, with the exception of the VA and GSA.

The International Distributor Agreement between Empi, Inc. and Top Stok, Inc. dated May 1, 1995 prohibits Empi from itself selling the Products in Canada and from granting any third party the right to sell the Products in Canada during the term of this Agreement.

International Distributor Agreements between Empi, Inc. and various distributors (noted-below) prohibit Empi from itself selling the Products in the various Territories to end users and clinical specialists, and from granting any third party the right to sell the Products in the various Territories to end users and clinical specialists.

Prosper Argentina S.A.	Argentina
Carl Reiner GmbH	Austria
D.E.N. Medical B.V.B.A.	Belgium
Somas Medische Techniek	Belgium
Ormed GmbH	Germany
Somas Orthopaedie	Netherlands
Obex Medical	New Zealand
Cardiva SL	Spain
Cardiva Centro SL	Spain
Cardiva - Farinas	Spain
Fizziostuff (UK) ltd.	United Kingdom
Technology in Motion	United Kingdom

The Asset Purchase Agreement between Empi, Inc. and Eagle Medical Services, Inc. dated October 7, 1994 incorporates an Employment Agreement (the "Agreement") dated October 7, 1994 between Empi, Inc. and Robert J. Beausoleil. Section 4(c) of the Agreement provides for Incentive Compensation based on sales revenue for a certain territory for a period of seven (7) years.

Consulting Agreement between Empi, Inc. and Laurence Flaherty dated October 3, 1994.

The Supply Agreement between Empi, Inc. and Ludlow Technical Products (Uni-Patch) dated May 1, 1997 provides for a purchase rebate pursuant to section 2(b)(iii) of the Agreement.

The following non-employee directors and officers of the Empi, Inc. appointed Joseph E. Laptewicz and Joan E. Coplien as attorneys-in-fact with respect to all filings with the Securities and Exchange Commission of Forms 3, 4 or Forms 5 relating to beneficial ownership of securities of Empi, Inc.: Scott R. Anderson, Bradley J. Beard, Everett F. Carter, Robert W. Clapp, M. Nazie Eftekhari, Robert N. Hamlin, Barbara C. Hutto, Deborah L. Jensen, Joseph E. Laptewicz, Patrick D. Spangler, Kenneth F. Tempero and H. Philip Vierling.

Section 4 of the Employment Agreement between Empi, Inc. and Robert J. Beausoleil dated October 7, 1994 was amended September 16, 1996.

The Separation Agreement between Empi, Inc. and Donald D. Maurer was amended October 14, 1997.

Empi Manufacturer's Representative Agreement between Empi, Inc. and Responsive Providers, Inc. was amended March 1, 1999.

- (i) **Manufacturer's Representative Agreement between Empi, Inc. and Rehab Med Equip, Inc. dated August 1, 1995.**
- Master Distributor Agreement between Empi, Inc. and Biotronics, Inc. (Dedicated Distribution) dated January 1, 1996.**
- International Distributor Agreement between Empi, Inc. and Top Stok, Inc. dated May 1, 1995.**
- International Distributor Agreement between Empi, Inc. and Ormed GmbH dated April 1, 1999.**
- International Distributor Agreement between Empi, Inc. and Somas Orthopaedie dated August 1, 1997.**
- International Distributor Agreement between Empi, Inc. Cardiva SL dated October 1, 1997.**
- Supply Agreement between Empi, Inc. and Ludlow Technical Products (Uni-Patch) dated May 1, 1997.**
- Empi Manufacturer's Representative Agreement between Empi Inc. and Gordon Duarte dated January 1, 1996.**
- Empi Manufacturer's Representative Agreement between Empi, Inc. and Responsive Providers, Inc. dated July 1, 1996.**
- Empi Manufacturer's Representative Agreement between Empi, Inc. and Dale Lines dated January 1, 1999.**
- Office/Light Manufacturing Lease between Empi, Inc. and Cardigan Investments Limited Partnership dated June 14, 1996.**
- Communication Agreements between Empi, Inc. and AT&T in their entirety.**

## Officer's Certificate

The undersigned officer of EI Merger Corp. (the "Company") hereby certifies that:

1. The Company is primarily engaged, directly or through a wholly owned subsidiary, in a business other than that of investing, reinvesting, owning, holding, or trading in securities.
2. There are no lawsuits, actions, suits, claims or other proceedings at law or equity against the Company.

Latham & Watkins may rely on this certificate in giving their opinion.

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Walter Jin



**Schedule 8  
Vehicles**

- 1984 GMC Van VIN# 2GDHG31M4E4516725
- 1993 Ford E/50 VIN# 1FTEE14N8PHA89282

**Schedule 9  
Existing Prior Liens**

<b>Debtor</b>	<b>Secured Party</b>	<b>File No.</b>	<b>Jurisdiction</b>
Empi, Inc.	The CIT Group Equipment Financing, Inc.	1774588	Minnesota
Empi, Inc.	Amplicon, Inc.	1345948	Minnesota

ASSUMPTION AGREEMENT, dated as of \_\_\_\_\_, \_\_\_\_\_, made by \_\_\_\_\_, a \_\_\_\_\_ corporation (the "Additional Grantor"), in favor of LEHMAN COMMERCIAL PAPER INC., as administrative agent (in such capacity, the "Administrative Agent") for the banks and other financial institutions (the "Lenders") parties to the Credit Agreement referred to below. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meaning given to them in the Credit Agreement.

**W I T N E S S E T H :**

WHEREAS, EI Merger Corp., which will be merged with and into Empi, Inc., which shall be the surviving corporation, Empi Corp. (the "Borrower"), the Lenders and the Administrative Agent have entered into a Credit Agreement, dated as of August 31, 1999 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement");

WHEREAS, in connection with the Credit Agreement, the Borrower and certain of its Affiliates (other than the Additional Grantor) have entered into the Guarantee and Collateral Agreement, dated as of August 31, 1999 (as amended, supplemented or otherwise modified from time to time, the "Guarantee and Collateral Agreement"), in favor of the Administrative Agent for the benefit of the Lenders;

WHEREAS, the Credit Agreement requires the Additional Grantor to become a party to the Guarantee and Collateral Agreement; and

WHEREAS, the Additional Grantor has agreed to execute and deliver this Assumption Agreement in order to become a party to the Guarantee and Collateral Agreement;

NOW, THEREFORE, IT IS AGREED:

1. Guarantee and Collateral Agreement. By executing and delivering this Assumption Agreement, the Additional Grantor, as provided in Section 8.14 of the Guarantee and Collateral Agreement, hereby becomes a party to the Guarantee and Collateral Agreement as a Grantor thereunder with the same force and effect as if originally named therein as a Grantor and, without limiting the generality of the foregoing, hereby expressly assumes all obligations and liabilities of a Grantor thereunder. The information set forth in Annex 1-A hereto is hereby added to the information set forth in Schedules \_\_\_\_\_\* to the Guarantee and Collateral Agreement. The Additional Grantor hereby represents and warrants that each of the representations and warranties contained in Section 4 of the Guarantee and Collateral Agreement

\* Refer to each Schedule which needs to be supplemented.

is true and correct on and as of the date hereof (after giving effect to this Assumption Agreement) as if made on and as of such date.

**2. GOVERNING LAW. THIS ASSUMPTION AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.**

IN WITNESS WHEREOF, the undersigned has caused this Assumption Agreement to be duly executed and delivered as of the date first above written.

[ADDITIONAL GRANTOR]

By: \_\_\_\_\_

Name:

Title:

ACKNOWLEDGMENT AND CONSENT

The undersigned hereby acknowledges receipt of a copy of the Guarantee and Collateral Agreement, dated as of August \_\_, 1999 (the "Agreement"), made by the Grantors parties thereto for the benefit of LEHMAN COMMERCIAL PAPER INC., as Administrative Agent. The undersigned agrees for the benefit of the Administrative Agent and the Lenders as follows:

1. The undersigned will be bound by the terms of the Agreement and will comply with such terms insofar as such terms are applicable to the undersigned.
2. The undersigned will notify the Administrative Agent promptly in writing of the occurrence of any of the events described in Section 5.8(a) of the Agreement.
3. The terms of Sections 6.3(a) and 6.7 of the Agreement shall apply to it, mutatis mutandis, with respect to all actions that may be required of it pursuant to Section 6.3(a) or 6.7 of the Agreement.

[NAME OF ISSUER]

By: \_\_\_\_\_

Name:

Title:

Address for Notices:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Fax: \_\_\_\_\_