

RECORDATION F  
TRADEMARK

DEPARTMENT OF COMMERCE  
Patent and Trademark Office

10-25-2000



ments or copy thereof.

101496280

Tab settings ==> 10-10-00  
To the Honorable Commissioner of Patents and Trademark

1. Name of conveying party(ies):  
Keystone Rehabilitation Systems, Inc.  
 Individual(s)  Association  
 General Partnership  Limited Partnership  
 Corporation-State  
 Other  
Additional name(s) of conveying party(ies) attached?  Yes  No

2. Name and address of receiving party(ies)  
Name: Heller Financial, Inc., as agent  
Internal Address:  
Street Address: 500 W. Monroe  
City: Chicago State: IL ZIP: 60661  
 Individual(s) citizenship  
 Association  
 General Partnership  
 Limited Partnership  
 Corporation-State  
 Other

3. Nature of conveyance:  
 Assignment  Merger  
 Security Agreement  Change of Name  
 Other  
Execution Date: September 22, 2000

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

4. Application number(s) or patent number(s):  
A. Trademark Application No.(s)  
B. Trademark Registration No.(s)  
1,490,615  
Additional numbers attached?  Yes  No

5. Name and address of party to whom correspondence concerning document should be mailed:  
Name: Laura Konrath  
Internal Address: Winston & Strawn  
33rd Floor  
Street Address: 35 West Wacker Drive  
City: Chicago State: IL ZIP: 60601

6. Total number of applications and registrations involved: 1  
7. Total fee (37 CFR 3.41).....\$ 40.00  
 Enclosed  
 Authorized to be charged to deposit account  
8. Deposit account number:  
N/A  
(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

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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.

Laura Konrath  
Signature

10/5/00  
Date

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

Mail documents to be recorded with required cover sheet information to:  
Commissioner of Patents & Trademarks, Box Assignments

TRADEMARK  
REEL: 002161 FRAME: 0459

**TRADEMARK SECURITY AGREEMENT  
(SUBSIDIARY)**

THIS TRADEMARK SECURITY AGREEMENT (the "Agreement") made as of this 22nd day of September, 2000 by NORTHSTAR HEALTH SERVICES, INC., a Delaware corporation ("NHS") and KEYSTONE REHABILITATION SYSTEMS, INC., a Pennsylvania corporation ("Keystone"), ("KRS", and together with NHS, "Grantors", and each individually, a "Grantor") in favor of Heller Financial, Inc., a Delaware corporation, in its capacity as Agent for the Lenders party to the Credit Agreement (defined below) ("Grantee"):

W I T N E S S E T H

WHEREAS, Benchmark Medical Holdings, Inc., a Delaware corporation ("Borrower"), Grantee and Lenders are parties to a certain Credit Agreement of even date herewith (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") providing for the extensions of credit to be made to Borrower by Lenders;

WHEREAS, Grantors are each wholly-owned Subsidiaries, direct or indirect, of Borrower and have guaranteed Borrower's obligations under the Credit Agreement pursuant to the terms of that certain Subsidiary Guaranty of even date herewith; and

WHEREAS, pursuant to the terms of the Subsidiary Security Agreement of even date herewith between Grantors and Grantee (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement"), each Grantor has granted to Grantee, for the benefit of Lenders, a security interest in substantially all of the assets of such Grantor including all right, title and interest of such Grantor in, to and under all now owned and hereafter acquired Trademarks (as defined in the Security Agreement), together with the goodwill of the business symbolized by such Grantor's Trademarks, and all products and proceeds thereof, to secure the payment and performance of the Secured Obligations (as defined in the Security Agreement);

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

1. Incorporation of Credit Agreement and Security Agreement. The Credit Agreement and Security Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Security Agreement.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the complete and timely payment and satisfaction of the Secured Obligations, each Grantor hereby

grants to Grantee, and hereby reaffirms its prior grant pursuant to the Security Agreement of, a continuing security interest in such Grantor's entire right, title and interest in and to the following (all of the following items or types of property being herein collectively referred to as the "Trademark Collateral"), whether now owned or existing or hereafter created or acquired:

(i) each Trademark listed on Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof, if any, and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark; and

(ii) all products and proceeds of the forgoing, including without limitation, any claim by such Grantor against third parties for past, present or future (a) infringement or dilution of any Trademark, or (b) injury to the goodwill associated with any Trademark.

3. Warranties and Representations. Each Grantor warrants and represents to Grantee that:

(i) such Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each Trademark, free and clear of any liens, charges and encumbrances, including without limitation licenses and covenants by such Grantor not to sue third persons;

(ii) such Grantor has no notice of any suits or actions commenced or threatened with reference to any Trademark; and

(iii) such Grantor has the unqualified right to execute and deliver this Agreement and perform its terms.

4. Restrictions on Future Agreements. Each Grantor agrees that until the Secured Obligations shall have been satisfied in full and the Credit Agreement shall have been terminated, such Grantor shall not, without the prior written consent of Grantee, sell or assign its interest in, or grant any license under, any Trademark or enter into any other agreement with respect to any Trademark, and such Grantor further agrees that it shall not take any action or permit any action to be taken by others subject to its control, including licensees, or fail to take any action which would affect the validity or enforcement of the rights transferred to Grantee under this Agreement.

5. Product Quality. Each Grantor agrees (i) to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with commercially reasonable business practices, and (ii) to provide Grantee, upon Grantee's request from time to time, with a certificate of an officer of such Grantor certifying such Grantor's compliance with the foregoing. Upon the occurrence of an Event of Default, each Grantor agrees that Grantee, or a conservator appointed by Grantee, shall have the right to establish such additional product quality controls as Grantee, or said conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by such Grantor under the Trademarks.


6. Grantee's Right to Sue. After an Event of Default, Grantee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks and, if Grantee shall commence any such suit, each Grantor shall, at the request of Grantee, do any and all lawful acts and execute any and all proper documents required by Grantee in aid of such enforcement and each Grantor shall promptly, upon demand, reimburse and indemnify Grantee for all costs and expenses incurred by Grantee in the exercise of its rights under this Section 6.

7. Cumulative Remedies; Power of Attorney. Grantee hereby acknowledges and affirms that the rights and remedies with respect to the Trademarks, whether established hereby or by the Security Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Each Grantor hereby authorizes Grantee upon the occurrence of an Event of Default, to make, constitute and appoint any officer or agent of Grantee as Grantee may select, in its sole discretion, as such Grantor's true and lawful attorney-in-fact, with power to (i) endorse such Grantor's name on all applications, documents, papers and instruments necessary or desirable for Grantee in the use of the Trademarks or (ii) take any other actions with respect to the Trademarks as Grantee deems to be in the best interest of Grantee, or (iii) grant or issue any exclusive or non-exclusive license under the Trademarks to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone. Each Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until the Secured Obligations shall have been paid in full and the Credit Agreement has been terminated at which time the power of attorney is released automatically. After the occurrence and continuation of an Event of Default, each Grantor hereby further acknowledges and agrees that the Grantee shall have all rights of such Grantor in and to the use of the Trademarks, except as limited by their terms, and without any liability for royalties or related charges from Grantee to such Grantor.


[signature page follows]

IN WITNESS WHEREOF, each Grantor has duly executed this Agreement as of the date first written above.

NORTHSTAR HEALTH SERVICES, INC.


By:   
Its: President

KEYSTONE REHABILITATION SYSTEMS,  
INC.

By:   
Its: President

Agreed and Accepted  
As of the Date First Written Above

HELLER FINANCIAL, INC., as Agent

By:   
Its: Vice President

**Schedule I**

Northstar Health Services, Inc.

Trademark:

Owned by: Keystone Rehabilitation Systems, Inc  
Mark: Keystone Rehabilitation Systems + design  
Reg. No. 1,490,615  
Reg. Date: May 31, 1988  
Class: Int. Class 42; US Class 100

Trademark Application:

Owned by: Northstar Health Services, Inc.  
Mark: K Keystone Rehabilitation Enterprises  
Serial Number: 75/521065  
Filing Date: July 17, 1998