

Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings

**RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY**

U.S. DEPARTMENT OF COMMERCE  
U.S. Patent and Trademark Office

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

1. Name of conveying party(ies):  
**Universal Dental, L.L.C.**

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

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

2. Name and address of receiving party(ies)  
 Name: American National Bank and Trust  
Internal Company of Chicago  
 Address: \_\_\_\_\_  
 Street Address: 120 South LaSalle Street  
 City: Chicago State: IL Zip: 60603

Individual(s) citizenship \_\_\_\_\_  
 Association \_\_\_\_\_  
 General Partnership \_\_\_\_\_  
 Limited Partnership \_\_\_\_\_  
 Corporation-State \_\_\_\_\_  
 Other National Banking Association

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

3. Nature of conveyance:  
 Assignment       Merger  
 Security Agreement       Change of Name  
 Other \_\_\_\_\_

Execution Date: January 15, 2002

4. Application number(s) or registration number(s):  
 A. Trademark Application No.(s)  
 B. Trademark Registration No.(s)  
(see attached sheet)

Additional number(s) attached  Yes  No

6. Total number of applications and registrations involved: 6

7. Total fee (37 CFR 3.41).....\$ 165.00

Enclosed  
 Authorized to be charged to deposit account

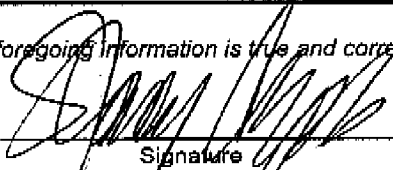
5. Name and address of party to whom correspondence concerning document should be mailed:  
 Name: Stacy P. Chronopoulos  
 Internal Address: \_\_\_\_\_  
Pedersen & Houpt  
 \_\_\_\_\_  
Suite 3100  
 Street Address: 161 North Clark Street  
 \_\_\_\_\_  
 City: Chicago State: IL Zip: 60601

8. Deposit account number:  
500276  
 Docket # 200100906  
 (Attach duplicate copy of this page if paying by deposit account)

**DO NOT USE THIS SPACE**

9. Statement and signature.  
*To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.*

Stacy P. Chronopoulos  
 Name of Person Signing

  
 Signature

5/29/02  
 Date

Total number of pages including cover sheet, attachments, and document: 12

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

<b>NAME OF MARK</b>	<b>REGISTRATION NUMBER</b>
<b>BIO-MECHANICAL</b>	Reg. No. 631,863
<b>N.I.C. (and design)</b>	Reg. No. 422,608
<b>NUFORM (and design)</b>	Reg. No. 509,123
<b>POLYCHROME</b>	Reg. No. 723,914
<b>UNIVERSAL</b>	Reg. No. 421,857
<b>VERIDENT (and design)</b>	Reg. No. 551,818

## INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (as amended, supplemented, amended and restated or otherwise modified from time to time, this "IP Security Agreement"), dated as of January 15, 2002, is made by UNIVERSAL DENTAL, L.L.C., an Illinois limited liability company ("Grantor"), in favor of AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO, with its principal place of business in Chicago, Illinois ("Secured Party").

### RECITALS

WHEREAS, Secured Party and Myerson, L.L.C., a Delaware limited liability company, the sole member of Grantor ("Myerson"), have entered into that certain Loan and Security Agreement dated as of January, 15, 2002 (the "Loan Agreement") pursuant to which Secured Party has agreed to loan the Borrower the sum of Three Million Five Hundred Thousand and No/100 DOLLARS (\$3,500,000.00) (the "Loans") as evidence by that certain Secured Promissory Note dated as of an even date herewith in the principal amount of \$2,000,000.00 (the "Term Note"); and that certain Revolving Note dated as of an even date herewith in the principal amount of \$1,500,000.00 (the "Revolving Note" and collectively with the Term Note, the "Notes");

WHEREAS, Grantor has agreed to guarantee the repayment of the amounts due under the Notes on behalf of Myerson pursuant to the terms and conditions set forth in that certain Guaranty dated as of the date hereof (the "Guaranty") executed by Grantor in favor of Secured Party;

WHEREAS, in connection with the Loan Agreement, Grantor has executed and delivered that certain Security Agreement dated as of January 15, 2002 (as amended, supplemented, amended and restated or otherwise modified from time to time, (the "Security Agreement");

WHEREAS, to secure payment and performance of all of the obligations of Grantor under the Guaranty (together with this IP Security Agreement and the Security Agreement, the "Transaction Documents"), Grantor has agreed to grant the security interests and undertake the obligations contemplated by this IP Security Agreement; and

WHEREAS, as a condition precedent to the consummation of the transactions contemplated by the Loan Agreement, Grantor is required to execute and deliver this IP Security Agreement and to grant to Secured Party a continuing security interest in all of the Intellectual Property (as defined below) to secure certain obligations of Grantor in connection with the Guaranty.

NOW THEREFORE, in consideration of the foregoing recitals which are incorporated herein by reference, the mutual promises and covenants contained in this IP Security Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Grantor hereby agrees with Secured Party as follows:

**SECTION 1. Definitions.** Unless otherwise defined herein or the context otherwise requires, terms used in this IP Security Agreement, including its preamble and recitals, have the meanings provided (or incorporated by reference) in the Guaranty or the Security Agreement.

**SECTION 2. Grant of Security Interest.** For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure all of the Guaranteed Obligations, Grantor does hereby assign, pledge, hypothecate, charge, mortgage, deliver, transfer and grant to the Secured Party a continuing security interest in, all of the right, title and interest of Grantor in, to and under all of the following:

(a) the intellectual property described on Exhibit A attached hereto and made a part hereof and all other intellectual property of Grantor and all amendments, issues, reissues, divisions, continuations, continuations-in-part, extensions, renewals and reexaminations of any of such intellectual property, whether now owned or existing or filed or hereafter acquired or arising and filed, including any goodwill associated with any of the above (the "Intellectual Property"), including:

- (i) all renewals and amendments thereto,
- (ii) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof;
- (iii) the right to sue for past, present and future infringements thereof; and
- (iv) all rights corresponding thereto throughout the world.

(b) all proceeds or products of the foregoing.

**SECTION 3. New Intellectual Property.** Grantor represents and warrants that the Intellectual Property listed on Exhibit A constitutes all of the registered or common law trademarks, copyrights and patents now owned, applied for or held by Grantor. If before the Secured Obligations shall have been satisfied in full, Grantor shall (i) obtain rights to any Intellectual Property not listed on Exhibit A, or (ii) become entitled to the benefit of any Intellectual Property (which is in any manner related to or a derivative of the invention that is the subject of the Intellectual Property listed in Exhibit A) and is not listed on Exhibit A, the provisions of Section 2 above shall automatically apply thereto and Grantor shall give to Secured Party written notice thereof on each anniversary of the date hereof. Grantor hereby authorizes Secured Party to modify this IP Security Agreement by amending Exhibit A to include any such future acquired Intellectual Property. Grantor agrees to execute all necessary and requested filings and documentation with regard to the Intellectual Property added to Exhibit A, pursuant to this Section 3.

**SECTION 4. Restrictions on Future Agreements.** Grantor agrees that it will not, without Secured Party's prior written consent, which consent shall not be unreasonably withheld, enter into any agreement which is inconsistent with Grantor's obligations under this IP Security Agreement, and Grantor further agrees that it will 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 Secured Party under this IP Security Agreement. Furthermore, Grantor shall not, except for (a) the security interests created by this IP Security Agreement and (b) licenses granted to third parties with respect to the Intellectual Property, sell, assign, lease, transfer or convey any of the Collateral or create or suffer to exist any lien upon or with respect to any of the Collateral to secure the indebtedness or other obligations of any person.

**SECTION 5. Royalties.** Grantor hereby agrees that the use by the Secured Party of the Intellectual Property as authorized hereunder in connection with Secured Party's exercise of its rights and remedies under Section 6 shall be as co-extensive with the rights of Grantor under the Intellectual Property and without any liability for royalties or other related charges from Secured Party to Grantor.

**SECTION 6. Secured Party's Rights.** Secured Party shall have, in addition to all other rights and remedies given it by this IP Security Agreement, those rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any applicable jurisdiction.

**SECTION 7. Duties of Grantor.** Grantor shall have the duty to:

(a) prosecute diligently (to the extent reasonably determined by Grantor's Managing Member to be in Grantor's best interests) any application filed by Grantor with respect to any of the Intellectual Property and satisfy any associated maintenance requirements until Grantor's obligations pursuant to the provisions of this IP Security Agreement shall have been satisfied in full. Grantor shall not abandon any Intellectual Property rights without prior written consent of the Secured Party, which shall not be unreasonably withheld; and

(b) prosecute diligently (to the extent reasonably determined by Grantor's Managing Member to be in Grantor's best interests) any material infringements of any of the Intellectual Property. Any expenses incurred in connection with such applications shall be borne by the Grantor.

**SECTION 8. Secured Party's Right to Sue.** At any time after the occurrence and continuation of an Event of Default the Secured Party shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Intellectual Property and, if the Secured Party shall commence any such suit, the Grantor shall, at the request of the Secured Party, do any and all lawful acts and execute any and all proper documents reasonably required by the Secured Party in aid of such enforcement and the Grantor shall promptly, upon demand, reimburse and indemnify the Secured Party for all costs and expenses incurred by the Secured Party in the exercise of its rights under this Section 8.

**SECTION 9. IP Security Agreement.** This IP Security Agreement has been executed and delivered by Grantor for the purpose of registering the security interest of Secured Party in the Intellectual Property with the United States Patent and Trademark Office. The security interest granted hereby has been granted as a supplement to, and not in limitation of the security interest granted to Secured Party under the Security Agreement. The Security Agreement (and all rights and

remedies of Secured Party thereunder) shall remain in full force and effect in accordance with its terms.

**SECTION 10. Representations and Warranties.** Grantor represents, warrants and covenants to the Secured Party as follows:

(a) The Intellectual Property has not been adjudged invalid by a court of competent jurisdiction or unenforceable;

(b) All of the Intellectual Property rights are valid and enforceable;

(c) Grantor has no notice of any material suits or actions commenced or threatened against it, or notice of material claims asserted or threatened against it with respect to the Intellectual Property;

(d) Grantor has complied with, and will continue to comply with for the duration of its obligations, the requirements of Title 15 and Title 17 of the US Code and any other applicable statutes, laws, rules and regulations in connection with its use of the Intellectual Property except where the failure to comply would not have a material adverse effect on Grantor or the Intellectual Property; and

(e) Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Intellectual Property, and is free and clear of any liens, charges and encumbrances including, without limitation, pledges, assignments, options and covenants by Grantor not to sue any third persons;

**SECTION 11. Default.** Grantor shall be in default under this IP Security Agreement upon the happening of any of the following events of default (each being an "Event of Default"):

(a) an Event of Default shall have occurred under the Security Agreement and shall be continuing beyond the applicable period for cure thereof;

(b) any representation or warranty made by the Grantor in Section 10 hereof proves untrue in any material respect as of the date of the issuance or making thereof; or

(c) any failure by the Grantor to observe or perform any of the covenants set forth herein which is not remedied by the Company within 30 days after notice thereof to the Grantor by the Secured Party;

**SECTION 12. Remedies Upon Default.** At any time upon or following the occurrence of any one or more Events of Default hereunder, the Secured Party shall without any further notice or any demand to Assignor be entitled to (i) cure any default in such manner and to such extent as Secured Party may deem reasonably necessary to protect the security hereof, (ii) sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Intellectual Property as fully and completely as though the Secured Party were the absolute owner thereof for all purposes, and to do, at the Secured Party's option, at any time or from time to time, all acts and things that the

Secured Party deems necessary to protect, preserve or realize upon the Intellectual Property Collateral and the Secured Party's security interest therein in order to effect the intent of this Security Agreement, all as fully and effectively as the Grantor might do and (iii) exercise any and all rights and remedies available at law and in equity, including, without limitation, the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any applicable jurisdiction. In addition to the foregoing, the Secured Party shall be entitled to bring suit in its own name to enforce the Grantor's rights with respect to the Intellectual Property Collateral and, if the Secured Party shall commence any such suit, the Grantor shall, at the request of the Secured Party, do any and all lawful acts and execute any and all proper documents reasonably required by the Secured Party in aid of such enforcement actions. The Grantor shall reimburse the Secured Party for all reasonable costs, expenses and fees, including court costs and reasonable attorneys' fees, incurred for any action taken by the Secured Party to remedy an Event of Default and for expenses incurred in exercising its remedies hereunder, together with interest on all said amounts at an annual rate equal to the Default Rate upon demand for reimbursement from the Secured Party.

**SECTION 13. Release of Security Interest.** Upon the payment or performance in full of all the obligations secured hereby, the Secured Party will, at the request and at the expense of Grantor, execute and deliver to Grantor such documents and instruments as Grantor shall reasonably request to release the lien on and security interest in the Intellectual Property that has been granted hereunder.

**SECTION 14. Power of Attorney.** The Grantor shall be deemed to have constituted and appointed the Secured Party its true and lawful attorney-in-fact with full power of substitution either in the name of the Secured Party or in the name of the Grantor, upon the occurrence and continuation of an Event of Default, to exercise any of the powers granted to the Secured Party herein. The Secured Party shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability with respect to any of the Intellectual Property. The Grantor shall and does hereby grant, agree to indemnify and hold the Secured Party harmless of and from any and all liability, loss or damage which the Secured Party may or might incur by reason of its performance of any action authorized under this Security Agreement and of and from any and all claims and demands whatsoever which may be undertaken on its part to perform or discharge any of the terms, covenants or agreements of the Grantor done in good faith in compliance with this Agreement and except for Grantee's willful misconduct or gross negligence. In the exercise of powers herein granted to the Secured Party, no liability shall be asserted or enforced against the Secured Party, all such liability being expressly waived and released by the Grantor, its successors and assigns.

**SECTION 15. Acknowledgment.** Grantor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Intellectual Property granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein. The Grantor acknowledges and agrees that this IP Security Agreement is not intended to limit or restrict in any way the rights and remedies of the Secured Party under the Loan Agreement but rather is intended to facilitate the exercise of such rights and remedies.

**SECTION 16. Counterparts.** This IP Security Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

**SECTION 17. Amendments.** Except as specifically provided in Section 3 hereof, this IP Security Agreement cannot be altered, amended or modified in any way or other than in writing signed by each of the parties hereto.

**SECTION 18. Waivers.** No course of dealing between the Grantor and the Secured Party, nor any failure to exercise, nor any delay in exercising, on the part of the Secured Party, any right, power or privilege hereunder or under any of the other Transaction Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

**SECTION 19. Notices.** Any notice or other communication herein required or permitted to be given shall be in writing and may be personally served, telexed or sent by telefacsimile or United States mail or courier service and shall be deemed to have been given when delivered in person or by courier service, upon receipt of telefacsimile or telex, or three (3) business days after depositing it in the United States mail with postage prepaid and properly addressed. For the purposes hereof, the address of each party hereto shall be as provided in the Loan Agreement or at such other address as such party may subsequently advise the other party hereto.

**SECTION 20. Binding Effect; Benefits.** This IP Security Agreement shall be binding upon the Grantor and its successors and assigns, and shall inure to the benefit of the Secured Party, its nominees and assigns.

**SECTION 21. Governing Law/Waiver of Jury Trial.** This Security Agreement shall be governed by and construed in accordance with the internal laws of the State of Illinois without giving effect to Illinois choice of law principles. THE DEBTOR HEREBY IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS IP SECURITY AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

**SECTION 22. Severability.** The provisions of this IP Security Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner effect such clause or provision in any other jurisdiction, or any other clause or provision of this IP Security Agreement in any jurisdiction.

**SECTION 23. Headings.** Section and subsection headings in this IP Security Agreement are included herein for convenience of reference only and shall not constitute a part of this IP Security Agreement for any other purpose or be given any substantive effect.



**SECTION 24. Incorporation of Transaction Documents/Recitals.** The recitals set forth above are hereby incorporated by this reference. In addition, any provision in the Transaction Documents that pertains to this IP Security Agreement shall be deemed to be incorporated herein as if such provision were fully set forth in this IP Security Agreement. In the event of any conflict between the terms of this IP Security Agreement and the terms of the Transaction Documents, the terms of the other Transaction Documents shall prevail. A provision in this IP Security Agreement shall not be deemed to be inconsistent with the Transaction Documents by reason of fact that no provision in the Transaction Documents covers such provision in this IP Security Agreement. This IP Security Agreement has been executed and delivered by Grantor for the purpose of registering the security interest of Secured Party in the Intellectual Property with the United States Patent and Trademark Office. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to Secured Party under the Security Agreement. The Security Agreement (and all rights and remedies of Secured Party thereunder) shall remain in full force and effect in accordance with its terms.

[Signature Page Follows]

IN WITNESS WHEREOF, Grantor and Secured Party have caused this IP Security Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

GRANTOR:

UNIVERSAL DENTAL, L.L.C.

By: Allen A. Filer

Name: Allen A. Filer

Title: CHIEF FINANCIAL OFFICER

SECURED PARTY:

AMERICAN NATIONAL BANK AND TRUST COMPANY OF CHICAGO

By: William D. Ryan

Name: William D. Ryan

Title: FVP

**EXHIBIT A****INTELLECTUAL PROPERTY**Pending Trademark Applications

NONE

Trademark Registrations

<u>Country</u>	<u>Registration Number</u>	<u>Registration Date</u>	<u>Mark</u>
U.S.A.	631,863	July 31, 1956	BIO-MECHANICAL
U.S.A.	422,608	July 30, 1946	N.I.C. (and design)
U.S.A.	509,123	April 26, 1949	NUFORM
U.S.A.	723,914	November 14, 1961	POLYCHROME
U.S.A.	421,857	June 18, 1946	UNIVERSAL
U.S.A.	551,818	December 4, 1951	VERIDENT (and design)

Pending Copyright Applications

NONE

Copyright Registrations

NONE

Pending Patent Applications

NONE

Provisional Patent Applications

NONE

Patent Registrations

NONE