

Form PTO-1594 (Modified)  
(Rev. 6/93)  
OMB No. 0651-0011 (exp. 4/94)  
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TM05/REV03

# RECORDATION FORM COVER SHEET TRADEMARKS ONLY

Docket No.:

299/12965

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

1. Name of conveying party(ies):  
Knit-Rite, Inc.

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

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other Amendment to Security Agreement
- Merger
- Change of Name

Execution Date: 9/20/02

2. Name and address of receiving party(ies)

Name: U.S. Bank National Association

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

Street Address: One U.S. Bank Plaza, 12<sup>th</sup> Floor

City: St. Louis State: MO ZIP: 63101

- 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

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

A. Trademark Application No.(s)  
75/649,703; 75/876,667; 75/855,793; 74/046,243;  
76/281,366; 76/365,722

B. Trademark Registration No.(s)  
962,906; 976,000; 1,207,095; 1,231,519; 1,289,939;  
1,522,348; 1,964,762; 2,100,418; 1,964,762; 2,436,691;  
2,516,397; 2,463,190; 2,387,757; 2,425,710

Additional numbers attached?  Yes  No

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

Name: R. Haferkamp

Internal Address: Thompson Coburn LLP

Street Address: One US Bank Plaza

City: St. Louis State: MO ZIP: 63101

6. Total number of application and registrations involved:.....

20

7. Total fee (37 CFR 3.41):..... \$ 515.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

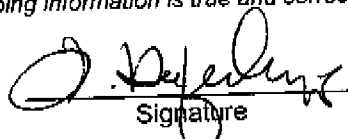
20-0823

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.

R. Haferkamp  
Name of Person Signing

  
Signature

2/7/03  
Date

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

11

**SECOND AMENDMENT TO  
PATENT, TRADEMARK AND LICENSE SECURITY AGREEMENT**

THIS SECOND AMENDMENT TO PATENT, TRADEMARK AND LICENSE SECURITY AGREEMENT (this "Amendment") is made and entered into as of the 20th day of September, 2002, by and between KNIT-RITE, INC., a Delaware corporation ("Borrower"), and U.S. BANK NATIONAL ASSOCIATION (which was formerly known as Firststar Bank, N.A., which is the successor by merger to Firststar Bank Missouri, National Association, which was formerly known as Mercantile Bank National Association) ("Lender").

**WITNESSETH:**

WHEREAS, Borrower has heretofore executed and delivered to Lender that certain Patent, Trademark and License Security Agreement dated March 26, 1999, as amended by that certain First Amendment to Patent, Trademark and License Security Agreement dated as of August 31, 2000 (as so amended, the "Security Agreement"; all capitalized terms used and not otherwise defined in this Amendment shall have the respective meanings ascribed to them in the Security Agreement as amended by this Amendment); and

WHEREAS, Borrower and Lender desire to amend the Security Agreement in the manner hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Lender hereby agree as follows:

1. All references in the Security Agreement to Firststar Bank, N.A., Firststar Bank Missouri, National Association, Mercantile Bank National Association or "Lender" and any other references of similar import shall henceforth mean U.S. Bank National Association (which was formerly known as Firststar Bank, N.A., which is the successor by merger to Firststar Bank Missouri, National Association, which was formerly known as Mercantile Bank National Association). All references in the Security Agreement to the address and/or telecopy number for Lender are hereby changed to One U.S. Bank Plaza, 12th Floor, St. Louis, Missouri 63101, Attention: Leveraged Finance, Telecopy No. (314) 418-1936.

2. The first "WHEREAS" clause on page 1 of the Security Agreement is hereby deleted in its entirety and the following substituted in lieu thereof:

"WHEREAS, Borrower and Lender are parties to that certain Loan Agreement dated March 26, 1999, as amended by that certain First Amendment to Loan Agreement dated as of June 1, 2000, that certain Second Amendment to Loan Agreement dated as of August 31, 2000, that certain Third Amendment to Loan Agreement dated as of June 25, 2001, and that certain Fourth Amendment to Loan Agreement dated as of September 20, 2002 (as so amended and as the same may from time to time be further amended, modified, extended, renewed or restated, the "Loan Agreement"; all capitalized terms used and not otherwise defined in this Agreement shall have the respective meanings ascribed to them in the Loan Agreement); and"

3. The Schedules A, B, C, D and E attached to the Security Agreement are hereby deleted in their entirety and the Schedules A, B, C, D and E attached to this Amendment are substituted in lieu thereof.

4. Borrower hereby agrees to reimburse Lender upon demand for all out-of-pocket costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) incurred by Lender in the preparation, negotiation and execution of this Amendment and any and all other

agreements, documents, instruments and/or certificates relating to the amendment of Borrower's existing credit facilities with Lender (collectively, the "Loan Documents"). Borrower further agrees to pay or reimburse Lender for (a) any stamp or other taxes (excluding income or gross receipts taxes) which may be payable with respect to the execution, delivery, filing and/or recording of the Loan Documents and (b) the cost of any filings and searches, including, without limitation, Uniform Commercial Code filings and searches. All of the obligations of Borrower under this paragraph shall survive the payment of the Secured Obligations and the termination of the Security Agreement.

5. All references in the Security Agreement to "this Agreement" and any other references of similar import shall henceforth mean the Security Agreement as amended by this Amendment.

6. Except to the extent specifically amended by this Amendment, all of the terms, provisions, conditions, covenants, representations and warranties contained in the Security Agreement shall be and remain in full force and effect and the same are hereby ratified and confirmed.

7. This Amendment shall be binding upon and inure to the benefit of Borrower and Lender and their respective successors and assigns, except that Borrower may not assign, transfer or delegate any of its rights or obligations under the Security Agreement as amended by this Amendment.

8. Borrower hereby represents and warrants to Lender that:

(a) the execution, delivery and performance by Borrower of this Amendment are within the corporate powers of Borrower, have been duly authorized by all necessary corporate action and require no action by or in respect of, consent of or filing or recording with, any governmental or regulatory body, instrumentality, authority, agency or official or any other Person;

(b) the execution, delivery and performance by Borrower of this Amendment do not conflict with, or result in a breach of the terms, conditions or provisions of, or constitute a default under or result in any violation of, the terms of the Certificate of Incorporation or By-Laws of Borrower, any applicable law, rule, regulation, order, writ, judgment or decree of any court or governmental or regulatory body, instrumentality authority, agency or official or any agreement, document or instrument to which Borrower is a party or by which Borrower or any of its Property is bound or to which Borrower or any of its Property is subject;

(c) this Amendment has been duly executed and delivered by Borrower and constitutes the legal, valid and binding obligation of Borrower enforceable against Borrower in accordance with its terms, except as such enforceability may be limited by (i) applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights generally and (ii) general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law);

(d) all of the representations and warranties made by Borrower in the Security Agreement are true and correct in all material respects on and as of the date of this Amendment as if made on and as of the date of this Amendment; and

(e) as of the date of this Amendment, no default or event of default under or within the meaning of the Security Agreement has occurred and is continuing.


9. In the event of any inconsistency or conflict between this Amendment and the Security Agreement, the terms, provisions and conditions contained in this Amendment shall govern and

control.

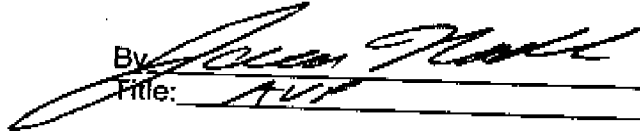
10. This Amendment shall be governed by and construed in accordance with the substantive laws of the State of Missouri (without reference to conflict of law principles).

IN WITNESS WHEREOF, Borrower and Lender have executed this Second Amendment to Patent, Trademark and License Security Agreement as of the 20th day of September, 2002.

KNIT-RITE, INC.

By:   
Title: Sr. VP-CEO

U.S. BANK NATIONAL ASSOCIATION

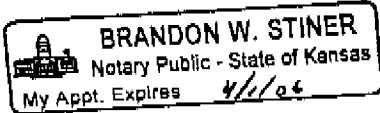
By:   
Title: [unclear]

CERTIFICATE OF ACKNOWLEDGMENT

STATE OF Kansas )  
 ) SS.  
COUNTY OF Wyandotte )

On this 19 day of September, 2002, before me personally appeared Chris Vering to me personally known, who, being by me duly sworn, did say that he is the Sr. VP, CFO of KNIT-RITE, INC., a Delaware corporation, and that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and said Chris Vering acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

(Seal)  BRANDON W. STINER  
Notary Public - State of Kansas  
My Appt. Expires 4/1/06

[Signature]  
Notary Public

My Commission Expires: 4/1/06

STATE OF MISSOURI )  
 ) SS.  
CITY OF ST. LOUIS )

On this 3rd day of September, 2002, before me appeared Jason Nadler to me personally known, who, being by me duly sworn, did say that he ~~or she~~ is a Asst. Vice President of U.S. BANK NATIONAL ASSOCIATION, a national banking association, and that said instrument was signed on behalf of said association by authority of its Board of Directors; and said Jason Nadler acknowledged said instrument to be the free act and deed of said association.

IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed my official seal in the City and State aforesaid, the day and year first above written.

(Seal) [Signature: Sandra S. Rhodes]  
Notary Public

My Commission Expires: 3/11/03

SANDRA S. RHODES  
Notary Public - Notary Seal  
STATE OF MISSOURI  
St. Louis County  
My Commission Expires: March 11, 2003

SCHEDULE A

United States Patents

<u>Patent No.</u>	<u>Date Issued</u>	<u>Description</u>
4,840,635	June 20, 1989	Full-Fashion Stump Shrinker for the Residual Stump of a Human Amputee
6,158,253	12-12-2000	Seamless FootSock

SCHEDULE B

United States Patent Applications

Application or Serial No.

Patents in Process

09/707,265

A Double Sock Having Inverted, Side-By-Side Tow Closure Seams

09/682,028

Balance Stabilizing Foot Orthotic

10/205,874

Ultra Low Friction Sheath for Prosthetics

**SCHEDULE C**

**United States Trademarks**

MARK	SERIAL/REG. NO.	GOODS/SERVICES
KNIT-RITE	Serial #72/418,421 Filed 03-15-1972 Reg. #962,906 Issued 07-03-1973	Stump socks, elastic hosiery, surgical corsets, spinal braces, upper and lower extremity braces, and other medical and surgical appliances in the nature of prosthetic and orthotic devices, and parts and components of such devices, such as below knee joints, above knee joints, ankle joints, back checks, leather fittings and the like in International Class 010
PMD (STYLIZED)	Serial #72/418,423 Filed 03-15-1972 Reg. #976,000 Issued 01-01-1994	Medical and surgical appliances—namely, braces, slings, splints, collars, supports, bandages, hosiery, [stamp socks,] crutches, canes, walkers, belts, binders, traction equipment, urinals, splinting material; and parts and components thereof, in International Class 005 and 010
COMPRESSOGRIP	Serial #73/283,557 Filed 10-27-1980 Reg. #1,207,095 Issued 09-07-1982	Elastic stump shrinker, tubular compression bandages and tubular compression stockinettes in International Class 010.
SUPER SOCK	Serial #73/267,491 Filed 06-23-1980 Reg. #1,231,519 Issued 03-15-1983	Prosthetic socks for amputees in International Class 010. No claim is made to the exclusive right to use the word "sock" apart from the mark as shown. (Supplemental Register)
KNIT-RITE AND DESIGN (LAMB AND GLOBE)	Serial #73/381,470 Filed 08-23-1982 Reg. # 1,289,939 Issued 08-14-1984	Medical, surgical and orthopedic equipment and appliances—namely, prosthetic and orthotic devices, such as, below knee joints, above knee joints, ankle joints and back checks; leather fittings, stump socks, elastic hosiery, surgical corsets, spinal braces and upper and lower extremity braces in International Class 010.
COMPRESSOPAW	Serial #73/720,041 Filed 04-01-1988 Reg. # 1,522,348 Issued 01-31-1989	Tubular elastic bandages in International Class 005.
TORSO-INTERFACE	Serial #74/483,032 Filed 01-27-1994 Reg. #1,964,762 Issued 03-26-1996	Protective orthotic sleeve to be worn between a brace and the patient's skin in International Class 010. (Supplemental Register)



MARK	SERIAL/REG. NO.	GOODS/SERVICES
THERASOCK	Serial #75/140,259 Filed 07-26-1996 Reg. #2,100,418 Issued 09-23-1997	Socks, hosiery and footwear, all for therapeutic use
TORSO-INTERFACE	Serial #74/483032 Filed 01-27-1994 Reg. #1,964,762 Issued 03-26-1996	Class 10 – Protective orthotic sleeve to be worn between a brace and the patient's skin (Supplemental Register)
THERAFIRM	Serial #75/885,793 Filed 11-22-1999 Reg. #2,436,691 Issued 03-20-2001	Braces and supports for limbs and joints for medical use in International Class 10
ELEGANT SUPPORT BY THERAFIRM (STYLIZED)	Serial #75/876,667 Filed 12-20-99 Reg. #2,516,397 Issued 12-11-01	Stockings in International Class 025
GELBO	Serial #75/607,067 Filed 12-17-1998 Reg. #2,463,190 Issued 06-26-01	Heel and elbow pads in International Class 010
ACCUCAST	Serial #75/824,205 Filed 10-15-1999 Reg. #2,387,757 Issued 09-19-00	Impression casting stockinettes and casting socks in International Class 010
SMARTKNIT	Serial #75/649,702 Filed 03-01-1999 Reg. #2,425,710 Issued 01-30-01	Socks for diabetics in International Class 010

**SCHEDULE D**

United States Trademark Applications

MARK	SERIAL/REG. NO.	GOODS/SERVICES
SURVIVAL SOCK	Serial #75/649,703 Filed 03-01-1999	Socks for diabetics in International Class 010
ELEGANT SUPPORT BY THERAFIRM (STYLIZED)	Serial #75/876,667 Filed 12/20/99	
THERAFIRM	Serial #75/855,793 Filed 11/22/99	
PP/L	Serial #74/046,243 Filed 04-05-1990	Class 010 – Medical device in the nature of liner for legs and arms
SURVIVAL SOCK	Serial #76/281,366 Filed 07-06-2001	Sock in International Class 025
THERAWEAR	Serial #76/365,722 Filed 02-01-2002	Online retail store services in the filed of compression products and hosiery, diabetic socks, seamless socks, diabetic footwear, therapeutic supports and braces, heel and elbow pads for protective and therapeutic purposes and diabetic shoes in International Class 35

**SCHEDULE E**

**Licenses**

**NONE**