

06-24-2003

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6-19-03 RE 1



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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):

Cardica, Inc.

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

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

3. Nature of conveyance:

- Assignment Merger
Security Agreement Change of Name
Other

Execution Date: 06/19/03

2. Name and address of receiving party(ies)

Name: Century Medical, Inc.

Internal

Address:

Street Address: 1-6-4 Osaki, Shinagawa-ku

City: Tokyo, Japan State: Zip: 141-8588

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

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
Additional name(s) & address(es) attached? Yes No

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

A. Trademark Application No.(s) see attached
Grant of Trademark Security Interest

B. Trademark Registration No.(s)

Additional number(s) attached Yes No

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

Name: Dale Araki, Esq.

Internal Address:

Street Address: 400 South Hope Street, 15th Fl

City: Los Angeles State: CA Zip: 90071-2899

6. Total number of applications and registrations involved:

7

7. Total fee (37 CFR 3.41) \$ 240.00

- Enclosed
Authorized to be charged to deposit account

8. Deposit account number:

DO NOT USE THIS SPACE

9. Signature.

Brian A. Schar, Reg. No. 45,076

Name of Person Signing

Signature

Signature

6/19/2003

Date

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

5

06/23/2003 TDIAZ1

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

01 FC:8521 02 FC:8522

40.00 OP 150.00 OP

Refund Reg 06/23/2003 TDIAZ1 0000128356

CHECK Refund Total: \$40.00

TRADEMARK REEL: 002762 FRAME: 0775

Domestic Representative Designation

The following person is designated as domestic representative for Century Medical, Inc.,
a Japan corporation:

Dale Araki, Esq.
O'Melveny & Myers LLP
400 South Hope Street, 15th Floor
Los Angeles, California 90071-2899

**SCHEDULE A
TO
GRANT OF TRADEMARK SECURITY INTEREST**

Trademarks Issued:

Serial Number	Filing Date	Trademark Description
78099022	12/18/01	Word Mark: CARDICA Design plus words, letters and/or numbers
78201801	1/9/03	Word Mark: PAS-PORT Design plus words, letters and/or numbers
78201791	1/9/03	Word Mark: C-PORT Design plus words, letters and/or numbers
78140994	7/3/02	Word Mark: C-PORT Typed Drawing
78096583	12/4/01	Word Mark: PASPORT Design plus words, letters and/or numbers
76162848	7/31/01	Word Mark: CARDICA Typed Drawing

Trademarks Pending:

App. Number	Filing Date	Trademark Description
78/094,302	11/20/01	Word Mark: PAS-PORT

GRANT OF TRADEMARK SECURITY INTEREST

WHEREAS, Cardica, Inc., a Delaware corporation (“**Grantor**”), owns and uses in its business, and will in the future adopt and so use, various intangible assets, including the Trademark Collateral (as defined below); and

WHEREAS, Century Medical, Inc., a Japan corporation (“**Secured Party**”), has entered into a Subordinated Convertible Note Agreement dated as of June 16, 2003 (said Subordinated Convertible Note Agreement, as it may hereafter be amended, supplemented, restated or otherwise modified from time to time, being the “**Note Agreement**”) with Grantor, pursuant to which the Secured Party has made a loan of US\$3,000,000 to Company; and

WHEREAS, pursuant to the terms of the Note Agreement, Grantor has agreed to create in favor of Secured Party a secured and protected interest in, and Secured Party has agreed to become a secured creditor with respect to, the Trademark Collateral;

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, subject to the terms and conditions of the Note Agreement, Grantor hereby grants to Secured Party a security interest in all of Grantor’s right, title and interest in and to the following, in each case whether now or hereafter existing or in which Grantor now has or hereafter acquires an interest and wherever the same may be located (the “**Trademark Collateral**”):

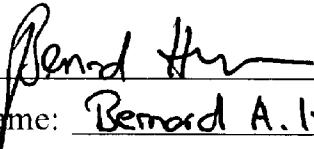
(i) all rights, title and interest (including rights acquired pursuant to a license or otherwise but only to the extent permitted by agreements governing such license or other use) in and to all trademarks, service marks, designs, logos, indicia, tradenames, trade dress, corporate names, company names, business names, fictitious business names, trade styles and/or other source and/or business identifiers and applications pertaining thereto, owned by such Grantor, or hereafter adopted and used, in its business (including, without limitation, the trademarks specifically identified in Schedule A) (collectively, the “**Trademarks**”), all registrations that have been or may hereafter be issued or applied for thereon in the United States and any state thereof and in foreign countries (including, without limitation, the registrations and applications specifically identified in Schedule A) (the “**Trademark Registrations**”), all common law and other rights (but in no event any of the obligations) in and to the Trademarks in the United States and any state thereof and in foreign countries (the “**Trademark Rights**”), and all goodwill of such Grantor’s business symbolized by the Trademarks and associated therewith (the “**Associated Goodwill**”); and

(ii) all proceeds, products, rents and profits of or from any and all of the foregoing Trademark Collateral and, to the extent not otherwise included, all payments under insurance (whether or not Secured Party is the loss payee thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing Trademark Collateral. For purposes of this Grant of Trademark Security Interest, the term “**proceeds**” includes whatever is receivable or received when Trademark Collateral or proceeds are sold, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary.

Grantor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Note Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

IN WITNESS WHEREOF, Grantor has caused this Grant of Trademark Security Interest to be duly executed and delivered by its officer thereunto duly authorized as of the 19 day of June, 2003.

CARDICA, INC.



Name: Bernard A. Hausen
Title: President & CEO