Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE: **NEW ASSIGNMENT**

NATURE OF CONVEYANCE: SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
QUANTUM ORTHOPEDICS INC		07/14/2005	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	COMERICA BANK	
Street Address:	2321 Rosecrans Avenue, Suite 5000	
Internal Address:	Attn: Manager	
City:	El Segundo	
State/Country:	CALIFORNIA	
Postal Code:	90245	
Entity Type:	CORPORATION: MICHIGAN	

PROPERTY NUMBERS Total: 4

Property Type	Number	Word Mark
Serial Number:	78619825	CRYSTAL
Serial Number:	78619820	LUCENT
Serial Number:	78619812	ZYRE
Serial Number:	78618775	QUANTUM ORTHOPEDICS

CORRESPONDENCE DATA

Fax Number: (619)234-3815

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 619-338-6636

Email: tadams@sheppardmullin.com

Correspondent Name: Sheppard, Mullin, Richter & Hampton, LLP

501 West Broadway, 19th Floor Address Line 1:

Attn: Trina F. Adams Address Line 2:

Address Line 4: San Diego, CALIFORNIA 92101-3598

NAME OF SUBMITTER: Trina F. Adams

TRADEMARK

REEL: 003154 FRAME: 0781

900031632

Signature:	/Trina F. Adams/
Date:	09/07/2005
Total Attachments: 6 source=QuantumIPSA#page1.tif source=QuantumIPSA#page2.tif source=QuantumIPSA#page3.tif source=QuantumIPSA#page4.tif source=QuantumIPSA#page5.tif source=QuantumIPSA#page6.tif	

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of July 14, 2005 by and between COMERICA BANK ("Bank") and QUANTUM ORTHOPEDICS INC., a Delaware corporation ("Grantor").

RECITALS

- A. Bank has agreed to make certain advances of money and to extend certain financial accommodations to Grantor (the "Loans") in the amounts and manner set forth in that certain Loan and Security Agreement by and between Bank and Grantor dated of even date herewith (as the same may be amended, modified or supplemented from time to time, the "Loan Agreement"; capitalized terms used herein are used as defined in the Loan Agreement). Bank is willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to Bank a security interest in certain Copyrights, Trademarks and Patents to secure the obligations of Grantor under the Loan Agreement.
- B. Pursuant to the terms of the Loan Agreement, Grantor has granted to Bank a security interest in all of Grantor's right, title and interest, whether presently existing or hereafter acquired, in, to and under all of the Collateral.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, as collateral security for the prompt and complete payment when due of its obligations under the Loan Agreement and all other agreements now existing or hereafter arising between Grantor and Bank, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its obligations under the Loan Agreement and under any other agreement now existing or hereafter arising between Grantor and Bank, Grantor grants and pledges to Bank a security interest in all of Grantor's right, title and interest in, to and under its Intellectual Property Collateral (including without limitation those Copyrights, Patents and Trademarks listed on Schedules A, B and C hereto), and including without limitation all proceeds thereof (such as, by way of example but not by way of limitation, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all re-issues, divisions continuations, renewals, extensions and continuations-in-part thereof.

This security interest is granted in conjunction with the security interest granted to Bank under the Loan Agreement. The rights and remedies of Bank with respect to the security interest granted hereby are in addition to those set forth in the Loan Agreement and the other Loan Documents, and those which are now or hereafter available to Bank as a matter of law or equity. Each right, power and remedy of Bank provided for herein or in the Loan Agreement or any of the Loan Documents, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or remedy provided for herein and the exercise by Bank of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Loan Agreement or any of the other Loan Documents, or now or hereafter existing at law or in equity, shall not preclude the simultaneous or later exercise by any person, including Bank, of any or all other rights, powers or remedies.

Grantor represents and warrants that Exhibits A, B, and C attached hereto set forth any and all intellectual property rights in connection to which Grantor has registered or filed an application with either the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

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IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

GRANTOR:

Address of Grantor:

QUANTUM ORTHOPEDICS INC.

2744 Loker Ave. Carlsbad, CA 92008

By:

Attn: Chief Executive Officer

Title: CFO,

OPERATIONS

BANK:

Address of Bank:

COMERICA BANK

2321 Rosecrans Ave., Suite 5000 El Segundo, CA 90245

CIL

Attn: Manager

EXHIBIT A

Copyrights

<u>Description</u>	Registration <u>Number</u>	Registration Date
None		

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EXHIBIT B

Patents

Description	Patent Application No./Issued Patent No.	<u>Date</u>
None SEE ATTACHED		

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032A-115507



Quantum Orthopedics, Inc. Patent Filings as of July 14, 2005

- Vertebral Facet Joint Prosthesis and Method of Fixation
 - o Domestic 60/542,350; 60/542,351; 60/542,769; and 10/865,073
 - o Foreign
- Osteoconductive Integrated Spinal Cage and Method of Making Same
 - o Domestic 60/523,288 and 10/991,956
 - o Foreign PCT/US2004/03875 and WO 2005/048897
- Flanged Interbody Fusion Device and Method for Using the Same
 - o Domestic -60/662,747
- System and Method for Protecting Neurovascular Structures
 - \circ Domestic 60/543,212 and 11/055,162
 - o Foreign PCT/US2005/004511

2744 Loker Avenue West, Suite 100, Carlsbad, CA 92008, 760.607.0121 (office), 760.607.0125 (fax **TRADEMARK**

REEL: 003154 FRAME: 0787

EXHIBIT C

Trademarks

Description	Serial/ <u>Registration Number</u>	Filing/ Registration Date
CRYSTAL	78619825	04/29/2005
LUCENT	78619820	04/29/2005
ZYRE	78619812	04/29/2005
QUANTUM ORTHOPEDICS	78618775	04/28/2005

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RECORDED: 09/07/2005

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