

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:		NEW ASSIGNMENT	
NATURE OF CONVEYANCE:		Intellectual Property Security Agreement	
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Ability Prosthetics & Orthotics, Inc.		11/03/2011	CORPORATION: PENNSYLVANIA
Asheville Orthotic Prosthetic Center, Inc.		11/03/2011	CORPORATION: NORTH CAROLINA
Prosthetic and Orthotic Associates, LLC		11/03/2011	LIMITED LIABILITY COMPANY: KENTUCKY
RECEIVING PARTY DATA			
Name:	Penn Mezzanine, L.P.		
Street Address:	435 Devon Park Drive		
Internal Address:	700 Building		
City:	Wayne		
State/Country:	PENNSYLVANIA		
Postal Code:	19087		
Entity Type:	LIMITED PARTNERSHIP: DELAWARE		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Serial Number:	78731205	ABILITY PROSTHETICS & ORTHOTICS INC. ACHIEVE ABILITY	
CORRESPONDENCE DATA			
Fax Number:	(214)758-1550		
Phone:	214-758-1509		
Email:	vwalker@pattonboggs.com		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>			
Correspondent Name:	Vicky Walker, Patton Boggs LLP		
Address Line 1:	2000 McKinney Avenue, Suite 1700		
Address Line 4:	Dallas, TEXAS 75201		
ATTORNEY DOCKET NUMBER:	029115.0106		

OP \$40.00 78731205

NAME OF SUBMITTER:	Vicky Walker, Paralegal Specialist
Signature:	/Vicky Walker/
Date:	01/19/2012
Total Attachments: 7 source=Penn Mezz - Ability IPSA#page1.tif source=Penn Mezz - Ability IPSA#page2.tif source=Penn Mezz - Ability IPSA#page3.tif source=Penn Mezz - Ability IPSA#page4.tif source=Penn Mezz - Ability IPSA#page5.tif source=Penn Mezz - Ability IPSA#page6.tif source=Penn Mezz - Ability IPSA#page7.tif	

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of November 3, 2011 by and between PENN MEZZANINE, L.P. ("Purchaser") and ABILITY PROSTHETICS & ORTHOTICS, INC., a Pennsylvania corporation ("Ability"), ASHEVILLE ORTHOTIC PROSTHETIC CENTER, INC., a North Carolina corporation ("Asheville"), and PROSTHETIC AND ORTHOTIC ASSOCIATES, LLC, a Kentucky limited liability company ("POA", and together with Ability, and Asheville, jointly and severally, collectively, the "Grantors" and each individually, a "Grantor").

RECITALS

A. Purchaser has agreed to make certain advances of money and to extend certain financial accommodations to Grantors (the "Loans") in the amounts and manner set forth in that certain Note and Warrant Purchase Agreement by and among Purchaser, APO Holdings, Inc. and Grantors dated of even date herewith (as the same may be amended, modified or supplemented from time to time, the "Purchase Agreement"; capitalized terms used herein are used as defined in the Purchase Agreement). Purchaser is willing to make the Loans to Grantors, but only upon the condition, among others, that Grantors shall grant to Purchaser a security interest in certain Copyrights, Trademarks and Patents to secure the obligations of Grantor under the Purchase Agreement.

B. Pursuant to the terms of the Purchase Agreement, each Grantor has granted to Purchaser 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 their obligations under the Purchase Agreement and all other agreements now existing or hereafter arising between Grantors and Purchaser, Grantors hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its obligations under the Purchase Agreement and under any other agreement now existing or hereafter arising between Grantor and Purchaser, Grantor grants and pledges to Purchaser 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 Exhibits 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 Purchaser under the Purchase Agreement. The rights and remedies of Purchaser with respect to the security interest granted hereby are in addition to those set forth in the Purchase Agreement and the other Loan Documents, and those which are now or hereafter available to Purchaser as a matter of law or equity. Each right, power and remedy of Purchaser provided for herein or in the Purchase 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 Purchaser of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Purchase 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 Purchaser, 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.

[remainder of page intentionally left blank; signature page follows]

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.

Address of Grantors:

455 South Washington Street
Suite 11
Gettysburg, PA 17325
Attn: Jeffrey Brandt

GRANTORS:

ABILITY PROSTHETICS & ORTHOTICS, INC.,
ASHEVILLE ORTHOTIC PROSTHETIC CENTER, INC.,
PROSTHETIC AND ORTHOTIC ASSOCIATES, LLC

By: 
Name: C. Clint McKinley
Title: Chief Executive Officer, Chairman and Secretary

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Signature Page to IP Security Agreement

TRADEMARK
REEL: 004700 FRAME: 0964

Address of Purchaser:

435 Devon Park Drive
700 Building
Wayne, PN 19087

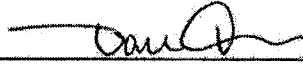
Attn: Mr. Don K. Rice

PURCHASER:

PENN MEZZANINE, L.P.

By: Penn Mezzanine Partners GP, L.P.
Its: General Partner

By: Penn Mezzanine Partners GP, LLC
Its: General Partner

By: 
Name: Darl Petty
Title: Managing Director

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Signature Page to IP Security Agreement

TRADEMARK
REEL: 004700 FRAME: 0965

EXHIBIT A

Copyrights

Description

Registration Number

Registration Date

None

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EXHIBIT B

Patents

Description

Patent/App. No.

File Date

None

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EXHIBIT C

Trademarks

<u>Description</u>	<u>Serial No.</u>	<u>File Date</u>	<u>Registration No.</u>	<u>Registration Date</u>
Ability Prosthetics and Orthotics, Inc. Achieve Ability logo is trademarked.	78731205	10/11/05	3173673	11/21/06

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