

02-14-2002



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U.S. DEPARTMENT OF COMMERCE

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

Patent and Trademark Office
Docket No. 07427000573

2-12-2002

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

<p>1. Name of conveying party(ies): ORTHOPEdic SYSTEMS, INC.</p> <p><input type="checkbox"/> Individual(s) <input type="checkbox"/> Association <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input checked="" type="checkbox"/> Corporation-State: DELAWARE <input type="checkbox"/> Other:</p> <p>Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>2. Name and address of receiving party(ies):</p> <p>Name: UNITED CALIFORNIA BANK Internal Address: Street Address: ONE FRONT STREET, 23RD FLOOR City: SAN FRANCISCO State: CALIFORNIA ZIP: 94111</p> <p><input type="checkbox"/> Individual(s) citizenship: _____ <input type="checkbox"/> Association: _____ <input type="checkbox"/> General Partnership: _____ <input type="checkbox"/> Limited Partnership: _____ <input type="checkbox"/> Corporation-State: _____ <input checked="" type="checkbox"/> Other: CALIFORNIA BANKING CORPORATION Additional name(s) & address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>3. Nature of conveyance:</p> <p><input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input checked="" type="checkbox"/> Other: <u>Due to a clerical error in the previously recorded assignment (Reg/Frame: 002413/0727), please amend trademark registration 2,229,629 into 2,250,629. This amendment will release the security interest of the trademark registration 2,229,629 and record security interest of trademark registration 2,250,629.</u></p> <p>Execution Date: _____</p>	

<p>4.A. Trademark Application No.(s)</p>	<p>B. Registration No.(s) 2,250,629</p>
<p>Additional numbers attached? *<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	

<p>5. Name and address of party to whom correspondence concerning document should be mailed:</p> <p>CHARLOTTE Y. CHEN MORRISON & FOERSTER LLP 555 WEST FIFTH STREET SUITE 3500 LOS ANGELES, CALIFORNIA 90013-1024</p>	<p>6. Total number of applications and trademark registrations involved: 1</p> <p>7. Total fee (37 C.F.R. § 3.41): \$40.00</p> <p><input type="checkbox"/> Enclosed <input checked="" type="checkbox"/> Authorized to be charged to deposit account, referencing Attorney Docket #07427000573</p> <p>8. Deposit account number: 03-1952</p>
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The Commissioner is hereby authorized to charge any fees under 37 C.F.R. § 1.21 which may be required by this paper, or to credit any overpayment to Deposit Account No. 03-1952.


DO NOT USE THIS SPACE

Charge 40.00

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.

Name: KELLY LOGUE



2/12/02

Total number of pages comprising cover sheet, attachments and document: 9

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

ls-550373

**SECURITY AGREEMENT
(Trademarks)**

THIS SECURITY AGREEMENT (Trademarks) (the "Trademark Security Agreement") is made and dated this 8th day of February, 2002 by and between the Borrower, and UNITED CALIFORNIA BANK (the "Administrative Agent").

RECITALS

A. Pursuant to that certain Credit Agreement dated as of February 8, 2002 by and among the Orthopedic Systems, Inc., a Delaware corporation, Mizuho Holdings, Inc., a Delaware corporation, and Merger Subsidiary, the lenders from time to time party thereto (the "Lenders"), and the Administrative Agent (as amended, extended and replaced from time to time, the "Credit Agreement") the Lenders have agreed to extend credit to the Borrower from time to time. All capitalized terms not otherwise defined herein are used with the meanings given such terms in the Credit Agreement. All other terms not otherwise defined herein shall have the meanings attributed to such terms in the California Uniform Commercial Code as in effect from time to time.

B. The Borrower may also from time to time enter into Hedge Transactions with one or more of the Lenders as counterparty (the Lenders in such capacity, the "Hedge Parties").

C. In connection therewith, Borrower agreed, among other things, to execute and deliver in favor of Administrative Agent on behalf of the Lenders and the Hedge Parties (collectively, the "Secured Parties"), (i) that certain Borrower Security Agreement dated as of February 8, 2002 (as amended, modified or waived, the "Borrower Security Agreement") between Borrower and Administrative Agent, and (ii) certain supplemental documents, including, without limitation, this Trademark Security Agreement.

NOW, THEREFORE, in consideration of the above Recitals and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

AGREEMENT

1. Grant of Security Interest. On the terms and conditions set forth in the Credit Agreement, Borrower hereby mortgages, assigns, grants and conveys to the Administrative Agent on behalf of the Secured Parties, a security interest, pledge, assignment and mortgage in all of Borrower's right, title and interest in the following (the "Trademark Collateral"):

(a) All now existing or hereafter created or acquired, Federally registered trademarks, service marks, unregistered marks, logos, indicia, tradenames, tradestyles, other business identifiers and rights and works protectable by trademark whether now owned or hereafter, and, except to the extent prohibited by the terms thereof or by law, all agreements in respect of Trademarks owned by third parties, including, without limitation, the Trademarks specifically described on Schedule I attached hereto, as the same may be amended or replaced from time to time;

(b) All now existing and hereafter arising registrations and applications for registration relating to any of the foregoing, all renewals and extensions thereof throughout the world in perpetuity, and all rights to make such applications and to renew and extend the same;

(c) All now existing and hereafter arising right (but not the obligation) to register claims under any state, federal or foreign trademark law or regulation;

(d) All now existing and hereafter arising rights, claims and interests under licensing or other contracts pertaining to any of the foregoing, including but not limited to the right to sue for past or future infringements;

(e) All now existing and hereafter arising goodwill symbolized by or associated with any of the foregoing;

(f) All now existing and hereafter arising right (but not the obligation) to sue or bring opposition or cancellation proceedings in the name of Administrative Agent for past, present and future infringements of any of the foregoing; and

(g) All products and proceeds of any of the foregoing.

2. Additional Representation and Warranty and Covenant. In addition to all representations and warranties, covenants and agreements set forth in the Credit Agreement, the Security Agreement, and any other documents, Borrower hereby:

(a) Represents and warrants that Schedule I attached hereto sets forth an accurate and complete list of all material trademarks owned or licensed by Borrower which are registered with the United States Patent and Trademark Office (any and all trademarks so registered being the "Trademarks"); and

(b) Agrees promptly to notify Administrative Agent in writing of any such additional Trademarks of which Borrower becomes the owner, and to deliver to Administrative Agent an amended Schedule I reflecting such additional Trademarks. Administrative Agent is hereby authorized to cause such amended Schedule I to be filed and recorded in an amendment of this Trademark Security Agreement.

3. No Present Assignment. Neither the Credit Agreement, this Trademark Security Agreement, the Borrower Security Agreement nor any other document, instrument or agreement creates or is intended to create a present assignment of the Trademark Collateral. Subject to the rights of Administrative Agent, it is the intention of the parties hereto that Borrower continue to own the Trademark Collateral.

4. Relationship to Other Documents. The Trademark Collateral shall constitute Collateral for all purposes of the Credit Agreement, the Borrower Security Agreement and the other documents executed in connection therewith and Administrative Agent shall have all rights, powers and remedies with respect to the Trademark Collateral to the same extent as it has with respect to other Collateral pursuant to the Security Agreement.

5. Miscellaneous.

(a) All covenants and other agreements contained in this Trademark Security Agreement by or on behalf of any of the parties hereto bind and inure to the benefit of their respective successors and assigns.

(b) Any provision of this Trademark Security Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such

prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall (to the full extent permitted by law) not invalidate or render unenforceable such provision in any other jurisdiction.

(c) Each covenant contained herein shall be construed (absent express provision to the contrary) as being independent of each other covenant contained herein, so that compliance with any one covenant shall not (absent such an express contrary provision) be deemed to excuse compliance with any other covenant. Where any provision herein refers to action to be taken by any person, or which such person is prohibited from taking, such provision shall be applicable whether such action is taken directly or indirectly by such person.


(d) This Trademark Security Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto.

(e) This Trademark Security Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of California excluding choice-of-law principles of the law of such State that would require the application of the laws of a jurisdiction other than such State.

[Signature Pages to Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Trademark Security Agreement to be executed on and as of the day and year first above written.

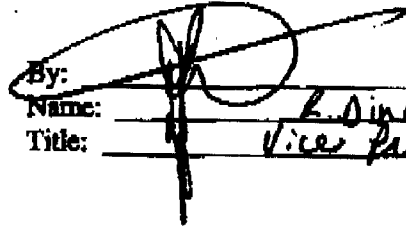
OSI HOLDINGS, INC., a Delaware corporation,

By: 
Name: Tetsuya Wada
Title: President

Signature Page to Borrower Trademark Security Agreement
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la-540716




UNITED CALIFORNIA BANK, as
Administrative Agent

By: 
Name: R. Dineen
Title: Vice President

la-540716

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**SCHEDULE I
TO TRADEMARK SECURITY AGREEMENT**

REGISTRATION NUMBER (OR SERIAL NUMBER IF NOT REGISTERED)	DATE OF REGISTRATION (OR FILING OF THE APPLICATION IF NOT REGISTERED)	DESCRIPTION
1,821,176	February 15, 1994	Litestride
1,831,238	April 19, 1994	Shearguard
1,987,563	July 16, 1996	Valufix
2,099,579	September 23, 1997	Gentletouch
Serial Number 75/824,319	October 15, 1999 Abandoned July 9, 2001 but petition to revive on July 26, 2001	Anchors Away
2,250,629	June 1, 1999	Swing Dynamics
2,286,550	October 12, 1999	Ovation
2,202,521	November 10, 1998	Skintight
2,396,562	October 17, 2000	Swing Dynamics Design Mark 
Serial Number 76/108,407	August 11, 2000	Orange Aid
2,420,395	January 16, 2001	Orthopedic Systems Design Mark 
Serial Number 76/178,518	December 7, 2000	Allegro
Serial Number 76/158,260	November 1, 2000	Orange Aid (Design Mark) 
Serial Number 76/362,546	January 23, 2002	Schlein Ultra

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On 2/7, 2002, before me, the undersigned notary public in and for said County and State, personally appeared Tatsuya Nemoto, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/hers/their authorized capacity(ies) and that, by his/hers/their signature(s) on the instrument, the person(s) or the entity(ies) upon behalf of which the person(s) acted executed the instrument.

WITNESS my hand and official seal.

Irina Kurganov
My commission expires on _____



Signature Page to Borrower Trademark Security Agreement

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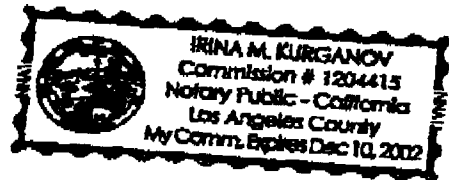
ln-540716

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On 2/7, 2002, before me, the undersigned notary public in and for said County and State, personally appeared Rochelle F. Dineen, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/hers/their authorized capacity(ies) and that, by his/her/their signature(s) on the instrument, the person(s) or the entity(ies) upon behalf of which the person(s) acted executed the instrument.

WITNESS my hand and official seal.

Irina Kurganov
My commission expires on _____



la-540716

Signature Page to Borrower Trademark Security Agreement
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