



PATENT, TRADEMARK AND LICENSE SECURITY AGREEMENT

THIS PATENT, TRADEMARK AND LICENSE SECURITY AGREEMENT (this "Agreement") is made and entered into as of the 22nd day of May, 2002, by BURDETTE MEDICAL SYSTEMS, INC., an Illinois corporation ("Debtor"), in favor of COMPUTERIZED MEDICAL SYSTEMS, INC., a Delaware corporation ("Secured Party").

WITNESSETH:

WHEREAS, Debtor and Tayman Medical, Inc., a Missouri corporation ("Tayman") are herewith executing and delivering to Secured Party that certain Promissory Note dated as of the date hereof and payable to Secured Party in the original principal amount of \$500,000.00 (as the same may from time to time be amended, modified, extended, renewed or restated, the "Note"); and

WHEREAS, as a condition precedent to Secured Party accepting the Note and loaning funds to Debtor and Tayman thereunder, Secured Party has required that Debtor execute and deliver this Agreement to Secured Party; and

WHEREAS, in order to induce Secured Party to accept the Note and loan funds to Debtor and Tayman thereunder, Debtor has agreed to execute and deliver this Agreement to Secured Party; and

WHEREAS, this Agreement is being executed in connection with and in addition to the Security Agreement dated as of the date hereof and executed by Debtor in favor of Secured Party pursuant to which Debtor has granted to Secured Party a security interest in and lien on, among other things, all personal property of Debtor, including, without limitation, all accounts, inventory, general intangibles, goods, machinery, equipment, books, records, goodwill, patents, patent applications, trademarks and trademark applications now owned or hereafter acquired by Debtor and all proceeds thereof (the "Security Agreement");

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Debtor hereby covenants and agrees with Secured Party as follows:

1. Grant of Security Interest. For value received, Debtor hereby grants Secured Party a security interest in and lien on all of Debtor's right, title and interest in, to and under the following described property, whether now owned and existing or hereafter created, acquired or arising (collectively, the "Collateral"):

(a) all patents and patent applications, and the inventions and improvements described and claimed therein, including, without limitation, each patent and patent application listed on Schedules A and B, respectively, attached hereto and incorporated herein by reference (as the same may be amended pursuant hereto from time to time) and (i) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (ii) all income, damages and payments now and/or hereafter due or payable under or with respect thereto, including, without limitation, license royalties, damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof and (iv) all rights corresponding thereto throughout the world (all of the foregoing patents and patent applications together with the items described in clauses (i) through (iv) of this subsection (a) are hereinafter collectively referred to herein as the "Patents");

(b) all trademarks, service marks, trademark or service mark registrations, trade names, trade styles, trademark or service mark applications and brand names, including, without limitation, common law rights and each mark and application listed on Schedules C and D, respectively, attached hereto and incorporated herein by reference; and (i) renewals or extensions thereof, (ii) all income, damages and payments now and/or hereafter due or payable with respect thereto, including, without limitation, license

royalties, damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof and (iv) all rights corresponding thereto throughout the world (all of the foregoing trademarks, trade names, service marks and applications and registrations thereof together with the items described in clauses (i) through (iv) of this subsection (b) are hereinafter collectively referred to herein as the "Trademarks");

(c) the license(s) listed on Schedule E attached hereto and incorporated herein by reference and all other license agreements (to the extent such license agreements may be assigned without violating the terms of any such license agreement) with respect to any of the Patents or the Trademarks or any other patent, trademark, service mark or any application or registration thereof or any other trade name or trade style between Debtor and any other Person, whether Debtor is licensor or licensee (all of the forgoing license agreements and Debtor's rights thereunder are hereinafter collectively referred to as the "Licenses");

(d) the goodwill of Debtor's business connected with and symbolized by the Trademarks;  
and

(e) all proceeds, including, without limitation, proceeds which constitute property of the types described in (a), (b), (c) and (d) above and any rents and profits of any of the foregoing items, whether cash or noncash, immediate or remote, and insurance proceeds, and all products of (a), (b), (c) and (d) above, and any indemnities, warranties and guaranties payable by reason of loss or damage to or otherwise with respect to any of the foregoing items;

to secure the payment of (i) any and all present and future indebtedness (principal, interest, fees, collection costs and expenses and other amounts), obligations and liabilities of Debtor to Secured Party pursuant to that certain \$500,000.00 Promissory Note dated of even date herewith between Debtor, Tayman and Secured Party, as the same may be amended, renewed, modified or extended from time to time (the "Note"), (ii) any and all present and future indebtedness (principal, interest, fees, collection costs and expenses and other amounts), obligations and liabilities of Debtor to Secured Party under this Agreement, and (iii) any and all costs of collection, legal expenses and attorneys' fees and expenses incurred by Secured Party upon the occurrence of a default or event of default under this Agreement, in collecting or enforcing payment of any such indebtedness, liabilities or obligations or in preserving, protecting or realizing on the Collateral under this Agreement or in representing Secured Party in connection with bankruptcy or insolvency proceedings (hereinafter collectively referred to as the "Secured Obligations").

2. Representations, Warranties and Covenants of Debtor. Debtor hereby represents and warrants to Secured Party, and covenants and agrees with Secured Party, that:

(a) all of the Patents, Trademarks and Licenses are subsisting and have not been adjudged invalid or unenforceable, in whole or in part, and are not at this time the subject of any challenge to their validity or enforceability;

(b) to the best of Debtor's knowledge, each of the Patents, Trademarks and Licenses is valid and enforceable;

(c) (i) no claim has been made that the use of any of the Patents, Trademarks or Licenses does or may violate the rights of any third person, (ii) no claims for patent infringement have been commenced in connection with any of the Patents and (iii) no claims for trademark infringement have been commenced in connection with any of the Trademarks;

(d) Debtor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents, Trademarks and Licenses, free and clear of any and all liens, charges and encumbrances, including, without limitation, any and all pledges, assignments, licenses, registered user agreements, shop rights and covenants by Debtor not to sue third persons;

(e) Debtor has the unqualified right, power and authority to enter into this Agreement and perform its terms;

(f) Debtor has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the registered Patents and Trademarks;

(g) Debtor has the exclusive, royalty-free right and license to use the Patents, Trademarks and Licenses and agrees not to transfer any rights or interest in any of the Patents, Trademarks and/or Licenses during the term of this Agreement; and

(h) Debtor has no notice of any suits or actions commenced or threatened with reference to any of the Patents, Trademarks and/or Licenses.

3. Inspection Rights; Product Quality. Debtor will permit inspection of Debtor's facilities which manufacture, inspect or store products sold under any of the Patents, Trademarks and/or Licenses and inspection of the products and records relating thereto by Secured Party during normal business hours and at other reasonable times. A representative of Debtor may be present during any such inspection, provided that a particular representative's availability or unavailability shall not inhibit or delay such inspection. Debtor agrees (a) to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with commercially reasonable practices and (b) to provide Secured Party, upon Secured Party's reasonable request from time to time, with a certificate of any officer of Debtor certifying Debtor's compliance with the forgoing.

4. Further Assurances. Debtor hereby agrees that, until all of the Secured Obligations shall have been paid in full, it will not, without the prior written consent of Secured Party, enter into any agreement (for example, a license or sublicense agreement) which is inconsistent with Debtor's obligations under this Agreement or the Note and Debtor agrees that it will not take any action or permit any action to be taken by others subject to its control, including licensees, or fail to take any action which would affect the validity or enforcement of the rights transferred to Secured Party under this Agreement. Debtor further agrees that at any time and from time to time, at the expense of Debtor, Debtor will promptly execute and deliver to Secured Party any and all further instruments and documents and take any and all further action that Secured Party may request in good faith in order to perfect and protect the security interest granted hereby with respect to the Patents, Trademarks and Licenses or to enable Secured Party to exercise its rights and remedies under this Agreement with respect to the same.

5. Additional Patents, Trademarks and Licenses. If Debtor (a) becomes aware of any existing Patents, Trademarks or Licenses of which Debtor has not previously informed Secured Party, (b) obtains rights to any new patentable inventions, Patents, Trademarks and/or Licenses or (c) becomes entitled to the benefit of any Patents, Trademarks and/or Licenses which benefit is not in existence on the date of this Agreement, the provisions of this Agreement shall automatically apply thereto and Debtor shall give Secured Party prompt written notice thereof.

6. Modification by Secured Party. Debtor authorizes Secured Party to modify this Agreement by amending Schedules A, B, C, D and/or E to include any future patents and patent applications, any future trademarks, service marks, trademark or service mark registrations, trade names, and trademark or service applications, and any future licenses, covered by Paragraphs 1 and 5 hereof, without the signature of Debtor if permitted by applicable law.

7. Use of Patents, Trademarks and Licenses. So long as no Event of Default under the Note or the Security Agreement has occurred and is continuing, Debtor may use the Patents and Trademarks and exercise its rights under the Licenses in any lawful manner not inconsistent with this Agreement on and in connection with products sold by Debtor, for Debtor's own benefit and account and for none other.

8. Default. If any Event of Default under the Note or the Security Agreement shall have occurred and be continuing, Secured Party shall have, in addition to all other rights and remedies given it by this Agreement, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which any of the Patents, Trademarks and/or Licenses may be located and, without limiting the generality of the foregoing, Secured Party may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to Debtor, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, all or from time to time any of the Patents, Trademarks (together with the goodwill of Debtor associated therewith) and/or Licenses, or any interest which Debtor may have therein, and after deducting from the proceeds of sale or other disposition of the Patents, Trademarks or Licenses all expenses (including, without limitation, all expenses for brokers' fees and legal services), shall apply the residue of such proceeds toward the payment of the Secured Obligations in the order and manner as Secured Party may elect. Notice of any sale or other disposition of any of the Patents, Trademarks and/or Licenses shall be given to Debtor at least five (5) Domestic Business Days before the time of any intended public or private sale or other disposition of such Patents, Trademarks and/or Licenses is to be made, which Debtor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, Secured Party or any holder of any of the Secured Obligations may, to the extent permissible under applicable law, purchase the whole or any part of the Patents, Trademarks and/or Licenses sold, free from any right of redemption on the part of Debtor, which right is hereby waived and released. Debtor agrees that upon the occurrence and continuance of any Event of Default, the use by Secured Party of the Patents, Trademarks and Licenses shall be worldwide, and without any liability for royalties or other related charges from Secured Party to Debtor. If an Event of Default shall occur and be continuing, Secured Party shall have the right, but shall in no way be obligated, to bring suit in its own name (for the benefit of itself) to enforce any and all of the Patents, Trademarks and Licenses, and, if Secured Party shall commence any such suit, Debtor shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents required by Secured Party in aid of such enforcement and the Debtor shall promptly, upon demand, reimburse and indemnify Secured Party for all costs and expenses incurred by Secured Party in the exercise of its rights under this Agreement. All of Secured Party's rights and remedies with respect to the Patents, Trademarks and Licenses, whether established hereby, by the Security Agreement or by any other agreement or by law shall be cumulative and may be exercised singularly or concurrently.

9. Termination of Agreement. At such time as Debtor shall pay all of the Secured Obligations in full, this Agreement shall terminate and Secured Party shall execute and deliver to Debtor all instruments as may be necessary or proper to extinguish Secured Party's security interest therein, subject to any disposition thereof which may have been made by Secured Party pursuant to this Agreement.

10. Expenses. Any and all fees, costs and expenses incurred by Secured Party in connection with protecting, maintaining or preserving the Patents, Trademarks and/or Licenses, or in defending or prosecuting any actions or proceedings arising out of or related to the Patents, Trademarks and/or Licenses, shall be borne and paid by Debtor on demand by Secured Party and until so paid shall be added to the principal amount of the Secured Obligations and shall bear interest from the date incurred until reimbursed by Debtor at the highest rate then payable on the Secured Obligations.

11. Preservation of Patents, Trademarks and Licenses. Debtor shall have the duty (a) to file and prosecute diligently any patent, trademark or service mark applications pending as of the date hereof or hereafter, (b) to make application on unpatented but patentable inventions and on trademarks and service marks, as commercially reasonable and (c) to preserve and maintain all rights in the Patents, Trademarks and Licenses, as commercially reasonable. Any expenses incurred in connection with Debtor's obligations under this Section 11 shall be borne by Debtor.

12. Secured Party Appointed Attorney-In-Fact. If any Event of Default under the Note or the Security Agreement shall have occurred and be continuing, Debtor hereby authorizes and empowers Secured Party to make, constitute and appoint any officer or agent of Secured Party as Secured Party may select, in its

sole discretion, as Debtor's true and lawful attorney-in-fact, with the power to endorse Debtor's name on all applications, documents, papers and instruments necessary for Secured Party to use the Patents, Trademarks and Licenses, or to grant or issue any exclusive or non-exclusive license under the Patents, Trademarks and Licenses to anyone else, or necessary for Secured Party to assign, pledge, convey or otherwise transfer title to or dispose of the Patents, Trademarks and Licenses to anyone else. Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable for the duration of this Agreement.

13. No Waiver. No course of dealing between Debtor and Secured Party, nor any failure to exercise, nor any delay in exercising, on the part of Secured Party, any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

14. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.


15. Amendments. This Agreement is subject to amendment or modification only by a writing signed by Debtor and Secured Party, except as provided in Paragraph 6 above.

16. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, except that Debtor may not assign, transfer or delegate any of its rights, obligations or duties under this Agreement.

17. Governing Law. The validity and interpretation of this Agreement and the rights and obligations of the parties hereto shall be governed by and construed in accordance with the substantive laws of the State of Missouri (without reference to conflict of law principles).

N WITNESS WHEREOF, Debtor and Secured Party have executed this Patent, Trademark and License Agreement as of the 21<sup>st</sup> day of May, 2002.

BURDETTE MEDICAL SYSTEMS, INC. ("Debtor")

By   
Everette C. Burdette, President

COMPUTERIZED MEDICAL SYSTEMS, INC.  
("Secured Party")


By \_\_\_\_\_  
Douglas L. Sprague, President and Chief Executive Officer

N WITNESS WHEREOF, Debtor and Secured Party have executed this Patent, Trademark and License Agreement as of the 27<sup>th</sup> day of May, 2002.

BURDETTE MEDICAL SYSTEMS, INC. ("Debtor")

By \_\_\_\_\_  
Everette C. Burdette, President

COMPUTERIZED MEDICAL SYSTEMS, INC.  
("Secured Party")

By   
Douglas L. Sprague, President and Chief Executive Officer



CERTIFICATE OF ACKNOWLEDGMENT

STATE OF IL )  
 ) SS.  
County of Champaign )

On this 21 day of May, 2002, before me personally appeared Everett C. Burdette, to me personally known, who, being by me duly sworn, did say that he is the President of Burdette Medical Systems, Inc., an Illinois corporation, and that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and said Everett C. Burdette 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 \_\_\_\_\_ and State aforesaid, the day and year first above written.



Jennifer Burdette  
Notary Public

My Commission Expires: 7/24/05

STATE OF \_\_\_\_\_ )  
 ) SS.  
\_\_\_\_\_ OF \_\_\_\_\_ )

On this \_\_\_\_ day of May, 2002, before me personally appeared Douglas L. Sprague, to me personally known, who, being by me duly sworn, did say that he is the President and Chief Executive Officer of Computerized Medical Systems, Inc., a Delaware corporation, and that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and said Douglas L. Sprague 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 \_\_\_\_\_ and State aforesaid, the day and year first above written.

(Seal) \_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

CERTIFICATE OF ACKNOWLEDGMENT

STATE OF \_\_\_\_\_ )  
 ) SS.  
\_\_\_\_\_ OF \_\_\_\_\_ )

On this \_\_\_ day of May, 2002, before me personally appeared Everette C. Burdette, to me personally known, who, being by me duly sworn, did say that he is the President of Burdette Medical Systems, Inc., an Illinois corporation, and that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and said Everette C. Burdette 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 \_\_\_\_\_ and State aforesaid, the day and year first above written.

(Seal) \_\_\_\_\_  
Notary Public

My Commission Expires: \_\_\_\_\_

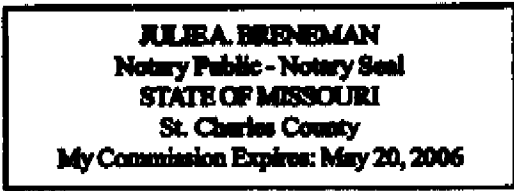
STATE OF Missouri )  
 ) SS.  
County OF Saint Louis )

On this 22<sup>nd</sup> day of May, 2002, before me personally appeared Douglas L. Sprague, to me personally known, who, being by me duly sworn, did say that he is the President and Chief Executive Officer of Computerized Medical Systems, Inc., a Delaware corporation, and that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and said Douglas L. Sprague 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 \_\_\_\_\_ and State aforesaid, the day and year first above written.

(Seal) \_\_\_\_\_  
Notary Public

My Commission Expires: May 20, 2006



SCHEDULE A

United States Patents

<u>Patent No.</u>	<u>Date Issued</u>	<u>Description</u>
6,129,670	October 10, 2000	Real time brachytherapy spatial registration and visualization system
6,256,529	July 3, 2001	Virtual reality 3D visualization for surgical procedures

SCHEDULE BUnited States Patent Applications

<u>Application or Serial No.</u>	<u>Date Filed</u>	<u>Patents in Process</u>
09/573,415	5/18/00	Real time brachytherapy spatial registration and visualization system
08/897,326	7/2/01	Virtual reality 3D visualization for surgical procedures
60/315,829	8/31/01	Method for spatial registration and mapping of tissue biopsy
60/337,449	11/8/01	Apparatus and method for registration, guidance and targeting of external beam radiation therapy
60/337,932	12/3/01	System for registration and guidance of intravascular treatment
10/003,612	10/4/01	Apparatus and method for 3-D spatial registration or surgical procedures using radio tagging

Foreign Patent Applications

<u>Country</u>	<u>Application or Serial No.</u>	<u>Date Filed</u>	<u>Description</u>
PCT	PCT/US98/24901	November 23, 1998	Virtual reality 3D visualization for surgical procedures
Australia	15969/99	November 23, 1998	Virtual reality 3D visualization for surgical procedures
Canada	2,311,319	November 23, 1998	Virtual reality 3D visualization for surgical procedures
EPC*	98960355.0	November 23, 1998	Virtual reality 3D visualization for surgical procedures
PCT	PCT/US99/11847	May 28, 1999	Real time brachytherapy spatial registration and visualization system
Australia	43184/99	May 28, 1999	Real time brachytherapy spatial registration and visualization system
Canada	2,333,583	May 28, 1999	Real time brachytherapy spatial registration and visualization system
EPC*	99942643.0	May 28, 1999	Real time brachytherapy spatial registration and visualization system

\*Includes the following countries: Austria, Belgium, Germany, Denmark, Spain, Finland, France, Great Britain, Greece, Ireland, Italy, Netherlands, Sweden, and Hong Kong

SCHEDULE C

United States Trademarks

<u>Trademark No.</u>	<u>Date Issued</u>	<u>Mark</u>	<u>Description</u>
2,444,755	April 17, 2001	"interplant" (stylized)	Computerized medical apparatus for surgically implanting radiation seeds

SCHEDULE DUnited States Trademark Applications

<u>Application No.</u>	<u>Date Filed</u>	<u>Mark</u>	<u>Description</u>
76/315,515	September 21, 2001	"interTherm"	Guidance and registration system for minimally invasive thermal therapy procedure
76/315,519	September 21, 2001	"Dynamic-Dosimetry"	Software for dose delivery of radiation treatments
76/315,588	September 21, 2001	"EZ-Grid"	Disposable template for prostate brachytherapy implants
76/315,624	September 21, 2001	"interBeam"	Guidance and registration system for radiation therapy delivery
76/315,606	September 21, 2001	"interVasc"	Guidance and registration system for intravascular brachytherapy
76/316,066	September 21, 2001	"interGuide"	Guidance and registration system for minimally invasive surgical implant procedures

SCHEDULE E

Licenses

Research, Development and License Agreement (U.S.A.) effective as of September 19, 1996 by and among Joint center for Radiation Therapy, Irving Kaplan, M.D., Edward Holupka, Ph.D., and Burdette Medical Systems, Inc. relating to the Ultrasound Guided Radiotherapy System.

Research, Development and License Agreement (U.S.A.) effective as of September 22, 1996, by and among Joint center for Radiation Therapy, Irving Kaplan, M.D., Edward Holupka, Ph.D., and Burdette Medical Systems, Inc. relating to Virtual Reality 3D Visualization System, as amended by that certain First Amendment to Research, Development and License Agreement dated as of January 15, 1998.