

05-04-1999



101029226

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

4.28.99

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment
- Security Agreement
- Merger
- Change of Name
- Other
- License
- Nunc Pro Tunc Assignment
Effective Date
Month Day Year

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other
- Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKATA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

- Citizenship/State of Incorporation/Organization

05/03/1999 JSHABAZZ 00000157 75310226

FOR OFFICE USE ONLY

01 FC:481
02 FC:482

40.00 DP
100.00 DP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

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

TRADEMARK
REEL: 1891 FRAME: 0061

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

<input type="text" value="75-318226"/>	<input type="text" value="75-591635"/>	<input type="text"/>
<input type="text" value="75-318753"/>	<input type="text" value="75-591628"/>	<input type="text"/>
<input type="text" value="75-591634"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

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. Charges to deposit account are authorized, as indicated herein.

Sharon S. McMahan

Sharon S. McMahan

4/23/99

Name of Person Signing

Signature

Date Signed

PATENT, TRADEMARK AND LICENSE MORTGAGE

THIS PATENT, TRADEMARK AND LICENSE MORTGAGE (this "Mortgage") made as of this 9th day of April, 1999, by CYPRESS MEDICAL PRODUCTS, L.P., an Illinois limited partnership, having an office at 1202 S. Route 31, McHenry, Illinois 60050 ("Mortgagor") in favor of FLEET CAPITAL CORPORATION, a Rhode Island corporation, as agent for the lenders from time to time party to the Loan Agreement referred to below, with an office at One North Franklin, Suite 3600, Chicago, Illinois 60606 ("Mortgagee").

WITNESSETH:

WHEREAS, Mortgagor, Mortgagee and certain lenders ("Lenders") are parties to a certain Loan and Security Agreement of even date herewith (as from time to time amended or otherwise modified, the "Loan Agreement"), which Loan Agreement provides, among other things, (i) for Agent and Lenders to, from time to time, extend credit to or for the account of Mortgagor and (ii) for the grant by Mortgagor to Mortgagee, of a security interest in substantially all of Mortgagor's assets, including, without limitation, the patents, patent applications, patent applications, trademarks, trademark applications, tradenames, service marks, service mark applications, goodwill and certain licenses of Mortgagor;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt, sufficiency and adequacy of which are hereby acknowledged, Mortgagor agrees as follows:

1. Capitalized Terms. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Loan Agreement.

2. Mortgage of Patents, Trademarks and Licenses. To secure the complete and timely satisfaction of all of the Obligations, Mortgagor hereby grants to Mortgagee a continuing security interest in Mortgagor's entire right, title and interest in and to all of its now existing and hereafter created or acquired:

(i) patents and patent applications, including, without limitation, the inventions and improvements described and claimed therein, all patentable inventions and those patents and patent applications listed on Exhibit A attached hereto, and the reissues, divisions, continuations, renewals, extensions and continuations-in-part of any of the foregoing, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the

foregoing (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Patents");

(ii) trademarks, trademark registrations, trademark applications, tradenames, corporate names, company names, business names, fictitious business names, trade styles, service marks, other business identifiers, prints and labels on which any of the foregoing have appeared or appear, all registrations and recordings thereof, and all applications in connection therewith (other than "intent to use" applications until a verified statement of use is filed with respect to such applications), including, without limitation, the trademarks, tradenames, service marks, registrations and applications listed on Exhibit B attached hereto and hereby made a part hereof, and all renewals, extensions and cotinuations of any of the foregoing, all income, royalties, damages and payments now and hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Trademarks");

(iii) all license agreements with respect to any of the Patents or any of the Trademarks or any other patent, patent application, trademark, service mark or any registration or application for registration or any other tradename or tradestyle between Mortgagor and any other party, whether Mortgagor is a licensor or licensee under any such license agreement, including, without limitation, the licenses listed on Exhibit C attached hereto and hereby made a part hereof, other than license agreements which are not, be their terms, assignable without the consent of the other Person party thereto (unless such consent has been obtained) (all of the foregoing license agreements and Mortgagor's rights thereunder are referred to collectively as the "Licenses"); and

(iv) all rights corresponding to any of the foregoing throughout the world and the goodwill of Mortgagor's business connected with and symbolized by the Trademarks.

Upon the occurrence and during the continuance of an Event of Default, Mortgagee shall have the power, to the extent permitted by law, to sell the Patents, Trademarks and Licenses and apply the proceeds in accordance with subsection 9.3.3 of the Loan Agreement.

In addition to, and not by way of limitation of, all other rights granted to Mortgagee under this Mortgage, Mortgagor hereby assigns, transfers and conveys to Mortgagee, all of the Patents, Trademarks and Licenses, together with the rights and goodwill

described in clause (iv) above to the extent necessary to enable Mortgagee, effective upon the occurrence and during the continuance of any Event of Default, to realize on such property and any successor or assign to enjoy the benefits thereof. This right and assignment shall inure to the benefit of Mortgagee and its successors, assigns and transferees, whether by voluntary conveyance, operation of law, assignment, transfer, foreclosure, deed in lieu of foreclosure or otherwise. Such right and assignment is granted free of charge, without requirement that any monetary payment whatsoever (including, without limitation, any royalty or license fee) be made to Mortgagor or any other Person by Mortgagee (except that if Mortgagee shall receive proceeds from the disposition of any such property, such proceeds shall be applied to the Obligations).

3. Warranties, Representations and Covenants. Mortgagor warrants and represents to Mortgagee that:

(i) No Patents, Trademarks or Licenses have been adjudged invalid or unenforceable or have been cancelled, in whole or in part, or are not presently subsisting;

(ii) Each of the Patents, Trademarks and Licenses is valid and enforceable;

(iii) Save for the security interest created herein, Mortgagor 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 liens, charges and encumbrances, including, without limitation, licenses, shop rights and covenants by Mortgagor not to sue third persons;

(iv) Mortgagor has adopted, used and is currently using, or has a current bona fide intention to use, all of the Trademarks material to the business conducted by Mortgagor;

(v) Mortgagor has no notice of any suits or actions commenced or threatened with reference to the Patents, Trademarks or Licenses;

(vi) Mortgagor has the right to execute and deliver this Mortgage and perform its terms;

(vii) No License restricts the ability of Mortgagor to pledge, mortgage and assign such License as contemplated by this Mortgage;

(viii) Mortgagor has no notice of any infringement or unauthorized use presently being made of any of the Patents, Trademarks or Licenses which would reasonably be expected to materially adversely affect the fair market value of the Patents, Trademarks or Licenses or the benefits to Mortgagee of

this Mortgage, including, without limitation, the priority or perfection of the security interest granted herein or the remedies of Mortgagee hereunder; and

(ix) All information furnished to Mortgagee concerning the Patents, Trademarks and Licenses and proceeds thereof, for the purpose of obtaining credit or an extension of credit from Mortgagee, is, or will be at the time the same is furnished, accurate and correct in all material respects.

4. Restrictions on Future Agreements. Mortgagor agrees that until the Obligations (other than contingent indemnity obligations not yet due and payable) shall have been satisfied in full and the Loan Agreement shall have been terminated (the "Loan Agreement Termination"), Mortgagor shall not abandon, sell or assign its interest in, or grant any license under, any Patent, Trademark or License (other than any of the foregoing which Mortgagor determines in its reasonable discretion are not necessary or desirable to the continued conduct of Borrower's business), or enter into any other agreement with respect to the Patents, Trademarks or Licenses (other than any of the foregoing which Mortgagor determines in its reasonable discretion are not necessary or desirable to the continued conduct of Borrower's business), and Mortgagor further agrees that it shall 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 reasonably be expected to have a Material Adverse Effect on the validity or enforcement of the rights transferred to Mortgagee under this Mortgage.

5. New Patents, Trademarks, and Licenses. Mortgagor represents and warrants that the Patents, Trademarks and Licenses listed on Exhibits A, B and C, respectively, constitute all of the Patents and Trademarks now owned by, and Licenses granted by or to, Mortgagor. If, before the Loan Agreement Termination, Mortgagor shall (i) obtain rights to any new Patents, Trademarks or Licenses, or (ii) become entitled to the benefit of any Patents, Trademarks or Licenses, the provisions of this Mortgage above shall automatically apply thereto and Mortgagor shall give to Mortgagee prompt written notice thereof. Mortgagor hereby authorizes Mortgagee to modify this Mortgage by amending Exhibits A, B and C, as applicable, to include any such Patents, Trademarks and Licenses.

6. Royalties; Term. The term of the security interests/mortgages granted herein shall extend until the earlier of (i) the expiration of each of the respective Patents, Trademarks and Licenses encumbered hereunder, and (ii) the Loan Agreement Termination. Upon the occurrence and during the continuance of an Event of Default, Mortgagor agrees that the use by Mortgagee of all Patents, Trademarks and Licenses shall be worldwide and without any liability for royalties or other related charges from Mortgagee to Mortgagor.

7. Release of Mortgage. This Mortgage is made for collateral purposes only. Upon the Loan Agreement Termination, Mortgagee shall execute and deliver to Mortgagor all releases and other instruments, and shall take such other actions, as may be necessary or proper to release its security interest in the Patents, Trademarks, and Licenses,

subject to any disposition thereof which may have been made by Mortgagee pursuant hereto or pursuant to the Loan Agreement.

8. Expenses. All fees, costs and expenses, including reasonable attorneys' and paralegals' fees and legal expenses, incurred in connection with the performance of any of the agreements set forth herein shall be borne by Mortgagor. All fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' and paralegals' fees and legal expenses, incurred by Mortgagee in connection with the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise in protecting, maintaining or preserving the Patents, Trademarks and Licenses, or in defending or prosecuting any actions or proceedings arising out of or related to the Patents, Trademarks and Licenses, shall be borne by and paid by Mortgagor on written demand by Mortgagee and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the then applicable rate as set forth in the Loan Agreement.

9. Duties of Mortgagor. Mortgagor shall have the duty (i) to file and prosecute diligently any material patent, trademark or service mark applications pending as of the date hereof or thereafter until the Loan Agreement Termination, (ii) to make application on unpatented but patentable works and on trademarks and service marks, as appropriate in Mortgagor's reasonable discretion, (iii) to preserve and maintain all rights with respect to all material Patents, Trademarks and Licenses and (iv) to ensure that all material Patents, Trademarks and Licenses are and remain enforceable. Any expenses incurred in connection with Mortgagor's obligations under this Section 9 shall be borne by Mortgagor. Mortgagor shall not abandon any right to file any material patent, trademark or service mark application, or abandon any material Patent, Trademark or License without the written consent of Mortgagee. If Mortgagor fails to comply with any of the foregoing duties, Mortgagee may perform said duties in Mortgagor's name, to the extent permitted by law, at Mortgagor's expense, and Mortgagor hereby agrees to reimburse Mortgagee in full for all expenses incurred in connection with Mortgagee's performance of such duties, including attorneys' fees and expenses so incurred by Mortgagee. Mortgagor agrees (i) to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with the quality of said products as of the date hereof and (ii) to provide Mortgagee, upon Mortgagee's request from time to time, with a certificate of an officer of Mortgagor certifying Mortgagor's compliance with the foregoing. Upon the occurrence and during the continuance of an Event of Default, Mortgagor agrees that Mortgagee, or a conservator appointed by Mortgagee, shall have the right to establish such additional product quality controls as Mortgagee, or said conservator, in its sole judgment, may deem necessary to assure maintenance of the quality of products sold by Mortgagor under the Trademarks.

10. Mortgagee's Right to Sue. After the occurrence and during the continuance of an Event of Default, Mortgagee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Patents, Trademarks and Licenses, and,

if Mortgagee shall commence any such suit, Mortgagor shall, at the request of Mortgagee, do any and all lawful acts and execute any and all proper documents required by Mortgagee in aid of such enforcement and Mortgagor shall promptly, upon demand, reimburse and indemnify Mortgagee for all costs and expenses incurred by Mortgagee, including attorneys' fees and expenses so incurred by Mortgagee, in the exercise of its rights under this Section 10.

11. Waivers. Neither any course of dealing between Mortgagor and Mortgagee, nor any failure to exercise, nor any delay in exercising, on the part of Mortgagee, any right, power or privilege hereunder or under the Loan Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

12. Severability. The provisions of this Mortgage 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 Mortgage in any jurisdiction.

13. Modification. This Mortgage cannot be altered, amended or modified in any way, except as specifically provided in Section 5 hereof or by a writing signed by the parties hereto.

14. Cumulative Remedies; Power of Attorney; Effect on Loan Agreement. All of Mortgagee's rights and remedies with respect to the Patents, Trademarks and Licenses, whether established hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Upon the occurrence and during the continuation of an Event of Default, Mortgagor hereby authorizes Mortgagee to make, constitute and appoint any officer or agent of Mortgagee as Mortgagee may select, in its sole discretion, as Mortgagor's true and lawful attorney-in-fact, with power to (i) endorse Mortgagor's name on all applications, documents, papers and instruments necessary or desirable for Mortgagee in the use of any or all of the Patents, Trademarks and Licenses, or (ii) take any other actions with respect to any or all of the Patents, Trademarks and Licenses as Mortgagee deems to be in its best interest, or (iii) grant or issue any exclusive or non-exclusive license under any or all of the Patents, Trademarks or Licenses to any Person, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of any or all of the Patents, Trademarks or Licenses to any Person. Mortgagor hereby ratifies all that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable until the Loan Agreement Termination. Mortgagor acknowledges and agrees that this Mortgage is not intended to limit or restrict in any way the rights and remedies of Mortgagee or its successors, transferees and assigns under the Loan Agreement but rather is intended to facilitate the exercise of such

rights and remedies. Mortgagee and such other parties shall have, in addition to all other rights and remedies given it or them by the terms of this Mortgage and the Loan Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code (or such other applicable law) as enacted in any jurisdiction in which the Patents, Trademarks or Licenses may be located.

15. Binding Effect; Benefits. This Mortgage shall be binding upon Mortgagor and its respective successors and permitted assigns, and shall inure to the benefit of Mortgagee, its successors, nominees and assigns.

16. GOVERNING LAW. THIS MORTGAGE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF ILLINOIS.

17. Headings. Paragraph headings used herein are for convenience only and shall not modify the provisions which they precede.

18. Further Assurances. Mortgagor agrees to execute and deliver such further agreements, instruments and documents, and to perform such further acts, as Mortgagee shall reasonably request from time to time in order to carry out the purpose of this Mortgage and agreements set forth herein.


19. Survival of Representations. All representations and warranties of Mortgagor contained in this Mortgage shall survive the execution and delivery of this Mortgage and shall be remade on the date of each borrowing under the Loan Agreement, but shall terminate on the Loan Agreement Termination.

20. General Partner Interests. To the extent that Cypress Medical Products, Inc., the general partner of the Mortgagor, now or hereafter, has any interest in any Patent, Trademark, License or any other property subject hereto, Cypress Medical Products, Inc., by its execution hereof on behalf of Mortgagor, hereby (i) hypothecates and grants a continuing security interest in all of such interests in favor of Mortgagee, to secure the complete and timely satisfaction of all of the Obligations, and (ii) agrees to be bound by all of the provisions of this Mortgage as the Mortgagor.

IN WITNESS WHEREOF, Mortgagor has duly executed this Mortgage in favor of Mortgagee as of the date first written above.


CYPRESS MEDICAL PRODUCTS, L.P.

By: Cypress Medical Products, Inc., individually and as general partner of Cypress Medical Products, L.P.

By 
Its President

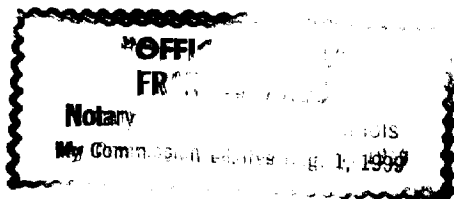
AGREED AND ACCEPTED THIS
9th day of April, 1999.

FLEET CAPITAL CORPORATION, as
Agent

By 
Its SVP

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The foregoing Patent, Trademark and License Mortgage was executed and acknowledged before me this 9th day of April, 1999 by Alan Bagliore, personally known to me to be the President of Cypress Medical Products, Inc. an Illinois corporation on behalf of such company and Cypress Medical Products, L.P.



Frances Proc
Notary Public

My Commission expires:



STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The foregoing Patent, Trademark and License Mortgage was executed and acknowledged before me this 9th day of April, 1999, by Allan D. Allweiss, personally known to me to be the Senior Vice Pres. of Fleet Capital Corporation, a Rhode Island corporation, on behalf of such corporation.



Frances Proc
Notary Public

My Commission expires:

AFTER FILING RETURN THIS INSTRUMENT TO:

David M. Mason, Esq.
Goldberg, Kohn, Bell, Black,
Rosenbloom & Moritz, Ltd.
Suite 3700
55 East Monroe
Chicago, Illinois 60603

EXHIBIT A

Patents

Patents

<u>Description</u>	<u>U.S. Patent No.</u>
Height Adjustable Crutches	4,865,065

Patent Applications

<u>Description</u>	<u>U.S. Application No.</u>	<u>Date Applied</u>
	None	

EXHIBIT B

Trademarks

TRADEMARK

SERIAL NO.

EQ-U-MED

75-318226

EQ-U-MED

75-318753

SYNTRILE

75-591634

GENESIS

75-591635

NEXT GENERATION GLOVES

75-591628

EXHIBIT C

Licenses

Licensed Rights

Rights to use the trademarks "VHA PLUS" and "VHA PLUS Design" pursuant to Trademark License Agreement by and between the Company and VHA, Inc. dated August 15, 1995, as amended July 24, 1998.

Computer Related Licenses

Servers/Networking

Novell version 5.0

Novell version 3.12

Operating Systems

Microsoft Windows '98

Microsoft Windows '95

Applications

SBT-Vision Point 2000 (Version 9)

ACT version 4.02

Harbinger Trusted Link version 4.111

Harbinger Trust Link Commerce for Windows '95 Version 2.5

Microsoft Office '97 Standard Version

Microsoft Office '97 Professional Version

Miscellaneous

Foxplus Version 2.1

Adobe Pagemaker Version 6.5

Internet Creator Version 4.0

F9 by Syntex Systems

Acrobat Reader Version 3.0

UPS software (provided free of charge by Company's shipping carriers)

MSN software (provided free of charge)

Internet Explorer (provided free of charge)

Netscape Navigator (provided free of charge)

HIDA H.E.L.P.

Iomega Back-Up '98 version 3.2

Microtek Scanwizard

Expensables '98 by Quicken

Pay-Check software (provided to the Company free of charge by Company's 401(k) administrator)

Trade Intelligence CD Rom