

UNIFORM COMMERCIAL CODE - FINANCING STATEMENT CHANGE - FORM N-UCC-2

This STATEMENT is presented for filing pursuant to the Nevada Uniform Commercial Code

IMPORTANT:


Read instructions on back before filling out form NV-Douglas County

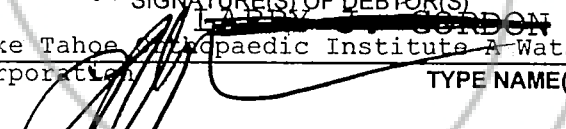
Receipt No. _____

| | | | |
|--|---|---|--|
| 1. File No. of Orig. Financing Statement 0476549 | 1A. Date of Filing of Orig. Financing Statement 09/14/1999 | 1B. Date of Orig. Financing Statement September 14, 1999 | 1C. Place of Filing Orig. Financing Statement |
| 2. DEBTOR (As Appears on Original Financing Statement) (ONE NAME ONLY) <input checked="" type="checkbox"/> LEGAL BUSINESS NAME <input type="checkbox"/> INDIVIDUAL (LAST NAME FIRST) Lake Tahoe Orthopaedic Institute (See Attached) | | | 2A. SOCIAL SECURITY OR FEDERAL |
| 2B. MAILING ADDRESS (As Appears on Original Financing Statement) 310 Dorla Court #101-103 | | 2C. CITY, STATE Zephyr Cove, NV | 2D. ZIP 89448 |
| 3. ADDITIONAL DEBTOR (If Any) (ONE NAME ONLY) <input type="checkbox"/> LEGAL BUSINESS NAME <input type="checkbox"/> INDIVIDUAL (LAST NAME FIRST) | | | 3A. SOCIAL SECURITY OR FEDERAL |
| 3B. MAILING ADDRESS | | 3C. CITY, STATE | 3D. ZIP |
| 4. <input type="checkbox"/> ADDITIONAL DEBTOR (S) ON ATTACHED SHEET | | | |
| 5. SECURED PARTY NAME Bank of America, N.A., as Agent MAILING ADDRESS 101 North Tryon St., 15th Floor CITY Charlotte STATE NC ZIP CODE 28255 | | | 5A. SOCIAL SECURITY NO. FEDERAL TAX NO. |
| 6. ASSIGNEE OF SECURED PARTY (If Any) NAME MAILING ADDRESS CITY STATE ZIP CODE | | | 6A. SOCIAL SECURITY NO. FEDERAL TAX NO. OR BANK TRANSIT AND A.B.A. |
| 7. | | | |
| A. <input type="checkbox"/> CONTINUATION-The original Financing Statement between the foregoing Debtor and Secured Party bearing the file number and date shown above is continued. If collateral is crops or timber, fixtures, or oil, gas or minerals check here <input type="checkbox"/> and insert description of real property on which growing or to be grown or to which affixed or to be affixed or from which to be extracted in Item 8 below. If crops or fixtures, also insert name of record owner of real estate. Effective only if submitted within 6 months prior to expiration date. | | | |
| B. <input type="checkbox"/> RELEASE-From the collateral described in the Financing Statement bearing the file number shown above, the Secured Party releases the collateral described in Item 8 below. Release does not terminate debt. | | | |
| C. <input type="checkbox"/> ASSIGNMENT-The Secured Party certifies that the Secured Party has assigned to the Assignee above named, all or part of the Secured Party's rights under the Financing Statement bearing the file number shown above in the collateral described in Item 8 below. | | | |
| D. <input type="checkbox"/> TERMINATION-The Secured Party certifies that the Secured Party no longer claims a security interest under the Financing Statement bearing the file number shown above. | | | |
| E. <input checked="" type="checkbox"/> AMENDMENT-The Financing Statement bearing the file number shown above is amended as set forth in Item 8 below. (Signature of Debtor(s) and Secured Party(ies) required on all amendments.) | | | |
| 8. See Exhibit A attached hereto and incorporated by reference though copied herein verbatim. | | | |

THIS SPACE FOR USE OF FILING OFFICER

9.

By  (Date) _____ 19____
 SIGNATURE(S) OF DEBTOR(S) KEITH SWANSON MD
 PRESIDENT (TITLE)
 Lake Tahoe Orthopaedic Institute A Watson-Swanson Professional Corporation
 TYPE NAME(S)

By 
 SIGNATURE(S) OF SECURED PARTY(IES) Larry J. Gordon
 Principal (TITLE)
 Bank of America, N.A., as Agent
 TYPE NAME(S)

10. This Space for Use of Filing Officer: (Date, Time, File Number and Filing Officer)

11

Return Copy to:
Return acknowledgment to:

NAME Capitol Services, Inc.
 ADDRESS P.O. Box 1831 Austin TX 78767
 CITY, STATE 800/345-4647

Trust Account Number (if _____)

0495817
BK0700PG2178

YELLOW-Alphabetical; PINK-Acknowledgement;
 GREEN-Secured Party; BLUE-Debtor.
 (Filing Fees: See Instructions)

(08530)

Additional Debtor Information

Debtor 1:

Lake Tahoe Orthopaedic Institute A Watson-Swanson Professional Corporation
310 Dorla Court #101-103
Zephyr Cove, NV 89448

Signature: See signature on front page
Lake Tahoe Orthopaedic Institute A Watson-Swanson Professional Corporation

COPY


LARRY J. GORDON

KEITH SWANSON MD
PRESIDENT

0495817

BK0700PG2179

**EXHIBIT A
TO
UCC-2 FINANCING STATEMENT**

COLLATERAL DESCRIPTION

Debtor: Lake Tahoe Orthopaedic Institute, a Watson-Swanson Professional Corporation
310 Dorla Court #101-103
Zephyr Cove, NV 89448

Secured Party: Bank of America, N.A., as Agent
Agency Services
101 North Tryon Street, 15th Floor
Charlotte, N.C. 28255

This Financing Statement covers the following items and types of property: all of the Debtor's right, title and interest in all of its Pre-Termination Accounts Receivable (as hereinafter defined), whether now existing or hereafter arising, as well as all proceeds of the foregoing, all payments made in respect thereof, and all rights related thereto; and all amounts deposited from time to time in any deposit account of the Debtor.

"Pre-Termination Accounts Receivable" shall mean all of the Debtor's accounts (as such term is defined in the Uniform Commercial Code (as hereinafter defined)), arising from, and all rights to receive payment for medical services rendered by the Debtor prior to the effective date of any expiration or termination of the Service Agreement (as hereinafter defined).

"Service Agreement" shall mean that certain Management Services Agreement, effective as of March 1, 1998, among the Debtor, BMJ Medical Management, Inc., and the Indemnifying Party party thereto, as amended by that certain First Amendment to the Management Services Agreement, dated as of August 4, 1999, between the Debtor and ProMedCo of Northern Nevada, Inc., as the same may be amended, supplemented, restated or otherwise modified from time to time and all replacements and substitutions therefore from time to time.

"Uniform Commercial Code" shall mean the Uniform Commercial Code as adopted in the State of Nevada.

REQUESTED BY
Capitol Services
IN OFFICIAL RECORDS OF
DOUGLAS CO., NEVADA

2000 JUL 17 AM 11:48

LINDA SLATER
RECORDER

\$18⁰⁰ PAID k2 DEPUTY

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BK0700PG2180