Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme: USCOM LIMITED

ACN/ARSN: 091 028 090

1. Details of substantial holder (1)

Name: OSI Systems Inc

ACN/ARSN (if applicable): N/A

The holder became a substantial holder on 16/12/2008

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Ordinary	7,960,000	7,960,000	19.9%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
OSI Systems Inc	Owner	2,000,000 ordinary shares
OSI Systems Inc	Right of first refusal	5,960,000 ordinary shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
OSI Systems Inc	OSI Systems Inc	OSI Systems Inc	2,000,000
OSI Systems Inc	Robert Allen Phillips	Robert Allen Phillips	5,960,000

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
OSI Systems Inc	16/12/2008	$600,000		2,000,000
OSI Systems Inc	16/12/2008	$1		5,960,000

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
OSI Systems Inc	12525 Chadron Avenue, Hawthorn CA 90250 United States of America

Signature

print name	Victor Sze	capacity	Executive Vice President
sign here		date	17/12/2008

This is the annexure of 10 pages referred to in Notice of Initial Substantial Holding (Form 603).

Victor Sze

PRE-EMPTION DEED

BETWEEN

ROBERT ALLEN PHILLIPS
(PHILLIPS)

AND

OSI SYSTEMS, INC
(OSI)

Corporate/194488_1
Corporate/194793_2

THIS DEED is made on 16th December 2008

BETWEEN **ROBERT ALLEN PHILLIPS** of 323 Old Coast Road, Korora, NSW, Australia **(Phillips)**

AND **OSI SYSTEMS, INC** (a company incorporated in California - Number C1587048) of 12525 Chadron Avenue, Hawthorn, CA 90250, United States of America **(OSI)**

RECITALS

A. Phillips beneficially owns approximately 16 million Shares in Uscom Limited ABN 35 091 028 090 **(Uscom)**.

B. In consideration of the payment by OSI to Phillips of the sum of $1.00, receipt of which is hereby acknowledged, Phillips has agreed to grant OSI a right of first refusal in relation to a certain number of the shares he holds in Uscom.

NOW IT IS COVENANTED AND AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this deed, unless the context otherwise requires:

Associates has the meaning as set out in section 12 of the Corporation Act.

Business Day means a day which is not a Saturday, Sunday or public holiday in Sydney, NSW;

Corporations Act means the *Corporations Act 2001* (Cth);

Distribution Agreement means the Distribution Agreement between Spacelabs Health Care LLC and the Company for the distribution of the USCOM1A products by Spacelabs Healthcare LLC for the Company;

Exercise Notice means a notice substantially in the form appearing in Schedule 1 of this deed;

Law includes any law, statute, regulation, ordinance, authorisation, ruling, judgement, any order or decree of any governmental agency in any jurisdiction and the Listing Rules of the Australian Securities Exchange;

Phillips Bank Account means such bank account as Phillips specifies by notice to OSI from time to time;

Relevant Interest has the meaning as set out in the Corporations Act;

Relevant Shares means, at any given time, a number of Shares held by Phillips calculated as follows-

$R = (19.9\% - I) \times S$

Where R is a number of Shares held by Phillips,

I is the proportion (expressed as a percentage) of the Shares in which OSI or any of its Associates has a Relevant Interest or Voting Power (including as a result of exercising of the option contained in clause 2.4), other than shares in which it has a Relevant Interest by reason of the existence of this deed, and

S is the total number of Shares on issue,

Or the number of Shares actually held by Phillips if that number is less;

Security Interest means an interest or power:

(a) reserved in or over an interest in any asset including, but not limited to, any retention of title; or

(b) created or otherwise arising in or over any interest in any asset under a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of security for the payment of a debt or any other monetary obligation or the performance of any other obligation and includes, but is not limited to, any agreement to grant or create any of the above;

Sell includes ceasing to beneficially own property;

Share means an ordinary share in the capital of Uscom; and

Term means the period commencing on the date of this deed and ending on the expiration or termination of the Distribution Agreement.

Voting Power has the meaning as set out in the Corporations Act.

1.2 Interpretation

In this deed, headings and bold typing are included for convenience only and do not affect interpretation and, unless the context otherwise requires:

(a) a reference to a word includes the singular and the plural of the word and vice versa;

(b) a reference to a gender includes any gender;

(c) if a word or phrase is defined, then other parts of speech and grammatical forms of that word or phrase have a corresponding meaning;

(d) a term which refers to a person includes a person in any capacity, a body corporate, an unincorporated body (for example a society or association), a trust, a partnership, a sovereign state, a government or a government department or agency;

(e) a reference to a document includes a reference to that document as amended, novated, supplemented, varied or replaced;

(f) a reference to a recital, clause, paragraph, schedule, annexure or other part is a reference to an item of that type in this deed;

(g) a reference to a statute or regulation or a provision of a statute or regulation is a reference to that statute, regulation or provision as amended or a statute, regulation or provision replacing it, and a reference to a statute includes all regulations, proclamations, ordinances and by-laws made or issued under that statute;

(h) a reference to a document is a reference to a document of any kind including but not limited to an agreement in writing, a certificate, a notice, or an instrument;

(i) no provision of this deed will be construed adversely to a party solely on the ground that the party was responsible for the preparation of this deed or that provision;

(j) a reference to a time is a reference to Sydney time;

(k) a monetary reference is a reference to Australian currency unless expressed otherwise in this deed;

(l) a reference to an entity, other than a party to this deed, which ceases to exist or whose powers or functions are transferred to another entity, is a reference to the entity which replaces it or which substantially succeeds to its powers or functions;

(m) a word or term defined in the Corporations Act has the same meaning in this deed; and

(n) "including" and similar expressions are not words of limitation.

2. PHILLIPS OBLIGATIONS

2.1 Notice

Phillips covenants that if during the Term he proposes to Sell any Shares then he will notify OSI in writing and that notice will state-

(a) The number of Shares he proposes to Sell ("**Sale Shares**");

(b) Whether he proposes to offer the Shares for sale on the Australian Securities Exchange or by direct sale to a purchaser; and

(c) The price at which he proposes to Sell the Shares referred to in that notice.

2.2 Further Notice

In the event that Phillips proposes to reduce the price at which he proposes to Sell any Shares (as notified to OSI under clause 2.1), Phillips must give OSI a new notice under clause 2.1.

2.3 Restriction on Sale

Phillips covenants that he will only Sell Shares if one or more of the following provisions applies-

(a) Phillips has given a notice to OSI under clause 2.1 within the previous 30 days and the number of Shares to be sold does not exceed the number of Sale Shares referred to in that notice, less the number of Relevant Shares; or

(b) Phillips has given a notice to OSI under clause 2.1 more than 30 days and less than 90 days prior to the sale, and OSI has not exercised the option in clause 2.4.

2.4 Option

A notice given under clause 2.1, constitutes an option for OSI to purchase from Phillips a number of the Sale Shares that does not exceed the number of Relevant Shares at that time (the Transfer Shares), for the price referred to in the notice. The option may be exercised by OSI giving an Exercise Notice to Phillips within 30 days of Phillips giving the notice under clause 2.1.

2.5 Completion

(a) Completion of a transfer of the Transfer Shares will occur 3 Business Days after the date of the Exercise Notice.

(b) On completion of the transfer:

(i) Phillips must give to OSI a transfer executed by the registered owner of the Transfer Shares in favour of OSI and any other documents reasonably required by OSI to effect the transfer of the Transfer Shares; and

(ii) OSI must pay the purchase price specified in an Exercise Notice by bank cheque or by electronic funds transfer to a bank account notified by Phillips.

3. OSI OBLIGATIONS

3.1 Relevant Interest

OSI covenants to give Phillips notice of the Relevant Interest it holds in Shares, expressed as both a number of shares and as a percentage of the total number of Shares issued by Uscom-

(a) On the date of this Deed; and

(b) Each time the Relevant Interest changes.

4. DUTIES, COSTS AND EXPENSES

4.1 Duties, costs and expenses

Each of the parties agrees to pay their own legal and other costs and expenses in connection with:

(a) the preparation and execution of this deed; and

(b) the preparation and execution of any other document which is prepared, entered into or signed in connection with this deed.

4.2 Costs of performance

Any action to be taken by a party in performing its obligations under this deed must be taken at its own cost and expense.

4.3 Stamp Duty

All stamp duty (including fines and penalties) chargeable, payable or assessed in relation to this deed and the transfer of Shares to OSI under this deed must be paid by OSI.

5. GENERAL

5.1 Notices

(a) Any notice or other communication to or by a party:

(i) must be in writing and in English addressed as shown below:

(A) if to Phillips:

Address: 323 Old Coast Road, Korora, NSW Australia

Attention: Mr Robert Phillips

Facsimile: +0011 612 xxxxxxxxx

(B) if to OSI:

Address: 12525 Chadron Avenue, Hawthorn, California 90250, United States of America

Attention: Mr Victor Sze

Position: Executive Vice President

Facsimile: +1 310-644-7213

or as specified to the sender by the party by notice.

(ii) where the sender is a company, must be signed by an officer or under the common seal of the sender;

(A) is regarded as being given by the sender and received by the addressee:

(B) if by delivery in person, when delivered to the addressee;

(C) if by post, 2 Business Days from and including the date of posting or 5 Business Days after posting if sent to or from a place outside Australia; or

(D) if by fax, at the time shown in the transmission report as the time that the whole fax was sent, but if the delivery or receipt is on a day which is not a Business Day or is after 4:00pm (addressee's time) it is regarded as received at 9.00 am on the following Business Day; and

(iii) can be relied upon by the addressee and the addressee is not liable to any other person for any consequences of that reliance if the addressee believes it to be genuine, correct and authorised by the sender.

(iv) a fax is regarded as legible unless the addressee telephones the sender within 2 hours after transmission is received or regarded as received under this clause 5.1 and informs the sender that it is not legible.

(b) In this clause 5.1, a reference to an addressee includes a reference to the officers, agents or employees of the addressee or any person reasonably believed by the sender to be an officer, agent or employee of the addressee.

5.2 Governing law and jurisdiction

(a) This deed is governed by the laws of New South Wales.

(b) Each party irrevocably submits to the non-exclusive jurisdiction of the courts of New South Wales and its courts of appeal.

5.3 Severability

A term or part of a term of this deed that is illegal or unenforceable may be severed from this deed and the remaining terms or parts of the term of this deed continue in full force and effect.

5.4 Waivers

(a) A waiver of any right, power, authority, discretion or remedy arising on a breach of or default under this deed must be in writing and signed by the party granting the waiver.

(b) A party is not entitled to rely on the conduct of another party or on a delay in the exercise or non exercise of a right, power, authority, discretion or remedy arising from a breach of this deed or default under this deed as constituting a waiver of that right, power, authority, discretion or remedy.

5.5 Variation

A variation of any term of this deed must be in writing and signed by the parties.

5.6 Cumulative rights

The powers of a party under this deed do not exclude any other powers.

5.7 Non merger

The provisions of this deed do not merge on completion of any transaction contemplated in this deed.

5.8 Entire agreement

This deed constitutes the entire agreement between the parties in connection with its subject matter and supersedes all previous agreements or understandings between the parties in connection with its subject matter.

5.9 Further assurances

Each party must, at its own expense, do all things necessary to give full effect to this deed and the transactions contemplated by this deed.

5.10 Relationship of parties

(a) Nothing in this deed will be deemed to constitute a partnership between the parties nor constitute any party the agent of another party for any purpose except as specifically provided in this deed.

(b) The rights and obligations under this deed of each party are of that party in its own capacity and not as trustee or agent.

5.11 Counterparts

(a) This deed may be executed in counterparts. All executed counterparts constitute one document.

(b) A party who has executed a counterpart of this deed may exchange that counterpart with another party by faxing the counterpart executed by it to that other party and, on request by that other party, will thereafter promptly deliver by hand or post to that other party the executed counterpart exchanged by fax. However, delay or failure by that party to deliver a counterpart of this deed executed by it will not affect the validity of this deed.

Schedule 1

Exercise Notice

To:

ROBERT ALLEN PHILLIPS
323 Old Coast Road, Koroa
NSW
Australia

Dear Mr Phillips

OSI Systems, Inc (**OSI**) refers to the Pre-Emption Deed dated [ ] 2008 (**Deed**) made between ROBERT ALLEN PHILLIPS (**Phillips**) and OSI, and to the notice of transfer dated [ ] from Phillips to OSI.

OSI hereby gives notice under clause 2.4 of the Deed that OSI exercises the Option granted by Phillips to OSI to purchase [insert number] of Shares in Uscom at a price of [insert price set out in the notice of transfer] for each Share.

Yours faithfully

For and on behalf of OSI Systems, Inc.

EXECUTED as a deed

EXECUTED by **ROBERT ALLEN PHILLIPS**
in the presence of:

Witness

ROBERT ALLEN PHILLIPS

LINDSAY PHILLIPS
Name of Witness
(BLOCK LETTERS)

SIGNED for and on behalf of
OSI SYSTEMS, INC
By its authorised officer in the presence of:

Signature of Witness

Signature of Authorised Officer

Name of Witness
(BLOCK LETTERS)

Name of Authorised Officer
(BLOCK LETTERS)

Office Held
(BLOCK LETTERS)

Office Held
(BLOCK LETTERS)

EXECUTED as a deed

EXECUTED by **ROBERT ALLEN PHILLIPS**
in the presence of:

Witness

ROBERT ALLEN PHILLIPS

Name of Witness
(BLOCK LETTERS)

SIGNED for and on behalf of
OSI SYSTEMS, INC
By its authorised officer in the presence of:

Signature of Witness

VICTOR SZE
Name of Witness
(BLOCK LETTERS)

EXECUTIVE VICE PRESIDENT
Office Held
(BLOCK LETTERS)

Signature of Authorised Officer

DEEPAK CHOPRA
Name of Authorised Officer
(BLOCK LETTERS)

CHIEF EXECUTIVE OFFICER
Office Held
(BLOCK LETTERS)