

**TRADEMARK RECORDATION COVER SHEET**

U.S. Patent and Trademark Office  
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 Arlington, Virginia 22202-3513

*MAD*  
*6-19-98*

06-30-1998



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Please record the attached original documents or copy thereof.

<p>1. Name of conveying party(ies):  <u>Coast Business Credit</u></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 <u>California</u>  <input type="checkbox"/> Other _____</p> <p>Additional name(s) 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: <u>HydraBath, Inc.</u>                  Street Address: <u>2100 South Fairview</u>                  _____                  City <u>Santa Ana</u>    State <u>CA</u>    Zip <u>92704</u></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 <u>California</u>  <input type="checkbox"/> Other _____</p> <p>If assignee is not domiciled in the United States, A domestic representative designation is attached:    <input type="checkbox"/> Yes    <input checked="" type="checkbox"/> No</p> <p>(Designation must be a separate document from Assignment)</p> <p>Additional name(s) and 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>Release of Security Agreement</u></p> <p>Execution Date: <u>April 16, 1998</u></p>	<p>4. Application number(s) or registration number(s)</p> <p>A. Trademark Application No(s):</p> <p>B. Trademark Registration No(s):  <u>2097587, 1963536, 1963637, 2067725, 1877532, 1313139</u></p>
<p>5. Name and address of party to whom correspondence concerning documents should be mailed:</p> <p>Name: <u>Laurie Kim, Esq.</u>                  Street Address: <u>Kelley Drye &amp; Warren LLP</u>  <u>777 South Figueroa Street, Suite 2700</u>                  City: <u>Los Angeles</u>                  State: <u>CA</u>    Zip: <u>90017</u></p>	<p>6. Total number of applications and registrations involved:    <u>6</u></p> <p>7. Total fee (37 CFR 3.41)    <u>\$165.00</u></p> <p><input checked="" type="checkbox"/> Enclosed  <input type="checkbox"/> Authorized to be charged to deposit account    <i>ms</i></p> <p>8. Deposit account number: _____                  (Attach duplicate copy of this page if paying by deposit account)</p>

06/29/1998 DCDATES 00000128 2097587

01 FC:481                      40.00 OP  
 02 FC:482                      125.00 OP

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.

Danielle V. Garcia                      *Danielle Garcia*                      6/15/98  
 Name of Person Signing                      Signature                      Date

## RELEASE OF PATENTS AND TRADEMARKS SECURITY AGREEMENT

This Release is made on the 16th day of April, 1998 between COAST BUSINESS CREDIT, a division of Southern Pacific Thrift & Loan Association, a California corporation, with a place of business at 12121 Wilshire Boulevard, Suite 1111, Los Angeles, California ("Coast") and HYDRABATH, INC., a California corporation with its chief executive office located at 2100 South Fairview, Santa Ana, California ("Grantor").

### W I T N E S S E T H:

WHEREAS Coast and Grantor were parties to that certain Patent and Trademark Security Agreement dated May 10, 1996 (the "Security Agreement") which provided, inter alia, for the granting of a security interest in the patents rights identified on Schedule A hereto (the "Patents") and the trademark rights identified on Schedule B hereto (the "Trademarks") as collateral for a loan, and which assignment was recorded by the U.S. Patent and Trademark Office at Reel 8013, Frame 0793 on June 12, 1996;

WHEREAS Coast has received full payment of the outstanding balance of the loan, and all obligations of Grantor have been satisfied; and

WHEREAS Grantor has requested Coast to release Grantor from its obligations under the Security Agreement, and to reassign to it all Patents and Trademarks that were the subject of the Security Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor and Coast hereby agree as follows:

1. Coast hereby reassigns, transfers and sets over unto Grantor, its successors, assigns and legal representatives, the entire right, title and interest in and to the Patents, including, without limitation, patent applications, together with the right to recover for past, present and future infringements thereof.
2. Coast hereby reassigns, transfers and sets over unto Grantor, its successors, assigns and legal representatives, the entire right, title and interest in and to the Trademarks, including, without limitation, trademark applications and registered trademarks, and in and to the goodwill and assets of the business to which each of the Trademarks relate, together with the right to recover for past, present and future infringements thereof.
3. Coast hereby releases Grantor and the Collateral (as defined in the Security Agreement), and reassigns to Grantor all rights and interests transferred under the Security Agreement.
4. Coast represents that it has the full right, power and authority to convey the interests herein reassigned, said interests being that originally conveyed under the Security Agreement, and that it has not executed any assignment in conflict herewith.

5. Coast covenants that it shall, upon Grantor's request, execute and deliver all further documents or instruments as may be necessary or appropriate to confirm, maintain and enforce the Release effected hereby or to otherwise effectuate the purposes hereof.

IN WITNESS WHEREOF, Grantor and Coast have caused their corporate names to be hereto signed on the date indicated above.

**"Coast"**

COAST BUSINESS CREDIT,  
a division of Southern Pacific Thrift &  
Loan Association

By: *Karen Curran*  
Name: Karen Curran  
Title: VP

**"Grantor"**

HYDRABATH, INC.,  
a California corporation

By: *Judy S. Starbuck*  
Name: Judy S. Starbuck  
Title: President

## SCHEDULE A

### List of Patents

1. Description: Safety suction assembly for use in whirlpool baths and the like  
Patent No.: 5,499,406  
Patent Date: March 19, 1996  
Application No.: 353,664  
Filing Date: December 12, 1994
2. Description: Security container for display of audio and video media  
Patent No.: 5,417,319  
Patent Date: May 23, 1995  
Application No.: 216,487  
Filing Date: March 22, 1994
3. Description: Whirlpool bath suction assembly having replaceable tub light therein  
Patent No.: 5,217,292  
Patent Date: June 8, 1993  
Application No.: 879,582  
Filing Date: May 7, 1992
4. Description: Air excitation hydromassage system  
Patent No.: 4,901,379  
Patent Date: February 20, 1990  
Application No.: 185,919  
Filing Date: April 25, 1988
5. Description: Combined pneumatic switch and air control for use in whirlpool baths  
Patent No.: 4,823,413  
Patent Date: April 25, 1989  
Application No.: 168,112  
Filing Date: March 14, 1988
6. Description: Combined suction assembly and light for a whirlpool bath  
Patent No.: D344,325  
Patent Date: February 15, 1994  
Application No.: 753,681  
Filing Date: September 3, 1991
7. Description: Jet nozzle assembly  
Patent No.: 4,349,923  
Patent Date: September 21, 1982  
Application No.: 215,888  
Filing Date: December 12, 1980
8. Description: Pump support bracket  
Patent No.: D280,800  
Patent Date: October 1, 1985  
Application No.: 460,226  
Filing Date: January 24, 1983
9. Description: Suction outlet  
Patent No.: 4,359,790  
Patent Date: November 23, 1982  
Application No.: 215,887  
Filing Date: December 12, 1980

10. Description: Clamp assembly  
Patent No.: 4,439,876  
Patent Date: April 3, 1984  
Application No.: 336,760  
Filing Date: January 4, 1982
11. Description: Suction assembly  
Patent No.: D299,522  
Patent Date: January 24, 1989  
Application No.: 708,876  
Filing Date: March 6, 1985

SCHEDULE B  
List of Trademarks

1. Name: HYFLO (words only)  
Registration No.: 2097587  
Registration Date: September 16, 1997  
Serial No.: 75-166806  
Filing Date: September 16, 1996
2. Name: Design Only for pumps for whirlpool baths, and whirlpool bath products, namely venturis and jet heads  
Registration No.: 1963536  
Registration Date: March 19, 1996  
Serial No.: 74-682501  
Filing Date: June 2, 1995
3. Name: BUILDING A BETTER WHIRL (words only)  
Registration No.: 1963637  
Registration Date: March 19, 1996  
Serial Number: 74-682502  
Filing Date: June 2, 1995
4. Name: CAREFLO (words only)  
Registration No.: 2067725  
Registration Date: June 3, 1997  
Serial No.: 74-683305  
Filing Date: June 2, 1995
5. Name: VARIFLO (words only)  
Registration No.: 1877532  
Registration Date: February 7, 1995  
Serial No.: 74-488985  
Filing Date: February 14, 1994
6. Name: HYDRA BATHS (words only)  
Registration No.: 1313139  
Registration Date: January 8, 1985  
Serial Number: 73-398451  
Filing Date: September 30, 1982

ALL-PURPOSE ACKNOWLEDGEMENT

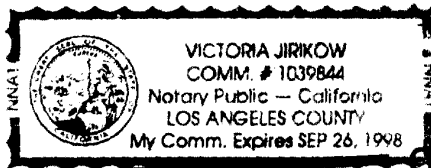
STATE OF California )  
COUNTY OF Los Angeles )

On April 17, 1998, before me, Victoria Jirikow,

Notary Public, personally appeared Karen Curran,

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/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



*Victoria Jirikow*  
SIGNATURE OF NOTARY

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL
- CORPORATE OFFICER(S)

Vice President  
TITLE(S)

- PARTNER(S)  LIMITED
- GENERAL

- ATTORNEY-IN-FACT
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER:

DESCRIPTION OF ATTACHED DOCUMENT

Release of Patents and Trademarks Security Agreement

TITLE OR TYPE OF DOCUMENT

3 including Acknowledgment  
NUMBER OF PAGES

April 16, 1998  
DATE OF DOCUMENT

-0-

SIGNER(S) OTHER THAN NAMED ABOVE

SIGNER IS REPRESENTING:  
(NAME OF PERSON(S) OR ENTITY(IES))

Coast Business Credit, a division of Southern Pacific Bank

**CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT**

STATE OF CALIFORNIA

COUNTY OF Orange )  
 ) ss.

On May 29, 1998 before me, J. Diane Lukins  
Date Name and Title of Officer (e.g. "Jane Doe, Notary Public")

personally appeared Philip E. Chalberg  
Name of Signer(s)

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/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal

J. Diane Lukins  
Signature of Notary Public

**OPTIONAL**

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

**CAPACITY(IES) CLAIMED BY SIGNER(S)**

**DESCRIPTION OF ATTACHED DOCUMENT**

- Individual
- Corporate Officer  
President  
Title(s)
- Partner(s)  Limited  
 General
- Attorney-In-Fact
- Trustee(s)
- Guardian/Conservator
- Other: \_\_\_\_\_

Release of Patent & Trademark  
Title or Type of Document

12  
Number of Pages

\_\_\_\_\_  
Date of Document

Signer is Representing:  
 Name of Person(s) or Entity(ies)

\_\_\_\_\_  
Signer(s) Other Than Named Above