

CERTIFICATE OF FACSIMILE TRANSMISSION

I hereby certify that this correspondence is being transmitted herewith via facsimile transmission to Telephone No. (703) 306-5995 on the date indicated below and is addressed to: **BOX ASSIGNMENT**, Director of USPTO, Washington, D.C. 20231.

Date: **December 10, 2002**


Victor King

Attorney Docket No. 42474/16
TRADEMARK

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re **Seismic Safety Products, Inc.**

Application No. : 75/169,974
Filing Date : September 23, 1996
Registration No. : 2,119,389
Registration Date : December 9, 1997
Mark : **NORTHRIDGE VALVE (block form)**
International Class : 7

RECORDATION COVER SHEET

TO THE DIRECTOR OF UNITED PATENT AND TRADEMARK OFFICE:

1. Name of conveying party(ies):

DDJ CAPITAL MANAGEMENT, LLC

2. Name and address of receiving party(ies):

SEISMIC SAFETY PRODUCTS, INC.
C/O PCT HOLDINGS, INC.
434 OLDS STATION ROAD
WENATCHEE, WA 98801

3. Nature of Conveyance:

 Other: Release of Security Interest
Execution date: **March 25, 2002**

4. Registration No.: **2,119,389, registered December 9, 1997**

5. Name and address of party to whom correspondence concerning this document should be mailed:

Ann W. Speckman
SPECKMAN LAW GROUP
1501 Western Avenue, Suite 100
Seattle, Washington 98101

6. Total number patents or applications involved: 1

7. Total Fee: \$40.00

- Enclosed
- Authorized to be charged to deposit account

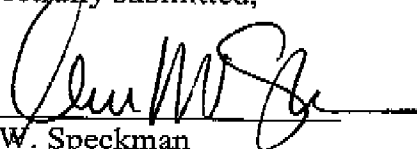
8. Deposit Account Number:

Please charge our Deposit Account No. 19-3555 in the amount of \$40.00.

9. Statement and Signature:

To my best knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Respectfully submitted,

By: 
 Ann W. Speckman
 Registration No. 31,881

Total number of pages including cover sheet: 7

Date: December 10, 2002

SPECKMAN LAW GROUP



20601

PATENT TRADEMARK OFFICE

**TERMINATION, RELEASE AND DISCHARGE OF SECURITY INTEREST IN
TRADEMARKS, PATENTS, COPYRIGHTS AND INTELLECTUAL PROPERTY**

This TERMINATION, RELEASE AND DISCHARGE OF SECURITY INTEREST IN INTELLECTUAL PROPERTY (the "Release") is made and entered into as of this 25th day of March, 2002 (the "Release Date") by and among DDJ Capital Management, LLC, acting as agent for certain Lenders ("Agent"), and is for the benefit of Pacific Aerospace & Electronics, Inc., a Washington corporation ("Pacific Aerospace"), and certain of its subsidiaries (together with Pacific Aerospace, the "Releasees"), listed in Schedule A to the Intellectual Property Security Agreement, dated as of March 1, 2001, by and between Agent, as agent for the Lenders, and the Releasees (the "Intellectual Property Security Agreement"). All capitalized terms used herein, unless otherwise defined, are defined as provided in the Loan Agreement (as defined below).

Recitals:

- A. Reference is made to a certain Loan Agreement (the "Loan Agreement"), dated as of March 1, 2001, by and among Pacific Aerospace, certain other parties, which, together with Pacific Aerospace, are defined as "Companies" in the Loan Agreement, certain Lenders, as defined therein and Agent, as agent for the Lenders. Reference is also made to the First Supplement to the Loan Agreement (the "First Supplement"), dated as of October 5, 2001, by and among the Companies, the Lenders (as defined therein) and Agent. Pursuant to the terms of the Loan Agreement and the First Supplement (together, the "Loan Documents"), Agent and the Lenders extended credit and made other financial accommodations to Pacific Aerospace and/or to its subsidiaries and affiliates.
- B. As required by Section 3.8 of the Loan Agreement, Agent and the Releasees entered into a certain Intellectual Property Security Agreement. Pursuant to the Intellectual Property Security Agreement, the Releasees granted Agent on behalf of certain lenders security interests in and to certain trademark license rights, trademarks, trademark applications, trademark registrations, service marks, service mark applications, service mark registrations, trade names, trade dress, patent license rights, patents and patent applications and other intellectual property (collectively, the "Intellectual Property Collateral"), listed in Schedule I, Schedule II and Schedule III to the Intellectual Property Security Agreement and attached hereto as Exhibit A.
- C. The Intellectual Property Security Agreement and the Loan Documents include a grant of security interests, in and to, Intellectual Property Collateral of each Releasee.
- D. Agent, pursuant to this Release, as agent for the Lenders, does hereby evidence its termination and release of any and all security interests in and to any and all Intellectual Property Collateral of the Releasees.

Release:

NOW, THEREFORE, in reliance on the above recitals for and in consideration of the premises, provisions and covenants as set forth herein and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Agent, as agent for and on behalf of the Lenders, and the Releasees hereby agree as follows:

1. **Release of Security Interests.** Effective as of this date, Agent, as agent for and on behalf of the Lenders, hereby irrevocably and forever terminates, releases and discharges from any and all interests and obligations to Agent and the Lenders pursuant to the Intellectual Property Security Agreement and the Loan Documents with respect to any and all security interests in and any pledge of or lien upon, in and to any and all Intellectual Property Collateral of Releasees, including without limitation, (i) any and all trademark applications, service mark applications, trademark registrations, service mark registrations, trade names, brands and trade dress, including the marks, applications and registrations thereof identified on Exhibit A, attached hereto and incorporated herein by this reference.
2. **Worldwide Scope of Release.** By this Release, Agent, as agent for and on behalf of the Lenders, intends to and hereby does terminate, release and discharge any and all rights, titles and interests, in any jurisdiction anywhere in the world, of Agent and/or the Lenders in and to any trademark, patent or copyright of the Releasees under the Intellectual Property Security Agreement and any and all of the Loan Documents.
3. **Recordation of Release.** The Agent understands and agrees that this Release may be recorded by or for the Releasees or any of their subsidiaries and/or affiliates with the U.S. Patent and Trademark Office and/or U.S. Copyright Office and with any other agency, office or authority in any jurisdiction.
4. **Further Actions.** Agent, as agent for the Lenders, further agrees, at the Releasees' expense, to execute any other documents and take any further action reasonably necessary in any state, country or jurisdiction that the Releasees or any of their subsidiaries and/or affiliates or any third party with a valid security interest in the Intellectual Property Collateral may reasonably require to effect the intent and purpose of this Release.

IN WITNESS WHEREOF the Agent has executed this Termination, Release and Discharge as of the date above set forth.

DDJ CAPITAL MANAGEMENT, LLC, as agent
for the Lenders

By: 
Name: David J. Brazzano
Title: Member

Exhibit A

Schedule I, Schedule II and Schedule III to the Intellectual Property Security Agreement

SCHEDULE II
TO THE
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Trademarks

TRADEMARK STATUS REPORT FOR
PACIFIC AEROSPACE & ELECTRONICS, INC.
(prepared May 1, 2002)

ASSIGNEE	CLIENT/MATTER NO.	MARK	COUNTRY	SERIAL NO.	FILING DATE	REGISTRATION NO./DATE	GOODS/SERVICES	INTL CLASS	STATUS
PCT, Inc	42174/10	KHYOFLEX	USA	73/117,580	03.01.77	1,114,452 Mar. 6, 1979	CERAMIC MATERIALS SOLD AS A COMPONENT OF HEART PACEMAKERS	10, 21	REGISTERED, Next renewal due 03.06.09
PCT, Inc.	42174/11	HERMETIC ADVANTAGE	USA	74/521,789	05.03.94	1,998,984 Sept. 10, 1996	ELECTRONIC COMPONENTS, NAMELY ELECTRONIC CONNECTORS AND HERMETIC SEALING DEVICES	9	REGISTERED, SEC 8/15 DECL due 9.10.01 - 9.10.02; Renewal due 3.10.06 - 9.10.06
PCT, Inc	42174/12	PARTNERS WITH TOMORROW	USA	74/522,844	05.03.94	1,998,986 Sept. 10, 1996	ELECTRONIC COMPONENTS, NAMELY ELECTRONIC CONNECTORS AND HERMETIC SEALING DEVICES FOR ELECTRONIC PACKAGES AND CONNECTORS	9	REGISTERED, Sec 8/15 Decl due 9.10.01 - 9.10.02; Renewal due 3.10.06 - 9.10.06
Saspar Safety Products, Inc.	42174/16	NORTHIDGE VALVE	USA	75/169,974	09.23.96	2,119,389 Dec. 9, 1997	VALVES FOR NATURAL GAS DISTRIBUTION SYSTEMS	7	REGISTERED, Sec 8/15 Decl due 12.9.02 - 12.9.03; RENEWAL due 6.9.07 - 12.9.07

LAL #61988002