

FORM PTO-1594 (Modified)
1-31-92

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

**RECORDATION FORM COVER SHEET
TRADEMARKS ONLY**

To the Honorable Commissioner of Patent and Trademarks: Please record the attached original documents or copy thereof.

<p>1. Name of conveying party(ies): Wells Fargo Foothill, Inc. (formerly known as Foothill Capital Corporation)</p>	<p>2. Name and address of receiving party(ies): American Pacific Enterprises, LLC 1244 Sutter Street San Francisco, CA 94109</p>
<p>3. Nature of conveyance: <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input checked="" type="checkbox"/> Other: Release of security interest Execution Date: <u>May 19, 2004</u> Effective Date: <u>May 19, 2004</u> </p>	<p> <input type="checkbox"/> Individual(s) citizenship; <input type="checkbox"/> Association; <input type="checkbox"/> General Partnership; <input type="checkbox"/> Limited Partnership; <input checked="" type="checkbox"/> Corporation-State: <u>Ohio</u> <input type="checkbox"/> Other: If assignee is not domiciled in the U.S.A., a domestic representative designation is attached: <input type="checkbox"/> Yes; <input type="checkbox"/> No (Designations must be a separate document from Assignment) </p>
<p>4. Application number(s) or registration number(s): A. Trademark Application No.(s): <u>76287065</u></p>	<p>B. Trademark Registration No.(s): <u>2275758</u> <u>2528089</u> <u>1895109</u> <u>2580245</u> <u>2268458</u></p>
<p>5. Name and address of party to whom correspondence document should be mailed: Catherine R. Howell, Paralegal Attn: TMSU Morgan, Lewis & Bockius LLP 1111 Pennsylvania Avenue N.W. Washington, D.C. 20004 Telephone: 202-739-5652 Facsimile: 202-739-3001 E-Mail: <u>chowell@morganlewis.com</u></p>	<p>6. Total number of applications and registrations involved: <u>6</u> 7. Total fee (37 C.F.R. § 3.41) \$ <u>165.00</u> <input type="checkbox"/> Check enclosed. <input checked="" type="checkbox"/> Authorized to charge fee and any overpayments/deficiencies to deposit account. 8. Deposit account number: <u>13-4520</u></p>

CH \$165.00 134520 76287065

DO NOT USE THIS SPACE

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.

Catherine R. Howell, Paralegal
Name of Person Signing


Signature

September 30, 2004
Date

Total number of pages including cover sheet, attachments and document: 12

OMB No. 0651-0011 (exp. 4/94)

**RELEASE OF SECURITY INTEREST
IN TRADEMARK, PATENT, AND COPYRIGHT COLLATERAL**

This RELEASE, dated as of May 19, 2004, is made by Wells Fargo Foothill, Inc. (formerly known as Foothill Capital Corporation, "Foothill"), as collateral agent ("Collateral Agent"), pursuant to (i) the Trademark Security Agreement dated November 2, 2001, by American Pacific Enterprises, LLC ("Borrower") in favor of Collateral Agent, recorded with the U.S. Patent and Trademark Office on January 24, 2002, Reel/Frame 2440/0382; (ii) the Copyright Security Agreement dated November 2, 2001, by Borrower in favor of Collateral Agent, recorded with the U.S. Copyright Office on November 29, 2001, in V3477, D887-888, P1-31; and (iii) the Patent Security Agreement dated November 2, 2001, by Borrower in favor of Collateral Agent (together, the "Intellectual Property Security Agreements").

WITNESSETH:

WHEREAS, the Borrower has entered into the Loan Agreement, dated as of November 2, 2001, as amended by the Amended and Restated Loan Agreement, dated as of May 28, 2003, (as amended, modified or supplemented from time to time, the "Revolver Loan Agreement"), among the Borrower, the financial institutions from time to time party thereto ("Revolver Lenders"), and Foothill as arranger and administrative agent for the Revolver Lenders thereunder (together with its successors and assigns in such capacity, "Revolver Agent");

WHEREAS, the Borrower has entered into the Term Loan Agreement, dated as of November 2, 2001 (as amended, modified or supplemented from time to time, the "Term Loan Agreement"), and together with the Revolver Loan Agreement, the "Loan Agreements"), among the Borrower, the financial institutions from time to time party thereto ("Term Loan Lenders", and together with Revolver Lenders, the "Lenders"), and Hilco Capital LP as arranger and administrative agent thereunder (together with its successors and assigns in such capacity, "Term Loan Agent");

WHEREAS, Lenders, Revolver Agent, Term Loan Agent and Collateral Agent have entered into the Intercreditor and Collateral Agency Agreement dated as of the November 2, 2001, in order to, among other things, (a) appoint and authorize Collateral Agent, (b) establish the relative priority of the security interests of Revolver Lenders and Revolver Agent, on the one hand, and Term Loan Lenders, and Term Loan Agent, on the other hand, in the assets and properties of Borrower;

WHEREAS, the Obligations (as such term is defined in the Loan Agreements) of Borrower under the Loan Agreements are secured by the Trademark Collateral, the Copyright Collateral and the Patent Collateral (together, the "Intellectual Property Collateral"), as each such term is defined in the Intellectual Property Security Agreements;

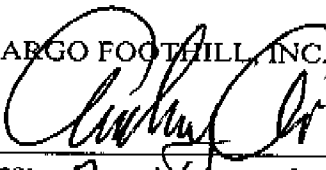
WHEREAS, Borrower has requested that Collateral Agent release its security interest in connection with the termination of the Intellectual Property Security Agreements (the "Released Collateral") and Collateral Agent has agreed to such release upon the receipt of all Settlement Items (as defined under that certain Payoff Letter dated as of May 18, 2004 (the "Payoff Letter"), among Foothill, as Revolver Agent, Borrower and CapitalSource Finance LLC); and

WHEREAS, Collateral Agent acknowledges receipt of all of the Settlement Items in accordance with the Payoff Letter.

NOW, THEREFORE, Collateral Agent agrees that the Intellectual Property Security Agreements shall be deemed terminated. Furthermore, Collateral Agent hereby **RELEASES** all of its security interests in the Released Collateral, namely, the trademarks listed in Schedule A, the trademark application and registrations listed in Schedule B, the trademark licenses listed in Schedule C, the copyright registrations listed in Schedule D, the copyright licenses listed in Schedule E, and the patent licenses listed in Schedule F, all schedules attached hereto and incorporated herein by reference, and any other Intellectual Property Collateral described in the Intellectual Property Security Agreements. Collateral Agent agrees, at Borrower's sole expense, to cooperate with Borrower in a reasonable manner and to provide Borrower with the information and additional authorization necessary to effect the release of Collateral Agent's security interest in the Released Collateral.

[Signature Page to Follow]

IN WITNESS WHEREOF, Collateral Agent has executed this Release as of the date first set forth above.

WELLS FARGO FOOTHILL, INC.
By: 
Name: ANTHONY A LOEB
Title: SR. VICE PRESIDENT

CERTIFICATE OF ACKNOWLEDGMENT

STATE OF MA)
COUNTY OF Suffolk) ss.

On this 18 day of May, 2004, before me personally appeared Drew Furlong proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of Wells Fargo Foothill, Inc., and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

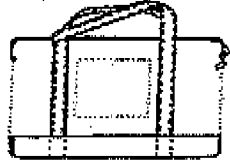
IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal, this 18 day of May, 2004.

James E. Burt
Notary Public
7/23/00

{seal}

SCHEDULE A

MARKS



MATCH!

TUCKER LANE



COUNTRY CLASSICS

BABY BLOCKS

GENTLE MOON

COBBLE CREEK

BABY'S INHERITANCE

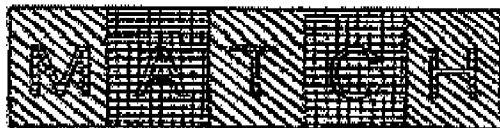
COMMON THREADS

MATCH LIVING

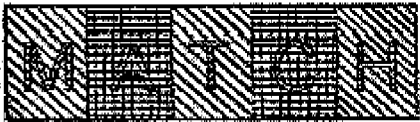
AMERICAN PACIFIC

SUITE 109

TWICE AS NICE



SCHEDULE B**U.S. Trademark Registrations and Application**

COMMON THREADS	75/463,489	02-Apr-1998	2,275,758	07-Sep-1999
MATCH LIVING	75/726,666	11-Jun-1999	2,528,089	08-Jan-2002
AMERICAN PACIFIC	74/379,596	19-Apr-1993	1,895,109	23-May-1995
SUITE 109	76/287,065	17-Jul-2001	n/a	n/a
TWICE AS NICE	76/215,621	21-Feb-2001	2,580,245	11-Jun-2002
	75/413,721	05-Jan-1998	2,268,458	10-Aug-1999