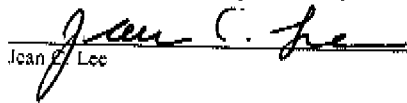


**CERTIFICATE OF FACSIMILE TRANSMISSION**

I hereby certify that this correspondence is being transmitted herewith via facsimile transmission to Telephone No. (571) 273-0140 on the date indicated below and is addressed to: **MAIL STOP: ASSIGNMENT RECORDATION SERVICES**, Director of the US Patent and Trademark Office, P.O. Box 1450, Alexandria VA 22313-1450.  
**Date of Transmission: September 19, 2005**

  
 \_\_\_\_\_  
 Jean E. Lee

TRADEMARKS

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

**ASSIGNMENT TRANSMITTAL LETTER**

TO THE COMMISSIONER FOR PATENTS:

1. Name of conveying party(ies):

DDJ CAPITAL MANAGEMENT, LLC  
 Suite 4  
 141 Linden Street  
 Wellesley, Massachusetts 02482

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

Pacific Coast Technologies, Inc.  
 434 Olds Station Road  
 Wenatchee, Washington 98801

3. Nature of conveyance:

 Assignment Change of Name Other: Termination, Release and Discharge of Security Interest and Schedule IIExecution date: **NONE LISTED**Effective date: **March 25, 2002**

- 4.
- 
- U.S. Trademark Registration Nos.:

1,114,452, registered March 6, 1979 for "KYROFLEX"

1,998,984 registered September 10, 1996 for "HERMETIC ADVANTAGE"

1,998,986 registered September 10, 1996 for "PARTNERS WITH  
TOMORROW"

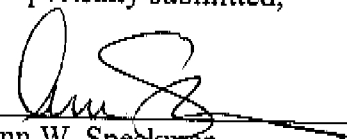
5. Applicant has granted power of attorney to or designated as domestic representative for these trademark registrations:

<u>Name</u>	<u>Reg. No.</u>
Ann W. Speckman	31,881

of the law firm of SPECKMAN LAW GROUP PLLC, 1501 Western Avenue, Suite 100, Seattle, Washington 98101. Please direct all correspondence concerning this Assignment to **Ann W. Speckman**, at the previously listed address.

6. Total number trademarks or applications involved: 3.
7. Total fee: \$120.00.  
 A check for \$120.00 in payment of the assignment recording fee is enclosed.  
 The \$120.00 fee for recording this assignment is included in the check for \$00.00 submitted herewith.
8.  **Please charge our Deposit Account No. 19-3555 in the amount of \$120.00.**  
 The Commissioner is hereby authorized to charge any additional fees, which may be required in connection with the filing of these papers, or credit any overpayment, to Account No. 19-3555.
9. The information contained on this transmittal letter is true and correct to the best of the knowledge and belief of the person signing below.

Respectfully submitted,

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

Total number of pages comprising transmittal letter: 2

Date: September 19, 2005

**SPECKMAN LAW GROUP PLLC**  
**20601**

**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 25<sup>th</sup> 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 A. Breazzano  
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	INT'L CLASS	STATUS
PCT, Inc.	42174/10	KRYOFLEX	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
Seismic Safety Products, Inc.	42174/16	NORTHBRIDGE 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

