

9/28/05

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Form PTO-1594 (Rev. 10/02) OMB No. 0651-0027 (exp. 6/30/2005)

RE



U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

Tab settings

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

1. Name of conveying party(ies): Standard Federal Bank National Association
[] Individual(s) [] Association
[] General Partnership [] Limited Partnership
[] Corporation-State
[] Other Bank
Additional name(s) of conveying party(ies) attached? [] Yes [] No

2. Name and address of receiving party(ies)
Name: ActSys Medical, Inc.
Internal Address:
Address:
Street Address: 31186 La Baya Drive, Suite 100
City: Westlake Villag State: Ca Zip: 91362
[] Individual(s) citizenship
[] Association
[] General Partnership
[] Limited Partnership
[] Corporation-State California
[] Other
If assignee is not domiciled in the United States, a domestic representative designation is attached: [] Yes [] No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? [] Yes [] No

3. Nature of conveyance:
[] Assignment [] Merger
[] Security Agreement [] Change of Name
[] Other Release of security agreement
Execution Date: 8/15/2005

4. Application number(s) or registration number(s):
A. Trademark Application No.(s) 78-342478
B. Trademark Registration No.(s) 2,423,040
Additional number(s) attached [] Yes [] No

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Charles E. McKee
Internal Address:
Nevers, Palazzo, Maddux & Packard, plc
Street Address: 31248 Oak Crest Drive Suite 100
City: Westlake Villag State: Ca Zip: 91361-5671

6. Total number of applications and registrations involved: 2
7. Total fee (37 CFR 3.41) \$ 65.00
[] Enclosed
[] Authorized to be charged to deposit account

8. Deposit account number:
OPR/FINANCE
SEP 28 AM 12:23

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9. Signature.
Charles E. McKee
Name of Person Signing
Signature
September 22, 2005
Date

Total number of pages including cover sheet, attachments, and document: 4

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

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01 FC:8521
02 FC:8522

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TRADEMARK
REEL: 003230 FRAME: 0099

RELEASE AND AGREEMENT

THIS RELEASE AND AGREEMENT is entered into by and between LaSalle Business Credit, LLC, a Delaware limited liability company, for itself and as agent for Standard Federal Bank National Association ("Lender") and ActSys Medical, Inc. ("Borrower").

WITNESSETH:

WHEREAS, on March 31, 2005, Lender and Borrower entered into a Loan and Security Agreement (the "Loan Agreement"), for the purpose of providing Borrower with loans, advances and financial accommodations;

WHEREAS, Borrower granted Lender security interests in and liens upon substantially all of Borrower's property to secure the liabilities and obligations owing to Lender under the Loan Agreement;

WHEREAS, Borrower has made repayment to Lender of all amounts borrowed under the Loan Agreement or otherwise;

WHEREAS, Lender has fulfilled all of its obligations to Borrower under the Loan Agreement or otherwise;

NOW, THEREFORE, in consideration of the mutual representations, releases and covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by all parties, Lender and Borrower hereby agree as follows:

1. Releases of Claims of Borrower. Borrower hereby fully and forever releases, withdraws, waives and discharges any and all known and unknown claims, rights, demands, damages, causes of action, judgments or liabilities which Borrower has, had or may have ever had against Lender, its officers, directors, attorneys or agents arising directly or indirectly out of the Loan Agreement, the Other Agreements (as defined in the Loan Agreement, and together with the Loan Agreement, the "Loan Documents") or any of the transactions in connection therewith.

2. Release of Claims of Lender. Except as provided in this Section 2 and in Section 3 below, and except with respect to Lender's rights to the Cash Collateral (as set forth in Section 5 below, upon the payment in full of all outstanding Liabilities and the termination of Lender's liens in accordance with Section 8 below, Lender hereby fully and forever releases, withdraws, waives and discharges any and all known and unknown claims, rights, demands, security interests, mortgages, liens, damages,

causes of action, judgments or liabilities which Lender has, had or may have ever had against Borrower, its officers, directors, attorneys or agents, arising directly or indirectly out of the Loan Documents or any of the transactions in connection therewith, but excluding any claims arising under Section 19 of the Loan Agreement and as set forth in Section 3 below. For the avoidance of doubt, (a) the "highest rate then applicable to Loans hereunder from the date incurred by each Indemnified Party until paid by Borrower" (as appears in the penultimate sentence of Section 19 of the Loan Agreement) shall be deemed to be one half of one percent (0.50%) *per annum* in excess of the Prime Rate (as defined in the Loan Agreement), with the Prime Rate being determined during the applicable time period, and (b) following the termination of Lender's liens as provided below, any indemnity obligations arising under Section 19 of the Loan Agreement shall not be secured by the Collateral.

3. Certain Obligations of Borrower Not Released. Borrower shall remain liable to Lender, and Lender shall not be deemed to have released Borrower with respect to, (a) claims related to checks deposited to the account of Borrower that are returned unpaid by the bank to which they were presented for payment for any reason, and (b) claims related to automatic clearinghouse transfers or wire transfers out of Borrower's account initiated by Borrower or any other authorized person that have not yet been posted to Borrower's account at the time of repayment as set forth above and (c) claims that arise because Lender is required by a court of competent jurisdiction or similar body to disgorge any amounts paid over to Lender by, or on behalf of, Borrower. The items described in clauses (a) and (b) above are referred to herein as "Returned Items")

4. Purpose. The purpose of this Release and Agreement is to fully and forever dispose of any claims, known or unknown, matured or unmatured, by and between the respective parties thereto, arising out of any act, known or unknown, occurring prior to the date hereof, except as specified in Sections 2 and 3 above.

The parties hereto acknowledge and represent that they, and each of them, have been advised by their attorney of record, and are familiar with Section 1542 of the Civil Code of the State of California, which presently provides as follows: "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected this settlement with the debtor." To the extent applicable to this Release and Agreement, the parties hereto hereby waive and relinquish any and all rights and benefits under Section 1542 of the Civil Code.

5. Cash Collateral. Borrower acknowledges that Lender has charged Borrower's loan account in the amount of \$25,000 (the "Cash Collateral"), and agrees that Lender may retain the Cash Collateral as collateral security for any unpaid Liabilities (as defined in the Loan Agreement), including, without limitation, any unpaid

fees, costs, expenses, or Returned Items. Lender may apply the Cash Collateral to any such unpaid Liabilities. Lender agrees to notify Borrower following Lender's application of any of the Cash Collateral to any such Liabilities; provided, however, that the failure to give such notice shall not affect such application or give rise to any liability on the part of Lender whatsoever. Lender will return all remaining Cash Collateral, if any, to Borrower upon the payment in full of all outstanding Liabilities and the termination of Lender's liens pursuant to Section 6 below.

6. Release of Liens; Termination of Loan Documents; UCC and USPTO Terminations. Pursuant to discussions between Lender and Borrower, it is agreed that Lender's liens granted under the Loan Agreement and other Loan Documents shall remain in effect following the payment in full of all outstanding Liabilities for a period of not less than fourteen days following such payment in full. Upon the expiration of such fourteen day period, and provided that no additional Liabilities have arisen (including, without limitation, any unpaid fees, costs, expenses, or the failure of Borrower to have fully reimbursed Lender for any Returned Items), Lender will terminate its UCC Financing Statements naming Borrower as debtor and, in addition, Borrower will be authorized to (a) file UCC Termination Statements to terminate all UCC Financing Statements filed in any jurisdiction naming the Borrower as Debtor and any of the following as secured party: (i) LaSalle Business Credit, Inc., (ii) Standard Federal Bank, National Association, or (iii) LaSalle Business Credit, Inc. as agent for Standard Federal Bank, National Association, and (b) complete and file such terminations documents with the USPTO as may be necessary to release the security interest of Lender in the trademark security agreement filed by Lender with the USPTO.

7. Binding Effect. This Release and Agreement shall inure to the benefit of and be binding upon the respective parties hereto and their respective successors and assigns.

8. Governing Law. This Release and Agreement shall be governed and controlled by the internal laws of the State of Illinois.

Executed this 15th day of August 2005.

ACTSYS MEDICAL, INC.

By [Signature]
Its [Signature]

LASALLE BUSINESS CREDIT, LLC

By [Signature]
Its [Signature]

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