

TRADEMARK ASSIGNMENT

Electronic Version v1.1
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SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Palco Labs, Inc.		05/18/2006	CORPORATION:
RECEIVING PARTY DATA			
Name:	PottyMD, LLC		
Street Address:	2216 White Avenue		
City:	Knoxville		
State/Country:	TENNESSEE		
Postal Code:	37916		
Entity Type:	LIMITED LIABILITY COMPANY:		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	1556640	WET-STOP	
CORRESPONDENCE DATA			
Fax Number:	(865)215-1001		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	(865) 215-1000		
Email:	baisleym@wmbac.com		
Correspondent Name:	W. Michael Baisley, Esq.		
Address Line 1:	900 Riverview Tower, 900 S. Gay Street		
Address Line 4:	Knoxville, TENNESSEE 37902-1810		
ATTORNEY DOCKET NUMBER:	020022.0003		
NAME OF SUBMITTER:	W. Michael Baisley		
Signature:	/W. Michael Baisley/		
Date:	06/13/2006		

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Total Attachments: 3

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ASSIGNMENT OF PATENTS AND TRADEMARKS

This ASSIGNMENT OF PATENTS AND TRADEMARKS (the "Assignment") is entered into this 18th day of May, 2006, by and between PALCO LABS, INC. ("Assignor"), a California corporation located at 360 El Pueblo Rd. Suite 102, Scotts Valley, California 95066, and POTTYMD, LLC ("Assignee"), a Tennessee limited liability company located at 2216 White Avenue, Knoxville, Tennessee 37916.

WITNESSETH:

WHEREAS, Assignor is the lawful owner of the following patents, patent applications and registered trademarks (collectively, the "Patents and Trademarks"):

- (1) United States Patent No. 10/950,795, dated September 27, 2004, entitled "Enuresis Device With Magnetic Fastener";
- (2) Foreign Patent Cooperation Treaty ("PCT") No. PCT/US04/039246, dated November 18, 2004, entitled "Enuresis Device With Magnetic Fastener"; and
- (3) United States Registered Trademark No. 1,556,640, dated September 19, 1989, entitled "Wet-Stop," including all common-law trademark rights associated with "Wet-Stop"; and

WHEREAS, pursuant to that certain Asset Purchase Agreement executed on May 18, 2006, by and between Assignor and Assignee, Assignor has agreed to sell, transfer and assign all of Assignor's right, title and interest in said Patents and Trademarks to Assignee.

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

1. Assignor hereby sells, assigns and transfers unto Assignee all of Assignor's right, title and interest in and to said Patents and Trademarks, including all subject matter described in the patent applications, and including the goodwill and business associated with the trademark, and any continuations, continuations-in-part, divisions and/or reissues thereof, and any rights of Assignor to file applications and receive patents thereon, including any foreign counterparts thereof, and any improvements heretofore or hereafter made or acquired by Assignor and to all rights of priority thereto pursuant to the International Convention for the Protection of Industrial Property, the same to be held by Assignee for its own use, and for the use of Assignees successors, assigns and other legal representatives, as fully and entirely as the same would have been held by Assignors if this Assignment had not been made, together with the right to sue for all past infringements, and together with all of Assignor's claims for past and future damages by reason of infringement thereof, with the right to sue for and collect the same for Assignee's own use, and for the use of its successors, assigns and other legal representatives.

2. Assignor hereby authorizes and requests the Commissioner of Patents and Trademarks of the United States, and the equivalent offices or officers of other countries, to issue in the name of Assignee any and all letters patent on the Patents, patent applications, or trademarks referenced above.

3. Assignor hereby warrants and covenants that it has the sole right to convey the entire interests in the Patents and Trademarks herein assigned, and that Assignor has not executed, and will not execute, any instruments or agreements inconsistent herewith.

4. The warranties, covenants, and promises contained in the Asset Purchase Agreement shall not merge into, but shall survive this Assignment, and shall continue in full force and effect. All terms and conditions of this Assignment and the Asset Purchase Agreement shall inure to the benefit of and bind the parties hereto and their successors and assigns respectively.

5. Assignor agrees to cooperate with Assignee so that Assignee may enjoy to the fullest extent the rights conveyed hereunder. Such duty includes the prompt execution of all documents and instruments that are reasonably deemed necessary or desirable by Assignee to perfect the conveyed rights. Assignor further agrees that it shall, at any time upon request, communicate to Assignee any facts relating to the Patents and Trademarks, or the history thereof, and testify as to the same in any litigation or other form of dispute resolution when requested to do so. Assignee shall pay any reasonable expenses incurred by Assignor in connection with providing such testimony.

IN WITNESS WHEREOF, Assignor has executed this Assignment of Patents as of the 18th day of May, 2006.

ASSIGNOR:

PALCO LABS, INC.

By: _____

Jeff Smith

Chief Executive Officer

STATE OF CALIFORNIA)
COUNTY OF SANTA CRUZ)

Before me, a Notary Public in and for the state and county aforesaid, personally appeared Jeff Smith, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself/herself to be the CEO of PALCO LABS, INC., the within named bargainer, a corporation, and that he/she, as such CEO, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself/herself as CEO.

Witness my hand and seal, this 18th day of May, 2006.

Veronica Stagi
Notary Public

My Commission Expires:
4/30/08

