

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Grant of Security Interest in Patents and Trademarks

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Chad Therapeutics, Inc.		07/30/2007	CORPORATION: CALIFORNIA

RECEIVING PARTY DATA

Name:	Calliope Capital Corporation
Street Address:	335 Madison Ave., 10th Floor
Internal Address:	c/o Laurus Capital Management, LLC
City:	New York
State/Country:	NEW YORK
Postal Code:	10017
Entity Type:	CORPORATION: DELAWARE

PROPERTY NUMBERS Total: 17

Property Type	Number	Word Mark
Registration Number:	1321994	CHAD
Registration Number:	1324305	OXYMIZER
Registration Number:	1416513	OXYCOIL
Registration Number:	1723543	OXYMATIC
Registration Number:	1841758	OXYLITE
Registration Number:	2187403	TOTAL O2
Registration Number:	2670200	OXPNEUMATIC
Registration Number:	3066353	LOTUS
Serial Number:	76572650	OPTI-NARE
Serial Number:	76619568	OMNI-FILL
Serial Number:	76654779	FLOPAP
Serial Number:	76669051	BONSAI
Serial Number:	76673192	OMNI 5

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Serial Number:	76673389	BECAUSE EVERY BREATH COUNTS
Serial Number:	76673218	THE POWER OF SIX
Serial Number:	76673219	OMNI 2
Serial Number:	77249908	FLO CHANNEL

CORRESPONDENCE DATA

Fax Number: (202)756-9299

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 8002210770

Email: matthew.mayer@thomson.com

Correspondent Name: Corporation Service Company

Address Line 1: 1133 Avenue of the Americas

Address Line 2: Suite 3100

Address Line 4: New York, NEW YORK 10036

ATTORNEY DOCKET NUMBER:	CSC # 058882
NAME OF SUBMITTER:	Matthew Mayer
Signature:	/Matthew Mayer/
Date:	08/20/2007

Total Attachments: 6

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**GRANT OF SECURITY INTEREST
IN PATENTS AND TRADEMARKS**

THIS GRANT OF SECURITY INTEREST ("Grant"), effected as of July 30, 2007, is executed by Chad Therapeutics, Inc., a California corporation (the "Grantor"), in favor of Calliope Capital Corporation (the "Secured Party").

A. Pursuant to a Security Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement") among the Grantor and the Secured Party, the terms and provisions of which are hereby incorporated herein as if fully set forth herein, the Grantor has granted a security interest to the Secured Party in consideration of the Secured Party's agreement to provide financial accommodations to Grantor.

B. The Grantor (1) has adopted, used and is using the trademarks reflected in the trademark registrations and trademark applications in the United States Patent and Trademark Office more particularly described on Schedule 1 annexed hereto as part hereof (the "Trademarks"), and (2) has registered or applied for registration in the United States Patent and Trademark Office of the patents more particularly described on Schedule 2 annexed hereto as part hereof (the "Patents").

C. The Grantor wishes to confirm its grant to the Secured Party of a security interest in all right, title and interest of the Grantor in and to the Trademarks and Patents, and all proceeds thereof, together with the business as well as the goodwill of the business symbolized by, or related or pertaining to, the Trademarks, and the customer lists and records related to the Trademarks and Patents and all causes of action which may exist by reason of infringement of any of the Trademarks and Patents (collectively, the "T&P Collateral"), to secure the payment, performance and observance of the Obligations (as that term is defined in the Security Agreement).

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged:

1. The Grantor does hereby further grant to the Secured Party a security interest in the T&P Collateral to secure the full and prompt payment, performance and observance of the Obligations.

2. The Grantor agrees to perform, so long as the Security Agreement is in effect, all acts deemed necessary or desirable by the Secured Party to permit and assist it, at the Grantor's expense, in obtaining and enforcing the Trademarks and Patents in any and all countries. Such acts may include, but are not limited to, execution of documents and assistance or cooperation in legal proceedings. The Grantor hereby appoints the Secured Party as the Grantor's attorney-in-fact to execute and file any and all agreements, instruments, documents and papers as the Secured Party may determine to be necessary or desirable to evidence the Secured Party's

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security interest in the Trademarks and Patents or any other element of the T&P Collateral, all acts of such attorney-in-fact being hereby ratified and confirmed.

3. The Grantor acknowledges and affirms that the rights and remedies of the Secured Party with respect to the security interest in the T&P Collateral granted hereby are more fully set forth in the Security Agreement and the rights and remedies set forth herein are without prejudice to, and are in addition to, those set forth in the Security Agreement. In the event that any provisions of this Grant are deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall govern.


4. The Grantor hereby authorizes the Secured Party to file all such financing statements or other instruments to the extent required by the Uniform Commercial Code and agrees to execute all such other documents, agreements and instruments as may be required or deemed necessary by the Secured Party, in each case for purposes of affecting or continuing Secured Party's security interest in the T&P Collateral.

5. This Grant may be executed in any number of counterparts, each of which shall be an original, but all of which shall constitute one instrument. It is understood and agreed that if facsimile copies of this Grant bearing facsimile signatures are exchanged between the parties hereto, such copies shall in all respects have the same weight, force and legal effect and shall be fully as valid, binding, and enforceable as if such signed facsimile copies were original documents bearing original signature.

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IN WITNESS WHEREOF, the Grantor has caused this instrument to be executed as of the day and year first above written.

CHAD THERAPEUTICS, INC.

By: 
Name: Ethan L. Papp
Title: CEO

SCHEDULE 1 TO GRANT OF SECURITY INTEREST

REGISTERED TRADEMARKS AND TRADEMARK APPLICATIONS

	<u>Trademark</u>	<u>Registration or Application Number</u>	<u>Registration or Application Date</u>	<u>Country</u>
1.	CHAD	1,321,994	February 26, 1985	United States
2.	OXYMIZER	1,324,305	March 12, 1985	United States
3.	OXYCOIL	1,416,513	November 11, 1986	United States
4.	OXYMATIC	1,723,543	October 13, 1992	United States
5.	OXYLITE	1,841,758	June 28, 1994	United States
6.	TOTAL O ₂	2,187,403	September 8, 1998	United States
7.	OXYPneumatic	2,670,200	December 31, 2002	United States
8.	OPTI-NARE	76/572,650	January 23, 2004	United States
9.	OMNI-FILL	76/619,568	November 5, 2004	United States
10.	FLOPAP	76/654,779	February 7, 2006	United States
11.	LOTUS	3,066,353	March 7, 2006	United States
12.	BONSAI	76,669,051	November 13, 2006	United States
13.	OMNI-5	76/673,192	February 26, 2007	United States
14.	BECAUSE EVERY BREATH COUNTS	76/673,389	February 28, 2007 March 1, 2007	United States
15.	THE POWER OF SIX	76/673,218	February 26, 2007 July 16, 2007	United States
16.	OMNI-2	76/673,219	February 26, 2007 July 16, 2007	United States
17.	FLOCHANNEL	77/249,908	August 8, 2007	United States

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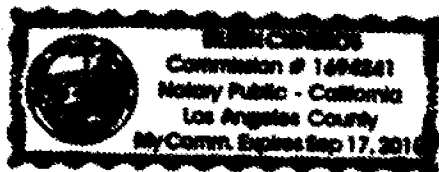
SCHEDULE 2 TO GRANT OF SECURITY INTEREST

PATENTS AND PATENT APPLICATIONS

<u>Patent</u>	<u>Registration or Application Number</u>	<u>Registration or Application Date</u>	<u>Country</u>
CAPACITIVE PRESSURE TRANSDUCER	5,134,886	August 4, 1992	United States
AMBULATORY POST VALVE	6,386,235	May 14, 2002	United States
SINGLE LUMEN CANNULA PNEUMATIC CONSERVER	6,484,721	November 26, 2002	United States
TRANSFILL WITH PRE-INTENSIFIER TAKEOFF	11/037,523	January 18, 2005	United States
CYLINDER INDENTIFICATION	11/157,708	June 21, 2005	United States

STATE OF California
COUNTY OF Los Angeles) ss.:

On this 10th day of August, 2007 before me personally came _____
Earl L Yager who, being by me duly sworn, did state as follows: that [s]he is
CEO of CHAD THERAPEUTICS, INC., a California corporation, that [s]he is
authorized to execute the foregoing Grant on behalf of said corporation and that [s]he did so by
authority of the Board of Directors of said corporation.



Eileen Asner
Notary Public

Grant