

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Aqua-Flo, LLC		10/29/2007	LIMITED LIABILITY COMPANY: DELAWARE
RECEIVING PARTY DATA			
Name:	Credit Managers Association of California		
Street Address:	40 East Verdugo Avenue		
City:	Burbank		
State/Country:	CALIFORNIA		
Postal Code:	91502		
Entity Type:	CORPORATION: CALIFORNIA		
PROPERTY NUMBERS Total: 4			
Property Type	Number	Word Mark	
Serial Number:	78801364	SPA-LOGIC	
Registration Number:	2982107	TUB-MASTER	
Registration Number:	2466553	CIRC-MASTER	
Registration Number:	2982106	FLO-MASTER	
CORRESPONDENCE DATA			
Fax Number:	(949)451-4220		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	949-451-3800		
Email:	dsegal@gibsondunn.com		
Correspondent Name:	David A. Segal		
Address Line 1:	3161 Michelson Drive		
Address Line 4:	Irvine, CALIFORNIA 92612		
ATTORNEY DOCKET NUMBER:	19576-00006		
NAME OF SUBMITTER:	David A. Segal		

CH \$115.00 78801364

Signature:	/david a. segal/
Date:	12/20/2007
<p>Total Attachments: 11</p> <p>source=AquafloLLCassignment#page1.tif source=AquafloLLCassignment#page2.tif source=AquafloLLCassignment#page3.tif source=AquafloLLCassignment#page4.tif source=AquafloLLCassignment#page5.tif source=AquafloLLCassignment#page6.tif source=AquafloLLCassignment#page7.tif source=AquafloLLCassignment#page8.tif source=AquafloLLCassignment#page9.tif source=AquafloLLCassignment#page10.tif source=AquafloLLCassignment#page11.tif</p>	

GENERAL ASSIGNMENT FOR THE BENEFIT OF CREDITORS

THE GENERAL ASSIGNMENT FOR THE BENEFIT OF CREDITORS is made this 29th day of October, 2007, by and between **AQUA-FLO, LLC**, a Delaware limited liability company, located at 5651 Schaefer Ave. in the City of Chino, County of San Bernardino, State of California, Federal Tax Identification Number 20-0427707, hereinafter referred to as "Assignor," and **CREDIT MANAGERS ASSOCIATION OF CALIFORNIA, doing business as CMA BUSINESS CREDIT SERVICES**, a California corporation of Burbank California, hereinafter referred to as "Assignee."

WITNESSETH: Whereas Assignor is indebted to various persons, corporations and other entities and is unable to pay its debts in full, and has decided to discontinue its business, and is desirous of transferring its property to an assignee for the benefit of creditors so that the property so transferred may be expeditiously liquidated and the proceeds thereof be fairly distributed to its creditors without any preference or priority, except such priority as established and permitted by applicable law;

NOW, THEREFORE, in consideration of Assignor's existing indebtedness to its creditors, the covenants and agreements to be performed by Assignee, the sum of one dollar (\$1.00), and other consideration, receipt of all of which is hereby acknowledged, it is hereby **AGREED:**

1. **TRANSFER OF ASSETS.** Assignor hereby assigns, grants, conveys, transfers and sets over to Assignee all right, title and interest in personal property and assets, whatsoever

and wheresoever situated, which are now, or have ever been, used in connection with the operation of Assignor's business, and which assets include, but are not limited to all personal property and any interest therein not exempt from execution, including all accounts (as defined in the Uniform Commercial Code (the "UCC")), chattel paper (as defined in the UCC), documents (as defined in the UCC), payment intangibles and other general intangibles (as each term is defined in the UCC), goods (as defined in the UCC, and including , without limitation inventory, equipment and fixtures), instruments (as defined in the UCC), investment property (as defined in the UCC), deposit accounts (as defined in the UCC) and all deposits or amounts therein, money, cash or cash equivalents (whether on hand or in a bank account), supporting obligations and letter of credit rights (as each term is defined in the UCC), commercial tort claims (as defined in the UCC), book accounts, books, bills, patents, copyrights, trademarks and trade names, insurance policies, tax refunds, rebates, insurance refunds, real property leases, leasehold improvements, real property and interests in real property, claims, and choses in action that are legally assignable, together with the proceeds of any non-assignable choses in action that may hereafter be recovered or received by the Assignor. Further, this general assignment specifically includes all claims for refunds or abatement of all excess taxes heretofore or hereafter assessed against or collected from the Assignor by the United States or any of its departments or agencies, any state or local taxing authority and the Assignor agrees to sign and execute a power of attorney or other such document(s) as required to enable Assignee to file and prosecute, compromise and/or settle all such claims before the respective taxing authority. Assignor agrees to endorse any refund checks relating to the prior operations of said Assignor's business and to deliver such checks immediately to Assignee.

2. **LEASES AND LEASEHOLD INTERESTS.** This General Assignment shall not include leases and leasehold interests in any asset of the Assignor; however should the Assignee determine that said lease or leasehold interest has realizable value for the creditors, then the Assignor agrees that upon written demand of the Assignee, it will assign and transfer said lease or leasehold interest to said Assignee, or nominee, for administration under the terms of this general assignment.

3. **UNION CONTRACTS.** No contract or agreement between the Assignor and any labor or trade union or any trade association remains in force as between the Assignor and the respective union or trade association.

4. **FORWARDING OF MAIL.** Assignor authorizes the forwarding of its mail by the U.S. Postal Service as directed by Assignee.

5. **POWERS AND DUTIES OF ASSIGNEE.** Assignee shall have all powers necessary to marshal and liquidate the estate including but not limited to:

a. To collect any and all accounts receivable and obligations owing to Assignor and not otherwise sold by Assignee;

b. To sell or otherwise dispose of all real and personal property of Assignor in such manner as Assignee deems best. Assignee shall have the power to execute any and all documents necessary to effectuate the sale of said property and to convey title to same.

c. To sell or otherwise dispose of all tangible and intangible real and personal property of Assignor, including but not limited to all of Assignor's real property leases,

machinery, equipment, inventory, service or trademarks, trade names, patents, franchises, causes or choses in action and general intangibles in such manner as Assignee deems best. Assignee shall have the power to execute any and all documents necessary to effectuate the sale of this property and to convey title to same. In this regard, Assignee shall have the power to employ an advisor acceptable to the Lenders (as defined below) in their sole discretion to assist in the disposition of the assets in such manner as Assignee deems best. Assignee shall have the power to execute bills of sale and any other such documents necessary to convey right, title and interest in to Assignor's property to any bona fide buyer.

d. To employ attorneys, accountants and any other additional personnel to whatever extent may be necessary to administer the assets and claims of the assignment estate and to assist in the preparation and filing of any and all State, County or Federal Tax Returns as required.

e. To require all of Assignor's creditors to whom any balance is owing to submit verified statements to Assignee of said claim(s), pursuant to California Code of Civil Procedure §1802.

f. To settle any and all claims against or in favor of Assignor, with the full power to compromise, or, in the Assignee's sole discretion, to sue or be sued, and to prosecute or defend any claim or claims of any nature whatsoever existing in favor of Assignor.

g. To open bank accounts in the name of the Assignee or its nominees or agents and to deposit assigned assets or the proceeds thereof in such bank accounts and to draw checks thereon and with the further power and authority to do such acts and execute such papers and documents in connection with this general assignment as Assignee may deem necessary or advisable.

h. To conduct the business of the Assignor, should the Assignee deem such operation proper.

i. To apply the net proceeds arising from the operation of and liquidation of Assignor's business and assets, in the following priority amounts as to only and not time of distribution, as follows, subject, in the case of proceeds constituting proceeds of a secured creditor's collateral, to the consent of such secured creditor:

(1) FIRST, to deduct all sums which Assignee may at its option pay for the discharge of any lien on any of said property and any indebtedness which under the law is entitled to priority of payment and to reimburse Assignee as to all costs advanced by the Assignee or any third party for the preservation of the assignment estate's assets, including the maintenance and insurance of said assets and the expenses of any operation.

(2) SECOND, all costs and expenses incidental to the administration of the assignment estate, including the payment of a reasonable Assignee Fee (as hereinafter defined), and the payment of reasonable compensation for the services of attorneys for the Assignee, accountants to the Assignee, attorneys to the Assignor for services related to the making of and administration of the general assignment and any other professionals the Assignee deems necessary to properly administer the assignment estate, in each case as provided below.

(3) THIRD, all federal taxes of any nature whatsoever owing as of the date of this general assignment, or other such claim of any federal governmental agency as defined under 31 U.S.C. §3713, including but not limited to federal withholding taxes, federal unemployment taxes and any other federal income, excise, property and

employment taxes.

(4) FOURTH, all monies due employees of the Assignor entitled to priority as defined under California Code of Civil Procedure §1204 and §1204.5 up to the statutory maximum.

(5) FIFTH, all state, county and municipality taxes of any nature whatsoever owing as of the date of this general assignment, including but not limited to employment, property and income taxes.

(6) SIXTH, all debts owing to the Assignor's creditors (other than the indebtedness included in any of the classes set forth above) pro rata in accordance with the terms of each creditor's indebtedness, until all such debts are paid in full. No payment shall be made to any creditor whose claim is otherwise disputed until such time as that creditor's claim is resolved. The creditor's otherwise pro-rata share of such distribution shall be fully reserved for by the Assignee until such time as the dispute is resolved. Disputed claims shall include a dispute related to any avoidance action the Assignee may have under state law. The Assignee may make interim distributions whenever the Assignee has accumulated sufficient funds to enable it to make a reasonable distribution. No distribution shall be in an amount less than \$100,000 (in the aggregate) except for (i) the final distribution and (ii) distributions made to secured creditors.

(7) SEVENTH, any monies (distributions) unclaimed by creditors ninety days after the final distribution to unsecured creditors (if any) or the termination of the administration of the estate created by this general assignment, shall be re-distributed to all known unsecured creditors, being those creditors who cashed their respective

dividend checks from the assignment estate, so long as any such distribution exceeds one percent of each such creditor's allowed claim.

(8) EIGHTH, the surplus, if any, of the assignment estate funds; when all debts of the Assignor shall have been paid in full, shall be paid and transferred to the holders of the equity of said Assignor, as per the list of equity holders provided with the making of this general assignment.

j. To enter into (i) one or more forbearance agreements with the Assignor's senior secured lenders (collectively, the "Lenders"), each of which shall include a budget for expenses (the "Budget") that was prepared by the Assignee and consented to by the Lenders; and (ii) any other agreements with any of Assignor's creditors to effectuate the Assignment or the powers and duties of Assignee hereunder or otherwise relating to this Assignment or the exercise of Assignee's powers and duties.

k. To do and perform any and all other acts necessary and proper for the liquidation or other disposition of the assets, including but not limited to abandonment, and the distribution of the proceeds derived therefrom to Assignor's creditors.

6. **RIGHTS OF CREDITORS.** All rights and remedies of the creditors against any surety or sureties for the Assignor are hereby expressly reserved and nothing herein shall prevent the creditors or any of them from suing any third parties or persons who may be liable to any of the creditors for all or any part of their claims against the Assignor, or from enforcing or otherwise obtaining the full benefit of any mortgage, charge, pledge, lien or other security which they now hold on any property, creditors or effects of the Assignor.

7. **LIABILITY OF ASSIGNEE.** It is understood and agreed that neither the Assignee nor any of its employees, officers, agents or representatives will assume any personal liability or responsibility for any of its acts as Assignee herein, but its obligation shall be limited to the performance of the terms and conditions of the general assignment in good faith and in the exercise of its best business judgment. The Assignee shall be indemnified by the assignment estate for any claims brought by any party against the Assignee for any of its acts as Assignee herein; provided, however, that the proceeds of any secured creditor's collateral cannot be used to effect such indemnification without the written consent of such secured creditor.

8. **WARRANTIES OF ASSIGNOR.** Assignor hereby warrants as follows:

The list of creditors delivered concurrently herewith to the Assignee and as required under California Code of Civil Procedure §1802 is complete and correct as reflected by the books and records of the Assignor, as to the names of Assignor's creditors, their addresses and the amounts due them.

Assignor, through its officers and directors, shall perform any and all acts reasonably necessary and proper to assist the Assignee in its orderly liquidation of the Assignor's assets, the collection of any and all monies owing the Assignor and in the distribution of said monies and proceeds of asset sales to the Assignor's creditors; provided, however, the officers and directors of Assignor shall only provide such assistance to the Assignee to the extent, and on the condition that, they are reimbursed for any reasonable out-of-pocket expenses incurred in providing such services.

9. **POWER OF ATTORNEY.** The Assignor, by this general assignment hereby

grants the Assignee a general power of attorney, which power of attorney specifically includes the right of the Assignee to prosecute any action in the name of the Assignor as attorney-in-fact. This power of attorney is irrevocably and coupled with an interest.

10. **ACCEPTANCE BY ASSIGNEE.** By execution of this general assignment, the Assignee does hereby accept the estate herein created and agrees to faithfully perform its duties according to the best of the Assignee's skill, knowledge and ability. It is understood that the Assignee shall receive reasonable compensation (the "Assignee Fee") for its services in connection with this estate. The Assignee Fee is defined to mean:

- 1) **an administration fee of \$75,000 to administer the disposition of assets of both Aqua-Flo, LLC and Aqua-Flo Holdings, LLC; plus**
- 2) **a further fee equal to any and all interest earned and received by the Assignee on any trust and other funds in its hands and arising from this assignment; plus**
- 3) **in regard to the administration of any assets that are not determined to be subject to the lien of Lenders (such as claims for any preferential transfers), the Assignee shall be entitled to be paid, from proceeds of such assets (and not from the proceeds of any of the Lender's collateral), a fee for administering such assets equal to 6% plus its out-of-pocket expenses on any recovery to the assignment estate for general unsecured creditors, plus a fee of 4% on any distributions made by Assignee to general unsecured creditors plus reasonable expenses incurred in connection with such administration.**

General Assignment for the Benefit of Creditors
Re: Aqua-Flo, LLC
Page 10

In addition to the foregoing fees and charges, the Assignor expressly agrees that the Assignee shall be entitled to reimbursement of out-of-pocket expenses incurred by the Assignee.

[signature pages to follow]

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year
first above written:

AQUA-FLO, LLC., a Delaware limited liability
company

By 
Dirk Caudill, Manager

ACCEPTED:

CALIFORNIA MANAGERS ASSOCIATION OF
CALIFORNIA, a California corporation, doing
business as CMA BUSINESS CREDIT SERVICES

By 
~~Michael G. Mitchell, President~~

DAVID T. MACOMBER, VP/CFO

100327042_3 (cma_aquaflo_assignment LLC)

RECORDED: 12/20/2007

TRADEMARK
REEL: 003682 FRAME: 0720