

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	RELEASE BY SECURED PARTY		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Square 1 Bank		02/01/2010	Bank:
RECEIVING PARTY DATA			
Name:	Kinetix Living Corp.		
Street Address:	3300 1st Avenue S.		
Internal Address:	Suite 300		
City:	Seattle		
State/Country:	WASHINGTON		
Postal Code:	98134		
Entity Type:	CORPORATION: DELAWARE		
PROPERTY NUMBERS Total: 3			
Property Type	Number	Word Mark	
Serial Number:	78665023	KINETIX	
Serial Number:	78665019	KINETIX LIVING	
Serial Number:	78665018	SWITCH ON	
CORRESPONDENCE DATA			
Fax Number:	(650)833-2001		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	650.833.2170		
Email:	carolanne.bashir@dlapiper.com		
Correspondent Name:	Allyn Taylor		
Address Line 1:	2000 University Avenue		
Address Line 4:	East Palo Alto, CALIFORNIA 94303		
ATTORNEY DOCKET NUMBER:	358321-900100		
NAME OF SUBMITTER:	Allyn Taylor		

CH \$90.00 78665023

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**TRADEMARK
 REEL: 004195 FRAME: 0701**

Signature:	/Allyn Taylor/
Date:	04/29/2010
Total Attachments: 5 source=KINETIX - SQUARE 1 BANK Release of Security Interest#page1.tif source=KINETIX - SQUARE 1 BANK Release of Security Interest#page2.tif source=KINETIX - SQUARE 1 BANK Release of Security Interest#page3.tif source=KINETIX - SQUARE 1 BANK Release of Security Interest#page4.tif source=KINETIX - SQUARE 1 BANK Release of Security Interest#page5.tif	

CONDITIONAL RELEASE OF SECURITY INTEREST AGREEMENT

This CONDITIONAL RELEASE OF SECURITY INTEREST AGREEMENT (this "*Agreement*") is made as of February 1, 2010, by and among Kinetix Living Corp., a Delaware corporation ("*Kinetix*"), Square 1 Bank ("*Bank*"), and the undersigned affiliates of Maveron LLC (such affiliates being referred to in this Agreement, collectively, as "*Maveron*"). Unless otherwise defined, capitalized terms in this Agreement shall have the meaning assigned in the Purchase Agreement (as defined below).

RECITALS

A. Kinetix and Bank are parties to that certain Loan and Security Agreement, dated February 7, 2006, as amended by that certain First Amendment to Loan and Security Agreement dated October 12, 2006, that certain Second Amendment to Loan and Security Agreement dated January 12, 2007, that certain Third Amendment to Loan and Security Agreement dated March 15, 2007, that certain Fourth Amendment to Loan and Security Agreement dated October 15, 2007, that certain Fifth Amendment to Loan and Security Agreement dated December 17, 2007, that certain Sixth Amendment to Loan and Security Agreement dated January 18, 2008, that certain Seventh Amendment to Loan and Security Agreement dated May 30, 2008, that certain Eighth Amendment to Loan and Security Agreement dated June 30, 2008, that certain Forbearance Agreement and Ninth Amendment to Loan and Security Agreement dated June 30, 2009, and that certain Tenth Amendment to Loan and Security Agreement dated July 31, 2009 (the "*Bank Agreement*").

B. Kinetix and Maveron are parties to that certain Security Agreement dated October 12, 2006, as amended by that certain First Amendment to Security Agreement dated October 30, 2007, that certain Second Amendment to Security Agreement dated as September 25, 2008, that certain Third Amendment to Security Agreement dated June 30, 2009 and that certain Fourth Amendment to Security Agreement dated October 1, 2009 (the "*Maveron Security Agreement*").

C. Maveron and Bank are parties to that certain Subordination Agreement dated October 12, 2006 (as amended from time to time, the "*Subordination Agreement*"), pursuant to which Maveron subordinated any security interest or lien it may have in the assets of Kinetix to any interest of Bank in such assets, and that certain Affirmation of Subordination Agreement dated November 13, 2009 (the "*Affirmation of Subordination Agreement*"), which reaffirmed the Subordination Agreement and was approved by Kinetix.

D. Kinetix has entered into an Asset Purchase Agreement dated November 20, 2009 with Regence BlueShield, a Washington nonprofit corporation (the "*Purchaser*" and, such agreement, the "*Purchase Agreement*"), pursuant to which Kinetix has agreed to sell the Assets, other than the Excluded Assets, to Purchaser in exchange for cash consideration equal to the Estimated Purchase Price, of which at Closing the Escrow Amount will be paid to the Escrow Agent and the remainder (the "*Cash Proceeds at Closing*") will be paid to Kinetix or its designees (such transaction, the "*Asset Sale*").

E. Kinetix anticipates that the Closing of the Asset Sale will take place during the first quarter of 2010. In order for Kinetix to consummate the Closing of the Asset Sale, Bank and Maveron must release their respective security interests in the Assets. Accordingly, Bank and Maveron desire to release their security interests in the Assets immediately prior to the Closing, pursuant to and conditioned on the terms of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge by their signatures below, Kinetix, Bank and Maveron agree as follows:

AGREEMENT

1. Conditional Release of Security Interest in Assets

(a) Bank and Maveron each hereby consent to Kinetix's consummation of the Closing of the Asset Sale, pursuant to the Purchase Agreement, and waive the application of any provisions of the Bank Agreement, Maveron Security Agreement, Subordination Agreement and Affirmation of Subordination Agreement, as applicable, that may apply to the Asset Sale. Furthermore, Bank and Maveron each hereby agree, effective immediately prior to the Closing, to release any security interest either of them may have in the Assets (the "*Release*").

(b) For the avoidance of doubt, the Release shall only apply to the Assets as described in Section 2.1 of the Purchase Agreement, and Bank and Maveron expressly reserve all rights they each may have in the Excluded Assets, including the proceeds from the Cash Proceeds at Closing.

2. Conditions of Release

(a) The Release is expressly conditioned upon the following covenants of Kinetix: (i) the Cash Proceeds at Closing will be sufficient to repay, and Kinetix will use such Cash Proceeds at Closing to repay, by directing Purchaser to transfer a sufficient amount of such Cash Proceeds by wire transfer directly to Bank, and to Maveron, at the Closing, all of Kinetix's outstanding Obligations (as defined in the Bank Agreement with respect to Bank and in the Maveron Security Agreement with respect to Maveron), and (ii) Kinetix will not distribute or deplete any of the Cash Proceeds at Closing or thereafter until all of such Obligations are satisfied in full (together, the "*Conditions*").

(b) Kinetix, Bank and Maveron agree that, in the event that any of the Conditions is not satisfied, the Release shall be null and void. The remedies provided for in this Agreement, including this Section 2(b), are cumulative and not exclusive of any rights or remedies provided by law or contract.

3. Affirmation of Subordination Agreement

Bank and Maveron each hereby acknowledge and affirm their respective obligations under the Subordination Agreement, which will remain in full force and effect with respect to all of Kinetix's obligations to Bank, under the Bank Agreement and otherwise. Consistent with the foregoing, Bank, Maveron and Kinetix acknowledge and affirm their respective obligations under the Affirmation of Subordination Agreement.

4. Termination of Remaining Security Interests

(a) Subject to the terms of the Bank Agreement, Bank acknowledges and agrees that, upon Kinetix's satisfaction of the aggregate Obligations (as defined in the Bank Agreement) and the obligations of Kinetix contained in this Agreement, the Bank Agreement will terminate and any remaining security interests then held by Bank will be terminated and released and, in connection with such termination and release, any of Kinetix's duly appointed officers are authorized to take such further actions and execute such other documents (including the filing of a UCC Financing Statement Amendment (UCC-3)) as necessary to effect such termination and release.

(b) Subject to the terms of the Maveron Security Agreement, Maveron acknowledges and agrees that, upon Kinetix's satisfaction of the aggregate Obligations (as defined in the Maveron Security Agreement) and the obligations of Kinetix contained in this Agreement, the Maveron Security Agreement will terminate and any remaining security interests then held by Maveron will be terminated

and released and, in connection with such termination and release, any of Kinetix's duly appointed officers are authorized to take such further actions and execute such other documents (including the filing of a UCC Financing Statement Amendment (UCC-3)) as necessary to effect such termination and release.

5. Miscellaneous

(a) The provisions of this Agreement may be amended only by the written agreement of all of the parties hereto. Any waiver, permit, consent or approval of any kind or character on the part of any party of any provisions or conditions of this Agreement must be made in writing and shall be effective only to the extent specifically set forth in such writing.

(b) The descriptive headings of this Agreement are inserted for convenience of reference only and do not constitute a part of this Agreement.

(c) The validity, meaning and effect of this Agreement shall be determined in accordance with the laws of the state of Washington applicable to contracts made and to be performed in that state, without reference to such jurisdiction's conflict of laws rules. Any judicial proceeding arising out of or relating to this Agreement shall be brought in the courts of the state of Washington, County of King, and, by execution and delivery of this Agreement, each of the Parties to this Agreement accepts the exclusive jurisdiction of such courts, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement.

(d) Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by any reason of this Agreement on any Persons other than the Parties to it and their respective permitted successors and assigns. Nothing in this Agreement is intended to relieve or discharge the obligation or liability of any third Persons to any party to this Agreement, nor shall any provision give any third Persons any right of subrogation or action over or against any party to this Agreement.

(e) This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one instrument. The exchange of copies of this Agreement and of executed signature pages of this Agreement by facsimile transmission or electronic imaging will constitute effective execution and delivery of this Agreement as to the parties and may be used in lieu of the original Agreement for all purposes. The signature of a party transmitted electronically (including by facsimile) will be deemed to be such party's original signature for all purposes.

[signature page follows]

IN WITNESS WHEREOF, the undersigned have executed this Conditional Release of Security Interest Agreement as of the first date above written.

KINETIX LIVING CORP.

By: [Signature]
Name: STEVEN SCHULTE
Its: President & CEO

SQUARE 1 BANK

By: [Signature]
Name: TOMAS ROLMER
Title: Vice President

**MAVERON EQUITY PARTNERS III, L.P., a
Delaware limited partnership**

By: MAVERON GENERAL PARTNER III LLC, a
Delaware limited liability company

By:
Its: Managing Member

**MAVERON III ENTREPRENEURS' FUND, L.P., a
Delaware limited partnership**

By: MAVERON GENERAL PARTNER III LLC, a
Delaware limited liability company

By:
Its: Managing Member

**MEP ASSOCIATES III, L.P., a Delaware limited
partnership**

By: MAVERON GENERAL PARTNER III LLC, a
Delaware limited liability company

By:
Its: Managing Member

Address: Maveron LLC
505 Fifth Avenue South, Suite 600
Seattle, WA 98104

IN WITNESS WHEREOF, the undersigned have executed this Conditional Release of Security Interest Agreement as of the first date above written.

KINETIX LIVING CORP.

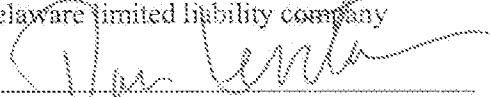
By: _____
Name: _____
Its: _____

SQUARE 1 BANK

By: _____
Name: _____
Title: _____

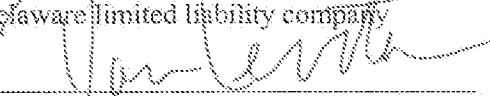
**MAVERON EQUITY PARTNERS III, L.P., a
Delaware limited partnership**

By: MAVERON GENERAL PARTNER III LLC, a
Delaware limited liability company


By: DAN LEVITAN
Its: Managing Member

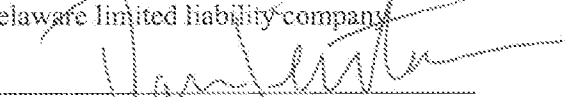
**MAVERON III ENTREPRENEURS' FUND, L.P., a
Delaware limited partnership**

By: MAVERON GENERAL PARTNER III LLC, a
Delaware limited liability company


By: DAN LEVITAN
Its: Managing Member

**MEP ASSOCIATES III, L.P., a Delaware limited
partnership**

By: MAVERON GENERAL PARTNER III LLC, a
Delaware limited liability company


By: DAN LEVITAN
Its: Managing Member

Address: Maveron LLC
505 Fifth Avenue South, Suite 600
Seattle, WA 98104