

06-12-2001

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RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment License
- Security Agreement Nunc Pro Tunc Assignment
Effective Date
Month Day Year
- Merger
- Change of Name
- Other

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

- Individual General Partnership Limited Partnership Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

- Individual General Partnership Limited Partnership
- Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

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06-12-2001 08:00:00 00000000 1050267
01 FD:481 40.00 RP
02 FD:482 55.00 RP

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Mail documents to be recorded with required cover sheet(s) information to:
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Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages Enter the total number of pages of the attached conveyance document including any attachments. #

Trademark Application Number(s) or Registration Number(s) Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

Number of Properties Enter the total number of properties involved. #

Fee Amount Fee Amount for Properties Listed (37 CFR 3.41): \$

Method of Payment: Enclosed Deposit Account

Deposit Account
(Enter for payment by deposit account or if additional fees can be charged to the account.)
Deposit Account Number: #

Authorization to charge additional fees: Yes No

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Harry Proctor

Harry Proctor

5/25/00

Name of Person Signing

Signature

Date Signed

SECURITY AGREEMENT

THIS SECURITY AGREEMENT is executed effective May 19, 2000 between Wilshire Technologies, Inc. ("Secured Party"), 5861 Edison Place, Carlsbad, California 92008, Attention: Chief Executive Officer, and Foamex Asia Co., Ltd. ("Debtor"), 175 Sathorn City Tower, 20th Floor, South Sathorn Road, Thungmahamek, Sathorn, Bangkok, Thailand 10120, Attention: Stephen P. Scibelli, Jr., President, who agree as follows:

1. Recitals. This Agreement is made with reference to the following recitals of essential facts:

1.1. Pursuant to an Asset Purchase Agreement dated as of April 26, 2000 (the "Purchase Agreement"), Secured Party is selling certain assets defined therein as the "Assets" to Debtor. The consideration to be received by Secured Party for the Assets consists of (a) future payments, based on Debtor's sales of Covered Products and (b) the assumption by Debtor of the Assumed Liabilities.

1.2. Debtor is also obligated to make payments to Secured Party under the Employees and Facilities Agreement dated as of the date hereof (the "Ongoing Agreement").

1.3. In order to secure Debtor's payment obligations under the Purchase Agreement and the Ongoing Agreement, Debtor has agreed to grant Secured Party a security interest in the Collateral described in Exhibit A to this Security Agreement (the "Collateral").

2. Grant of Security Interest. To secure Debtor's faithful performance of its obligations to Secured Party under the Purchase Agreement, the Ongoing Agreement and this Security Agreement, Debtor pledges, assigns and grants to Secured Party a security interest in (a) the Collateral, whether now owned or hereafter acquired by the Debtor, (b) all improvements, replacements, accessions, and additions to the Collateral, and (c) any proceeds arising from the Collateral.

3. Defense of Actions. Debtor agrees to defend any proceeding which seeks or threatens to affect, challenge, or impair Secured Party's security interest in the Collateral, and shall indemnify and hold Secured Party harmless from and against all costs and expenses incurred in connection with any such action or proceeding, including reasonable attorneys fees.

4. Negative Covenants. Until all obligations secured by this Security Agreement shall have been fully and finally performed, Debtor shall not without the prior written consent of Secured Party: (i) create or suffer to exist any further security interest in any of the Collateral; or (ii) sell or otherwise dispose of any of the Collateral except that the Company may (a) sell and use inventory in the ordinary course of business, (b) use and consume, in the ordinary course of business, any raw materials, supplies and materials, and (c) sell equipment and machinery that has become, in the reasonable business judgment of Debtor, obsolete or worn out, provided however that the replacement shall continue to be subject to this Security Agreement as Collateral.

TRADEMARK

REEL: 002311 FRAME: 0715

5. Affirmative Covenants. Until all obligations secured by this Security Agreement shall have been fully and finally performed, Debtor shall:

5.1. Pay when due all existing or future charges, liens, taxes and assessments, if any, now or hereafter imposed upon or affecting the Collateral.

5.2. Execute any financing statement or other instrument, now or hereafter, required to reflect or perfect the security interest created by this Security Agreement. Any such financing statement shall be in a form approved by the California Secretary of State or the relevant authority in any state or jurisdiction in which the Collateral is located, at Secured Party's election, and Debtor shall pay the filing fees required to file such financing statement in the manner prescribed by the California Uniform Commercial Code or the Uniform Commercial Code in effect in such other state, or the applicable law in such other jurisdiction, as Secured Party determines.

6. Representations and Warranties of Debtor. Debtor represents and warrants that except (a) for the security interest created by this Security Agreement and (b) for any lien interests granted by Secured Party, which are to be released contemporaneously with the execution of this Agreement, no person or entity has any right, title, interest, or claim in or to the Collateral or any part of the Collateral.

7. Events of Default. Debtor shall be in default under this Security Agreement upon the occurrence of any of the following events:

7.1. Debtor's default of any term or provision of this Security Agreement.

7.2. The occurrence of any default by Debtor under the Purchase Agreement or the Ongoing Agreement.

Notwithstanding the preceding provisions of this Section 7, Debtor shall not be deemed to be in default under this Security Agreement unless and until all applicable cure periods for such default (whether provided in this Security Agreement, the Purchase Agreement or the Ongoing Agreement) shall have expired. In the event that no such cure period is specified in this Security Agreement, the Purchase Agreement or the Ongoing Agreement, as the case may be, with respect to a default in the performance of a specific obligation or covenant hereunder or thereunder, then Debtor shall not be deemed to be in default under this Security Agreement in connection therewith unless and until Debtor shall have failed to cure (a) any such non-payment default within fifteen (15) days following written notice of such default given by Secured Party to Debtor in accordance with the notice provisions hereof or (b) any such payment default within five (5) days of the due date for such payment.

8. Rights of Secured Party Upon Default. Should a default occur under the Paragraph above entitled "Events of Default", then, following the expiration of all applicable cure periods,

in addition to any other remedy afforded by law or equity, Secured Party may exercise all rights and remedies available to a secured creditor after default, including without limitation all rights and remedies afforded to secured parties under the California Uniform Commercial Code, or the Uniform Commercial Code or other applicable law in effect in such other jurisdiction if mandatory provisions of law require that the law of such other jurisdiction governs notwithstanding the choice of law provisions contained in this Agreement. All of Secured Party's rights and remedies shall be cumulative and may be exercised singularly or concurrently.

9. Governing Law. This Security Agreement shall be governed by and construed in accordance with the laws of the State of California.

10. Further Assurances. Each party to this Security Agreement shall execute all instruments and documents and take all actions as may be reasonably required to effectuate this Security Agreement.

11. Venue and Jurisdiction. Intentionally deleted.

12. Time of Essence. Time and strict and punctual performance are of the essence with respect to each provision of this Security Agreement.

13. Attorney's Fees. In the event any litigation, arbitration, mediation, or other proceeding ("Proceeding") is initiated by any party against any other party to enforce, interpret or otherwise obtain judicial or quasi-judicial relief in connection with this Security Agreement, the prevailing party in such Proceeding shall be entitled to recover from the unsuccessful party all costs, expenses, and actual attorney's fees relating to or arising out of (a) such Proceeding (whether or not such Proceeding proceeds to judgment), and (b) any post-judgment or post-award proceeding including without limitation one to enforce any judgment or award resulting from any such Proceeding. Any such judgment or award shall contain a specific provision for the recovery of all such subsequently incurred costs, expenses, and actual attorney's fees.

14. Modification. This Security Agreement may be modified only by a contract in writing executed by the party to this Security Agreement against whom enforcement of such modification is sought.

15. Interpretation. Whenever the context so requires in this Security Agreement, all words used in the singular shall be construed to have been used in the plural (and vice versa), each gender shall be construed to include any other genders, and the word "person" shall be construed to include a natural person, a corporation, a firm, a partnership, a joint venture, a trust, an estate or any other entity. Unless otherwise defined herein or the context otherwise requires, capitalized terms used herein shall have the respective meanings given to them in the Purchase Agreement.

16. Termination of Security Interests; Release of Collateral. Upon full and indefeasible payment and satisfaction of all secured obligations, the security interests shall terminate and all

rights to the Collateral shall revert to Debtor. Upon such termination of the security interests or release of any Collateral, Secured Party will, at the expense of Debtor, execute and deliver to Debtor such documents as Debtor shall reasonably request to evidence the termination of the security interests or the release of such Collateral, as the case may be.

17. Notices. All notices, approvals, requests, demands and other communications hereunder shall be given in accordance with the notice provisions of the Purchase Agreement.

18. Partial Invalidity. Each provision of this Security Agreement shall be valid and enforceable to the fullest extent permitted by law. If any provision of this Security Agreement or the application of such provision to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Security Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected by such invalidity or unenforceability, unless such provision or such application of such provision is essential to this Security Agreement.

19. Successors-in-Interest and Assigns. Debtor shall not assign or delegate to any other person this Security Agreement or any rights or obligations under this Security Agreement. Subject to any restriction on transferability contained in this Security Agreement, this Security Agreement shall be binding upon and shall inure to the benefit of the successors-in-interest and assigns of each party to this Security Agreement. Nothing in this Section shall create any rights enforceable by any person not a party to this Security Agreement, except for the rights of the successors-in-interest and assigns of each party to this Security Agreement, unless such rights are expressly granted in this Security Agreement to other specifically identified persons.

20. Waiver. Any waiver of a default under this Security Agreement must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Security Agreement. No delay or omission in the exercise of any right or remedy shall impair such right or remedy or be construed as a waiver. A consent to or approval of any act shall not be deemed to waive or render unnecessary consent to or approval of any other or subsequent act.

21. Drafting Ambiguities. Each party to this Security Agreement and its legal counsel have reviewed and revised this Security Agreement. The rule of construction that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Security Agreement or of any amendments or exhibits to this Security Agreement.

22. Joint and Several Liability. If Debtor consists of more than one person, the obligations of Debtor under this Agreement shall be the joint and several obligations of each person comprising Debtor.

23. Survival. The covenants, conditions, representations and warranties of Debtor in this Security Agreement shall survive the execution of this Security Agreement.

SECURED PARTY:

Wilshire Technologies, Inc., a California corporation

By: *Karin Mulvihill*
Title: *President & CEO*

DEBTOR:

Foamex Asia Co., Ltd., a limited company organized and existing under the laws of the Kingdom of Thailand

By: *Stephen P. Scibelli, Jr.*
Stephen P. Scibelli, Jr., President

Exhibit A - Collateral

EXHIBIT A to Security Agreement
LIST OF ASSETS

1. Capital Assets:

a. Manual Swab Machine

Gem Tool	32 up trim die, mold foam and trim Pallets Rework cutter for press (larger cylinder) Filter Regulator Lubricator
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Varsane	Modifications Injection Molding Die (at CNC)
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b. Heat Sealer for Swab Machine

Vertrod Corp.	Model 14pc-3/16 Heat Sealer Packaging & Freight
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c. Automatic Swab Machine

Franklin Automation	Automated Swab Machine
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Gem Tool	Cutters & Brackets Knife & Foam Stripper Foam Guides Wire Harness plus 4" heater
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d. Construction in Progress:

Manual Swab Machine

2. Inventory:

all Inventory related to the manufacture and production of Wilshire Contamination Control Products including all Raw Materials, Work in Process, Material Commitments for Open PO's and Finished Goods. See Schedule F, incorporated herein by reference, for further detail.

3. Intellectual Property:

<u>PATENTS</u>	<u>COUNTRY</u>	<u>REG. NO.</u>	<u>REG. DATE</u>
HYDROPHILIC FOAM ARTICLE AND SURFACE-CLEANING METHOD FOR CLEAN ROOM	USA	5,460,655	10/24/95
HYDROPHILIC FOAM ARTICLE AND SURFACE-CLEANING METHOD FOR CLEANROOM	USA	6,004,640	12/21/99
ABRASIVE ARTICLE AND METHOD FOR MAKING THE SAME	USA	6,004,363	12/21/99

<u>TRADEMARK</u>	<u>COUNTRY</u>	<u>REG. NO.</u>	<u>REG. DATE</u>	<u>RENEWAL DATE</u>
POLYCLEAN	USA	1896267	05/30/95	05/30/05
ULTRASORB	USA	1804523	11/16/93	11/16/03
ULTRASORB	GERMANY	2066144	05/30/94	01/28/03
ULTRASORB	JAPAN	3188337	08/30/96	08/30/06
ULTRASORB	MALAS	93/00481	01/29/93	01/29/00
ULTRASOLV	USA	2205519	11/24/98	11/24/08
ULTRASOLV	KORSO	435157	12/23/98	12/23/08
ULTRASOLV	THALN	KOR85474	09/24/97	09/23/07
ULTRASOLV	TAIWN	829274	11/30/98	11/30/08
ULTRASOLV	JAPAN	PENDING REVIEW AND APPROVAL		
ULTRASOLV	MALAS	PENDING REVIEW AND APPROVAL		
ULTRASOLV	SINGP	PENDING REVIEW AND APPROVAL		

TRADENAME

WILSHIRE CONTAMINATION CONTROL

4. Other Assets:

a. Contracts:

- Exclusive Product Supply Agreement dated July 28, 1998 between the Company and Time Release Sciences, Inc.
- Sales Representative Agreement dated December 1, 1998 between the Company and Eastern Scientific, Inc.
- Sales Representative Agreement dated February 9, 2000 between the Company and PTI Technical Sales
- Sales Representative Agreement dated June 1, 1998 between the Company and Exxustech, Inc.
- Sales Representative Agreement dated December 1, 1998 between the Company and Yarbough Southwest

b. All customer and other business records of the Wilshire Contamination Control Division.

WILSHIRE INVENTORY RECONCILIATION

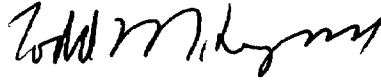
LOCATION	SHORT MACOLA	MACOLA	PHYSICAL	VARIANCE	PERCENT	GLOVE	
NAME	NAME	VALUE	ADJ. INV. VALUE	VALUE	VALUE	VARIANCES	INV. VALUE
Advanced Barrier Technologies	ABT	\$18,506.09	\$17,989.08	\$17,989.08	(\$517.01)	-2.79%	\$6,852.31
Advanced Material, California	AMC	\$7,353.03	\$7,259.00	\$7,259.00	(\$94.03)	-1.28%	\$0.00
Advanced Material, Texas	AMT	\$26,437.11	\$26,437.11	\$26,437.11	\$0.00	0.00%	\$0.00
Applied Separations	APP	\$12.91	\$0.00	\$0.00	(\$12.91)	-100.00%	\$0.00
AraMark Services	ARA	\$752.81	\$365.20	\$365.20	(\$387.61)	-51.49%	\$0.00
Atcor	ATC	\$1,330.16	\$987.01	\$986.88	(\$343.28)	-25.81%	\$0.00
CNC Injection Molding	CNC	\$7,285.93	\$7,285.93	\$7,285.93	\$0.00	0.00%	\$0.00
Finished Goods, Carlsbad	FG	\$410,904.64	\$410,839.45	\$410,839.37	(\$65.27)	-0.02%	\$13,268.41
Finished Goods, Mexico	FGM	\$1,457.85	\$1,562.31	\$1,562.32	\$104.47	7.17%	\$0.00
Inspection, Carlsbad	INS	\$99,883.85	\$99,885.74	\$99,885.72	\$1.87	0.00%	\$30,407.16
Micro Surface	MIC	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
Material Review, Carlsbad	MRB	\$6,456.62	\$6,456.62	\$6,456.62	\$0.00	0.00%	\$720.12
Material Review, Carlsbad	MRC	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
Material Review, Mexico	MRM	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
Misc. Outside Vendors	OVS	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
Rec. & Insp., Carlsbad	RI	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
Riley Foam	RIL	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	\$0.00
Super Brush	SB	\$2,314.08	\$2,334.87	\$2,334.90	\$20.82	0.90%	\$0.00
Raw Material, Carlsbad	S	\$84,289.53	\$84,730.69	\$84,730.68	\$441.15	0.52%	\$13.18
Raw Material Mexico	SM	\$210,359.20	\$210,678.18	\$210,678.16	\$318.96	0.15%	\$75,844.03
Raw Material, Thailand	ST	\$74,084.56	\$74,084.56	\$74,084.57	\$0.01	0.00%	\$0.00
Truly Magic Products	TMP	\$454.65	\$454.65	\$454.65	\$0.00	0.00%	\$0.00
TOTALS	TOTAL	\$951,883.02	\$951,350.40	\$951,350.19	(\$532.83)	-0.06%	\$ 127,105.21
ADJUSTMENTS		-\$532.62					
TOTAL INVENTORY VALUE		\$951,350.40					
				PHY. INV. FOR WCC			\$824,245.19
				PHY. INV. FOR WGL			\$127,105.21

May 30, 2001

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Kindly direct any inquiries concerning this request for recordation to the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd M. Lynn". The signature is written in a cursive style with a large, stylized initial "T".

Todd M. Lynn

Enclosures