

CERTIFICATE OF FACSIMILE TRANSMISSION

I hereby certify that this correspondence is being transmitted herewith via facsimile transmission to Telephone No. (703) 306-5995 on the date indicated below and is addressed to: **BOX ASSIGNMENT**, Commissioner for Patents, Washington, D.C. 20231.

Date: December 10, 2002



Victor King

Attorney Docket No. 42474/28 McGill 4
PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of **James C. McGill et al.**

Application No. : 08/403,098
Filing Date : March 13, 1995
US Patent No. : 5,704,385
Issue Date : January 6, 1998
For : **Automatic and Manually Operable Safety Shutoff Valve**

RECORDATION COVER SHEET**TO THE COMMISSIONER FOR PATENTS:**

1. Name of conveying party(ies):

DDJ CAPITAL MANAGEMENT, LLC

2. Name and address of receiving party(ies):

SEISMIC SAFETY PRODUCTS, INC.
C/O PACIFIC AEROSPACE & ELECTRONICS, INC.
434 OLDS STATION ROAD
WENATCHEE, WA 98801

3. Nature of Conveyance:

[X] Other: Release of Security Interest
Execution date: **March 25, 2002**

4. [X] U.S. Patent No.: **5,704,385, issued January 6, 1998**

5. Name and address of party to whom correspondence concerning this document should be mailed:

Ann W. Speckman
SPECKMAN LAW GROUP
1501 Western Avenue, Suite 100
Seattle, Washington 98101

6. Total number patents or applications involved: 1

7. Total Fee: \$40.00

☐ Enclosed
☒ Authorized to be charged to deposit account

8. Deposit Account Number:

☒ Please charge our Deposit Account No. 19-3555 in the amount of \$40.00.

9. Statement and Signature:

To my best knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Respectfully submitted,

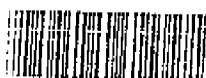
By: _____

Ann W. Speckman
Registration No. 31,881

Total number of pages including cover sheet: 7

Date: December 10, 2002

SPECKMAN LAW GROUP



20601

PATENT TRADEMARK OFFICE

TERMINATION, RELEASE AND DISCHARGE OF SECURITY INTEREST IN TRADEMARKS, PATENTS, COPYRIGHTS AND INTELLECTUAL PROPERTY

This TERMINATION, RELEASE AND DISCHARGE OF SECURITY INTEREST IN INTELLECTUAL PROPERTY (the "Release") is made and entered into as of this 25th day of March, 2002 (the "Release Date") by and among DDJ Capital Management, LLC, acting as agent for certain Lenders ("Agent"), and is for the benefit of Pacific Aerospace & Electronics, Inc., a Washington corporation ("Pacific Aerospace"), and certain of its subsidiaries (together with Pacific Aerospace, the "Releasees"), listed in Schedule A to the Intellectual Property Security Agreement, dated as of March 1, 2001, by and between Agent, as agent for the Lenders, and the Releasees (the "Intellectual Property Security Agreement"). All capitalized terms used herein, unless otherwise defined, are defined as provided in the Loan Agreement (as defined below).

Recitals:

A. Reference is made to a certain Loan Agreement (the "Loan Agreement"), dated as of March 1, 2001, by and among Pacific Aerospace, certain other parties, which, together with Pacific Aerospace, are defined as "Companies" in the Loan Agreement, certain Lenders, as defined therein and Agent, as agent for the Lenders. Reference is also made to the First Supplement to the Loan Agreement (the "First Supplement"), dated as of October 5, 2001, by and among the Companies, the Lenders (as defined therein) and Agent. Pursuant to the terms of the Loan Agreement and the First Supplement (together, the "Loan Documents"), Agent and the Lenders extended credit and made other financial accommodations to Pacific Aerospace and/or to its subsidiaries and affiliates.

B. As required by Section 3.8 of the Loan Agreement, Agent and the Releasees entered into a certain Intellectual Property Security Agreement. Pursuant to the Intellectual Property Security Agreement, the Releasees granted Agent on behalf of certain lenders security interests in and to certain trademark license rights, trademarks, trademark applications, trademark registrations, service marks, service mark applications, service mark registrations, trade names, trade dress, patent license rights, patents and patent applications and other intellectual property (collectively, the "Intellectual Property Collateral"), listed in Schedule I, Schedule II and Schedule III to the Intellectual Property Security Agreement and attached hereto as Exhibit A.

C. The Intellectual Property Security Agreement and the Loan Documents include a grant of security interests, in and to, Intellectual Property Collateral of each Releasee.

D. Agent, pursuant to this Release, as agent for the Lenders, does hereby evidence its termination and release of any and all security interests in and to any and all Intellectual Property Collateral of the Releasees.

Release:

NOW, THEREFORE, in reliance on the above recitals for and in consideration of the premises, provisions and covenants as set forth herein and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, Agent, as agent for and on behalf of the Lenders, and the Releasees hereby agree as follows:

1. Release of Security Interests. Effective as of this date, Agent, as agent for and on behalf of the Lenders, hereby irrevocably and forever terminates, releases and discharges from any and all interests and obligations to Agent and the Lenders pursuant to the Intellectual Property Security Agreement and the Loan Documents with respect to any and all security interests in and any pledge of or lien upon, in and to any and all Intellectual Property Collateral of Releasees, including without limitation, (i) any and all trademark applications, service mark applications, trademark registrations, service mark registrations, trade names, brands and trade dress, including the marks, applications and registrations thereof identified on Exhibit A, attached hereto and incorporated herein by this reference.
2. Worldwide Scope of Release. By this Release, Agent, as agent for and on behalf of the Lenders, intends to and hereby does terminate, release and discharge any and all rights, titles and interests, in any jurisdiction anywhere in the world, of Agent and/or the Lenders in and to any trademark, patent or copyright of the Releasees under the Intellectual Property Security Agreement and any and all of the Loan Documents.
3. Recordation of Release. The Agent understands and agrees that this Release may be recorded by or for the Releasees or any of their subsidiaries and/or affiliates with the U.S. Patent and Trademark Office and/or U.S. Copyright Office and with any other agency, office or authority in any jurisdiction.
4. Further Actions. Agent, as agent for the Lenders, further agrees, at the Releasees' expense, to execute any other documents and take any further action reasonably necessary in any state, country or jurisdiction that the Releasees or any of their subsidiaries and/or affiliates or any third party with a valid security interest in the Intellectual Property Collateral may reasonably require to effect the intent and purpose of this Release.

IN WITNESS WHEREOF the Agent has executed this Termination, Release and Discharge as of the date above set forth.

DDJ CAPITAL MANAGEMENT, LLC, as agent
for the Lenders

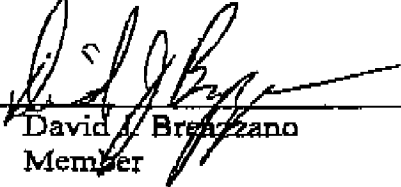
By: 
Name: David J. Breazzano
Title: Member

Exhibit A

Schedule I, Schedule II and Schedule III to the Intellectual Property Security Agreement

SEISMIC SAFETY PRODUCTS, INC.

(Prepared May 1, 2002)

Seismic Safety Prods., Inc. USA	42474/28 McGill 1	James C. McGill		01.07.88	4,903,720	02.27.90	03.07.08	SAFETY SHUTOFF DEVICE	IN FORCE	08.27.01
Seismic Safety Prods., Inc. USA	42474/28 McGill 2	James C. McGill		02.26.91	5,119,841	06.09.92	02.26.11	SAFETY SHUT OFF APPARATUS	IN FORCE	12.09.03
Seismic Safety Prods., Inc. USA	42474/28 McGill 3	James C. McGill, Antonio F. Fernandez		11.09.93	5,409,031	04.23.95	04.25.12	SAFETY SHUT OFF VALVE	IN FORCE	10.25.01, 10.25.06
Seismic Safety Prods., Inc. USA	42474/28 McGill 4	James C. McGill, Antonio F. Fernandez		03.13.95	5,704,385	01.06.98	01.06.15	AUTOMATIC AND MANUALLY OPERABLE SAFETY SHUTOFF VALVE	IN FORCE	07.06.01, 07.06.05, 07.06.09

LAT-P61988002