

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	ASSIGNMENT
CONVEYING PARTY DATA	
Name	Execution Date
Breg, Inc.	01/04/2008
RECEIVING PARTY DATA	
Name:	KLC Services, Inc.
Street Address:	4038 Weaver Court East
City:	Hilliard
State/Country:	OHIO
Postal Code:	43026
PROPERTY NUMBERS Total: 2	
Property Type	Number
Patent Number:	7108664
Patent Number:	D486870
CORRESPONDENCE DATA	
Fax Number:	(858)581-1282
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
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Correspondent Name:	Rodney F. Brown
Address Line 1:	3365 Baltimore Street
Address Line 4:	San Diego, CALIFORNIA 92117
ATTORNEY DOCKET NUMBER:	070P
NAME OF SUBMITTER:	Rodney F. Brown
Total Attachments: 3 source=KLC Patent Assignment#page1.tif source=KLC Patent Assignment#page2.tif source=KLC Patent Assignment#page3.tif	

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PATENT ASSIGNMENT

This PATENT ASSIGNMENT (this "Assignment") is made as of January 4, 2008 (the "Effective Date"), between Breg, Inc., a California corporation ("Assignor"), and KLC Services, Inc., an Ohio corporation with a principal place of business at 6180 Lloret Court, Columbus, Ohio 43228 ("Assignee"), and is being entered into pursuant to the Asset Purchase Agreement, dated as of January 4, 2008 between Assignor and Assignee (the "Purchase Agreement"). Capitalized terms used but not defined herein shall have the meaning set forth in the Purchase Agreement.

WHEREAS, in and pursuant to the Purchase Agreement, Assignor agreed to sell, convey, assign, and transfer to Assignee all of Assignor's right, title and interest in and to the patents listed in *Attachment A* to this Agreement (collectively, the "Patents");

NOW, THEREFORE, in consideration of the payment of ten U.S. Dollars (US\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby sells, assigns, conveys, and transfers to Assignee, and Assignee hereby purchases, acquires, and receives from Assignor, all of Assignor's rights, title and interest in and to the Patents, to be held and enjoyed by Assignee, its successors, heirs and assigns on and as of the Effective Date as fully and entirely as Assignor held and enjoyed immediately before this Assignment not been made.

Assignor and Assignee agree that, as of the Effective Date, Assignee shall solely and exclusively own and hold all of Assignor's rights, title and interest in and to the Patents and any right therein and thereof, and have all responsibility and liability with regard to the Patents and their maintenance. Assignor shall not retain any right, title or interest in and to, or any responsibility or liability regarding, the Patents or any right therein or thereof. For the avoidance of doubt, Assignee shall solely and exclusively have the right and be entitled, in its sole discretion, in and/or under the laws of any country and jurisdiction, to (i) initiate any action, litigation, arbitration or other proceeding, and seek, enforce, and benefit from any right, remedy and/or award, in connection with the Patents, or any infringement thereof before, on or after the Effective Date, and (ii) maintain, cancel, or let expire any of the Patents.

If and to the extent requested by Assignee, Assignor shall cause, and hereby authorizes, the United States Patent and Trademark Office to record Assignee as the sole and exclusive owner of the Patents, and to issue any certificate, document or process for the Patents in the name and for the benefit of Assignee.

Assignor sells, assigns, conveys and transfers the Patents and any and all rights, title and interest sold, assigned, conveyed and transferred under this Assignment without any representation and warranty. Assignor disclaims any and all express or implied warranty and representation regarding the Patents, or any of them, and any right, title or interest sold, assigned, conveyed and transferred under this Assignment, including, without limitation, any warranty of validity, enforceability, merchantability, fitness for a particular purpose, title and non-infringement.

This Assignment shall be binding upon each Assignor and Assignor's successors, heirs and assigns, and shall be binding upon and inure to the benefit of Assignee and its successors, heirs and assigns. This Assignment is governed by applicable U.S. federal law and the law of the State of California, United States of America, without regard to any conflict of laws provisions that may require the application of any other law.

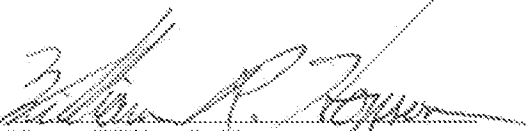
This Assignment shall not be deemed to limit, alter, impair, defeat, enhance or enlarge any right, obligation, claim or remedy created by the Purchase Agreement, including any and all of its schedules and

exhibits, and in the event of any conflict between the Purchase Agreement and this Assignment, the Purchase Agreement shall prevail.

Assignor and Assignee have executed and delivered this Assignment as of the Effective Date.

ASSIGNOR:

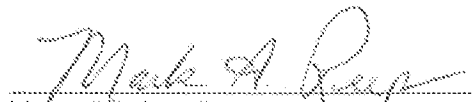
Breg, Inc.



Name: William R. Hopson
Title: Chief Financial Officer

ASSIGNEE:

KLC Services, Inc.



Name: Mark A. Reep
Title: President

Attachment A

Patents

"Patents" means solely the following U.S. patents:

- U.S. Patent No. 7,108,664, entitled *Continuous Passive Motion Device for Rehabilitation of the Elbow or Shoulder (Shoulder CPM)* and issued on September 19, 2006; and
- U.S. Patent No. D486,870, entitled *Continuous Passive Motion Device for a Shoulder or Elbow (Shoulder CPM)* and issued on February 17, 2004.