

03-08-2000

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OPR/FINANCE 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		Conveyance Type	
<input checked="" type="checkbox"/> New		<input type="checkbox"/> Assignment	<input type="checkbox"/> License
<input type="checkbox"/> Resubmission (Non-Recordation) Document ID # <input type="text"/>		<input checked="" type="checkbox"/> Security Agreement	<input type="checkbox"/> Nunc Pro Tunc Assignment Effective Date Month Day Year <input type="text"/>
<input type="checkbox"/> Correction of PTO Error Reel # <input type="text"/> Frame # <input type="text"/>		<input type="checkbox"/> Merger	
<input type="checkbox"/> Corrective Document Reel # <input type="text"/> Frame # <input type="text"/>		<input type="checkbox"/> Change of Name	<input type="text"/>
		<input type="checkbox"/> Other	<input type="text"/>

Conveying Party Mark if additional names of conveying parties attached

Name Execution Date
Month Day Year

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship/State of Incorporation/Organization

Receiving Party Mark if additional names of conveying parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)
City State/Country Zip Code

Individual General Partnership Limited Partnership Corporation Association

Other 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)

Citizenship/State of Incorporation/Organization

03/08/2000 DNGUYEN 00000094 2292154
01 FC:481 40.00 OP
02 FC:482 75.00 OP

FOR OFFICE USE ONLY

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Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

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

215-564-8052

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.

17

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)

<input type="text" value="2292154"/>	<input type="text" value="75580638"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="1604885"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="75480501"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

#

4

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

115.00

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.

PAUL A. PATTERSON, ESQUIRE

Name of Person Signing

Paul A. Patterson

Signature

2/3/00

Date Signed

TRADEMARK AND PATENT SECURITY AGREEMENT

AGREEMENT made as of the 28th day of January, 2000 between VERMONT PURE SPRINGS, INC., having an office at Route 66, Catamount Industrial Park, Randolph, Vermont 05060 ("Borrower"), and FIRST UNION NATIONAL BANK, (successor by merger to CoreStates Bank, N.A.) for itself and as administrative agent for the "Lenders", as defined in the "Loan Agreement" referred to below, having an office at 1339 Chestnut Street, The Widener Building, Philadelphia, Pennsylvania 19103 ("Lender").

1. SECURITY INTEREST.

WHEREAS, Borrower has adopted, used and is using, and is the owner of the entire right, title, and interest in and to the trademarks, trade names, terms, designs, registrations and applications therefor described in Schedule A annexed hereto, and the patents and applications therefor described in Schedule B annexed hereto and made a part hereof; and

WHEREAS, the Lenders have agreed to extend a revolving credit facility, including an acquisition facility, pursuant to that certain Amended and Restated Credit Agreement of even date with the Borrower and its parent corporation, Vermont Pure Holdings, Ltd. (as amended, restated, modified or supplemented from time to time, the "Loan Agreement"). The Loan Agreement, together with this Agreement, and all other related documents, agreements, instruments or notes, as the same may now exist or may hereafter be amended or supplemented, are collectively referred to herein as the "Agreements".

NOW, THEREFORE, in order to induce Lender to enter into the Agreements and in consideration thereof, Borrower hereby grants to Lender a security interest in: (a) all of Borrower's now existing or hereafter acquired right, title, and interest in and to: all of Borrower's trademarks, trade names, trade styles and service marks, all prints and labels on which said trademarks, trade names, trade styles and service marks appear, have appeared or will appear, and all designs and general intangibles of a like nature, now existing or hereafter adopted or acquired; all applications, registrations and recordings relating to the foregoing in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state thereof, any political subdivision thereof or in any other countries, all whether now owned or hereafter acquired by Borrower, and all reissues, extensions and renewals and licenses thereof, including, but not limited to, those trademarks, terms, design and applications described in Schedule A annexed hereto and made a part hereof (collectively, the "Trademarks"); (b) the goodwill of the business symbolized by each of the Trademarks, including, without limitation, all customer lists and other records relating to the distribution of products or services bearing the Trademarks; (c) all of Borrower's now existing or hereafter acquired right, title and interest in and to: all of Borrower's interests in any patents; all applications, registrations and recordings relating to such patents in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state thereof, any political subdivision thereof or in any other countries and all reissues, continuations, continuations-in-part, extensions and renewals and licenses thereof, including, without limitation, those patents, applications, registrations and recordings described in Schedule B annexed hereto and made a part hereof (collectively, the "Patents"); and (d) any and all proceeds of any of the foregoing, including, without limitation, any claims by Borrower against third parties for infringement of the Trademarks, Patents or any licenses with respect thereto (all of the foregoing are collectively referred to herein as the "Collateral").

2. OBLIGATIONS SECURED.

The security interests granted to Lender in this Agreement shall secure the prompt and indefeasible payment and performance of the "Obligations" as defined in the Loan Agreement (the "Obligations").

3. WARRANTIES AND COVENANTS.

Borrower hereby covenants, represents and warrants that (all of such covenants, representations and warranties being continuing in nature so long as any of the Obligations are outstanding):

A. Borrower will pay and perform all of the Obligations according to their terms.

B. All of the existing and hereafter acquired (i) trademark registrations and applications described or required to be described in Schedule A and (ii) letters patent and patent applications described or required to be described in Schedule B are, to Borrower's knowledge, and shall remain, valid and subsisting in full force and effect, and Borrower owns and will remain the owner of sole, full, and clear title thereto, and has and will have the right and power to make the assignment and grant the security interests granted hereunder. Borrower will, at Borrower's expense, perform all acts and execute all documents necessary to maintain valid and subsisting U.S. registration of all trademarks which are then in use in commerce and U.S. patents for all inventions which are then in use, including, without limitation, the filing of any use affidavits, renewal affidavits and applications and other maintenance filings. The Collateral is not subject to any liens, claims, mortgages, assignments, licenses, security interests, or encumbrances of any nature whatsoever except the security interests granted hereunder, and the licenses, if any, which are specifically described in Schedule C hereto.

C. Other than provided in the last sentence of Section 3B hereof, Borrower will not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon, encumber, grant an exclusive or non-exclusive license relating thereto, except to Lender, or otherwise dispose of any of the Collateral without the prior written consent of Lender.

D. Borrower will, at Borrower's expense, perform all acts and execute all documents, including, without limitation, assignments for security in form suitable for filing with the United States Patent and Trademark Office substantially in the form of Exhibits 1 and 2 hereof, requested at any time by Lender to evidence, perfect, maintain, record, or enforce the security interest in the Collateral granted hereunder or to otherwise further the provisions of this Agreement. Borrower hereby authorizes Lender to execute and file one or more financing statements (or similar documents) with respect to the Collateral signed only by Lender. Borrower further authorizes Lender to have this or any other similar Security Agreement filed with the Commissioner of Patents and Trademarks or other appropriate federal, state or government office or similar office of any other country or political subdivision thereof.

E. Borrower will, concurrently with the execution and delivery of this Agreement, execute and deliver to Lender five (5) originals of a Power of Attorney in the form of Exhibit 3 annexed hereto for the implementation of the assignment, sale or other disposition of the Collateral pursuant to Lender's exercise of the rights and remedies granted to Lender hereunder. Borrower hereby releases Lender from any claims, causes of action and demands at any time arising out of or with respect to any actions taken or omitted to be taken by Lender under the powers of attorney granted herein, other than actions taken or omitted to be taken through the gross negligence or willful misconduct of Lender.

F. Lender may, in its sole discretion, pay any amount or do any act which Borrower fails to pay or do as required hereunder or as requested by Lender to maintain and preserve the Collateral, defend, protect, record, amend or enforce the Obligations, the Collateral, or the security interest granted hereunder, including, but not limited to, paying all filing or recording fees, court costs, collection charges and reasonable attorneys' fees. Borrower will be liable to Lender for any such payment, which payment shall be deemed a borrowing by Borrower from Lender, and shall be payable on demand together with interest at the rate set forth in the Agreements and shall be part of the Obligations secured hereby.

G. As of the date hereof, Borrower does not own any Trademarks or Patents or have any Trademarks or Patents registered, or subject to pending applications, in the United States Patent and Trademark Office or any similar office or agency in the United States or any other country or any political subdivision thereof other than those described in Schedules A and B annexed hereto.

H. Borrower shall notify Lender in writing of (i) the filing of any application for the registration of a Trademark or Patent with the United States Patent and Trademark Office or any similar office or agency in the United States, any state therein or any other country or any political subdivision thereof and (ii) the filing of any assignment of any Patent or Trademark that Borrower may acquire from a third party with the United States Patent and Trademark Office or any similar office or agency in the United States, any state therein or any other country or political subdivision thereof, within thirty (30) days of such filing. Upon request of Lender, Borrower shall execute and deliver to Lender any and all assignments, agreements, instruments, documents, and such other papers as may be requested by Lender to evidence the security interests of Lender in such Trademark or Patent, and Borrower hereby constitutes Lender its attorney-in-fact to execute and file all such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; such power being coupled with an interest is irrevocable until the Obligations are paid in full.

I. Borrower has not abandoned any of the Trademarks or Patents set forth on the Schedules hereto. Except to the extent that Lender, upon prior written notice of Borrower, shall consent, Borrower (either itself or through licensees) will continue to use the Trademarks on each and every trademark class of goods applicable to its current line as reflected in its current catalogs, brochures and price lists in order to maintain the Trademarks in full force, free from any claim of abandonment for nonuse, and Borrower will not (and will not permit any licensee to) do any act, nor omit to do any act, whereby the Trademarks or Patents may become abandoned, canceled, invalidated, unenforceable, avoided, or avoidable. Except to the extent that Lender, upon prior written notice by Borrower, shall consent, Borrower will not (and will not permit any licensee to) do any act, or omit to do any act, whereby the Patents may become abandoned or dedicated. Borrower shall notify Lender immediately if Borrower knows of any reason why any application, registration, or recording of any Trademark or Patent may become abandoned, dedicated, canceled, invalidated, unenforceable, avoided, or avoidable.

J. Borrower will take all necessary steps and render any assistance, as Lender may determine is necessary, to Lender in any proceeding before the United States Patent and Trademark Office, any federal or state court, or any similar office or agency in the United States or any state therein or any other country to maintain such application and registration of the Trademarks or Patents as Borrower's exclusive property and to protect Lender's interest therein, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference, and cancellation proceedings (except to the extent that dedication, abandonment or invalidation is permitted under subparagraph 3I hereof).

K. Borrower will promptly notify Lender if Borrower (or any affiliate or subsidiary thereof) learns of any use by any person of any term or design likely to cause confusion with any Trademark or of any use by any person of any other process or product which infringes upon any Patent or Trademark. If requested by Lender, Borrower, at Borrower's expense, shall join with Lender in such action as Lender, in Lender's discretion, may deem advisable for the protection of Lender's interest in and to the Trademarks or Patents.

L. Borrower assumes all responsibility and liability arising from the use of the Trademarks or Patents, and Borrower hereby indemnifies and holds Lender harmless from and against any claim, suit, loss, damage, or expense (including reasonable attorneys' fees) arising out of any alleged defect in any product manufactured, promoted, or sold by Borrower (or any affiliate or subsidiary thereof) in connection with any Trademark and Patent or out of the manufacture, promotion, labelling, sale or advertisement of any such product by Borrower (or any affiliate or subsidiary thereof). Borrower agrees that Lender does not assume, and shall have no responsibility for, the payment of any sums due or to become due under any agreement or contract included in the Collateral or the performance of any obligations to be performed under or with respect to any such agreement or contract by Borrower, and Borrower hereby agrees to indemnify and hold Lender harmless with respect to any and all claims by any person relating thereto.

M. In any action or proceeding instituted by Lender in connection with any matters arising at any time out of or with respect to this Agreement, Borrower will not interpose any counterclaim of any nature other than compulsory counterclaims.

N. Prior to an Event of Default, Lender hereby acknowledges Borrower's exclusive nontransferable right to use the Trademarks and the goodwill of the business symbolized by the marks for Borrower's own benefit. Borrower will maintain the quality of the products associated with the Trademarks at a

level consistent with the quality at the time of this Agreement. Borrower will not change the quality of the products associated with the Trademarks without the Lender's prior written consent. Borrower hereby grants to Lender the right to visit Borrower's plant and facilities which manufacture or store products sold under any of the Trademarks and to inspect the products and quality-control records relating thereto at any time during regular business hours or at any time after the occurrence of an Event of Default.

4. EVENTS OF DEFAULT.

The Borrower shall be in default hereunder upon the occurrence, and after the expiration of any applicable notice and cure periods, of any "Event of Default" as defined in the Loan Agreement.

5. RIGHTS AND REMEDIES.

Upon the occurrence of any such Event of Default and at any time thereafter, so long as such event of Default is continuing, in addition to all other rights and remedies of Lender, whether provided under law, the Agreements or otherwise, and after expiration of any grace period, Lender shall have the following rights and remedies which may be exercised without notice to, or consent by, Borrower except as such notice or consent is expressly provided for hereunder:

A. Lender may require that neither Borrower nor any affiliate or subsidiary of Borrower make any use of the Trademarks or any marks similar thereto or any Patent for any purpose whatsoever. Lender may make use of any Trademarks or Patents for the sale of goods, or rendering of services in connection with enforcing any other security interest granted to Lender by Borrower or any subsidiary of Borrower.

B. Lender may, at any time and from time to time, grant such license or licenses relating to the Collateral for such term or terms, on such conditions, and in such manner, as Lender shall in its sole discretion deem appropriate. Such license or licenses may be general, special, or otherwise, and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and all foreign countries.

C. Lender may assign, sell, or otherwise dispose of the Collateral or any part thereof, either with or without special conditions or stipulations, except that Lender agrees to provide Borrower with ten (10) days prior written notice of any proposed disposition of the Collateral. Lender shall have the power to buy the Collateral or any part thereof, and Lender shall also have the power to execute assurances and perform all other acts which Lender may, in Lender's sole discretion, deem appropriate or proper to complete such assignment, sale or disposition. In any such event, Borrower shall be liable for any deficiency.

D. In addition to the foregoing, in order to implement the assignment, sale, or other disposition of any of the Collateral pursuant to subparagraph 5C hereof, Lender may at any time execute and deliver on behalf of Borrower, pursuant to the authority granted in the Powers of Attorney described in subparagraph 3E hereof, one or more instruments of assignment of the Trademarks or Patents (or any application, registration, or recording relating thereto), in form suitable for filing, recording or registration. Borrower agrees to pay Lender on demand all costs incurred in any such transfer of the Collateral, including, but not limited to, any taxes, fees, and reasonable attorneys' fees.

E. Lender may apply the proceeds actually received from any such license, assignment, sale, or other disposition of Collateral first to the reasonable costs and expenses thereof, including, without limitation, reasonable attorneys' fees and all legal, travel, and other expenses which may be incurred by Lender. Thereafter, Lender may apply any remaining proceeds to such of the Obligations as Lender may in its sole discretion determine. Borrower shall remain liable to Lender for any expenses or obligations remaining unpaid after the application of such proceeds, and Borrower will pay Lender on demand any such unpaid amount, together with interest at the rate set forth in the Agreements.

F. In the event that any such license, assignment, sale or disposition of the Collateral (or any part thereof) is made after the occurrence of an Event of Default, Borrower shall, to the extent permitted by law, supply to Lender or Lender's designee Borrower's knowledge and expertise relating to the manufacture and sale of

the products and services bearing the Trademarks or to which the Patents relate and Borrower's customer lists and other records relating to the Trademarks and Patents and the distribution thereof.

G. Lender may (without assuming any obligations or liability thereunder), at any time, enforce (and shall have the exclusive right to enforce) against any licensee or sublicensee all rights and remedies of Borrower in, to and under any one or more license agreements with respect to the Collateral, and take or refrain from taking any action with respect thereto, and Borrower hereby releases Lender from, and agrees to hold Lender free and harmless from and against any claims arising out of, or any action taken or omitted to be taken with respect to, any such license agreement, other than actions taken or omitted to be taken through the gross negligence or willful misconduct of Lender.

Nothing contained herein shall be construed as requiring Lender to take any of the actions referenced in this paragraph 5 at any time. All of Lender's rights and remedies, whether provided under law, the Agreements, this Agreement, or otherwise, shall be cumulative and none is exclusive. Such rights and remedies may be enforced alternatively, successively, or concurrently.

6. MISCELLANEOUS.

A. Any failure or delay by Lender to require strict performance by Borrower of any of the provisions, warranties, terms and conditions contained herein or in any other agreement, document, or instrument, shall not affect Lender's right to demand strict compliance and performance therewith, and any waiver of any default shall not waive or affect any other default, whether prior or subsequent thereto, and whether of the same or of a different type. None of the warranties, conditions, provisions, and terms contained herein or in any other agreement, document, or instrument shall be deemed to have been waived by any act or knowledge of Lender, its agents, officers, or employees, except by an instrument in writing, signed by an officer of Lender and directed to Borrower, specifying such waiver.

B. All notices, requests and demands to or upon the respective parties hereto shall be deemed to have been duly given or made as set forth in the Loan Agreement.

C. In the event any term or provision of this Agreement conflicts with any term or provision of the Loan Agreement, the term or provision of the Loan Agreement shall control.

D. In the event that any provision hereof shall be deemed to be invalid by any court of competent jurisdiction, such invalidity shall not affect the remainder of this Agreement or the application of such remaining provisions to persons or circumstances other than to those which it is held invalid, and this Agreement will be construed and enforced as if such invalid provisions had never been inserted.

E. This Agreement shall be binding upon and for the benefit of the parties hereto and their respective successors and assigns. No provision hereof shall be modified, altered or limited except by a written instrument expressly referring to this Agreement signed by the party to be charged thereby.

F. The security interest granted to Lender hereunder shall terminate and the Collateral will be reassigned to Borrower, at Borrower's sole expense, upon indefeasible payment in full to Lender of all Obligations. Lender will thereupon execute such release and other documents as Borrower may reasonably request, at Borrower's sole expense, to evidence such termination and reassignment.

G. The validity, interpretation and effect of this Agreement shall be governed by the laws of the United States of America and the laws of the Commonwealth of Pennsylvania.

H. Borrower hereby irrevocably consents and submits in advance to the non-exclusive jurisdiction of any state or federal court located within the Commonwealth of Pennsylvania, to hear and determine any claims or disputes pertaining directly or indirectly to this Agreement, the other Agreements or to any matter arising therefrom in any such action or proceeding. Borrower hereby waives personal service of the summons and complaint, or other process or notice of motion or other application or papers issued therein, and agrees that service of such summons and complaint or other process or papers may be made outside Pennsylvania by registered or

certified mail, return receipt requested, addressed to the Borrower at the address set forth herein or in such other manner as may be permissible under the rules of the state or federal courts, as the case may be, located within the Commonwealth of Pennsylvania.

I. THE PARTIES HERETO WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING OF ANY KIND OR NATURE IN ANY COURT WHETHER ARISING OUT OF, UNDER OR BY REASON OF THIS AGREEMENT, THE OTHER AGREEMENTS OR ANY MATTER OR PROCEEDING RELATING THERETO.

IN WITNESS WHEREOF, and intending to be legally bound hereby, Borrower and Lender have executed this Agreement as of the day and year first above written.


Borrower:

VERMONT PURE SPRINGS, INC.

By: 
Timothy Fallon, Chief Executive Officer and
President

Lender:

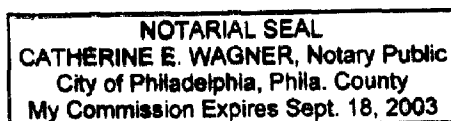
FIRST UNION NATIONAL BANK

By: 
David W. Mills, Vice President

COMMONWEALTH OF PENNSYLVANIA)
) ss.:
COUNTY OF PHILADELPHIA)

On this 27 day of Jan, 2000, before me personally came TIMOTHY FALLON to me known, who being duly sworn, did depose and say, that he is the President of Vermont Pure Springs, Inc., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Catherine E. Wagner
Notary Public



SCHEDULE A
to
TRADEMARK AND PATENT SECURITY AGREEMENT

Trademarks and Applications

U.S. Registered Trademarks

<u>Item</u>	<u>Registration #</u>	<u>Effective Date</u>	<u>Expiration Date</u>
Vermont Pure Natural Spring Water (and Design)	2292154	11/6/99	Registered
Vermont Pre Natural Spring Water Sport Source (and Design)	1604885	7/3/90	Registered

U.S. Applications

<u>Mark</u>	<u>Serial No.</u>	<u>App. Date</u>	<u>Comment</u>
Vermont Natural	75/480501	5/6/98	Pending
Vermont Naturals	75/580638	5/6/98	Pending

Foreign Registered Trademarks

<u>Item</u>	<u>Registration #</u>	<u>Effective Date</u>	<u>Expiration Date</u>
None			

Common Law Trademarks

<u>Trademark</u>	<u>Date of First Use</u>	<u>Comment</u>
	None	

Common Law Trade Names

<u>Trade Name</u>	<u>Date of First Use</u>	<u>Comment</u>
	None	

SCHEDULE B
to
TRADEMARK AND PATENT SECURITY AGREEMENT

Patents and Patent Applications

<u>Title/Inventor</u>	<u>Date Issued</u>	<u>Patent No.</u>
	None	

U.S. Patent Pending Applications

<u>Title/Inventor</u>	<u>Filing Date</u>	<u>Serial No.</u>
	None	

Foreign Patents and Patent Applications

None

SCHEDULE C
to
TRADEMARK AND PATENT SECURITY AGREEMENT

Permitted Liens and Licenses

None.

EXHIBIT 1

Assignment for Security

Trademarks

WHEREAS, VERMONT PURE SPRINGS, INC., a Delaware corporation (herein referred to as "Assignor"), has adopted, used and is using the trademarks listed in Schedule 1-A attached hereto and made a part hereof, which trademarks are registered or pending registration in the United States Patent and Trademark Office, and has adopted, used and is using the common law trademarks and trade names listed in Schedule 1-B attached hereto and made a part hereof (collectively, the "Trademarks");

WHEREAS, Assignor is obligated to FIRST UNION NATIONAL BANK (successor by merger to CORESTATES BANK, N.A.), for itself and as administrative agent for the "Lenders", as defined in the Credit Agreement (herein referred to as "Assignee"), and has entered into a Trademark and Patent Security Agreement dated the date hereof (the "Agreement") in favor of Assignee; and

WHEREAS, pursuant to the Agreement, Assignor has assigned to Assignee and granted to Assignee a security interest in, and mortgage on, all right, title and interest to Assignor in and to the Trademarks, together with the goodwill of the business symbolized by the Trademarks and the applications and registrations thereof, and all proceeds thereof, including, without limitation, any and all causes of action which may exist by reason of infringement thereof, all as more fully described in the Agreement (the "Collateral"), to secure the payment, performance and observance of the Obligations, as defined in the Agreement;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Assignor does hereby further assign unto Assignee and grant to Assignee a security interest in, and mortgage on, the Collateral to secure the prompt payment, performance and observance of the Obligations.

Assignor does hereby further acknowledge and affirm that the rights and remedies of Assignee with respect to the assignment of, security interest in and mortgage on the Collateral made and granted hereby are more fully set forth in the Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein.

Assignee's address is 1339 Chestnut Street, The Widener Building, Philadelphia, Pennsylvania 19103.

IN WITNESS WHEREOF, Assignor has caused this Assignment to be duly executed by its duly authorized officer as of the 28th day of January, 2000.

VERMONT PURE SPRING, INC.

B. *Timothy Fallon*
Timothy Fallon, Chief Executive Officer
and President

COMMONWEALTH OF PENNSYLVANIA)
)ss.:
COUNTY OF PHILADELPHIA)

On this 27 day of Jan., 2000, before me personally came TIMOTHY FALLON, to me known, who being duly sworn, did depose and say, that he is the President of Vermont Pure Springs, Inc., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Catherine E. Wagner
Notary Public

NOTARIAL SEAL
CATHERINE E. WAGNER, Notary Public
City of Philadelphia, Phila. County #280363 v.02
My Commission Expires Sept. 19, 2003

SCHEDULE 1-A

U.S. Registered Trademarks

Item	Registration #	Effective Date	Expiration Date
Vermont Pure Natural Spring Water (and Design)	2292154	11/6/99	Registered
Vermont Pre Natural Spring Water Sport Source (and Design)	1604885	7/3/90	Registered

U.S. Pending Applications

Mark	Serial No.	App. Date	Comment
Vermont Natural	75/480501	5/6/98	Pending
Vermont Naturals	75/580638	5/6/98	Pending

SCHEDULE 1-B

U.S. Common Law Trademarks

<u>Trademark</u>	<u>Date of First Use</u>	<u>Comment</u>
	None	

Common Law Trademarks

<u>Trade Name</u>	<u>Date of First Use</u>	<u>Comment</u>
	None	

EXHIBIT 2

Assignment for Security

Patents

WHEREAS, VERMONT PURE SPRINGS, INC., a Delaware corporation (herein referred to as "Assignor"), owns the letters patent, and/or applications for letters patent, of the United States, as more particularly described on Schedule 2-A annexed hereto and made a part hereof (the "Patents");

WHEREAS, Assignor is obligated to FIRST UNION NATIONAL BANK (successor by merger to CORESTATES BANK, N.A.), for itself and as administrative agent for the "Lenders", as defined in the Credit Agreement, (herein referred to as "Assignee"), and has entered into a Trademark and Patent Security Agreement dated the date hereof (the "Agreement") in favor of Assignee; and

WHEREAS, pursuant to the Agreement, Assignor has assigned to Assignee, and granted to Assignee a security interest in, and mortgage on, all right, title and interest of Assignor in and to the Patents, together with any reissue, continuation, continuation-in-part or extension thereof, and all proceeds thereof, including, without limitation, any and all causes of action which may exist by reason of infringement thereof for the full term of the Patents, all as more fully described in the Agreement (the "Collateral"), to secure the prompt payment, performance and observance of the Obligations, as defined in the Agreement;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Assignor does hereby further assign unto Assignee and grant to Assignee a security interest in, and mortgage on, the Collateral to secure the prompt payment, performance and observance of the Obligations.

Assignor does hereby further acknowledge and affirm that the rights and remedies of Assignee with respect to the assignment of, security interest in and mortgage on the Collateral made and granted hereby are more fully set forth in the Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein.

Assignee's address is 1339 Chestnut Street, The Widener Building, Philadelphia, Pennsylvania 19103.

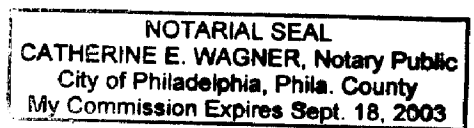
IN WITNESS WHEREOF, Assignor has caused this Assignment to be duly executed by its duly authorized officer as of the 27th day of Jan, 2000.

VERMONT PURE SPRINGS, INC.
By: [Signature]
Name: Timothy Fallon
Title: President

COMMONWEALTH OF PENNSYLVANIA)
) ss.:
COUNTY OF PHILADELPHIA)

On this 27 day of Jan, 2000, before me personally came TIMOTHY FALLON, to me known, who being duly sworn, did depose and say, that he is the President of Vermont Pure Springs, Inc., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

[Signature]
Catherine E. Wagner
Notary Public



SCHEDULE 2-A

U.S. Patents

Issued

Patents and Patent Applications

<u>Title/Inventor</u>	<u>Date Issued</u>	<u>Patent No.</u>
	None	

U.S. Patent Applications

<u>Title/Inventor</u>	<u>Date Issued</u>	<u>Serial No.</u>
	None	

SPECIAL POWER OF ATTORNEY

COMMONWEALTH OF PENNSYLVANIA)
) ss.:
COUNTY OF PHILADELPHIA)

KNOW ALL MEN BY THESE PRESENTS, that VERMONT PURE SPRINGS, INC., having an office at Route 66, Catamount Industrial Park, Randolph, Vermont 05060 (hereinafter "Borrower"), hereby appoints and constitutes FIRST UNION NATIONAL BANK (successor by merger to CORESTATES BANK, N.A.), for itself and as administrative agent for the "Lenders", as defined in the Credit Agreement ("Lender"), and each officer thereof, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on behalf of Borrower:

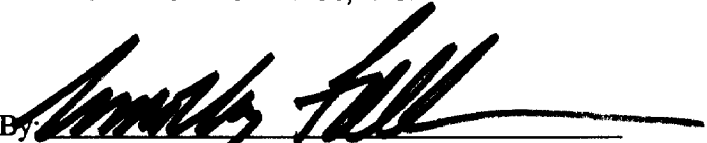
1. Execution and delivery of any and all agreements, documents, instruments of assignment, or other papers which Lender, in its sole discretion, deems necessary or advisable for the purpose of assigning, selling, or otherwise disposing of all of right, title, and interest of Borrower in and to any trademarks or patents and all registrations, recordings, reissues, continuations, continuations-in-part, extensions, and renewals thereof, or for the purpose of recording, registering and filing of, or accomplishing any other formality with respect to the foregoing.

2. Execution and delivery of any and all documents, statements, certificates or other papers which Lender, in its sole discretion, deems necessary or advisable to further the purposes described in subparagraph 1 hereof.

This Power of Attorney is made pursuant to a Trademark and Patent Security Agreement between Borrower and Lender of even date herewith (the "Security Agreement") and may not be revoked until indefeasible payment in full of all Borrower's "Obligations", as such term is defined in the Security Agreement.


Dated as of January 28, 2000.

VERMONT PURE SPRINGS, INC.

By: 
Timothy Fallon, President

COMMONWEALTH OF PENNSYLVANIA)
)ss.:
COUNTY OF PHILADELPHIA)

On this 27 day of Jan, 2000, before me personally came TIMOTHY FALLON, to me known, who being duly sworn, did depose and say, that he is the President of Vermont Pure Springs, Inc., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.


Notary Public

