

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
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NATURE OF CONVEYANCE:	SECURITY INTEREST
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CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Mannatec, Inc.		10/15/2004	CORPORATION: GEORGIA

RECEIVING PARTY DATA	
Name:	AmSouth Bank, as Administrative Agent
Street Address:	c/o AmSouth Capital Corp., 599 Lexington Ave.
Internal Address:	45th Floor
City:	New York
State/Country:	NEW YORK
Postal Code:	10022
Entity Type:	banking corporation:

PROPERTY NUMBERS Total: 3		
Property Type	Number	Word Mark
Registration Number:	1968102	MANNATEC
Registration Number:	2407627	MANNANET
Registration Number:	2539221	M-TRAN

CORRESPONDENCE DATA	
Fax Number:	(312)863-7806
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	312.863.7198
Email:	nancy.brougher@goldbergkohn.com
Correspondent Name:	Nancy Brougher
Address Line 1:	55 East Monroe Street
Address Line 2:	Suite 3700
Address Line 4:	Chicago, ILLINOIS 60603

ATTORNEY DOCKET NUMBER:	4928.004
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NAME OF SUBMITTER:	Nancy Brougher
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OP \$90.00 1968102

Total Attachments: 7

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**COLLATERAL ASSIGNMENT AND
SECURITY AGREEMENT (TRADEMARKS)**

THIS COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT (TRADEMARKS) (the "Agreement"), dated as of October 15, 2004 by the undersigned (the "Company"), to and in favor of AMSOUTH BANK, as Administrative Agent ("Administrative Agent") for itself as a Lender and for all other Lenders as are, or may from time to time become, parties to the Credit and Security Agreement, dated as of September 18, 2002, among the Company, the other Borrowers identified as such therein, the Administrative Agent, the Lenders and certain other agents (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"; capitalized terms used herein and not defined shall have the meanings ascribed to them in the Credit Agreement).

WITNESSETH:

A. The Company owns certain trademarks which are registered in, or applications for registration which have been filed in, the United States Patent and Trademark Office, and rights under certain Trademark Licenses, all as more fully described on Schedule I attached hereto and by reference made part hereof; and

B. The Lenders have made and, pursuant to the terms and conditions of the Credit Agreement, will continue to make certain loans to the Borrowers, including the Company; and

C. Pursuant to the Credit Agreement, the Company has assigned, conveyed, mortgaged, pledged, hypothecated and transferred to the Administrative Agent, for its benefit and the ratable benefit of the Lenders, all of its right, title and interest in and to, and granted to the Administrative Agent, for its benefit and the ratable benefit of the Lenders, a security interest in, the property described therein, including, without limitation, (a) all of the Company's Trademarks (as herein defined), whether presently existing or hereafter acquired or arising, or in which the Company now has or hereafter acquires rights and wherever located; (b) all of the Company's Trademark Licenses (as herein defined), whether presently existing or hereafter acquired or in which the Company now has or hereafter acquires rights and wherever located; and (c) all products and proceeds of any of the foregoing, as security for all of the Obligations; and

D. As a condition precedent to the extension of such financial accommodations pursuant to the Credit Agreement and in furtherance of the Credit Agreement, including, without limitation, for purposes of perfecting the security interests granted therein, the Lenders have required that the Company grant to the Administrative Agent, for its benefit and the ratable benefit of Lenders, a security interest in and a collateral assignment of the Property (as herein defined);

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. For purposes of this Agreement and in addition to terms defined elsewhere in this Agreement, the following terms shall have the meanings herein specified (such meaning to be equally applicable to both the singular and plural forms of the terms defined):

"Trademark License" means any written agreement now or hereafter in existence granting to the Company any right to use any Trademark, including, without limitation, the agreements listed on Schedule I attached hereto.

"Trademarks" means all of the following: (i) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, including, without limitation, those listed on Schedule I attached hereto together with all the rights, benefits and privileges derived therefrom and the goodwill of the business symbolized thereby, (ii) all renewals thereof and (iii) all proceeds of the foregoing.

2. As security for all of the Obligations, the Company hereby grants and conveys a security interest to the Administrative Agent, for its benefit and the ratable benefit of the Lenders, in, and collaterally assigns to the Administrative Agent, for its benefit and the ratable benefit of the Lenders, all of its right, title and interest in, to and under the following (collectively, the "Property"):

(a) each Trademark now or hereafter owned by the Company or in which the Company now has or hereafter acquires rights and wherever located and the goodwill of the business of the Company relating thereto or represented thereby, including, without limitation, each Trademark referred to in Schedule I hereto; and

(b) each Trademark License now or hereafter held by the Company or in which the Company now has or hereafter acquires rights, to the extent each of the Trademark Licenses does not prohibit assignment or the granting of a security interest in the rights thereunder, and wherever located, including, without limitation, the Trademark Licenses, if any, referred to in Schedule I hereto; and

(c) all products and proceeds of the foregoing, including, without limitation, any claim by the Company against third parties for past, present or future infringement of any Trademark or breach of Trademark Licenses, if any, including, without limitation, any Trademark or Trademark License referred to in Schedule I hereto.

Notwithstanding the foregoing or anything else contained in this Agreement to the contrary, the assignment set forth above shall not be effective as a transfer of title to the Property unless and until the Administrative Agent exercises the rights and remedies accorded to it under the Credit Agreement and by law with respect to the realization upon its security interest in and collateral assignment of the Property, and until such time the Company shall own, and may use and enjoy the Property in connection with its business operations, and exercise all incidents of ownership, including, without limitation, granting licenses thereof in the ordinary course of business and enforcement of its rights and remedies with respect to the Property, but with respect to all Property being used in the Company's business, only in a manner consistent with the preservation of the current substance, validity, registration and the security interest and collateral assignment herein granted in such Property.

3. The Company does hereby further acknowledge and affirm that the representations, warranties and covenants of the Company with respect to the Property and the rights and remedies of the Administrative Agent with respect to the security interest in and collateral assignment of the Property made and granted hereby are more fully set forth in the Credit Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

4. This Agreement shall terminate upon termination of the Credit Agreement in accordance with Article XIII thereof. At any time and from time to time prior to such termination, the Administrative Agent may terminate its security interest in or reconvey to the Company any rights with respect to any or all of the Property. Upon termination of this Agreement and following a request from the Company, the Administrative Agent shall, at the expense of the Company, execute and deliver to the Company all deeds, assignments and other instruments as may be necessary or proper in the reasonable judgment of the Company in order to evidence such termination, subject to any disposition of the Property which may have been made by the Administrative Agent pursuant hereto or pursuant to the Credit Agreement.

5. If at any time before the termination of this Agreement in accordance with Section 4, the Company shall obtain or acquire rights to any new Trademark or Trademark License, the provisions of Section 2 shall automatically apply thereto and the Company shall comply with the terms of the Credit Agreement with respect to such new Trademark or Trademark License. The Company authorizes the Administrative Agent to modify this Agreement by amending Schedule I to include any future Trademarks and Trademark Licenses covered by Section 2 or by this Section 5.

6. The Company further agrees that (a) neither the Administrative Agent nor any Lender shall have any obligation or responsibility to protect or defend the Property and the Company shall at its own expense protect, defend and maintain the same in

accordance with the terms and conditions set forth in the Credit Agreement, (b) the Company shall forthwith advise the Administrative Agent promptly in writing upon detection of infringements of any of the Property being used in the Company's business and (c) if the Company fails to comply with the requirements of the preceding clause (a), the Administrative Agent or any Lender may do so in the Company's name or in its own name, but in any case at the Company's expense, and the Company hereby agrees to reimburse the Administrative Agent and any such of the Lenders for all expenses, including attorneys' fees, incurred by the Administrative Agent and any such of the Lenders in protecting, defending and maintaining the Property.

7. THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, EXCEPT TO THE EXTENT THAT PERFECTION (AND THE EFFECT OF PERFECTION AND NONPERFECTION) AND CERTAIN REMEDIES MAY BE GOVERNED BY THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF NEW YORK.

[Signatures on Following Pages]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed under seal by its duly authorized officer as of the date first above written.

MANNATEC, INC.

By Eric Dey
Name ERIC DEY
Title CFO

SCHEDULE I

REGISTERED U.S. TRADEMARKS

<u>Registered Mark</u>	<u>Registration Number</u>
Mannatec	1968102
Mannanet	2407627
M-Tran	2539221

PENDING U.S. TRADEMARK APPLICATIONS

Trademark

Application Number

None

TRADEMARK LICENSES

Trademarks and Trademark Applications with respect to which
the Company is a licensee:

None