

TRADEMARK ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Release of Trademark Security Interest		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
PB Capital Corporation		01/14/2005	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	Avalon Natural Products, Inc.		
Street Address:	1105 Industrial Avenue		
City:	Petaluma		
State/Country:	CALIFORNIA		
Postal Code:	94952		
Entity Type:	CORPORATION: CALIFORNIA		
PROPERTY NUMBERS Total: 16			
Property Type	Number	Word Mark	
Registration Number:	2392412	ACTIVE ORGANICS	
Registration Number:	1594811	ALBA BOTANICA	
Registration Number:	2462411	LIP HONEY	
Registration Number:	2241133	PLANT POWERED LIP CARE	
Registration Number:	2062320	SMART MOUTH	
Registration Number:	2359132	SONOMA SOAP CO	
Registration Number:	2386818	SONOMA SOAP CO PURE HONEY	
Registration Number:	2338972	TERRA TINTS	
Registration Number:	1801338	UN-CHAP	
Registration Number:	1252630	BEAUTY WITHOUT CRUELTY	
Registration Number:	1817317	UN-PETROLEUM	
Registration Number:	1970218	UN-PETROLEUM	
Registration Number:	1597079	UN-PETROLEUM JELLY	
Serial Number:	75931156	ALBA	

CH \$415.00 2392412

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TRADEMARK
REEL: 003011 FRAME: 0478

Serial Number:	75635579	AVALON
Serial Number:	75635578	AVALON ORGANIC BOTANICALS

CORRESPONDENCE DATA

Fax Number: (202)637-3593

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 202-383-0100

Email: eteas@sablaw.com

Correspondent Name: Elisabeth A. Langworthy, Esq.

Address Line 1: 1275 Pennsylvania Ave, NW

Address Line 2: Sutherland Asbill & Brennan LLP

Address Line 4: Washington, DISTRICT OF COLUMBIA 20004-2415

NAME OF SUBMITTER:	Elisabeth A. Langworthy
Signature:	/EALangworthy/
Date:	01/18/2005

Total Attachments: 6

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RELEASE OF TRADEMARK SECURITY AGREEMENTS

RELEASE OF TRADEMARK SECURITY AGREEMENTS, dated as of January 14, 2005 (this "**Agreement**"), by PB CAPITAL CORPORATION, a Delaware Corporation ("Secured Party"), in favor of AVALON NATURAL PRODUCTS, INC., a California corporation (the "Pledgor").

WITNESSETH:

WHEREAS, Avalon Holding Corporation, a Delaware Corporation and Avalon Natural Products, Inc. (as successor to NCP-ANP Acquisition Corporation by merger) (collectively, the "Borrowers"), the lenders from time to time party thereto (the "Lenders"), and PB Capital Corporation, as Administrative Agent, Arranger and a Lender, have are parties to that certain Credit Agreement dated as of August 16, 2002, as amended from time to time (the "Credit Agreement"). Capitalized terms used herein without being defined herein shall have the respective meanings provided in the Credit Agreement.; and

WHEREAS, as partial security for the Borrower's Obligations, as that term is used herein and is defined in the Credit Agreement, the Pledgor executed two Trademark Security Agreements in favor of the Secured Party, each dated as of August 16, 2002 the "Trademark Security Agreements"), pursuant to which the Pledgor granted a security interest in and to the Trademark Collateral listed on Schedule A attached hereto, as that term is used herein and is defined in the Trademark Security Agreements; and

WHEREAS, the first Trademark Security Agreement was recorded in the Trademark Division of the United States Patent and Trademark Office on October 2, 2002 at Reel 002591, Frame 0626, and was placed on file in the Canadian Intellectual Property Office on November 4, 2002; and

WHEREAS, the second Trademark Security Agreement was recorded in the Trademark Division of the United States Patent and Trademark Office on September 10, 2002 at Reel 002578, Frame 0268; and

WHEREAS, Borrowers desire to pay all obligations of the Borrowers to the Agent and the Lenders under the Credit Agreement and the Secured Party now desires to terminate and release the entirety of its security interest in the Trademark Collateral;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and upon the terms set forth in this Release of Trademark Security Agreements, the parties hereto agree as follows:

- (1) The Secured Party hereby releases its security interest in the right, title and interest in and to the Trademark Collateral listed on Schedule A attached hereto as such right, title and interest are granted in the Trademark Security Agreements.

- (2) The Secured Party hereby reassigns, grants and conveys to the Pledgor, without any representation or undertaking by the Secured Party, all of the right, title and interest of the Secured Party in and to the Trademark Collateral, as such right, title and interest are granted in the Trademark Security Agreements.
- (3) The Pledgor agrees to bear all costs in connection with any further actions necessary to effectuate the terms of this Release of Trademark Security Agreements. The Secured Party hereby agrees to execute, acknowledge, and deliver any further documents as may be reasonably necessary to effect the release of the Trademark Collateral contemplated hereby.
- (4) This Agreement may be executed in any number of counterparts, each of which when executed and delivered will be deemed to be an original and all of which counterparts of this Release of Trademark Security Agreements, taken together, will be deemed to be but one and the same instrument.

IN WITNESS WHEREOF, the Agent has caused this Release of Trademark and Patent Security Agreement to be duly executed by its duly authorized officer as of the day and year first above written.

PB CAPITAL CORPORATION,
as Agent

By: 


Name: STEVEN ALEXANDER
Title: VICE PRESIDENT

By: 

Name: TYLER J. MCCARTHY
Title: VICE PRESIDENT

STATE OF NEW YORK)
COUNTY OF NEW YORK)

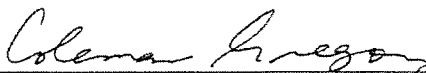
On the 11th day of January, 2005, before me, the undersigned, personally appeared Steven Alexander known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

STATE OF NEW YORK)
COUNTY OF NEW YORK)

COLEMAN G. GREGORY
NOTARY PUBLIC, State of New York
No. 02GR6090979
Qualified in New York County
Commission Expires April 21, 2007

On the 11th day of January, 2005, before me, the undersigned, personally appeared Tyler J. McCarthy known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument to be the individual whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his capacity that by his signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument.


Notary Public

COLEMAN G. GREGORY
NOTARY PUBLIC, State of New York
No. 02GR6090979
Qualified in New York County
Commission Expires April 21, 2007

Schedule A

Trademark

I. Trademarks

1. I. Registered U.S. Trademarks

<u>Jurisdiction</u>	<u>Trademark</u>	<u>Int'l Class</u>	<u>Registration No.</u>	<u>Registration Date</u>
US	ACTIVE ORGANICS	3	2,392,412	10/03/00
US	ALBA BOTANICA	3	1,594,811	05/08/90
US	LIP HONEY	3	2,462,411	06/19/01
US	PLANT POWERED LIP CARE	3, 5	2,241,133	04/20/99
US	SMART MOUTH	3	2,062,320	05/13/97
California	SONOMA SOAP COMPANY	3	103,332	1/12/98
US	SONOMA SOAP CO and DESIGN	3	2,359,132	6/20/00
US	SONOMA SOAP CO PURE HONEY	3	2,386,818	9/19/00
US	TERRA TINTS	3	2,338,972	04/04/00
US	UN-CHAP	3, 5	1,801,338	10/26/93
US	BEAUTY WITHOUT CRUELTY		1,252,630	10/04/83
US	UN-PETROLEUM	3	1,817,317	01/18/94
US	UN-PETROLEUM & DESIGN	3, 5	1,970,218	04/23/96
US	UN-PETROLEUM JELLY	3	1,597,079	05/22/90

II. Pending U.S. Trademark Applications

<u>Country</u>	<u>Trademark</u>	<u>Int'l Class</u>	<u>Serial No.</u>	<u>Filing Date</u>
US	ALBA	3	75-931,156	02/29/00

<u>Country</u>	<u>Trademark</u>	<u>Int'l Class</u>	<u>Serial No.</u>	<u>Filing Date</u>
US	AVALON	3	75-635,579	02/05/99
US	AVALON ORGANIC BOTANICALS	3	75-635,578	02/05/99

III. Canadian Registered Trademarks

<u>Jurisdiction</u>	<u>Trademark</u>	<u>Int'l Class</u>	<u>Registration No.</u>	<u>Registration Date</u>
Canada	ALBA BOTANICA	3	454,191	02/16/96
Canada	LIP SPICE	3, 5	467,406	12/10/96
Canada	PLANT POWERED LIP CARE	3	531,004	08/10/00
Canada	SMART MOUTH	3	506,765	01/18/99
Canada	UN-PETROLEUM	3	480,486	08/14/97
Canada	UN-PETROLEUM JELLY	3	458,205	05/31/96
Canada	UN-PETROLEUM LIP JELLY	3	497,606	07/22/98

IV. Canadian Pending Trademark Applications

Canada	BEAUTY WITHOUT CRUELTY		1,031,352	10/06/99
Canada	AVALON	3	1,090,20401/24/01

V. Foreign Registered Trademarks

UK*	LIP SPICE	3	1,557,010	12/18/93
UK*	UN-PETROLEUM	3	2,019,430	5/3/95
UK*	UN-PETROLEUM LIP JELLY	3	2,035,690	9/20/95
EU*	SMART-MOUTH	3, 5	301,846	9/8/98
Benelux*	LIP SPICE	5	554,291	6/2/94
Benelux*	UN-PETROLEUM	3	556,966	6/2/94
Benelux*	UN-PETROLEUM LIP JELLY	3	552,945	6/2/94

France*	UN-PETROLEUM	3	94-517,095	4/20/94
France*	UN-PETROLEUM LIP JELLY	3	94-525,081	6/14/94

* Owned as of record by Autumn-Harp, Inc.

VI. Foreign Pending Trademark Applications

<u>Country</u>	<u>Trademark</u>	<u>Int'l Class</u>	<u>Serial No.</u>	<u>Filing Date</u>
EU	AVALON	3, 5	2,054,039	01/24/01
Finland	AVALON	3	200,100,509	02/09/01
Hungary	AVALON	3	M01 00754	2/6/01
Malaysia	AVALON	3	2001-01135	1/30/01
Philippines	AVALON	3	4-2001-01902	3/15/01
South Korea	AVALON	3	2001-23839	6/1/01