

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Botanical Laboratories, Inc.		03/09/2005	CORPORATION: WASHINGTON

RECEIVING PARTY DATA	
Name:	MCG Capital Corporation as Administrative Agent and as Administrative Agent for itself and the Lenders
Street Address:	1100 Wilson Boulevard
Internal Address:	Suite 3000
City:	Arlington
State/Country:	VIRGINIA
Postal Code:	22209
Entity Type:	CORPORATION: DELAWARE

PROPERTY NUMBERS Total: 44

Property Type	Number	Word Mark
Registration Number:	1676528	ACTIVE HERBAL
Registration Number:	1925029	BIO · RX
Registration Number:	1609547	BIOALLERS
Registration Number:	2348041	BRINGING BALANCE TO YOUR BODY
Registration Number:	1736020	
Registration Number:	2036773	CALM DAYS-NIGHTS
Serial Number:	76585629	CANDIDA QUICKCLEANSE
Serial Number:	76585630	CLEANSE TODAY
Registration Number:	2194040	COMPLIMED
Registration Number:	2186383	COMPLIMED MEDICAL RESEARCH GROUP
Registration Number:	1672353	DECONGEST HERBAL
Registration Number:	2316540	DIGEST HERBAL
Registration Number:	2230665	DISCOVER THE DIFFERENCE

CH \$1115.00 1676528

Registration Number:	2131465	ECHINACEA PM
Registration Number:	2129612	ECHINACEAC
Registration Number:	2129611	ELDERBERRYC
Serial Number:	76569592	FLU RESIST
Registration Number:	1919041	HERBAL MIST
Serial Number:	75430965	HERBALMIST
Registration Number:	1890772	HERBALOZENGE
Registration Number:	2393825	HERBALSEPTIC
Registration Number:	2699536	HERBS FOR KIDS
Registration Number:	2280608	HERBS FOR KIDS
Serial Number:	76533458	INSURE
Registration Number:	1676529	INSURE HERBAL
Serial Number:	78486183	JOINT MOVEMENT GLUCOSAMINE
Registration Number:	1612622	NATRA-BIO
Registration Number:	2690862	NICORX
Registration Number:	2246608	NUTRISORB
Registration Number:	2488170	PHARMATROL
Registration Number:	1801832	PMS HERBAL
Registration Number:	2166234	POTEN-C-CORD
Registration Number:	2689045	PSORIASTAT PE2
Registration Number:	1967458	QUICK CLEANSE
Serial Number:	76585628	QUICKDIGEST
Registration Number:	2394544	QUIETUSSIN
Registration Number:	2366290	SINUSTAT
Registration Number:	2038469	STOP IT SMOKING
Registration Number:	2414478	SYMTEC
Serial Number:	76396240	SYMTEC JOINT MOVEMENT
Registration Number:	1970603	THISTLE CLEANSE
Registration Number:	1827162	VALERIAN HERBAL
Registration Number:	2143764	WOMEN'S GINSENG
Registration Number:	1756390	ZAND

CORRESPONDENCE DATA

Fax Number: (415)393-2286

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

Phone: 415-393-2000
Email: peter.carson@bingham.com
Correspondent Name: Peter H. Carson, Bingham McCutchen LLP
Address Line 1: Three Embarcadero Center
Address Line 4: San Francisco, CALIFORNIA 94111-4067

NAME OF SUBMITTER:	Mary Dougherty
Signature:	/Mary Dougherty/
Date:	05/11/2005

Total Attachments: 9

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of March 9, 2005 by and between MCG CAPITAL CORPORATION, a Delaware corporation, in its separate capacity as the Administrative Agent (in such capacity, including any successor, participant, assignee, pledgee or transferee thereof, "Administrative Agent"), as Administrative Agent for itself and the Lenders (as defined in the Credit Agreement referred to below), and BOTANICAL LABORATORIES, INC., a Washington corporation ("Grantor").

RECITALS

A. Administrative Agent and Lenders have agreed to make certain advances of money and to extend certain financial accommodations to Grantor (the "Loans") in the amounts and manner set forth in that certain Credit Facility and Security Agreement by and between Administrative Agent, Lenders, BLI HOLDINGS, INC., a Delaware corporation, BLI ACQUISITION CORP., a Delaware corporation and Grantor dated of even date herewith (as the same may be amended, modified or supplemented from time to time, the "Loan Agreement"; capitalized terms used herein are used as defined in the Loan Agreement). Administrative Agent and Lenders are willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to Administrative Agent, for the benefit of the Lenders, a security interest in certain Copyrights, Trademarks and Patents to secure the obligations of Grantor under the Loan Agreement.

B. Pursuant to the terms of the Loan Agreement, Grantor has granted to Administrative Agent, for the benefit of the Lenders, a security interest in all of Grantor's right, title and interest, whether presently existing or hereafter acquired, in, to and under all of the Collateral.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, as collateral security for the prompt and complete payment when due of its obligations under the Loan Agreement and all other agreements now existing or hereafter arising between Grantor and Administrative Agent or any Lender, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its obligations under the Loan Agreement and under any other agreement now existing or hereafter arising between Grantor and Administrative Agent or any Lender, Grantor grants and pledges to Administrative Agent, for the benefit of the Lenders, a security interest in all of Grantor's right, title and interest in, to and under its Intellectual Property Collateral (including without limitation those Copyrights, Patents and Trademarks listed on Schedules A, B and C hereto), and including without limitation all proceeds thereof (such as, by way of example but not by way of limitation, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all re-issues, divisions continuations, renewals, extensions and continuations -in-part thereof.

This security interest is granted in conjunction with the security interest granted to Administrative Agent, for the benefit of the Lenders, under the Loan Agreement. The rights and remedies of Administrative Agent with respect to the security interest granted hereby are in addition to those set forth in the Loan Agreement and the other Loan Documents, and those which are now or hereafter available to Administrative Agent as a matter of law or equity. Each right, power and remedy of Administrative Agent provided for herein or in the Loan Agreement or any of the Loan Documents, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or remedy provided for herein and the exercise by Administrative Agent or any Lender of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Loan Agreement or any of the other Loan Documents, or now or hereafter existing at law or in equity, shall not preclude the simultaneous or later exercise by any person, including Administrative Agent, of any or all other rights, powers or remedies.

Grantor represents and warrants that Exhibits A, B, and C attached hereto set forth any and all intellectual property rights in connection to which Grantor has registered or filed an application with either the United States Patent and Trademark Office or the United States Copyright Office, as applicable.

This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, without giving effect to conflicts of laws principles. Grantor and Administrative Agent submit to the exclusive jurisdiction of the state and federal courts located in Arlington County, Virginia. GRANTOR AND

ADMINISTRATIVE AGENT WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREIN.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

Address of Grantor:

1441 West Smith Road
Ferndale, WA 98248

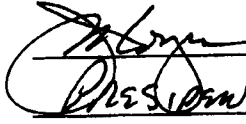
Attn: Chief Executive Officer

GRANTOR:

BOTANICAL LABORATORIES, INC.

By:

Title:



President / CEO

Address of Administrative Agent:

1100 Wilson Boulevard, Suite 3000
Arlington, VA 22209

Attn: Loan Administration and General Counsel

ADMINISTRATIVE AGENT:

MCG CAPITAL CORPORATION

By: _____

Title: _____

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

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1441 West Smith Road
Ferndale, WA 98248

Attn: Chief Executive Officer

GRANTOR:

BOTANICAL LABORATORIES, INC.

By: _____

Title: _____

Address of Administrative Agent:

1100 Wilson Boulevard, Suite 3000
Arlington, VA 22209

Attn: Loan Administration and General Counsel

ADMINISTRATIVE AGENT:

MCG CAPITAL CORPORATION

By:  _____

Title: Salman Tajuddin
Vice President

EXHIBIT A

Copyrights

Description

Registration
Number

Registration Date

EXHIBIT B

Patents

<u>Description</u>	Patent/ Application <u>Number</u>	Issue/ Application <u>Date</u>
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EXHIBIT C

Trademarks

ACTIVE HERBAL	1,676,528	Feb. 25, 1992
ACUTABS™M	N/A	Pending
BIO-RX (with logo design)	1,925,029	Oct. 10, 1995
BIOALLERS	1,609,547	Aug. 14, 1990
BRING BALANCE TO YOUR BODY	N/A	Pending
BRINGING BALANCE TO YOUR BODY	2,348,041	May 9, 2000
CADUCEUS (logo design)	1,736,020	Dec. 1, 1992
CALM DAYS-NIGHTS	2,036,773	Feb. 11, 1997
CANDIDA QUICKCLEANSE	76585629	April 7, 2004
CLEANSE TODAY	76585630	April 7, 2004
COMPLIMED	2,194,040	Oct. 6, 1998
COMPLIMED MEDICAL RESEARCH GROUP	2,186,383	Sept. 1, 1998
DECONGEST HERBAL	1,672,353	Jan. 21, 1992
DIGEST HERBAL	2,316,540	Feb. 8, 2000
DISCOVER THE DIFFERENCE	2,230,665	March 9, 1999
ECHINACEA PM	2,131,465	Jan. 20, 1998
ECHINACEAC	2,129,612	Jan. 13, 1998
ELDERBERRYC	2,129,611	Jan. 13, 1998
ENERJOINT	N/A	Pending
FLU RESIST	76569592	January 8, 2004
HERBAL MIST	1,919,041	September 12, 1995
HERBALMIST	75430965	January 25, 2000
HERBALOZENGE	1,890,772	April 25, 1995
HERBALSEPTIC	2,393,825	Oct. 10, 2000

HERBS FOR KIDS	2,699,536	March 25, 2003
HERBS FOR KIDS (and Design)	2,280,608	September 28, 1999
HERBS FOR KIDS (Canada)	Canadian Registration No. TMA595858	Nov. 26, 2003
INSURE	76533458	July 30, 2003
INSURE HERBAL	1,676,529	Feb. 25, 1992
JOINT MOVEMENT GLUCOSAMINE	78486183	September 20, 2004
KIDS (logo design)	N/A	Pending
NATRA-BIO	1,612,622	Sept. 11, 1990
NICORX	2,690,862	Feb. 25, 2003
NUTRISORB	2,246,608	May 18, 1999
PHARMATROL	2,488,170	Sept. 11, 2001
PMS HERBAL	1,801,832	Nov. 2, 1993
POTEN-C-CORD	2,166,234	June 16, 1998
PREFERENCE FOR WOMEN	N/A	Pending
PSORIASAT PE2	2,689,045	Feb. 18, 2003
QUICK CLEANSE	1,967,458	April 9, 1996
QUICKDIGEST	76585628	April 7, 2004
QUIETUSSIN	2,394,544	Oct. 17, 2000
SINUSTAT	2,366,290	July 11, 2000
STOP IT SMOKING	2,038,469	February 18, 1997
SYMTEC	2,414,478	Dec. 19, 2000
SYMTEC JOINT MOVEMENT	76396240	April 11, 2002
THISTLE CLEANSE	1,970,603	April 23, 1996
VALERIAN HERBAL	1,827,162	March 22, 1994
WOMEN'S GINSENG	2,143,764	March 10, 1998
ZAND	1,756,390	March 9, 1993
ZAND (Canada)	Canadian Registration No. TMA472714	March 17, 1997

ZAND (Canada)	Canadian Registration No. TMA623150	October 21, 2004
ZAND (European Community)	CTM No. 002262194	August 28, 2002
ZANERGY	N/A	Pending