

EXHIBIT C
TRADEMARKS

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
Kinetix	78/665,023	07/06/05
Kinetix Living	78/665,019	07/06/05
Switch On	78/665,018	07/06/05
Switch On	78/630,833	05/16/05
Complete K5 Complete (and design)	78/620,601	05/02/05
Complete K4 Complete (and design)	78/620,600	05/02/05
Complete K3 Complete (and design)	78/620,597	05/02/05
Complete K2 Complete (and design)	78/620,593	05/02/05
Complete K1 Complete (and design)	78/620,590	05/02/05
Approved K0 Approved (and design)	78/620,589	05/02/05
Kinetix	78/620,161	04/29/05
Kinetix (and design)	78/619,451	04/28/05

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT is entered into as of February 7, 2006 by and between SQUARE 1 BANK ("*Bank*") and Kinetix Living Corp., a Delaware corporation ("*Grantor*").

RECITALS

A. Bank has agreed to make certain advances of money and to extend certain financial accommodation to Grantor (the "*Loans*") in the amounts and manner set forth in that certain Loan and Security Agreement by and between Bank 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).

B. Pursuant to the terms of the Loan Agreement, Grantor has granted to Bank 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, Grantor 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 Bank and Grantor, Grantor grants and pledges to Bank a security interest in all of Grantor's right, title and interest in, to and under its Intellectual Property (including without limitation those Copyrights, Patents and Trademarks listed on Exhibits 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 (collectively, "*Intellectual Property Collateral*").

This security interest is granted in conjunction with the security interest granted to Bank under the Loan Agreement. The rights and remedies of Bank 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 Bank as a matter of law or equity. Each right, power and remedy of Bank 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 Bank 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 Bank, 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.

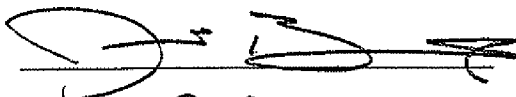
IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

Address of Grantor:

3300 1st Avenue South
Seattle, WA 98134
Attention: Jon Evans

GRANTOR:

KINETIX LIVING CORP.

By: 
Title: CEO

Address of Bank:

406 Blackwell Street
Suite 240
Durham, NC 27701
Attention: Joseph Crayton

BANK:

SQUARE 1 BANK

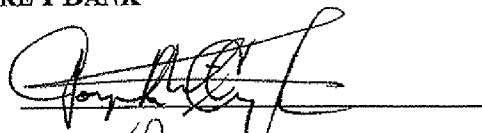
By: 
Title: VP

EXHIBIT A
COPYRIGHTS

<u>Description</u>	<u>Registration Number</u>	<u>Registration Date</u>
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EXHIBIT B

PATENTS

<u>Description</u>	<u>Serial / Patent Number</u>	<u>Application / Issue Date</u>
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