

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Hearthstone Assisted Living, Inc.		05/24/2006	CORPORATION: TEXAS

RECEIVING PARTY DATA	
Name:	Hearthstone Operations, LLC
Street Address:	9595 Six Pines Drive, Suite 6300
City:	The Woodlands
State/Country:	TEXAS
Postal Code:	77380-1493
Entity Type:	LIMITED LIABILITY COMPANY: DELAWARE

PROPERTY NUMBERS Total: 14

Property Type	Number	Word Mark
Serial Number:	78513816	CARESTONE
Serial Number:	78513801	LIVING FOR SENIORS
Registration Number:	1981135	HEARTHSTONE
Registration Number:	2265649	CARESTONE
Registration Number:	2391669	WHERE CARING COUNTS
Registration Number:	2458636	ASSISTED LIVING WITH A DIFFERENCE
Registration Number:	2485038	HEARTHSTONE
Registration Number:	2477951	CARESTONE
Registration Number:	2664077	THE HARBOUR AT HEARTHSTONE ASSISTED LIVING
Registration Number:	2664078	THE HARBOUR AT CARESTONE ASSISTED LIVING
Registration Number:	2669924	THE HARBOUR AT HEARTHSTONE ASSISTED LIVING
Registration Number:	2595828	THE HARBOUR AT CARESTONE ASSISTED LIVING
Registration Number:	2949678	SIMPLE SOLUTIONS TO COMPLEX PROBLEMS
Registration Number:	3077806	HEARTHSTONE

OP \$365.00 78513816

CORRESPONDENCE DATA

Fax Number: (512)536-4598
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 512.474.5201
Email: aotrademark@fulbright.com
Correspondent Name: Richard J. Groos
Address Line 1: 600 Congress Avenue, Suite 2400
Address Line 4: Austin, TEXAS 78701

ATTORNEY DOCKET NUMBER:	10006826/HEAR:001
NAME OF SUBMITTER:	Richard J. Groos
Signature:	/Richard J. Groos/
Date:	09/01/2006

Total Attachments: 3
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TRADEMARK ASSIGNMENT

WHEREAS, Hearthstone Assisted Living, Inc., a Texas Corporation having a business address of 9595 Six Pines Drive, Suite 6300, The Woodlands, Texas 77380-1493 (“Assignor”), adopted, owns and uses the trademarks listed in the attached Exhibit A for which Assignor owns the identified federal trademark applications and registrations on the Principal Register of the United States Patent and Trademark Office for the goods and/or services identified therein (“the Marks”); and

WHEREAS, Hearthstone Operations, LLC, a Delaware limited liability company having an address of 9595 Six Pines Drive, Suite 6300, The Woodlands, Texas 77380-1493 (“Assignee”), desires to acquire any and all rights and goodwill associated with the above-referenced marks and the applications and registrations therefor;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor hereby transfers, releases and assigns to Assignee all right, title and interest in and to the Marks, together with the goodwill of the business symbolized by the Marks and the applications and registrations thereof, with any state or common law rights in the Marks, the right of priority, and all claims for damages by reason of past infringement of the Marks and the respective applications and registrations, with the right to sue for and collect the same for its own use and behalf and for the use and behalf of its successors, assigns and other legal representatives; provided, that neither the making nor the acceptance of this instrument shall enlarge, restrict or otherwise modify the terms of the Contribution Agreement, the Master Transactions Agreement or the Merger Agreement (in each case dated March 22, 2006 and to which Assignor and Assignee are parties) or impose additional liability upon Assignor or Assignee or constitute a waiver or release by Assignor or Assignee of the liabilities, duties or

obligations imposed upon either of them by the terms of the Contribution Agreement, the Master Transactions Agreement or the Merger Agreement.

Hearthstone Assisted Living, Inc.

Dated: _____

By: [Signature]
TIMOTHY P. HEKKER, PRESIDENT
Printed Name and Title of Signing Officer

[Notarial Representation and Seal]

STATE OF TEXAS *** §
COUNTY OF HARRIS *** §

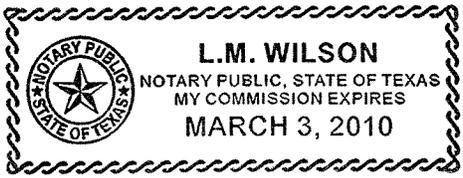
Before me, the undersigned authority, on this 24th day of MAY, 2006, personally appeared TIMOTHY P. HEKKER known to me to be the person whose name is subscribed to the foregoing instruments and acknowledged to me that (he/she) is authorized to execute the same on behalf of the identified corporation and that (he/she) executed the same on behalf of the corporation for the purposes and consideration therein expressed.

[Signature]

Notary Public, State of ***

Name Printed: _____

My Commission Expires: _____



Acknowledged and Agreed:

Hearthstone Operations, LLC

By: [Signature]
Name: _____
Title: _____

EXHIBIT A

<u>Mark</u>	<u>Application Serial No.</u>
CARESTONE	78/513,816
LIVING FOR SENIORS	78/513,801

<u>Mark</u>	<u>Registration No.</u>
HEARTHSTONE	1,981,135
CARESTONE	2,265,649
WHERE CARING COUNTS	2,391,669
ASSISTED LIVING WITH A DIFFERENCE	2,458,636



2,485,038



2,477,951

THE HARBOUR AT
HEARTHSTONE ASSISTED
LIVING

2,664,077

THE HARBOUR AT CARESTONE

2,664,078



2,669,924



2,595,828

SIMPLE SOLUTIONS TO
COMPLEX PROBLEMS

2,949,678

HEARTHSTONE

3,077,806