

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
Aldran H. Lajoie		09/13/2006	INDIVIDUAL: UNITED STATES
RECEIVING PARTY DATA			
Name:	American International Industries		
Composed Of:	COMPOSED OF Glamour Industries Co., a California corporation; ARYZ Corp., a California corporation; ERX Corp., a California corporation; SRYZ Corp., a California corporation; and RAZY Properties Inc., a California corporation		
Street Address:	2220 Gaspar Avenue		
City:	Los Angeles		
State/Country:	CALIFORNIA		
Postal Code:	90040		
Entity Type:	PARTNERSHIP: CALIFORNIA		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Registration Number:	3124225	SPA SCIENCES	
Registration Number:	3130267	SPA SCIENCES	
CORRESPONDENCE DATA			
Fax Number:	(310)998-9109		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	310-998-9100		
Email:	mdk@conklelaw.com		
Correspondent Name:	Mark Kremer		
Address Line 1:	3130 Wilshire Blvd., Ste. 500		
Address Line 4:	Santa Monica, CALIFORNIA 90403		
ATTORNEY DOCKET NUMBER:	0067.110		
NAME OF SUBMITTER:	Mark Kremer		

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Signature:	/Mark Kremer/
Date:	09/28/2006
Total Attachments: 8 source=Security Agreement - Final - executed#page1.tif source=Security Agreement - Final - executed#page2.tif source=Security Agreement - Final - executed#page3.tif source=Security Agreement - Final - executed#page4.tif source=Security Agreement - Final - executed#page5.tif source=Security Agreement - Final - executed#page6.tif source=Security Agreement - Final - executed#page7.tif source=Security Agreement - Final - executed#page8.tif	

SECURITY AGREEMENT

Aldran H. LaJoie doing business as LaJoie Enterprises (“Debtor”) and Spa Sciences, Inc. agree with American International Industries (“Secured Party”) effective September 13, 2006 as follows:

1. Pledge. To Secure Debtor’s Obligations as defined in paragraph 2 below, Debtor grants Secured Party a security interest in the Collateral defined in paragraph 3 below.

2. Obligations. For purposes of this Agreement, “Obligations” means any and all debts, obligations, and liabilities of Debtor to Secured Party arising out of, or relating in any way to that certain Promissory Note of September 13, 2006 (“Note”) and any obligations of Debtor to Secured Party pursuant to this Agreement; whether existing or arising after the date of this Agreement; whether voluntary or involuntary; whether jointly owned with others; whether direct or indirect; or whether absolute or contingent; and whether or not from time to time increased, decreased, extinguished, created, or incurred.

3. Collateral. For purposes of this Agreement, “Collateral” means:

- (a) The trademarks “Spa Sciences” and “Spa Sciences Logo” and the United States Trademark Registrations Nos. 3124225 and 3130267 respectively together with any other registration, certification or application therefor in any jurisdiction of the world, with all worldwide rights, and all goodwill of the business pertaining thereto and including all graphic styles, designs, pictures and trade dress used or associated therewith.
- (b) All proceeds, profits and products of any of the personal property described above, in any form constituting consideration for or resulting from any sale, assignment, transfer or license upon disposition of said property.

4. Spa Sciences, Inc. acknowledges that proceeds of the Note will be used to satisfy operating obligations of Spa Sciences, Inc. and that any license to use the Collateral is subject to this Agreement and the security interest of Secured Party in the Collateral.

5. Representations and Warranties. As a material inducement to Secured Party under this Agreement, Debtor and Spa Sciences, Inc. represent and warrant that the following are and shall remain true and correct:

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5.1. Title. To the best of Debtor's knowledge, Debtor is presently the owner of all right, title, and interest in the Collateral free and clear all liens, encumbrances, and security interests, except the security interest created by this Agreement, or liens appearing of record in the office of the California Secretary of State as of the date of this Agreement.

5.2 Spa Sciences, Inc.'s Interest in Collateral: Spa Sciences, Inc. has no claim or right to, or interest in, the Collateral with the exception of a license for the Collateral terminable at will by Debtor which license has not been assigned or transferred in whole or part.

5.3 Truth. All information that Debtor has provided to Secured Party concerning the Collateral is true and correct.

5.4 No Defenses. No defenses, offsets, claims, or counterclaims exist against Debtor that may be asserted against Secured Party in any proceeding to enforce Secured Party's rights in the Collateral.

5.5 No Conflict. The execution, delivery, and performance of this Agreement by Debtor is not in violation of any applicable law or regulation or contractual obligation of Debtor.

5.6 First Priority Lien. The liens granted to Secured Party under this Agreement will constitute a first priority lien on the Collateral on the filing of a UCC-1 Financing Statement except as to liens of record with the California Secretary of State and Debtor's grant of such lien to Secured Party does not constitute a fraudulent conveyance under any applicable law.

6. Covenants of Debtor.

6.1 Protection of Security Interest. Contemporaneously with the execution of this Agreement, Debtor shall properly execute and deliver to Secured Party a UCC-1 Financing Statements to enable Secured Party to perfect Secured Party's security interest in the Collateral. Debtor agrees also to execute, file, and record such other statements, notices, and agreements, take such action and obtain such certificates and documents, in accordance with all applicable laws, statutes, and regulations as may be necessary or advisable to perfect, evidence, and continue Secured Party's security interest in the Collateral.

6.2 Transactions Involving Collateral. Debtors shall not, without the prior written consent of Secured Party, (a) sell, offer to sell, or otherwise transfer the Collateral except in the ordinary course of business, or (b) pledge, mortgage, encumber, or otherwise

permit the Collateral to be subject to any lien, security interest, or charge, other than the security interest created by this Agreement.

6.3 Taxes, Assessments, and Liens. Debtor shall pay when due all taxes, assessments, and liens with regard to the Collateral. Debtor may withhold any such payment or may elect to contest any lien if Debtor is conducting appropriate proceedings in good faith to contest the obligation to pay and so long as Secured Party's interest is not jeopardized.

7. Authorized Action by Secured Party. Debtor irrevocably appoints Secured Party as Debtor's attorney in fact to do any act that Debtor is obligated to do pursuant to this Agreement to preserve or protect the Collateral and to preserve, protect, or establish Secured Party's lien on the Collateral. Debtor further irrevocably appoints Secured Party to exercise such rights and powers as Debtor might exercise with respect to the Collateral following an Event of Default, as defined below.

8. Defaults, Remedies and Cure.

8.1 Event of Default. Any of the following events or conditions shall constitute an Event of Default by Debtor under this Agreement:

- (a) Default in payment of the Obligations in accordance with the terms of the Note or any provision made to secure the Note;
- (b) Default in the performance of any Obligations or breach of any agreement, representation, or warranty contained in this Agreement;
- (c) Any levy or proceeding against the Collateral or Debtor's interest in the Collateral, except if Debtor is conducting appropriate proceedings in good faith to contest the levy or proceeding; or
- (d) The filing of a petition by or against Debtor under the provisions of the Bankruptcy Code.

8.2 Remedies. On the occurrence of an Event of Default, Secured Party:

- (a) Shall provide Debtor with thirty (30) days notice of the default. Thereafter, Debtor shall have an additional thirty (30) days to cure the default;

- (b) Following the sixty (60) days provided under (a) hereof, may exercise all rights and remedies accorded to Secured Party by the California Uniform Commercial Code
- (c) Following the sixty (60) days provided under (a) hereof, may declare all unperformed Obligations, in whole or in part, of Debtor immediately due and payable without demand or notice; and
- (d) Following the sixty (60) days provided under (a) hereof, may require Debtor to take any and all action necessary to make the Collateral available to Secured Party.

8.3. Remedies Cumulative. All of Secured Party's rights and remedies, whether evidenced by this Agreement or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Secured Party to pursue any remedy shall not exclude pursuit of any other remedy.

9. Waiver of Hearing. Debtor expressly waives any constitutional or other right to a judicial hearing prior to the time Secured Party takes possession or disposes of the Collateral on an Event of Default as provided in Paragraph 8 above.

10. Waiver. Secured Party shall not be deemed to have waived any rights under this Agreement unless such waiver is in writing and West Group, signed by Secured Party. No delay or omission on the part of Secured Party in exercising any right shall operate as a waiver of such right or any other right.

11. Additional Documentation; Cooperation. Each party shall, on the request of the other, execute, acknowledge, and deliver to the other any instrument that may be required to accomplish the intent of this Agreement. Each party agrees to cooperate to effectuate the intent of this Agreement and shall take all appropriate action necessary or useful in doing so.

12. Miscellaneous.

12.1 Successors and Assigns. Subject to the provisions otherwise contained in this Agreement, this Agreement shall inure to the benefit of and be binding on the successors and assigns of the respective Party.

12.2 Notices. Any notice under this Agreement shall be in writing, and any written notice or other document shall be deemed to have been duly given (a) on the date of

personal service on the Party, (b) on the third business day after mailing, if the document is mailed by registered or certified mail, (c) one day after being sent by professional or overnight courier or messenger service guaranteeing one day delivery, with receipt confirmed by the courier, or (d) on the date of transmission if sent by telegram, telex, telecopy, or other means of electronic transmission resulting in written copies, with receipt confirmed. Any such notice shall be delivered or addressed to the Party at the addresses set forth below or at the most recent address specified by the addressee through written notice under this provision. Failure to conform to the requirement that mailings be done by registered or certified mail shall not defeat the effectiveness of notice actually received by the addressee.

12.3 Amendment. The provisions of this Agreement may be modified at any time by written agreement of the Party. Any such agreement made after the date of this Agreement shall be ineffective to modify this Agreement in any respect unless in writing and signed by Debtor and Secured Party.

12.4 Attorney Fees; Prejudgment Interest. If the services of an attorney are required by Secured Party to secure the performance of this Agreement or otherwise on the breach or default of this Agreement, or if any judicial remedy or arbitration is necessary to enforce or interpret any provision of this Agreement or the rights and duties of any person in relation to this Agreement, Secured Party shall be entitled to reasonable attorney fees, costs, and other expenses, in addition to any other relief to which Secured Party may be entitled. Any award of damages following judicial remedy or arbitration as a result of the breach of this Agreement or any of its provisions shall include an award of prejudgment interest from the date of the breach at the maximum amount of interest allowed by law.

12.5 Post-Judgment Attorney Fees. If the services of an attorney are required by any party to enforce a judgment rendered in connection with this Agreement, the judgment creditor shall be entitled to reasonable attorney fees, costs, and other expenses, and such fees, costs, and expenses shall be recoverable as a separate item. This provision shall be severable from all other provisions of this Agreement, shall survive any judgment, and shall not be deemed merged into the judgment.

12.6 Captions. All paragraph captions are for reference only and shall not be considered in construing this Agreement.

12.7 Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement that can be given effect without the invalid provision shall continue in full force and effect and shall in no way be impaired or invalidated.

12.8 Governing Law. The rights and obligations of the Party and the interpretation and performance of this Agreement shall be governed by the law of California, excluding its conflict of laws rules.

12.9 Venue. Debtor agrees that any actions arising under this Agreement shall be heard and resolved in the courts in Los Angeles County, California.

12.10 Entire Agreement. This document and its exhibits constitute the entire agreement between the Party, all oral agreements being merged in this Agreement, and supersede all prior representations. There are no representations, agreements, arrangements, or understandings, oral or written, between or among the Party relating to the subject matter of this Agreement that are not fully expressed in this Agreement or its exhibits.

DEBTOR:

ALDRAN H. LAJOIE

SECURED PARTY:

AMERICAN INTERNATIONAL
INDUSTRIES
2220 Gaspar Avenue
Los Angeles, CA 90040

With a copy in all cases to:

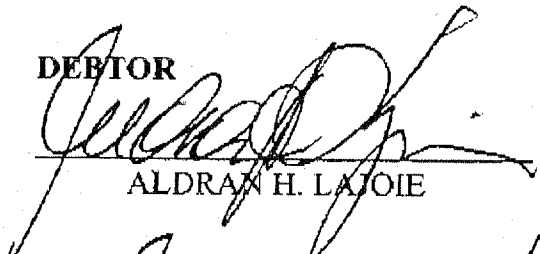
Mark D. Kremer
Conkle & Olesen, PLC
3130 Wilshire Blvd., Suite 500
Santa Monica, CA 90403

All notices, requests and other communications shall be deemed given on the date of actual receipt or delivery as evidenced by written receipt, acknowledgment or other evidence of actual receipt or delivery to the address specified above. In case of service by telecopy, a copy of such notice shall be personally delivered or sent by registered or certified mail, in the manner set forth above, within three (3) business days thereafter. Any party hereto may

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from time to time by notice in writing served as set forth above designate a different address or a different or additional Person to which all such notices or communications thereafter are to be given.

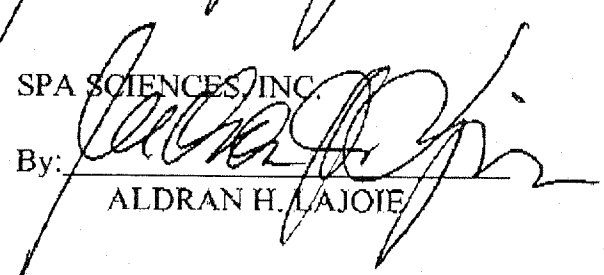
DEBTOR



ALDRAN H. LAJOIE

SPA SCIENCES, INC

By:



ALDRAN H. LAJOIE

SECURED PARTY

AMERICAN INTERNATIONAL INDUSTRIES

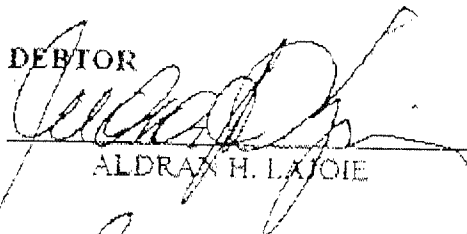
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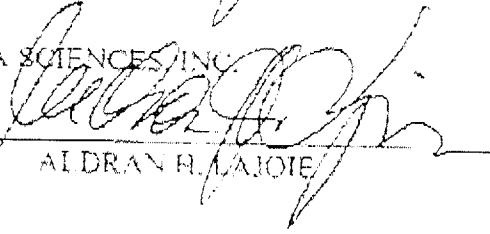
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DEBTOR


ALDRAN H. LAJOIE

SPA SCIENCES, INC.

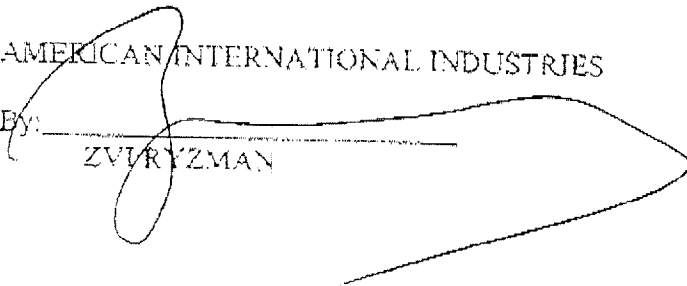
By:


ALDRAN H. LAJOIE

SECURED PARTY

AMERICAN INTERNATIONAL INDUSTRIES

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