

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
Nutritional Holdings, Inc.		04/15/2007	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	PNC Bank, National Association		
Street Address:	70 East 55th Street		
Internal Address:	14th Floor		
City:	New York		
State/Country:	NEW YORK		
Postal Code:	10022		
Entity Type:	CORPORATION: NEW YORK		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Serial Number:	78959184	LUNASOM	
CORRESPONDENCE DATA			
Fax Number:	(215)832-5347		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
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Email:	aria@blankrome.com		
Correspondent Name:	Zachary A. Aria		
Address Line 1:	One Logan Square		
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ATTORNEY DOCKET NUMBER:	074658-01198		
NAME OF SUBMITTER:	Zachary A. Aria		
Signature:	/Zachary A. Aria/		

CH \$40.00 78959184

Date:

04/24/2007

Total Attachments: 11

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TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (as may be amended, restated, supplemented or otherwise modified from time to time, this "Agreement") is dated and made as of April 15, 2007 by Nutritional Holdings, Inc., a Delaware corporation (the "Grantor"), with an address of 1001 South 3rd West, Missoula, Montana 59801 in favor of PNC Bank, National Association, as agent for the Lenders (as defined below) ("Grantee").

W I T N E S S E T H:

WHEREAS, Nutritional Laboratories International, Inc., a Montana corporation ("NLI") entered into that certain Revolving Credit, Term Loan and Security Agreement, dated as of February 25, 2005 (as may heretofore have been and may hereafter be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") with the financial institutions party thereto, as lenders (collectively, the "Lenders") and Grantee, as agent for the Lenders, pursuant to which Lenders extended a revolving credit facility and other financial accommodations to NLI; and

WHEREAS, in consideration of the extension of credit by Lenders to NLI, Grantor executed a Guaranty and Suretyship Agreement dated as of February 25, 2005, as reaffirmed, pursuant to which Grantor unconditionally guaranteed all of the Obligations of NLI owing under the Credit Agreement and all Other Documents; and

WHEREAS, NLI and Alternative Health Products, Inc., a Delaware corporation ("Alternative Health," and together with NLI, the "Borrowers") entered into that certain Second Amendment and Joinder to the Credit Agreement dated as of April 5, 2007 (the "Amended Credit Agreement") with Grantee and Lenders, pursuant to which Grantee and Lenders agreed to, among other things, join Alternative Health as a Borrower under the Credit Agreement and party to the Other Documents, and extend an additional term loan to Borrowers; and

WHEREAS, it is a condition subsequent to the effectiveness of the Amended Credit Agreement that Grantor execute this Agreement and grant a security interest in favor of Grantee for the ratable benefit of Lenders, as contemplated hereby; and

WHEREAS, this Agreement is given and is intended to provide additional security for the Obligations.

NOW, THEREFORE, in consideration of the premises and to induce Lenders to enter into the Amended Credit Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby agrees with Grantee and Lenders as follows:

1. Definitions. Capitalized terms used herein and not otherwise defined shall have the meanings assigned thereto in the Credit Agreement, as amended by the Amended Credit Agreement. In addition, the following term has the meaning set forth below:

“Trademarks” means all of Grantor’s now-owned or existing or hereafter acquired or arising, right, title and interest in and to any and all trademarks, trademark registrations, trademark registration applications, trade names, service marks, service mark registrations, service mark registration applications, logos, slogans, symbols, trade dress, certification marks, and collective membership marks, including, without limitation, the marks listed on Exhibit A hereto (collectively, the “Marks”), and (a) all renewals thereof, (b) all income, royalties, damages and payments now or hereafter due and/or payable under or with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past, present or future infringements or dilutions thereof, (c) the right to sue for past, present and future infringements and dilutions thereof, (d) the goodwill associated therewith, (e) all other rights corresponding thereto throughout the world, and (f) all proceeds thereof.

2. Security Interest. As collateral security for the Obligations, Grantor hereby grants to Grantee, a valid, continuing security interest in and Lien on the Trademarks, with power of sale to the extent permitted by law (the “Security Interest”).

3. Representations, Warranties and Agreements. Grantor hereby represents, warrants and agrees as follows (all of which representations, warranties and agreements shall survive the execution and delivery of this Agreement):

(a) Trademarks. Exhibit A hereto accurately lists all Marks owned by Grantor as of the date hereof and accurately reflects the jurisdiction and application or registration number thereof. Each of the Marks listed or required to be listed on Exhibit A hereto is subsisting, has not been adjudged invalid or unenforceable, in whole or in part, and is valid and enforceable. If, before the Obligations shall have been paid and satisfied in full, Grantor shall (a) become aware of any existing Marks of which Grantor has not previously informed Grantee, or (b) become entitled to the benefit of any Trademarks, which benefit is not in existence on the date hereof, the provisions of this Agreement shall automatically apply thereto and Grantor shall give to Grantee prompt written notice thereof. Grantor hereby authorizes Grantee to modify this Agreement by amending Exhibit A hereto by replacing it with any such amended schedule provided by Grantor under the provisions of this paragraph.

(b) Title. Grantor has sole and absolute title to each of the Trademarks free and clear of all Liens (subject only to the Security Interest and, to the extent applicable, Permitted Encumbrances). Grantor (i) will have, at the time Grantor acquires any rights in Trademarks hereafter arising, sole and absolute title to each such Trademark free and clear of all Liens (subject only to the Security Interest and, to the extent applicable, Permitted Encumbrances), and (ii) will keep all Trademarks free and clear of all Liens (subject only to the Security Interest and, to the extent applicable, Permitted Encumbrances). No other person has any rights in or to any Trademarks owned by Grantor (as opposed to licensed to Grantor).

(c) Valid Security Interest. This Agreement creates a continuing, valid security interest in favor of Grantee for the ratable benefit of Lenders in the Trademarks, as security for the Obligations. By its signature hereto, Grantor hereby authorizes Grantee to file against Grantor, one or more financing, continuation or amendment statements pursuant to the UCC. Upon the filing of such financing, continuation or amendment statements, the Security

Interest will be a valid and perfected security interest with priority over all other Liens (subject only to Permitted Encumbrances), to the extent that the UCC is applicable to security interests in Trademarks.

To the extent that Federal or foreign trademark laws are applicable to security interests in trademarks, the recordation of this Agreement or other applicable instrument or document in the United States Patent and Trademark Office (or, as applicable, any foreign office or agency responsible for Trademark registration, recordation, or similar matters) against or relative to the Marks set forth on Exhibit A hereto or the Trademarks within three (3) months of the date hereof will render Grantee's Security Interest in the Marks or other Trademarks effective against subsequent purchasers and mortgages of such Marks or other Trademarks.

(d) No Notices or Approvals. No authorization or approval or other actions by, and no notice to or filing with, any governmental authority or any other Person is required for (i) the grant by Grantor, or the perfection of, the Security Interest purported to be created hereunder by Grantor in the Trademarks or (ii) the exercise by Grantee of any of its rights and remedies hereunder except for the UCC filings and recordation of this Agreement in the United States Patent and Trademark Office (or, as applicable, foreign equivalent), as described in (c) of this Section. No shareholder agreements exist that would require the approval or other action by any governmental authority or any Person for any of the actions or events described in the preceding sentence.

(e) No Sale. Except as otherwise provided herein, Grantor will not sell, transfer, encumber, license, or otherwise dispose of, any of the Trademarks, or any right, title, or interest therein (including, without limitation, pursuant to any agreement with respect thereto) without Grantee's prior written consent, which consent shall not be unreasonably withheld or delayed.

(f) Infringement; Defense. To the best of Grantor's knowledge, no infringement, violation, or unauthorized use is presently being made of any of the Trademarks by any Person. The past, present and contemplated future use of the Trademarks by Grantor has not, does not, and will not infringe upon or violate any right, privilege or license of or with any other Person. Grantor will at its own expense, and using its best efforts, take all commercially reasonable steps to protect and defend the Trademarks against all claims or demands of all Persons other than Grantee, Lenders and licensees.

(g) Maintenance. Grantor will at its own expense maintain the Trademarks to the extent reasonably advisable in its business including, but not limited to, payment of maintenance fees, filing all applications to register and all affidavits and renewals possible with respect to issued registrations. Grantor covenants that, except if it determines not to proceed with an application or maintenance of a Mark for reasonable and legitimate business purposes (for example, non-use), it will neither abandon nor fail to pay any maintenance or other fee due and payable on any such Trademark, nor fail to file any required affidavit in support thereof, without first providing Grantee: (i) sufficient written notice (in the manner and at the address set forth in the Credit Agreement) to allow Grantee to timely pay any such maintenance or other fees which may become due on any of the Trademarks, or to file any affidavit with respect thereto, and (ii) without impairing or otherwise limiting the power of attorney in favor of Grantee set

forth below, a separate written power of attorney or other authorization to pay such maintenance or other fees, or to file such affidavit, should such be necessary or desirable.

(h) Grantee's Right to Take Action. If Grantor fails to perform or observe any of the covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days after Grantee gives Grantor written notice thereof (or, in the case of the agreements contained in subsections (b)(ii), (e), or (g), immediately upon the occurrence of such failure, without notice or lapse of time), or if Grantor notifies Grantee that it intends to abandon any of the Trademarks, Grantee may (but need not) perform or observe such covenant or agreement on behalf and in the name, place and stead of Grantor (or, at Grantee's option, in Grantee's own name) and may (but need not) take any and all other actions which Grantee may reasonably deem necessary to cure or correct such failure. Grantee shall not have any duty with respect to the Trademarks. Without limiting the generality of the foregoing, Grantee shall not be under any obligation to take any steps to preserve rights in the Trademarks against any other parties, but Grantee may do so at its option as provided in this Agreement.

(i) Costs and Expenses. Grantor shall pay Grantee on demand the amount of all moneys expended and all out-of-pocket costs and expenses (including reasonable attorneys' fees) incurred by Grantee in connection with or as a result of Grantee taking action under subsection (h) or exercising its rights under Section 7 hereof, together with interest thereon after the date demanded by Grantee at the highest rate then applicable to any of the Obligations if not otherwise paid by Grantor on demand.

(j) Power of Attorney. To facilitate Grantee's taking action under subsection (h) and exercising its rights under Section 7 hereof, after and during the continuance of an Event of Default, Grantor hereby irrevocably appoints Grantee, or its delegate, as the attorney-in-fact of Grantor with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of Grantor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by Grantor under this Section 3, or, necessary for Grantee, after and during the continuance of an Event of Default, to exercise its remedies under Section 7 hereof. Grantor hereby ratifies all that such attorneys-in-fact shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein is coupled with an interest and shall be irrevocable until the indefeasible payment and performance in full of all Obligations.

4. Grantor's Use of the Trademarks. Grantor and its related parties and affiliates shall be permitted to control and manage the Trademarks, including the right to exclude others from making, using or selling goods or services covered by the Trademarks and any licenses thereunder and specifically including any right to enter into any licenses, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Event of Default exists.

5. No Royalties. Grantor hereby agrees that Grantee's right to use the Trademarks as authorized hereunder in connection with Grantee's exercise of its rights and remedies under Section 7 hereof, or under the Credit Agreement shall be co-extensive with Grantor's rights in and to such Trademarks and Grantee shall have no liability to Grantor for royalties or other related charges on account of any such use.

6. Events of Default. Each of the following occurrences shall constitute an event of default under this Agreement (herein called "Event of Default"): (a) an Event of Default, as defined in the Credit Agreement, shall occur; or (b) Grantor shall fail to observe or perform any covenant or agreement herein binding on it which is not cured within ten (10) calendar days after notice to Grantor by Grantee of the occurrence of such failure (or, in the case of the agreements contained in subsections (b)(ii), (e), or (g), immediately upon the occurrence of such failure, without notice or lapse of time); or (c) any of the representations or warranties contained in Section 3 hereof shall prove to have been incorrect in any material respect when made.

7. Remedies. Upon the occurrence and during the continuation of an Event of Default, Grantee may, at its option, take any or all of the following actions:

(a) Grantee may exercise any or all remedies available under the Credit Agreement.

(b) Grantee may sell, assign, transfer, pledge, encumber, license or otherwise dispose of the Trademarks.

(c) Grantee may enforce the Trademarks and any licenses thereunder, and if Grantee shall commence any suit for such enforcement, Grantor shall, at the request of Grantee, do any and all lawful acts and execute any and all proper documents required by Grantee in aid of such enforcement.

(d) Grantee shall have, in addition to all of the rights and remedies hereunder, all rights and remedies allowed by law and the rights and remedies of Grantee under the UCC.

Upon the occurrence and during the continuation of an Event of Default, upon Grantee's demand, Grantor agrees to assign, convey and otherwise transfer title in and to the Trademarks to Grantee or any transferee of Grantee and to execute and deliver to Grantee or any such transferee all such agreements, documents and instruments as may be necessary, in the exercise of Grantee's commercially reasonable judgment, to effect such assignment, conveyance and transfer.

8. Miscellaneous. The execution, delivery and performance of this Agreement is within Grantor's corporate powers, has been duly authorized by all necessary corporate action, is not in contravention of law or the terms of Grantor's by-laws or certificate of incorporation or other applicable documents relating to Grantor's formation or to the conduct of Grantor's business or of any material agreement or undertaking to which Grantor is a party or by which Grantor is bound. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by Grantee. A waiver signed by Grantee shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of Grantee's rights or remedies. All rights and remedies of Grantee whether established hereby, by the Credit Agreement, by any other document or by law, shall be cumulative and may be exercised singularly or concurrently, at Grantee's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other right. Grantee shall not be obligated to preserve any rights Grantor may have against

prior parties, to realize on the Trademarks at all or in any particular manner or order, or to apply any cash proceeds of the Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of Grantor and Grantee and their respective participants, successors and permitted assigns (provided that Grantor shall not assign its rights and obligations under this Agreement without Grantee's prior written consent) and shall take effect when signed by Grantor and delivered to Grantee, and Grantor waives notice of Grantee's acceptance hereof. Grantee may execute this Agreement if appropriate for the purpose of filing, but the failure of Grantee to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon, photographic or other reproduction of this Agreement or of any financing statement shall have the same force and effect as the original for all purposes of a financing statement. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations.

9. Applicable Law. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLIED TO CONTRACTS TO BE PERFORMED WHOLLY WITHIN THE STATE OF NEW YORK.

10. WAIVER OF JURY TRIAL. GRANTOR HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (A) ARISING UNDER THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith, OR (B) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HERewith, OR THE TRANSACTIONS RELATED HERETO OR THERETO IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE AND GRANTOR HEREBY CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT GRANTEE MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF GRANTOR TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

11. CONSENT TO JURISDICTION. ANY JUDICIAL PROCEEDING BROUGHT BY OR AGAINST GRANTOR WITH RESPECT TO THIS AGREEMENT, OR ANY RELATED INSTRUMENT, DOCUMENT OR AGREEMENT MAY BE BROUGHT IN ANY COURT OF COMPETENT JURISDICTION IN THE STATE OF NEW YORK, UNITED STATES OF AMERICA, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, GRANTOR ACCEPTS FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, GENERALLY AND UNCONDITIONALLY, THE NON-EXCLUSIVE JURISDICTION OF THE AFORESAID COURTS, AND IRREVOCABLY AGREES TO BE BOUND BY ANY

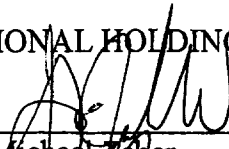
JUDGMENT RENDERED THEREBY IN CONNECTION WITH THIS AGREEMENT. GRANTOR HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON IT AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY REGISTERED MAIL (RETURN RECEIPT REQUESTED) DIRECTED TO GRANTOR AT ITS ADDRESS SET FORTH ABOVE AND SERVICE SO MADE SHALL BE DEEMED COMPLETED FIVE (5) DAYS AFTER THE SAME SHALL HAVE BEEN SO DEPOSITED IN THE MAILS OF THE UNITED STATES OF AMERICA. NOTHING HEREIN SHALL AFFECT THE RIGHT TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW OR SHALL LIMIT THE RIGHT OF GRANTEE OR ANY LENDER TO BRING PROCEEDINGS AGAINST GRANTOR IN THE COURTS OF ANY OTHER JURISDICTION. GRANTOR WAIVES ANY OBJECTION TO JURISDICTION AND VENUE OF ANY ACTION INSTITUTED HEREUNDER AND SHALL NOT ASSERT ANY DEFENSE BASED ON LACK OF JURISDICTION OR VENUE OR BASED UPON FORUM NON CONVENIENS. GRANTOR WAIVES THE RIGHT TO REMOVE ANY JUDICIAL PROCEEDING BROUGHT AGAINST IT IN ANY STATE COURT TO ANY FEDERAL COURT. ANY JUDICIAL PROCEEDING BY GRANTOR AGAINST GRANTEE OR ANY LENDER INVOLVING, DIRECTLY OR INDIRECTLY, ANY MATTER OR CLAIM IN ANY WAY ARISING OUT OF, RELATED TO OR CONNECTED WITH THIS AGREEMENT OR ANY RELATED INSTRUMENT, DOCUMENT OR AGREEMENT, SHALL BE BROUGHT ONLY IN A FEDERAL OR STATE COURT LOCATED IN THE COUNTY OF NEW YORK, STATE OF NEW YORK, PROVIDED THAT THE FOREGOING SHALL NOT PRECLUDE THE GRANTOR FROM BRINGING A CLAIM OR COUNTERCLAIM ACTION IN ANY COURT IN WHICH GRANTEE OR ANY LENDER HAS INITIATED A JUDICIAL PROCEEDING AGAINST GRANTOR.

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IN WITNESS WHEREOF, the parties have executed this Trademark Security Agreement as of the date written above.

GRANTOR:

NUTRITIONAL HOLDINGS, INC.

By:  _____

Name: Michael Zehner

Title: Chief Executive Officer

GRANTEE:

PNC BANK, NATIONAL ASSOCIATION

By: _____

Name: Sari Garrick

Title: Vice President

IN WITNESS WHEREOF, the parties have executed this Trademark Security Agreement as of the date written above.

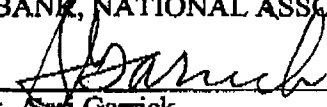
GRANTOR:

NUTRITIONAL HOLDINGS, INC.

By: _____
Name: Michael Zeher
Title: Chief Executive Officer

GRANTEE:

PNC BANK, NATIONAL ASSOCIATION

By:  _____
Name: Sam Garrick
Title: Vice President

Signature Page to Trademark Security Agreement

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TOTAL P.02

STATE OF MONTANA)
) ss.:
COUNTY OF MISSOULA)

The foregoing instrument was acknowledged before me this __ day of April, 2007, by Michael Zeher, the President and Chief Executive Officer of Nutritional Holdings, Inc.



Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

The foregoing instrument was acknowledged before me this __ day of April, 2007 by Sari Garrick, a Vice President of PNC Bank, National Association.

Notary Public

EXHIBIT A

REGISTERED TRADEMARKS, SERVICE MARKS

<u>Trademark</u>	<u>Application/Registration No.</u>
LUNASOM	Application no. 78959184

Exhibit A