Electronic Version v1.1 Stylesheet Version v1.1

| SUBMISSION TYPE: | NEW ASSIGNMENT |
|-----------------------|--|
| NATURE OF CONVEYANCE: | Grant of Trademark Security Interest (under the Trademark Security Agreement) (First Lien) |

CONVEYING PARTY DATA

| Name | Formerly Execution Date | | Entity Type | |
|--------------------------|-------------------------|---------------|-------------------|--|
| Avalon Laboratories, LLC | | 101/09/2008 I | LIMITED LIABILITY | |
| | | | COMPANY: DELAWARE | |

RECEIVING PARTY DATA

| Name: | American Capital Financial Services, Inc., as Agent | |
|-----------------|---|--|
| Street Address: | 2 Bethesda Metro Center, 14th Floor | |
| City: | Bethesda | |
| State/Country: | MARYLAND | |
| Postal Code: | 20814 | |
| Entity Type: | Unknown: | |

PROPERTY NUMBERS Total: 2

| Property Type | Number | Word Mark | |
|----------------|----------|-------------------|--|
| Serial Number: | 77204675 | AVALON ELITE | |
| Serial Number: | 77216442 | AVALON GLIDERIGHT | |

CORRESPONDENCE DATA

(213)430-6407 Fax Number:

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

Email: gdurham@omm.com Correspondent Name: Gina M. Durham, Esq. Address Line 1: 400 South Hope Street Address Line 2: O'Melveny & Myers LLP

Los Angeles, CALIFORNIA 90071 Address Line 4:

| NAME OF SUBMITTER: | Gina M. Durham |
|--------------------|----------------------|
| Signature: | /Gina M. Durham/ |
| Date: | 01/10/2008 TRADEMARK |

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Total Attachments: 5 source=(T-Grant)(1st Lien)(Avalon)#page1.tif source=(T-Grant)(1st Lien)(Avalon)#page2.tif source=(T-Grant)(1st Lien)(Avalon)#page3.tif source=(T-Grant)(1st Lien)(Avalon)#page4.tif

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TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT, dated as of January 9, 2007, by each of the entities listed on the signature pages hereof or that becomes a party hereto pursuant to Section 7.14 of the Security Agreement referred to below (each a "Grantor" and, collectively, the "Grantors"), in favor of American Capital Financial Services, Inc.. ("ACFS"), as agent for the Secured Parties (as defined in the Credit Agreement referred to below) (in such capacity, the "Agent").

RECITALS:

- A. Avalon Laboratories Holding Corp., a Delaware corporation ("<u>Holdings</u>"), Avalon Laboratories, LLC, a Delaware limited liability company (the "<u>Borrower</u>"), the Lenders and the Agent have entered into a Credit Agreement, dated as of January 9, 2008 (as amended, supplemented or otherwise modified from time to time, the "<u>Credit Agreement</u>");
- B. Holdings has guaranteed the Obligations pursuant to the Holdings Guaranty, and the Subsidiary Guarantors have guaranteed the Obligations pursuant to the Subsidiary Guaranties; and
- C. All the Grantors are party to a Pledge and Security Agreement of even date herewith in favor of the Agent (the "Security Agreement") pursuant to which the Grantors are required to execute and deliver this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises and to induce the Lenders, the Issuers and the Agent to enter into the Credit Agreement and to induce the Lenders and the Issuers to make their respective extensions of credit to the Borrower thereunder, each Grantor hereby agrees with the Agent as follows:

DEFINED TERMS

1.1 Unless otherwise defined herein, terms defined in the Credit Agreement or in the Security Agreement and used herein have the meaning given to them in the Credit Agreement or the Security Agreement.

GRANT OF SECURITY INTEREST IN TRADEMARK

COLLATERAL

2.1 Each Grantor, as collateral security for the full, prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of the Obligations of such Grantor, hereby mortgages, pledges and hypothecates to the Agent, for the benefit of the Secured Parties, and grants to the Agent, for the benefit of the Secured Parties, a lien on and security interest in, all of its right, title and interest in, to and under the following Collateral of such Grantor (the "Trademark Collateral"):

LA3:1142745.2

- (a) all of its Trademarks and Trademark Licenses to which it is a party, including, without limitation, those referred to on Schedule I hereto;
 - (b) all reissues, continuations or extensions of the foregoing;
- (c) all goodwill of the business connected with the use of, and symbolized by, each Trademark and each Trademark License; and
- (d) all Proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present, future (i) infringement or dilution of any Trademark or Trademark licensed under any Trademark License or (ii) injury to the goodwill associated with any Trademark or any Trademark licensed under any Trademark License.

SECTION 3 SECURITY AGREEMENT

3.1 The security interest granted pursuant to this Trademark Security Agreement is granted in conjunction with the security interest granted to the Agent pursuant to the Security Agreement and each Grantor hereby acknowledges and affirms that the rights and remedies of the Agent with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[SIGNATURE PAGES FOLLOW]

LA3:1142745.2

IN WITNESS WHEREOF, each Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized offer as of the date first set forth above.

Very truly yours,

AVALON LABORATORIES, LLC, as Grantor

Title: President

ACCEPTED AND AGREED as of the date first above written:

AMERICAN CAPITAL FINANCIAL SERVICES, INC., as Agent

By: __ Name: Title:

LA3:1142745

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Trademark Security Agreement (First Lien)

IN WITNESS WHEREOF, each Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized offer as of the date first set forth above.

Very truly yours,

AVALON LABORATORIES, LLC, as Grantor

By: _______Name: Michael Kelly

Title: President

ACCEPTED AND AGREED as of the date first above written:

AMERICAN CAPITAL FINANCIAL SERVICES, INC.,

as Agent

Name:

Name: Title:

LA3:1142745

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Trademark Security Agreement (First Lien)

SCHEDULE I TO TRADEMARK SECURITY AGREEMENT

Trademarks:

| No. | Registrant (or Last Registered Owner) | Trademark Description | Serial Number | File Date |
|-----|--|-----------------------|------------------|--------------|
| 1. | Avalon Laboratories, Inc. | AVALON ELITE | 77204675 | 06/13/07 |
| 2. | Avalon Laboratories, Inc. | AVALON GLIDERIGHT | 77216442 | 06/27/07 |

LA3:1142745.2

TRADEMARK REEL: 003694 FRAME: 0150

RECORDED: 01/10/2008