

TRADEMARK ASSIGNMENT

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) (Second Lien)		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Avalon Laboratories, LLC		01/09/2008	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			
Fax Number:	(213)430-6407		
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>			
Email:	gdurham@omm.com		
Correspondent Name:	Gina M. Durham, Esq.		
Address Line 1:	400 South Hope Street		
Address Line 2:	O'Melveny & Myers LLP		
Address Line 4:	Los Angeles, CALIFORNIA 90071		
NAME OF SUBMITTER:	Gina M. Durham		
Signature:	/Gina M. Durham/		
Date:	01/11/2008		

TRADEMARK

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Total Attachments: 5

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THE SECURITY INTEREST GRANTED BY THIS TRADEMARK SECURITY AGREEMENT AND THE EXERCISE OF ANY RIGHT OR REMEDY BY THE AGENT HEREUNDER ARE SUBJECT TO THE PROVISIONS OF THE INTERCREDITOR AGREEMENT (AS DEFINED IN THE SECURITY AGREEMENT).

TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT, dated as of January 9, 2008, 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 Security Agreement referred to below) (in such capacity, the "Agent").

RECITALS:

A. AVALON LABORATORIES HOLDING CORP., a Delaware corporation ("Holdings"), AVALON LABORATORIES, LLC, a Delaware limited liability company ("Company"), the Purchasers and the Agent have entered into a Note Purchase Agreement, dated as of January 9, 2008 (as amended, supplemented or otherwise modified from time to time, the "Purchase Agreement");

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 Purchasers, the Issuers and the Agent to enter into the Purchase Agreement and to induce the Purchasers and the Issuers to make their respective extensions of credit to the Company thereunder, each Grantor hereby agrees with the Agent as follows:

DEFINED TERMS

1.1 Unless otherwise defined herein, terms defined in the Purchase Agreement or in the Security Agreement and used herein have the meaning given to them in the Purchase 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"):

- (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.

SECTION 4. INTERCREDITOR AGREEMENT

4.1 Notwithstanding anything herein to the contrary, the security interest granted pursuant to this Trademark Security Agreement to the Agent pursuant to Section 2 and the exercise of any right or remedy by the Agent hereunder, are subject to the provisions of the Intercreditor Agreement (as defined in the Security Agreement). In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement, the terms of the Intercreditor Agreement shall govern and control.

[SIGNATURE PAGES FOLLOW]

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

Very truly yours,

AVALON LABORATORIES, LLC,
as Grantor

By: Michael Kelly
Name: Michael Kelly
Title: President

ACCEPTED AND AGREED
as of the date first above written:

AMERICAN CAPITAL FINANCIAL
SERVICES, INC.,
as Agent

By: _____
Name:
Title:

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

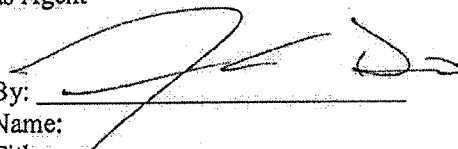
Very truly yours,

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

By: 
Name: _____
Title: _____

SCHEDULE I
TO
TRADEMARK SECURITY AGREEMENT

Trademarks:

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