

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
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<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Mr. Richard Drengberg		07/25/2008	INDIVIDUAL: UNITED STATES
Smart Fitness, LLC		07/25/2008	LIMITED LIABILITY COMPANY: TEXAS
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Smart Fitness, LLC		
<b>Street Address:</b>	1357 B Los Angeles Ave		
<b>City:</b>	Simi Valley		
<b>State/Country:</b>	CALIFORNIA		
<b>Postal Code:</b>	93065		
<b>Entity Type:</b>	LIMITED LIABILITY COMPANY: CALIFORNIA		
<b>PROPERTY NUMBERS Total: 1</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
Registration Number:	2816630	SMART FITNESS	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(213)624-6999		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
<b>Phone:</b>	213-624-6900		
<b>Email:</b>	aje@mmker.com		
<b>Correspondent Name:</b>	Anthony J. Ellrod, Esq.		
<b>Address Line 1:</b>	801 S. Figueroa Street, 15th Floor		
<b>Address Line 4:</b>	Los Angeles, CALIFORNIA 90017		
<b>NAME OF SUBMITTER:</b>	Anthony J. Ellrod, Esq.		
<b>Signature:</b>	/aje/		
<b>Date:</b>	09/05/2008		

OP \$40.00 2816630

**Total Attachments: 5**

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## DRAFT INTELLECTUAL PROPERTY ASSIGNMENT AGREEMENT

THIS INTELLECTUAL PROPERTY ASSIGNMENT AGREEMENT ("Agreement"), dated as of July 25, 2008 (the "Effective Date"), is by and between Richard Drengberg, an individual, and Smart Fitness, LLC, a Texas limited liability company ("Smart Fitness"), (individually referred to herein as "Assignor Drengberg" and "Assignor Smart Fitness", and cumulatively herein where not noted otherwise as "Assignor"), and Smart Fitness LLC, a California limited liability company ("Assignee").

NOW, THEREFORE, in consideration of the covenants and promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

### 1. DEFINITIONS.

a. For purposes of this Agreement, "Assignor Property" means, collectively, all **Intellectual Property Rights** currently in the ownership or possession of Assignor pertaining to or associated with the business of Assignee as set forth in Assignee's Operating Agreement.

b. For purposes of this Agreement, "Intellectual Property Rights" means intellectual property rights, including:

(i) SMART FITNESS, trademark registration no. 76499372;

(ii) any patent, patent application (whether registered or unregistered), copyright (whether registered or unregistered), copyright application (whether registered or unregistered), trade secret, trademark (whether registered or unregistered), trademark application, trade name, service mark (whether registered or unregistered), service mark application, certification mark (whether registered or unregistered), certification mark application, confidential information, know-how, process, technology, development tool, ideas, concepts, design right, database right, methodology, algorithm or invention, domain name, logo, slogan, trade name associated with SMART FITNESS;

(iii) any right to use or exploit any of the foregoing; and

(iv) any other proprietary right, whether arising under the laws of the United States or any other country, associated with SMART FITNESS.

### 2. ASSIGNOR PROPERTY ASSIGNMENT.

Assignor hereby agrees to assign and transfer to Assignee, and by execution of this assignment does transfer and assign, all right, title, and interest in and to its **Assignor Property**,

including any and all renewals and extensions of such **Assignor Property** that may be secured under the laws now or hereafter pertaining thereto in the United States or in any other country.

### 3. PURCHASE PRICE.

- a. The purchase price for the transferred **Assignor Property** is US \$ \$44,444.44.
- b. In consideration and exchange for the **Assignor Property**, **Assignee** shall pay **Assignor** with a 40% interest in Smart Fitness, LLC, the value of which is US \$44,444.44.

### 4. ASSIGNOR'S REPRESENTATIONS AND WARRANTIES.

**Assignor** represents and warrants that:

- a. **Assignor Drengberg** is a resident of the State of California and a citizen of the country of the United States of America. **Assignor Drengberg** has full right and authority to enter into this **Agreement** and to consummate the transaction contemplated hereby. **Assignor Drengberg** is an officer and/or director of **Assignor Smart Fitness**. **Assignor Smart Fitness** is a company duly organized and in good standing under the laws of the State of Texas, United States of America. **Assignor Smart Fitness** and/or **Assignor Drengberg** has full right and authority to enter into this **Agreement** and to consummate the transaction contemplated hereby. All requisite corporate action has been taken by **Assignor Smart Fitness** in connection with the entering into of this **Agreement** and the instruments referenced herein and the consummation of the transaction contemplated hereby. Each of the persons signing this **Agreement** on behalf of **Assignor Smart Fitness** is duly authorized to do so.

- b. Any and all consents and approvals that may be required in order for **Assignor** to enter into this **Agreement** or consummate the transaction contemplated hereby have been obtained. This **Agreement** and all documents required hereby to be executed by **Assignor** are and shall be valid, legally binding obligations of and enforceable against **Assignor**, his successors and assigns in accordance with their terms. Neither the execution of this **Agreement** nor the consummation of the transaction contemplated hereby will be in violation of any judgment, order, permit, writ, injunction or decree of any court, commission, bureau or agency to which **Assignor** is subject or by which **Assignor** is bound, or constitute a breach or default under any agreement or other obligation to which **Assignor** is a party or otherwise bound.

- c. To the best of **Assignor's** knowledge, he is the owner of all right, title and interest in the **Assignor Property** and the **Assignor Property** is valid and in good standing.

- d. **Assignor** represents that there is no outstanding indebtedness incurred by **Assignor** for which a valid lien or other security interest could be filed against the **Assignor Property**.

- e. To the best of **Assignor's** knowledge, there is no past due fee or payment owing in the **Assignor Property**. **Assignor** agrees, however, that should any payment or fee incurred prior to the **Effective Date** become known to **Assignor** or **Assignee**, **Assignor** will pay such fee to the

appropriate regulatory body or to Assignee as mutually agreed by the parties.

f. To the best of Assignor's knowledge, there are no pending infringement actions against the Assignor Property in the Territory. For the purposes hereof, "pending" shall mean that - such proceeding has been commenced with the appropriate governmental body, all applicable parties to such proceeding have been properly served, and such proceeding has not been resolved. To the actual knowledge of Assignor, there are no threatened infringement actions against the Assignor Property, and there are not any known facts which would provide the basis for such infringement action.

## 5. ASSIGNEE'S REPRESENTATIONS AND WARRANTIES.

Assignee represents and warrants that:

a. Assignee is a company duly organized and in good standing under the laws of the State of California, United States of America. Assignee has full right and authority to enter into this Agreement and to consummate the transaction contemplated hereby. All requisite corporate action has been taken by Assignee in connection with the entering into of this Agreement and the instruments referenced herein and the consummation of the transaction contemplated hereby. Each of the persons signing this Agreement on behalf of Assignee is duly authorized to do so.

b. Any and all consents and approvals that may be required in order for Assignee to enter into this Agreement or consummate the transaction contemplated hereby have been obtained. This Agreement and all documents required hereby to be executed by Assignee are and shall be valid, legally binding obligations of and enforceable against Assignee, its successors and assigns in accordance with their terms. Neither the execution of this Agreement nor the consummation of the transaction contemplated hereby will be in violation of any judgment, order, permit, writ, injunction or decree of any court, commission, bureau or agency to which Assignee is subject or by which Assignee is bound, or constitute a breach or default under any agreement or other obligation to which Assignee is a party or otherwise bound.

c. Assignee warrants that to the best of its knowledge, there are no pending infringement actions against the Assignor Property. For the purposes hereof, "pending" shall mean that such proceeding has been commenced with the appropriate governmental body, all applicable parties to such proceeding have been properly served, and such proceeding has not been resolved. Assignee further warrants that to the actual knowledge of the current officers, directors and employees of Assignee, there are no threatened infringement actions against the Assignor Property, and there are not any known facts which would provide the basis for such infringement action.

## 6. GOVERNING LAWS.

To the full extent permitted by law, this **Agreement** shall be governed by and construed in accordance with the laws of the State of California, United States of America. To the full extent permitted by law, the exclusive jurisdiction for any action relating to this **Agreement** shall be a federal or state court in Los Angeles, California, and the parties consent to such jurisdiction and waive and agree not to plead or claim that any such action or proceeding has been brought in an inconvenient forum.

#### **7. SEVERABILITY.**

Any provision of this **Agreement** that is prohibited or unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this **Agreement**. Any such prohibition or unenforceability in any jurisdiction will not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by law, the parties waive any provision of law that renders any such provision prohibited or unenforceable in any respect.

#### **8. COOPERATION FOLLOWING THE EXECUTION.**

a. Following the execution of this **Agreement**, each party shall deliver to the other such further information and documents and shall execute and deliver to the other such further instruments and agreements as the other party shall reasonably request to consummate or confirm the transactions provided for in this **Agreement**, to accomplish the purpose of this **Agreement** or to assure to the other party the benefits of this **Agreement**.

b. After payment of the purchase price, as stated in paragraph 3 of this **Agreement**, and upon the request of **Assignee**, **Assignor** shall execute and deliver to **Assignee** all documentation required to perfect the transfer of the **Assignor Property**; provided, however, that **Assignor** shall not be required to incur any out-of-pocket expenses, except as stated in paragraph 4.c. of this **Agreement**. Subject to the foregoing, **Assignee** shall be responsible for preparation of all documentation required to perfect the transfer of the **Assignor Property** and shall pay all costs incurred in connection therewith. Each party shall execute and deliver to the other party any further documentation reasonably requested to effect or confirm the transfers and agreements contemplated by this **Agreement**.

#### **9. ENTIRE AGREEMENT:**

This **Agreement** constitutes the entire **Agreement** between **Assignor** and **Assignee** with respect to the subject matter hereof, and supersedes all oral or written communications or other agreements between the parties with respect to such subject matter hereof. No changes, supplements, addenda, or amendments to this **Agreement** shall be effective or enforceable unless agreed to by the parties in writing.

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

ASSIGNOR:

Red Omy  
(Signature, individually and on behalf of Smart Fitness, LLC, a Texas limited liability company)

Richard Drengberg  
(Printed Name)

CEO  
(Title)

7/25/08  
(Date)

ASSIGNEE:

Richard Drengberg  
(Signature)

Richard C Drengberg  
(Printed Name)

CEO  
(Title)

7/25/08  
(Date)