

Assignment

07-24-2009

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Electronic Version v1.1
Stylesheet Version v1.1

SUBMISSION TYPE:		NEW ASSIGNMENT	
NATURE OF CONVEYANCE:		Security Agreement	
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Impact Gel Corporation		11/20/2008	CORPORATION:
IG Holdings, LLC		11/20/2008	LIMITED LIABILITY COMPANY:
Impact Gel Equine, LLC		11/20/2008	LIMITED LIABILITY COMPANY:
Impact Gel Automotive, LLC		11/20/2008	LIMITED LIABILITY COMPANY:
Impact Gel Sports, LLC		11/20/2008	LIMITED LIABILITY COMPANY:
IMGI, LLC		11/20/2008	LIMITED LIABILITY COMPANY:
RECEIVING PARTY DATA			
Name:	Cal Nelson		
Street Address:	26190 Birch Bluff Road		
City:	Shorewood		
State/Country:	MINNESOTA		
Postal Code:	55331		
Entity Type:	INDIVIDUAL:	Citizenship: United States Of America	
PROPERTY NUMBERS Total: 3			
Property Type	Number	Word Mark	
Registration Number:	2828709	IMPACT GEL	
Serial Number:	77486505	IMPACT GEL	

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Serial Number:	77415545	EXTREME ARMOR
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CORRESPONDENCE DATA

Fax Number: (612)492-7077

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

Phone: 612-492-7000

Email: ip@fredlaw.com

Correspondent Name: Adonis A. Neblett

Address Line 1: Fredrikson & Byron, P.A.

Address Line 2: 200 South Sixth Street, Suite 4000

Address Line 4: Minneapolis, MINNESOTA 55402

NAME OF SUBMITTER:	Adonis A. Neblett
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Signature:	/Adonis A Neblett/
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Date:	07/17/2009
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Total Attachments: 56

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RECEIPT INFORMATION

ETAS ID: TM148319
Receipt Date: 07/17/2009
Fee Amount: \$90

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P. A.

SECURITY AGREEMENT

As of November 20, 2008

DATE: As of November 20th, 2008

PARTIES: Cal Nelson
26190 Birch Bluff Road
Shorewood, MN 55331 ("Secured Party")

EACH OF THE PARTIES
SIGNATORY HERETO (each individually and
collectively, a "Debtor")

AGREEMENTS:

IN CONSIDERATION of one dollar and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Grant of Security Interest and Collateral. In order to secure payment and performance of each and every debt, liability and obligation of every type and description which any Debtor may now or at any time hereafter owe to Secured Party whether such debt, liability or obligation now exists or is hereafter created or incurred, whether it arises under or is evidenced by this Security Agreement (this "Agreement") or any other present or future instrument or agreement or by operation of law, and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or sole, joint, several or joint and several (all such debts, liabilities and obligations and any amendments, extensions, renewals, or replacements thereof are herein collectively referred to as the "Obligations"), each Debtor hereby grants Secured Party a security interest (the "Security Interest") in all of such Debtor's property (the "Collateral"), including without limitation the following:

(a) Inventory and Goods: All inventory of Debtor, whether now owned or hereafter acquired and wherever located and other tangible personal property held for sale or lease or furnished or to be furnished under contracts of service or consumed in Debtor's business, and all goods of Debtor, whether now owned or hereafter acquired and wherever located, including without limitation all computer programs embedded in goods, and all other Inventory and Goods, as each such term may be defined in the Uniform Commercial Code as in effect in the state of Wisconsin from time to time (the "UCC"), of the Debtor, whether now owned or hereafter acquired;

(b) Equipment: All equipment of Debtor, whether now owned or hereafter acquired and wherever located, including but not limited to all present and future equipment, machinery, tools, motor vehicles, trade fixtures, furniture, furnishings, office and recordkeeping equipment and all goods for use in Debtor's business, and all other Equipment (as such term may be defined in the UCC) of the Debtor, whether now owned

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or hereafter acquired, together with all parts, equipment and attachments relating to any of the foregoing;

(c) Accounts: Contract Rights and Other Rights to Payment: Each and every right of Debtor to the payment of money, whether such right to payment now exists or hereafter arises, whether such right to payment arises out of a sale, lease, license, assignment or other disposition of goods or other property by Debtor, out of a rendering of services by Debtor, out of a loan by Debtor, out of the overpayment of taxes or other liabilities of Debtor, or otherwise arises under any contract or agreement, whether such right to payment is or is not already earned by performance, and howsoever such right to payment may be evidenced, together with all other rights and interests (including all liens and security interests) which Debtor may at any time have by law or agreement against any account debtor or other obligor obligated to make any such payment or against any of the property of such account debtor or other obligor; all including but not limited to all present and future debt instruments, chattel papers, accounts, license fees, contract rights, loans and obligations receivable and tax refunds, and all other Accounts (as such term may be defined in the UCC) of the Debtor, whether now owned or hereafter acquired;

(d) Instruments: All instruments, chattel paper, letters of credit or other documents of Debtor, whether now owned or hereafter acquired, including but not limited to promissory notes, drafts, bills of exchange and trade acceptances; all rights and interests of Debtor, whether now existing or hereafter created or arising, under leases, licenses or other contracts, and all other Instruments (as such term may be defined in the UCC) of the Debtor, whether now owned or hereafter acquired;

(e) Deposit Accounts and Investment Property: All right, title and interest of Debtor in all deposit and investment accounts maintained with any bank, savings and loan association, broker, brokerage, or any other financial institution, together with all monies and other property deposited or held therein, including, without limitation, any checking account, savings account, escrow account, savings certificate and margin account, and all securities, whether certificated or uncertificated, security entitlements, securities accounts, commodity contracts, and commodity accounts, and all other Deposit Accounts and Investment Property (as each such term may be defined in the UCC) of the Debtor, whether now owned or hereafter acquired;

(f) General Intangibles: All general intangibles of Debtor, whether now owned or hereafter acquired, including, but not limited to, applications for patents, patents, copyrights, trademarks, trade secrets, good will, tradenames, applications for trademarks, customer lists, permits and franchises, software, and the right to use Debtor's name, and any and all membership interests, governance rights, and financial rights in each and every limited liability company, and all payment intangibles, and all other General Intangibles (as such term may be defined in the UCC) of the Debtor, whether now owned or hereafter acquired;

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(g) Chattel Paper: All Chattel Paper (as such term may be defined in the UCC) of the Debtor, whether tangible or electronic, and whether now owned or hereafter acquired; and

(h) Documents, Embedded Software, Etc.: All of Debtor's rights in promissory notes, documents, embedded software, letter of credit rights and supporting obligations (and security interests and liens securing them) (as any such term may be defined in the UCC) whether now owned or hereafter acquired; together with all substitutions and replacements for and products of any of the foregoing property and proceeds of any and all of the foregoing property and, in the case of all tangible Collateral, together with (i) all accessories, attachments, parts, equipment, accessions, repairs and embedded software, now or hereafter attached or affixed to or used in connection with any such goods, (ii) all warehouse receipts, bills of lading and other documents of title now or hereafter covering such goods, and (iii) all books and records of Debtor.

2. Representations, Warranties and Agreements. Each Debtor represents, warrants and agrees that:

(a) Debtor is a limited liability company or corporation duly organized or incorporated (as applicable), validly existing and in good standing under the laws of the state of Wisconsin. This Agreement and the other Loan Documents (as defined in the Note defined below) to which Debtor is a party has been duly and validly authorized by all necessary limited liability company or corporate, as the case may be, action. Debtor has full power and authority to execute this Agreement and the other Loan Documents to which it is a party, to perform Debtor's obligations hereunder and thereunder and to subject the Collateral to the Security Interest. Debtor's legal name, jurisdiction of organization or incorporation and organizational identification number is shown in Exhibit A attached hereto. Debtor will give at least 30 days advance written notice to Secured Party of any change in Debtor's name.

(b) The Collateral will be used primarily for business purposes.

(c) Debtor's chief place of business is located at the address shown in Exhibit A. Debtor's records concerning its accounts and contract rights are kept at such address. The Collateral is located at the addresses set forth on Exhibit A. Debtor will give advance notice to Secured Party of any change in Debtor's name, jurisdiction of organization or chief place of business and any change in or addition of any Collateral location or any change in the location of Debtor's records concerning the Collateral.

(d) Debtor has (or will have at the time Debtor acquires rights in Collateral hereafter arising) and will maintain absolute title to each item of Collateral free and clear of all security interests, liens and encumbrances, except the Security Interest and Permitted Liens as set forth in that certain Secured Convertible Note, dated as of the date hereof, of Debtor made payable to the order of Secured Party in the original principal amount of \$500,000 (as amended, modified, supplemented, restated or replaced from

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time to time, the "Note"), and will defend the Collateral against all claims or demands of all persons other than Secured Party and holders of Permitted Liens.

(e) Except as otherwise provided in the Note, Debtor will not sell or otherwise transfer or dispose of the Collateral or any interest therein.

(f) All rights to payment and all instruments, documents, chattel papers and other agreements constituting or evidencing Collateral are (or will be when arising or issued) the valid, genuine and legally enforceable obligation, subject to no defense, setoff or counterclaim (other than those arising in the ordinary course of business) of each account debtor or other obligor named therein or in Debtor's records pertaining thereto as being obligated to pay such obligation. Debtor will not agree to any modification, amendment or cancellation of any such obligation without Secured Party's prior written consent except discounts in the ordinary course of business, and will not subordinate any such right to payment to claims of other creditors of such account debtor or other obligor.

(g) Debtor will keep all tangible Collateral in good repair, working order and condition, normal depreciation excepted, and will, from time to time, replace any worn, broken or defective parts thereof.

(h) Except as otherwise provided in the Note, Debtor will promptly pay all taxes and other governmental charges levied or assessed upon or against any Collateral or upon or against the creation, perfection or continuance of the Security Interest.

(i) Debtor will promptly notify Secured Party of any material loss of or damage to any Collateral or of any adverse change in the prospect of payment of any material sums due on or under any instrument, chattel paper, account or contract right constituting Collateral.

(j) Debtor will if Secured Party at any time so requests (whether the request is made before or after the occurrence of an Event of Default), promptly deliver to Secured Party any instrument, document or chattel paper constituting Collateral, duly endorsed or assigned by Debtor to Secured Party.

(k) Debtor will at all times keep all Collateral insured against risks of fire (including so-called extended coverage), theft, and such other risks and in such amounts as Secured Party may reasonably request, with any loss payable to Secured Party to the extent of its interest.

(l) Debtor hereby authorizes the filing of such financing statements as Secured Party may deem necessary or useful to be filed in order to perfect the Security Interest and, if any Collateral is covered by a certificate of title, Debtor will from time to time execute such documents as may be required to have the Security Interest properly noted on a certificate of title. In addition, Debtor authorizes Secured Party to file from time to time such financing statements against the Collateral described as "all personal property" or "all assets" or the like as Secured Party deems necessary or useful to perfect

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the Security Interest (and reaffirms its authorization of the filing of any financing statements filed prior to the date of this Agreement).

(m) Debtor will pay when due or reimburse Secured Party on demand for all costs of collection of any of the Obligations and all other out-of-pocket expenses (including in each case all attorneys' fees) incurred by Secured Party in connection with the creation, perfection, satisfaction or enforcement of the Security Interest or the execution or creation, continuance, or enforcement of this Agreement or any or all of the Obligations.

(n) Debtor will take all such actions as Secured Party may reasonably request to permit the Secured Party to establish and perfect the Security Interest in all jurisdictions Secured Party deems necessary. Without in any way limiting the generality of the foregoing, Debtor will execute, deliver or endorse any and all instruments, documents, assignments, security agreements and other agreements and writings which Secured Party may at any time reasonably request in order to secure, protect, perfect or enforce the Security Interest and Secured Party's rights under this Agreement.

(o) Debtor will not use or keep any Collateral, or permit it to be used or kept, for any unlawful purpose or in violation of any federal, state or local law, statute or ordinance.

(p) Debtor will not permit any tangible Collateral to be located in any state (and, if a county filing is required, in any county) in which a financing statement covering such Collateral is required to be, but has not in fact been, filed.

If Debtor at any time fails to perform or observe any of the foregoing agreements, immediately upon the occurrence of such failure, without notice or lapse of time, Secured Party may (but need not) perform or observe such agreement on behalf and in the name, place and stead of Debtor (or, at Secured Party's option, in Secured Party's own name) and may (but need not) take any and all other actions which Secured Party may reasonably deem necessary to cure or correct such failure (including, without limitation, the payment of taxes, the satisfaction of security interests, liens, or encumbrances, the performance of obligations under contracts or agreements with account debtors or other obligors, the procurement and maintenance of insurance, the execution of financing statements, the endorsement of instruments, and the procurement of repairs, transportation or insurance); and, except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, Debtor shall thereupon pay Secured Party on demand the amount of all moneys expended and all costs and expenses (including attorneys' fees) incurred by Secured Party in connection with or as a result of Secured Party's performing or observing such agreements or taking such actions, together with interest thereon from the date expended or incurred by Secured Party at the highest rate then applicable to any of the Obligations. To facilitate the performance or observance by Secured Party of such agreements of Debtor, Debtor hereby irrevocably appoints (which appointment is coupled with an interest) Secured Party, or its delegate, as the attorney-in-fact of Debtor 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 Debtor, any and all instruments, documents,

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

financing statements, applications for insurance and other agreements and writings required to be obtained, executed, delivered or endorsed by Debtor.

3. Intentionally Omitted.

4. Account Verification and Collection Rights of Secured Party. Secured Party shall have the right (after the occurrence of an Event of Default) to verify any accounts in the name of Debtor or in Secured Party's own name; and Debtor, whenever requested, shall furnish Secured Party with duplicate statements of the accounts, which statements may be mailed or delivered by Secured Party. Secured Party may at any time (after the occurrence of an Event of Default) notify any account debtor or any other person obligated to pay any amount due, that such chattel paper, account or other right to payment has been assigned or transferred to Secured Party for security and shall be paid directly to Secured Party. If Secured Party so requests at any time (after the occurrence of an Event of Default), Debtor will so notify such account debtors and other obligors, in writing and will indicate on all invoices to such account debtors or other obligors that the amount due is payable directly to Secured Party. At any time after Secured Party or Debtor gives such notice to an account debtor or other obligor, Secured Party may (but need not), in Secured Party's own name or in Debtor's name, demand, sue for, collect or receive any money or property at any time payable or receivable on account of, or securing, any such chattel paper, account or other right to payment, or grant any extension to, make any compromise, or settlement with or otherwise agree to waive, modify, amend or change the obligations (including collateral obligations) of any such account debtor or other obligor.

5. Assignment of Insurance. Debtor hereby assigns to Secured Party, as additional security for the payment of the Obligations, any and all moneys (including but not limited to proceeds of insurance and refunds of unearned premiums) due or to become due under, and all other rights of Debtor under or with respect to, any and all policies of insurance covering the Collateral, and Debtor hereby directs the issuer of any such policy to pay any such moneys directly to Secured Party, both before and after the occurrence of an Event of Default, Secured Party may (but need not) in Secured Party's own name or in Debtor's name, execute and deliver proofs of claim, receive all such moneys, endorse checks and other instruments representing payment of such moneys, and adjust, litigate, compromise or release any claim against the issuer of any such policy.

6. Right to Offset. Nothing in this Agreement shall be deemed a waiver or prohibition of Secured Party's right of offset, or counterclaim, which right Debtor hereby grants to Secured Party.

7. Events of Default. The occurrence of any Event of Default, as defined in the Note, shall constitute an Event of Default hereunder.

8. Remedies Upon Event of Default. Upon the occurrence of an Event of Default and at any time thereafter until such Event of Default is cured to the written satisfaction of Secured Party, Secured Party may exercise any one or more of the rights or remedies set forth in the Note. All rights and remedies of Secured Party shall be cumulative and maybe exercised singularly or concurrently, at Secured Party'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

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other.

9. **Other Personal Property.** If at the time Secured Party takes possession of any tangible Collateral, any goods, papers or other properties of Debtor, not affixed to or constituting a part of such Collateral, are located or to be found upon or within such Collateral, Debtor agrees to notify Secured Party in writing of that fact, describing the property so located or to be found, within 7 calendar days after the date on which Secured Party took possession. Unless and until Secured Party receives such notice from Debtor, Secured Party shall not be responsible or liable to Debtor for any action taken or omitted by or on behalf of Secured Party with respect to such property without actual knowledge of the existence of any such property or without actual knowledge of the fact that it was located or to be found upon such Collateral.

10. **Amendment; Waivers.** This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by Secured Party and Debtor. A waiver 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 Secured Party's rights or remedies.

11. **Notices.** All notices to be given to Debtor shall be deemed sufficiently given if mailed by registered or certified mail, postage prepaid, or delivered to Debtor at Debtor's address set forth on Exhibit A or at the most recent address shown on Secured Party's records,

12. **Miscellaneous.** Secured Party's duty of care with respect to Collateral in its possession (as imposed by law) shall be deemed fulfilled if Secured Party exercises reasonable care in physically safekeeping such Collateral or, in the case of Collateral in the custody or possession of a bailee or other third person, exercises reasonable care in the selection of the bailee or other third person, and Secured Party need not otherwise preserve, protect, insure or care for any Collateral. Secured Party shall use reasonable efforts to preserve any rights Debtor may have against prior parties, to realize on the Collateral at all or in any particular manner or order, or to apply any cash proceeds of Collateral in any particular order of application. This Agreement shall be binding upon and inure to the benefit of Debtor and Secured Party and their respective representatives, successors and assigns and shall take effect when signed by Debtor and delivered to Secured Party, and Debtor waives notice of Secured Party's acceptance hereof. This Agreement shall be governed by the internal laws of the State of Wisconsin, without giving effect to the principles of conflicts of laws,

13. **Joint and Several Liability.** BY SIGNING THIS AGREEMENT, EACH DEBTOR AGREES THAT THE COLLATERAL PLEDGED BY IT SECURES THE PAYMENT OF ALL OBLIGATIONS, AND THAT THE SECURED PARTY CAN ENFORCE ITS RIGHTS AND REMEDIES HEREUNDER AGAINST ANY ONE OR MORE OF THE DEBTORS, IN THE SECURED PARTY'S SOLE AND UNLIMITED DISCRETION. Without in any way limiting the generality of the foregoing, each Debtor acknowledges and agrees that the Secured Party may at any time and from time to time, without the consent of, or notice to, any Debtor, without incurring responsibility to any Debtor, and without affecting, impairing or releasing any of the obligations of any Debtor hereunder:

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P. A.

- (a) sell, exchange, surrender, realize upon, release (with or without consideration) or otherwise deal with in any manner and in any order any property of any Debtor securing the Obligations;
- (b) exercise or refrain from exercising any rights against any Debtor, or otherwise act or refrain from acting;
- (c) fail to set off and/or release, in whole or in part, any balance of any account or any credit on its books in favor of any Debtor, or of any other person, and extend credit in any manner whatsoever to any Debtor, and generally deal with any Debtor and any of its property in any manner as the Secured Party may see fit; and/or
- (d) consent to or waive any breach of, or any act, omission or default under, this Agreement or any other agreement, by any one or more Debtors.

14. No Release. Until all of the Obligations have been paid in full, the obligations of any Debtor hereunder shall not be released, in whole or in part, by any action or thing (other than irrevocable payment in full) which might, but for this provision of this Agreement, be deemed a legal or equitable discharge of a surety or guarantor, or by reason of any waiver, extension, modification, forbearance or delay or other act or omission of the Secured Party or its failure to proceed promptly or otherwise, or by reason of any action taken or omitted by the Secured Party whether or not such action or failure to act varies or increases the risk of, or affects the rights or remedies of, any Debtor, nor shall any release of any security for any of the Obligations by operation of law or by the action of any third party affect in any way the obligations of any Debtor hereunder, and each Debtor hereby expressly waives and surrenders any defense to its liability hereunder based upon any of the foregoing acts, omissions, things, agreements, or waivers of any of them.

15. Actions Not Required. Each Debtor hereby waives any and all right to cause a marshalling of any other Debtor's assets or any other action by any court or other governmental body with respect thereto insofar as the rights of the Secured Party hereunder are concerned or to cause the Secured Party to proceed against any security for the Obligations or any other recourse which the Secured Party may have with respect thereto, and further waives any and all requirements that the Secured Party institute any action or proceeding at law or in equity against any other Debtor or anyone else, or with respect to this Agreement, or any of the Collateral, as a condition precedent to making demand on, or bringing an action or obtaining and/or enforcing a judgment against, any Debtor. Each Debtor further waives any requirement that the Secured Party seek performance by any other Debtor or any other person, of any obligation under this Agreement or any other agreement as a condition precedent to making a demand on, or bringing an action or obtaining and/or enforcing a judgment against, any Debtor. No Debtor shall have any right of setoff against the Secured Party with respect to any of its obligations hereunder. Any remedy or right hereby granted which shall be found to be unenforceable as to any person or under any circumstance, for any reason, shall in no way limit or prevent the enforcement of such remedy or right as to any other person or circumstance, nor shall such unenforceability limit or prevent enforcement of any other remedy or right hereby granted.

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

16. A Debtor's Bankruptcy. Each Debtor expressly agrees that its liability and obligations under this Agreement shall not in any way be affected by the institution by or against any other Debtor or any other person or entity of any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or any other similar proceedings for relief under any bankruptcy law or similar law for the relief of debtors, or any action taken or not taken by the Secured Party in connection therewith, and that any discharge of any Debtor pursuant to any such bankruptcy or similar law or other laws shall not discharge or otherwise affect in any way the obligations of any other Debtor under this Agreement or with respect to the Obligations, and that upon or at any time after the institution of any of the above actions, at the Secured Party's sole discretion, the Debtors' joint and several obligations shall be enforceable against any Debtor that is not itself the subject of such proceedings. Each Debtor expressly waives any right to argue that the Secured Party's enforcement of any remedies against that Debtor is stayed by reason of the pendency of any such proceedings against any other Debtor.

17. Consent to Jurisdiction. Waiver. DEBTOR SUBMITS AND CONSENTS TO PERSONAL JURISDICTION OF THE COURTS OF THE STATE OF WISCONSIN FOR THE ENFORCEMENT OF THIS AGREEMENT AND WAIVES ANY AND ALL PERSONAL RIGHTS UNDER THE LAWS OF ANY STATE OR THE UNITED STATES OF AMERICA TO OBJECT TO JURISDICTION IN THE STATE OF WISCONSIN. AT THE ELECTION OF SECURED PARTY, LITIGATION MAY BE COMMENCED IN ANY STATE COURT OF GENERAL JURISDICTION FOR THE STATE OF WISCONSIN OR ANY UNITED STATES DISTRICT COURT LOCATED IN WISCONSIN. NOTHING CONTAINED HEREIN SHALL PREVENT SECURED PARTY FROM BRINGING ANY ACTION AGAINST DEBTOR OR EXERCISING ANY RIGHTS AGAINST ANY SECURITY GIVEN TO SECURED PARTY, OR AGAINST DEBTOR PERSONALLY, OR AGAINST ANY PROPERTY OF DEBTOR, WITHIN ANY OTHER STATE. COMMENCEMENT OF ANY SUCH ACTION OR PROCEEDING IN ANY OTHER STATE SHALL NOT CONSTITUTE A WAIVER OF CONSENT TO JURISDICTION OR A WAIVER OF THE SUBMISSION MADE BY DEBTOR TO PERSONAL JURISDICTION WITHIN THE STATE OF WISCONSIN. DEBTOR WAIVES TRIAL BY JURY IN ANY JUDICIAL PROCEEDING TO WHICH DEBTOR IS INVOLVED DIRECTLY OR INDIRECTLY AND ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS AGREEMENT OR THE RELATIONSHIP ESTABLISHED HEREUNDER, AND WHETHER ARISING OR ASSERTED BEFORE OR AFTER THE DATE OF THIS AGREEMENT.

(The signature page follows.)

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TO:ADONIS A. NEBLETT COMPANY:FREDRIKSON & BYRON, P.A.

THE PARTIES have executed this Security Agreement the day and year first above written

SECURED PARTY

Cal Nelson
Cal Nelson

Debtor:

IMPACT GEL CORPORATION

By: [Signature]
Its: [Signature]

Debtor:

IG HOLDINGS, LLC

By: [Signature]
Its: [Signature]

Debtor:

IMPACT GEL EQUINE, LLC

By: [Signature]
Its: [Signature]

Debtor:

IMPACT GEL AUTOMOTIVE, LLC

By: [Signature]
Its: [Signature]

Debtor:

IMPACT GEL SPORTS, LLC

By: [Signature]
Its: [Signature]

Debtor:

IGMI, LLC

By: [Signature]
Its: [Signature]

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

Exhibit A

Name of Debtor, Jurisdiction of Organization/Incorporation and Organizational Identification Number	Principal Place of Business and Address for Notice	Other Locations of Collateral
Impact Gel Corporation Wisconsin 102459	1540 Heritage Boulevard Suite 201A West Salem, WI 54669	None.
IG Holdings, LLC Wisconsin 1022195	1540 Heritage Boulevard Suite 201A West Salem, WI 54669	None.
Impact Gel Equine, LLC Wisconsin H038508	1540 Heritage Boulevard Suite 201A West Salem, WI 54669	1) 206 N. Washington St. Melrose, WI 54642 2) 4287 Badger Road. Little Falls, WI 54642
Impact Gel Automotive, LLC Wisconsin 1022248	1540 Heritage Boulevard Suite 201A West Salem, WI 54669	None.
Impact Gel Sports, LLC Wisconsin 1021337	1540 Heritage Boulevard Suite 201A West Salem, WI 54669	None.
IGMI, LLC Wisconsin 1021766	1540 Heritage Boulevard Suite 201A West Salem, WI 54669	None.

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 TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

PLEDGE AGREEMENT.

As of November 20, 2008

THIS PLEDGE AGREEMENT, dated as of the date first set forth above is made and given by IG HOLDINGS, LLC, a Wisconsin corporation ("Pledgor"), to Cal Nelson, a Minnesota resident ("Lender").

RECITALS:

A. Lender has agreed to extend credit accommodations to Pledgor, Impact Gel Corporation, Impact Gel Equine, LLC, Impact Gel Sports, LLC, Impact Gel Automotive, LLC and IGMI, LLC (individually and collectively, and jointly and severally, the "Borrower"), that are evidenced by that certain Secured Convertible Note, dated the date hereof of Borrower made payable to the Lender in the original principal amount of \$1,500,000 (as the same may hereafter be amended, modified, supplemented, restated, or replaced from time to time, the "Note").

B. Pledgor owns the membership interests described in Schedule I hereto (the "Pledged Securities").

C. It is a condition precedent to the obligation of Lender to extend credit accommodations to Borrower that this Pledge Agreement (this "Agreement") be executed and delivered by Pledgor.

D. Pledgor is an affiliate of Borrower and will derive benefits from the extension of credit accommodations to Borrower by Lender, and Pledgor finds it advantageous, desirable and in Pledgor's best interests to comply with the requirement that this Agreement be executed and delivered to Lender.

AGREEMENTS:

IN CONSIDERATION of the premises and in order to induce Lender to extend credit accommodations to Borrower thereunder, Pledgor hereby agrees with Lender for Lender's benefit as follows:

Section 1. Defined Terms.

(a) General. As used in this Agreement, the following terms shall have the meanings indicated:

"Collateral" shall have the meaning given to such term in Section 2.

"Event of Default" shall have the meaning given to such term in Section 11.

"Lien" shall mean any security interest, mortgage, pledge, lien, charge, encumbrance, title retention agreement or analogous instrument or device (including the interest of the lessors under capitalized leases), in, of or on any assets or properties of the Person

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

referred to.

"Obligations" shall mean (a) any and all indebtedness, liabilities and obligations of Borrower and/or Pledgor to Lender of every kind, nature or description, including; without limitation, indebtedness, liabilities and obligations under the Note and any note or notes hereafter issued in substitution or replacement thereof, whether due or to become due, and whether now existing or hereafter arising or incurred, and (b) any and all liabilities of Pledgor under this Agreement, whether due or to become due, and whether now existing or hereafter arising or incurred.

"Person" shall mean any individual, corporation, partnership, limited partnership, limited liability company, joint venture, firm, association, trust, unincorporated organization, government or governmental agency or political subdivision or any other entity; whether acting in an individual, fiduciary or other capacity.

"Security Interest" shall have the meaning given to such term in Section 2.

(b) Terms Defined in Uniform Commercial Code. All other terms used in this Agreement that are not specifically defined herein or the definitions of which are not incorporated herein by reference shall have the meaning assigned to such terms in the Uniform Commercial Code in effect in the State of Wisconsin as of the date first above written to the extent such other terms are defined therein.

(c) Singular/Plural, Etc. Unless the context of this Agreement otherwise clearly requires, references to the plural include the singular, references to the singular include the plural and "or" has the inclusive meaning represented by the phrase "and/or." The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation." The words "hereof," "herein," "hereunder," and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement. References to Sections are references to Sections in this Agreement unless otherwise provided.

Section 2. Pledge. As security for the payment and performance of all of the Obligations, Pledgor hereby pledges to Lender and grants to Lender a security interest (the "Security Interest") in the following (the "Collateral"):

(a) The Pledged Securities and any certificates representing the Pledged Securities, and all distributions, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of the Pledged Securities.

(b) All additional equity interests or other securities of Borrower from time to time acquired by Pledgor in any manner, and any certificates representing such additional equity interests or other securities, and all distributions, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for any or all of such equity interest or other securities.

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

(c) All notes, debentures or other property constituting collateral for or otherwise securing the payment and/or performance of any such additional securities or equity interests.

(d) All of Pledgor's property, including, without limitation, the following: inventory, goods, equipment, accounts, contract rights, other rights to payment, instruments, deposit accounts, investment property, general intangibles, chattel paper, promissory notes, documents, embedded software, letter of credit rights and supporting obligations.

(e) All proceeds of any and all of the foregoing (including proceeds that constitute property of types described above).

Section 3. Delivery of Collateral. Upon request by Lender, all certificates and instruments representing or evidencing the Pledged Securities shall be delivered to Lender contemporaneously with the execution of this Agreement. All certificates and instruments representing or evidencing Collateral received by Pledgor after the execution of this Agreement shall be delivered to Lender promptly upon Pledgor's receipt thereof. All such certificates and instruments shall be held by or on behalf of Lender pursuant hereto and shall be in suitable form for transfer by delivery, or shall be accompanied by duly executed instruments of transfer or assignment in blank, all in form and substance satisfactory to Lender.

Section 4. Certain Warranties and Covenants. Pledgor makes the following warranties and covenants:

(a) Pledgor has title to the Pledged Securities and will have title to each other item of Collateral hereafter acquired, free of all Liens except the Security Interest.

(b) Pledgor has full power and authority to execute this Pledge Agreement, to perform Pledges obligations hereunder and to subject the Collateral to the Security Interest created hereby.

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P. A.

(c) No financing statement covering all or any part of the Collateral is on file in any public office (except for any financing statements filed by Lender).

(d) The Pledged Securities have been duly authorized and validly issued by Borrower and are fully paid and nonassessable. The certificates representing the Pledged Securities are genuine. The Pledged Securities are not subject to any offset or similar right or claim of Borrower.

(e) The Pledged Securities constitute all of the outstanding ownership interests of Borrower.

Section 5. Further Assurances. Pledgor agrees that at any time and from time to time, at the expense of Pledgor, Pledgor will promptly execute and deliver all further instruments and documents, and take all further action that may be necessary or that Lender may reasonably request, in order to perfect and protect the Security Interest or to enable Lender to exercise and enforce its rights and remedies hereunder with respect to any Collateral, (but any failure to request or assure that Pledgor execute and deliver such instruments or documents or to take such action shall not affect or hamper the validity, sufficiency or enforceability of this Agreement and the Security Interest, regardless of whether any such item was or was not executed and delivered or action taken in a similar context or on a prior occasion). Without in any way limiting the generality of the foregoing, Pledgor hereby authorizes Lender to file from time to time such financing statements against the Collateral as Lender deems necessary or useful to perfect the Security Interest, including, without limitation, financing statements against the Collateral described as "all personal property" or "all assets" or the like.

Section 6. Voting Rights; Dividends; Etc.

(a) Subject to Section 6(d), Pledgor shall be entitled to exercise or refrain from exercising any and all voting and other consensual rights pertaining to the Pledged Securities or any other securities that becomes part of the Collateral or any part thereof for any purpose not inconsistent with the terms of this Agreement or the Note; provided, however, that Pledgor shall not exercise or refrain from exercising any such right if such action could reasonably be expected to have a material adverse effect on the value of the Collateral or any material part thereof.

(b) Subject to Section 6(e), Pledgor shall be entitled to receive, retain, and use in any manner not prohibited by the Note any and all distributions or dividends paid in respect of the Collateral; provided, however, that any and all

(i) distributions or dividends paid or payable other than in cash in respect of, and instruments and other property received, receivable or otherwise distributed in respect of, or in exchange for, any Collateral,

(ii) dividends and other distributions paid or payable in cash in respect of any Collateral in connection with a partial or total liquidation or dissolution or in connection with a reduction of capital, capital surplus or paid-in-surplus, and

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P. A.

(iii) cash paid, payable or otherwise distributed in redemption of, or in exchange for, any Collateral,

shall be, and shall be forthwith delivered to Lender to hold as, Collateral and shall, if received by Pledgor, be received in trust for the benefit of Lender, be segregated from the other property or funds of Pledgor, and be forthwith delivered to Lender as Collateral in the same form as so received (with any necessary endorsement or assignment). Pledgor shall, upon request by Lender, promptly execute all such documents and do all such acts as may be necessary or desirable to give effect to the provisions of this Section 6(b).

(c) Lender shall execute and deliver (or cause to be executed and delivered) to Pledgor all such proxies and other instruments as Pledgor may reasonably request for the purpose of enabling Pledgor to exercise the voting and other rights that Pledgor is entitled to exercise pursuant to Section 6(a) and to receive the dividends that Pledgor is authorized to receive and retain pursuant to Section 6(b).

(d) Upon the occurrence and during the continuance of any Event of Default, Lender shall have the right in its sole discretion, and Pledgor shall execute and deliver all such proxies and other instruments as may be necessary or appropriate to give effect to such right, to terminate all rights of Pledgor to exercise or refrain from exercising the voting and other consensual rights that Pledgor would otherwise be entitled to exercise pursuant to Section 6(a), and all such rights shall thereupon become vested in Lender who shall thereupon have the sole right to exercise or refrain from exercising such voting and other consensual rights; provided, however, that Lender shall not be deemed to possess or have control over any voting rights with respect to any Collateral unless and until Lender has given written notice to Pledgor that any further exercise of such voting rights by Pledgor is prohibited and that Lender and/or its assigns will henceforth exercise such voting rights; and provided, further, that neither the registration of any item of Collateral in Lender's name nor the exercise of any voting rights with respect thereto shall be deemed to constitute a retention by Lender of any such Collateral in satisfaction of the Obligations or any part thereof.

(e) Upon the occurrence and during the continuance of any Event of Default:

(i) all rights of Pledgor to receive the distributions and dividends that Pledgor would otherwise be authorized to receive and retain pursuant to Section 6(b) shall cease, and all such rights shall thereupon become vested in Lender who shall thereupon have the sole right to receive and hold such distributions and dividends as Collateral, and

(ii) all payments of distributions and dividends that are received by Pledgor contrary to the provisions of paragraph (i) of this Section 6(e), shall be received in trust for the benefit of Lender, shall be segregated from other funds of Pledgor and shall be forthwith paid over to Lender as Collateral in the same form as so received (with any necessary endorsement).

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P. A.

Section 7. Transfers and Other Liens: Additional Securities.

(a) Pledgor agrees that Pledgor will not (i) sell, assign (by operation of law or otherwise) or otherwise dispose of, or grant any option with respect to, any of the Collateral, or (ii) create or permit to exist any Lien upon or with respect to any of the Collateral, except the Security Interest.

(b) Pledgor agrees that Pledgor will (i) cause Borrower not to issue any membership interests or equity interests or other securities in addition to or in substitution for the Pledged Securities (other than to Pledgor), and (ii) pledge hereunder, immediately upon Pledgor's acquisition (directly or indirectly) thereof, any and all additional membership interests, equity interests and securities of Borrower.

Section 8. Lender Appointed Attorney-in-Fact. Pledgor hereby appoints Lender Pledgor's attorney-in-fact, with full authority in the place and stead of such Pledgor and in the name of such Pledgor or otherwise, from time to time in Lender's discretion, to take any action and to execute any instrument that Lender may reasonably believe necessary or advisable to accomplish the purposes of this Agreement (subject to the rights of Pledgor under Section 6), in a manner consistent with the terms hereof, including, without limitation, to receive, indorse and collect all instruments made payable to Pledgor representing any dividend or other distribution in respect of the Collateral or any part thereof and to give full discharge for the same.

Section 9. Lender May Perform. If Pledgor fails to perform any agreement contained herein, Lender may itself perform, or cause performance of, such agreement, and the reasonable expenses of Lender incurred in connection therewith shall be payable by Pledgor under Section 14

Section 10. Lender's Duties. The powers conferred on Lender hereunder are solely to protect its interest in the Collateral and shall not impose any duty upon it to exercise any such powers. Lender shall be deemed to have exercised reasonable care in the safekeeping of any Collateral in its possession if such Collateral is accorded treatment substantially equal to the safekeeping which Lender accords its own property of like kind. Except for the safekeeping of any Collateral in its possession and the accounting for monies and for other properties actually received by it hereunder, Lender shall have no duty, as to any Collateral, as to ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders or other matters relative to any Collateral, whether or not Lender has or is deemed to have knowledge of such matters, or as to the taking of any necessary steps to preserve rights against any Persons or any other rights pertaining to any Collateral. Lender will take action in the nature of exchanges, conversions, redemption, tenders and the like requested in writing by Pledgor with respect to any of the Collateral in Lender's possession if Lender in its reasonable judgment determines that such action will not impair the Security Interest or the value of the Collateral, but a failure of Lender to comply with any such request shall not of itself be deemed a failure to exercise reasonable care.

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

Section 11. Default. Each of the following occurrences shall constitute an Event of Default under this Agreement: (a) Pledgor shall fail to observe or perform any covenant or agreement applicable to Pledgor under this Agreement; or (b) any representation or warranty made by Pledgor in this Agreement or in any financial statements, reports or certificates heretofore or hereafter submitted by or on behalf of Pledgor to Lender shall prove to have been false or materially misleading when made; or (c) any Event of Default shall occur under the Note.

Section 12. Remedies Upon Default. If any Event of Default shall have occurred and be continuing:

(a) Lender may exercise in respect of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all the rights and remedies of a secured party on default under the Uniform Commercial Code of the State of Wisconsin (the "Uniform Commercial Code") in effect at that time (whether or not the Uniform Commercial Code then applies to the affected Collateral), and may, without notice except as specified below, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any exchange, broker's board or at any of Lender's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as Lender may reasonably believe are commercially reasonable. Pledgor agrees that, to the extent notice of sale shall be required by law, at least ten days prior notice to Pledgor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. Lender shall not be obligated to make any sale of Collateral regardless of notice of sale having been given. Lender may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned. Pledgor hereby waives all requirements of law, if any, relating to the marshalling of assets which would be applicable in connection with the enforcement by Lender of its remedies hereunder, absent this waiver.

(b) Lender may notify any Person obligated on any of the Collateral that the same has been assigned or transferred to Lender and that the same should be performed as requested by, or paid directly to, Lender, as the case may be. Pledgor shall join in giving such notice, if Lender so requests. Lender may, in Lender's name or in Pledgor's name, demand, sue for, collect or receive any money or property at any time payable or receivable on account of, or securing, any such Collateral or grant any extension to, make any compromise or settlement with or otherwise agree to waive, modify, amend, or change the obligation of any such Person.

(c) Any cash held by Lender as Collateral and all cash proceeds received by Lender in respect of any sale of, collection from, or other realization upon all or any part of the Collateral may, in the discretion of Lender, be held by Lender as collateral for, or then or at any time thereafter be applied in whole or in part by Lender against, all or any part of the Obligations (including any expenses of Lender payable pursuant to Section 14).

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

Section 13. Waiver of Certain Claims. Pledgor acknowledges that because of present or future circumstances, a question may arise under the Securities Act of 1933, as from time to time amended (the "Securities Act"), with respect to any disposition of the Collateral permitted hereunder. Pledgor understands that compliance with the Securities Act may very strictly limit the course of conduct of Lender if Lender were to attempt to dispose of all or any portion of the Collateral and may also limit the extent to which or the manner in which any subsequent transferee of the Collateral or any portion thereof may dispose of the same. There may be other legal restrictions or limitations affecting Lender in any attempt to dispose of all or any portion of the Collateral under the applicable Blue Sky or other securities laws or similar laws analogous in purpose or effect. Lender may be compelled to resort to one or more private sales to a restricted group of purchasers who will be obligated to agree, among other things, to acquire such Collateral for their own account for investment only and not to engage in a distribution or resale thereof. Pledgor agrees that Lender shall not incur any liability, and any liability of Pledgor for any deficiency shall not be impaired, as a result of the sale of the Collateral or any portion thereof at any such private sale in a manner that Lender reasonably believes is commercially reasonable (within the meaning of the Uniform Commercial Code). Pledgor hereby waives any claims against Lender arising by reason of the fact that the price at which the Collateral may have been sold at such sale was less than the price that might have been obtained at a public sale or was less than the aggregate amount of the Obligations, even if Lender shall accept the first offer received and does not offer any portion of the Collateral to more than one possible purchaser. Pledgor further agrees that Lender has no obligation to delay sale of any Collateral for the period of time necessary to permit the issuer of such Collateral to qualify or register such Collateral for public sale under the Securities Act, applicable Blue Sky laws and other applicable state and federal securities laws, even if the issuer would agree to do so. Without limiting the generality of the foregoing, the provisions of this Section would apply if, for example, Lender were to place all or any portion of the Collateral for private placement by an investment Banking firm, or if such investment Banking firm purchased all or any portion of the Collateral for its own account, or if Lender placed all or any portion of the Collateral privately with a purchaser or purchasers.

Section 14. Costs and Expenses: Indemnity. Pledgor will pay or reimburse Lender on demand for all out-of-pocket expenses (including in each case all filing and recording fees and taxes and all fees and expenses of counsel and of any experts and agents) incurred by Lender in connection with the creation, perfection, protection, satisfaction, foreclosure or enforcement of the Security Interest and the preparation, administration, continuance, amendment or enforcement of this Agreement, and all such costs and expenses shall be part of the Obligations secured by the Security Interest. Pledgor shall indemnify and hold Lender harmless from and against any and all claims, losses and liabilities (including attorneys' fees) growing out of or resulting from this Agreement (including enforcement of this Agreement) or Lender's actions pursuant hereto, except claims, losses or liabilities resulting from Lender's gross negligence or willful misconduct as determined by a final judgment of a court of competent jurisdiction. Any liability of Pledgor to indemnify and hold Lender harmless pursuant to the preceding sentence shall be part of the Obligations secured by the Security Interest. The obligations of Pledgor under this Section shall survive any termination of this Agreement.

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

Section 15. Waivers and Amendments; Remedies. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by Lender. A waiver so signed 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 rights and remedies available to Lender. All rights and remedies of Lender shall be cumulative and may be exercised singly in any order or sequence, or concurrently, at Lender's option, and the exercise or enforcement of any such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other.

Section 16. Notices. Any notice or other communication to any party in connection with this Agreement shall be in writing and shall be sent by manual delivery, facsimile transmission, overnight courier or United States mail (postage prepaid) addressed to such party at the address specified on the signature page hereof, or at such other address as such party shall have specified to the other party hereto in writing. All periods of notice shall be measured from the date of delivery thereof if manually delivered, from the date of sending thereof if sent by facsimile transmission, from the first business day after the date of sending if sent by overnight courier, or from four days after the date of mailing if mailed.

Section 17. Pledgor Acknowledgments. Pledgor hereby acknowledges that (a) Lender has no fiduciary relationship to Pledgor in Lender's capacity as secured party, the relationship being solely that of debtor and creditor, and (b) no joint venture exists between Pledgor and Lender.

Section 18. Continuing Security Interest; Assignments under Note. This Agreement shall create a continuing security interest in the Collateral and shall (a) remain in full force and effect until the payment in full of the Obligations and the expiration of the obligation, if any, of Lender to extend credit accommodations to Borrower, (b) be binding upon Pledgor, and Pledgor's heirs, legal representatives, successors and assigns, and (c) inure, together with the rights and remedies of Lender hereunder, to the benefit of, and be enforceable by, Lender and its successors, transferees and assigns. Without limiting the generality of the foregoing clause (c), Lender may assign or otherwise transfer all or any portion of its rights and obligations under the Note to any other Person to the extent and in the manner provided in the Note, and may similarly transfer all or any portion of its rights under this Pledge Agreement to such Persons.

Section 19. Termination of Security Interest. Upon payment in full of the Obligations and the expiration, of any obligation of Lender to extend credit accommodations to Borrower, the Security Interest granted hereby shall terminate and all rights to the Collateral shall revert to Pledgor. Upon any such termination, Lender will return to Pledgor such of the Collateral as shall not have been sold or otherwise applied pursuant to the terms hereof and execute and deliver to Pledgor such documents as Pledgor shall reasonably request to evidence such termination. Any reversion or return of the Collateral upon termination of this Agreement and any instruments of transfer or termination shall be at the expense of Pledgor and shall be without warranty by, or recourse on, Lender. As used in this Section, "Pledgor" includes any assigns of Pledgor, any Person holding a subordinate security interest in any part of the Collateral or whoever else may be lawfully entitled to any part of the Collateral.

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

Section 20. Governing Law and Construction. The parties to this Agreement have contracted for Wisconsin law to govern this Agreement and it is controllingly agreed that this Agreement is made pursuant to and shall be construed and governed by the laws of the State of Wisconsin without regard to the principles of conflicts of law. Whenever possible, each provision of this Agreement and any other statement, instrument or transaction contemplated hereby or relating hereto shall be interpreted in such manner as to be effective and valid under such applicable law, but, if any provision of this Agreement or any other statement, instrument or transaction contemplated hereby or relating hereto shall be held to be prohibited or invalid under such applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement or any other statement, instrument or transaction contemplated hereby or relating hereto.

Section 21. Consent to Jurisdiction: Waiver. PLEDGOR SUBMITS AND CONSENTS TO PERSONAL JURISDICTION OF THE COURTS OF THE STATE OF WISCONSIN FOR THE ENFORCEMENT OF THIS AGREEMENT AND WAIVES ANY AND ALL PERSONAL RIGHTS UNDER THE LAWS OF ANY STATE OR THE UNITED STATES OF AMERICA TO OBJECT TO JURISDICTION IN THE STATE OF WISCONSIN AT THE ELECTION OF LENDER, LITIGATION MAY BE COMMENCED IN ANY STATE COURT OF GENERAL JURISDICTION FOR THE STATE OF WISCONSIN OR ANY UNITED STATES DISTRICT COURT LOCATED IN WISCONSIN. NOTHING CONTAINED HEREIN SHALL PREVENT LENDER FROM BRINGING ANY ACTION AGAINST PLEDGOR OR EXERCISING ANY RIGHTS AGAINST ANY SECURITY GIVEN TO LENDER, OR AGAINST PLEDGOR PERSONALLY, OR AGAINST ANY PROPERTY OF PLEDGOR, WITHIN ANY OTHER STATE. COMMENCEMENT OF ANY SUCH ACTION OR PROCEEDING IN ANY OTHER STATE SHALL NOT CONSTITUTE A WAIVER OF CONSENT TO JURISDICTION OR OF THE SUBMISSION MADE BY PLEDGOR TO PERSONAL JURISDICTION WITHIN THE STATE OF WISCONSIN. PLEDGOR WAIVES TRIAL BY JURY IN ANY JUDICIAL PROCEEDING TO WHICH PLEDGOR IS INVOLVED DIRECTLY OR INDIRECTLY AND ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS AGREEMENT OR THE RELATIONSHIP ESTABLISHED HEREUNDER, AND WHETHER ARISING OR ASSERTED BEFORE OR AFTER THE DATE OF THIS AGREEMENT.

Section 22. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same installment.

Section 23. General. All representations and warranties contained in this Agreement or in any other agreement between Pledgor and Lender shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations. Pledgor waives notice of the acceptance of this Agreement by Lender. Captions in this Agreement are for reference and convenience only and shall not affect the interpretation or meaning of any provision of this Agreement.

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

PLEDGOR has caused this Pledge Agreement to be duly executed and delivered as of the date first above written.

PLEDGOR:

IG Holdings, LLC

By: 

Name: Matthew Kriesel
Its: President

Address for Pledgor:

1540 Heritage Boulevard, Suite 201A
West Salem, WI 54669
Facsimile: (608) 488-3633
Attention: Rick Wunsch

Address for Lender:

Cal Nelson
26190 Birch Bluff Road
Shorewood, MN 55331

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

CONSENT BY BORROWER

The undersigned is the issuer of the Pledged Securities stated as owned by such issuer in the foregoing Agreement, and hereby consents to the pledge and grant of security interest in the Collateral. Upon receipt of notice of an Event of Default under the Agreement from Lender, the undersigned acknowledges that Lender has those remedies available under Section 12 of the Agreement, including, but not limited to, a right to foreclose on the Collateral and become an owner of the undersigned with all rights available to an owner of such issuer including, but not limited to, voting rights and rights to distribution. The undersigned represents, warrants and covenants with Lender that the Collateral is uncertificated, the undersigned has not "elected to and will not elect to, "opt in" to Article 8 of the Uniform Commercial Code, and the undersigned will not issue or sell any ownership interests in the undersigned other than the Collateral.

IMPACT GEL AUTOMOTIVE, LLC

By: [Signature]
Name: MATT KOSZ
Its: President

IMPACT GEL EQUINE, LLC

By: [Signature]
Name: MATT KOSZ
Its: President

IGMI, LLC

By: [Signature]
Name: MATT KOSZ
Its: President

IMPACT GEL SPORTS, LLC

By: [Signature]
Name: MATT KOSZ
Its: President

{01310197.RTF}

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7/23/2009 8:41:23 AM

PAGE 30/062

Fax Server

TO:ADONIS A. NEBLETT COMPANY:FREDRIKSON & BYRON, P.A.

SCHEDULE 1

PLEDGED SECURITIES

Issuer: Impact Gel Equine, LLC

Percentage Ownership: 100% 880 units

Issuer: Impact Gel Sports, LLC

Percentage Ownership; 100% 940 units

Issuer: Impact Gel Automotive , LLC

Percentage Ownership: 100% 1,000 units

Issuer: IGMF, LLC

Percentage Ownership: 100% 992 units

USPTO

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

INTELLECTUAL PROPERTY SECURITY AGREEMENT**DATE:** As of November 20, 2008**PARTIES:** Cal Nelson
26190 Birch Bluff Road
Shorewood, MN 55331 ("Secured Party")**EACH OF THE PARTIES
SIGNATORY HERETO** (each individually and collectively a "Debtor")**RECITALS:**

A. Debtor has executed and delivered to Secured Party to that certain Secured Convertible Note dated as of the date hereof of Debtor made payable to Secured Party in the original principal amount of \$1,500,000 and may from time to time execute and deliver to Secured Party additional promissory notes (as amended, modified, supplemented, restated, or replaced from time to time, each individually and collectively the "Note"). Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Note.

B. Debtor and Secured Party are parties to that certain Security Agreement dated as of the date hereof (as amended, modified, supplemented, restated, or replaced from time to time, the "Security Agreement").

AGREEMENTS:

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Grant of Security Interest and Collateral.** To secure the payment and performance of each and every debt, liability and obligation of every type and description which Debtor may now or at any time hereafter owe to Secured Party whether such debt, liability or obligation now exists or is hereafter created or incurred, whether it arises under or is evidenced by this Agreement, the Note or other agreements or instruments with or in favor of Secured Party, or any other present or future instrument or agreement or by operation of law, and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or sole, joint, several or joint and several (all such debts, liabilities and obligations are herein collectively referred to as the "Obligations"), Debtor hereby grants Secured Party a security interest (the "Security Interest"), with power of sale, in all of the intellectual property of Debtor (the "Collateral"), including but not limited to the intellectual property described in Exhibit A and the following:

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

(a) **Patents.** (i) All patents and patent applications on Schedule 1 of Exhibit A hereto, (ii) all reissues, divisions, continuations, renewals, extensions, continuations-in-part thereof, (iii) all income, royalties, damages and payments now or hereafter due and/or payable with respect thereto, including but not limited to under any licenses and any damages for past, present or future infringement thereof, (iv) all rights to sue for past, present or future infringements thereof, and (v) all rights corresponding thereto throughout the world (all such items described in subparagraphs (i) through (v) of this subsection (a) being hereafter referred to collectively as the "Patents"), and (vi) all license agreements with any party in connection with any Patents or such other party's patents and patent applications, whether Debtor is a licensor or a licensee under such license agreement, including but not limited to, the license agreements listed on Schedule 2 of Exhibit A, and the right upon the occurrence and during the continuance of an Event of Default to use the foregoing in connection with the enforcement of Secured Party's rights under any Note (all of the foregoing being hereafter referred to collectively as the "Patent Licenses");

(b) **Trademarks.** (i) All trade names, trademarks, service marks and any registrations thereof and applications therefore listed on Schedule 3 of Exhibit A hereto, (ii) any renewals thereof, (iii) all income, royalties, damages and payments now or hereafter due and/or payable with respect thereto, including but not limited to under any licenses and any damages for past, present or future infringement thereof, (iv) all rights to sue for past, present or future infringements thereof, (v) all rights corresponding thereto throughout the world, (vi) all goodwill of Debtor's business connected with and symbolized by the foregoing (all such items described in subparagraphs (i) through (vi) of this subsection (b) being hereafter referred to collectively as the "Trademarks"), and (vii) all license agreements with any other party in connection with any Trademarks or such other party's trademarks, registered trademarks and trademark applications, trade names, service marks, registered service marks and service mark applications, whether Debtor is a licensor or licensee under such license agreement, including but not limited to, the license agreements listed on Schedule 4 of Exhibit A, and the right upon the occurrence and during the continuance of an Event of Default to use the foregoing in connection with the enforcement of Secured Party's rights under any Note (all of the foregoing being hereinafter referred to collectively as the "Trademark Licenses");

(c) **Copyrights.** (i) All copyrights and registrations thereof listed on Schedule 5 of Exhibit A hereto, (ii) any renewals thereof, (iii) all income, royalties, damages and payments now or hereafter due and/or payable with respect thereto, including but not limited to under any licenses and any damages for past, present or future infringement thereof, (iv) the right to sue for past, present or future infringements thereof, (v) all rights corresponding thereto throughout the world (all such items described in subparagraphs (i) through (v) of this subsection (c) referred to as "Copyrights"), and (vi) all license agreements with any party in connection with any Copyrights or such other party's copyrights and registrations whether Debtor is a licensor or a licensee under such license agreement, including but not limited to, the license agreements listed on Schedule 6 of Exhibit A, and the right upon the occurrence and during the continuance of an Event of

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

Default to use the foregoing in connection with the enforcement of Secured Party's rights under a Note (all of the foregoing being hereafter referred to collectively as the "Copyright Licenses");

(d) Miscellaneous. All inventions, discoveries, ideas, technology, know-how, trade secrets, processes, formulas, models, prototypes, drawings and designs, computer software programs, and documents, computer disks, source codes, object codes, lab books or other materials related thereto; and

(e) Proceeds. All proceeds of any of the foregoing.

2. Representations, Warranties and Agreements. Debtor represents, warrants and agrees that, until all obligations of Debtor to Secured Party shall have been indefeasibly satisfied in full in cash:

(a) The Patents, Patent Licenses, Trademarks, Trademark Licenses Copyrights and Copyright listed on Schedules 1, 2, 3, 4, 5 and 6, respectively, constitute all of the registered patents, trademarks, copyrights and applications therefore now owned by Debtor. If Debtor shall (i) register or apply for any new patents, trademarks, or copyrights, (ii) become entitled to the benefit of any registered patent, trademark, or copyright, or patent for any reissue, division, continuation, renewal, extension or continuation-in-part of any Patent or any improvement on any Patent, or (iii) become a party to or subject to any trademark copyright or patent license, then the provisions of Section 1 above shall automatically apply thereto and Debtor shall give to Secured Party prompt written notice thereof. Debtor hereby authorizes Secured Party to modify this Agreement by amending Schedule 1, 2, 3, 4, 5 and/or 6, as applicable, to include any future patents, patent applications, trademarks, trademark registrations, trademark applications, trade names, licenses and copyright registrations which are Patents, Patent License, Trademarks, Trademark Licenses or Copyrights or Copyright Licenses, as applicable, under Section 1 above.

(b) Debtor has (or will have at the time Debtor acquires rights in Collateral hereafter arising) good and marketable title to each item of Collateral free and clear of all security interests, liens and encumbrances, except the Security Interest and Permitted Liens (as defined in the Note). Debtor will keep all Collateral free and clear of all security interests, liens and encumbrances, except the Security Interest, and will defend the Collateral against all claims or demands of all persons other than Secured Party and holders of Permitted Liens.

(c) Debtor will not, without Secured Party's prior written consent, sell any of the Collateral or enter into any agreement which is inconsistent with Debtor's obligations or Secured Party's rights under this Agreement. Debtor further agrees that it will not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would adversely affect the validity of the Collateral or enforcement of Secured Party's rights in the Collateral.

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

(d) Except to the extent Debtor determines, in its exercise of reasonable business judgment, that any such item is not necessary or materially useful in connection with Debtor's business, (i) Debtor will use commercially reasonable efforts to prosecute diligently any patent application that is part of the Patents, any trademark application that is part of the Trademarks, and any copyright registration that is part of the Copyrights, pending as of the date hereof or thereafter, (ii) Debtor will file and prosecute applications or registrations on unpatented but patentable inventions, on trademarks and on copyrightable works, as recommended by reputable legal counsel, and (iii) Debtor will preserve and maintain all rights in patent applications and patents that are part of the Patents, in trademark applications, trademarks, and trademark registrations that are part of the Trademarks, and in copyrightable works and copyright registrations that are part of the Copyrights. Any expenses incurred in connection with such registrations or applications shall be borne by Debtor.

(e) Except to the extent Debtor determines, in its exercise of reasonable business judgment, that any such item is not necessary or materially useful in connection with Debtor's business, Debtor shall not abandon any right to file a patent application or trademark application, or any pending patent application, trademark application, patent, trademark or copyright without the consent of Secured Party.

(f) Debtor will at all reasonable times, permit Secured Party or its representatives to examine or inspect any Collateral, wherever located, and to examine, inspect and copy Debtor's books and records pertaining to the Collateral and its business and financial condition as more fully set forth in the Note.

(g) Debtor will keep accurate and complete records pertaining to the Collateral and pertaining to Debtor's business and financial condition and submit to Secured Party such periodic reports concerning the Collateral and Debtor's business and financial condition as Secured Party may from time to time reasonably request.

(h) Debtor will pay when due or reimburse Secured Party on demand for all costs of collection of any of the Obligations and all other out-of-pocket expenses (including in each case all attorneys' fees) incurred by Secured Party in connection with the creation, perfection, satisfaction, protection, defense or enforcement of the Security Interest or the creation, continuance, protection, defense or enforcement of this Agreement or of the Obligations, including expenses incurred in any litigation or bankruptcy or insolvency proceedings.

(i) Debtor will execute, deliver or endorse any and all instruments, documents, assignments, security agreements and other agreements and writings which Secured Party may at any time reasonably request in order to secure, protect, perfect or enforce the Security Interest and Secured Party's rights under this Agreement.

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

(j) Debtor has delivered true and complete copies of each Trademark License and each Patent License to Secured Party, each of which is in full force and effect and no party thereto is in default thereunder. Debtor will not amend or otherwise modify any Patent License or any Trademark License without the prior written consent of Secured Party.

3. **Royalties.** Neither the Security Interest granted herein, nor the exercise by Secured Party of any of its rights under this Agreement, shall (a) impose on Secured Party any liability to Debtor for royalties or other similar charges, or (b) be limited geographically.

4. **Events of Default.** The occurrence of any Event of Default under the Note shall constitute an Event of Default hereunder.

5. **Remedies upon Event of Default.** Upon the occurrence and during the continuance of an Event of Default, Secured Party may exercise those remedies set forth in any Note and other applicable law against the Collateral, including specifically the right to use the Collateral against the Debtor or against any other person or property. All of Secured Party's rights and remedies with respect to the Patents, Patent Licenses, Trademarks, Trademark Licenses, Copyrights, Copyright Licenses and other Collateral, whether established hereby, by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. Debtor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Secured Party under the Note, but rather is intended to facilitate the exercise of such rights and remedies. Secured Party shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a Secured Party under the Uniform Commercial Code as enacted in any jurisdiction in which Collateral may be located or deemed located.

6. **Secured Party's Right to Sue.** Upon the occurrence and during the continuance of an Event of Default, Secured Party shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Patents, Patent Licenses, Trademarks, Trademark Licenses, Copyrights, Copyright Licenses and other Collateral, and, if Secured Party shall commence any such suit, Debtor shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents required by Secured Party in aid of such enforcement and Debtor shall indemnify Secured Party in accordance with the Note for all costs and expenses incurred by Secured Party in the exercise of its rights under this Section 6.

7. **Miscellaneous.** This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by Secured Party. A waiver signed by Secured Party 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 Secured Party's rights or remedies. All rights and remedies of Secured Party shall be cumulative and may be exercised singularly or concurrently, at Secured Party'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. All notices to be given to Debtor

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

shall be deemed sufficiently given if provided in accordance with the Note. Secured Party's duty of care with respect to Collateral in its possession (as imposed by law) shall be deemed fulfilled if Secured Party exercises reasonable care in physically safekeeping such Collateral or, in the case of Collateral in the custody or possession of a bailee or other third person, exercises reasonable care in the selection of the bailee or other third person, and Secured Party need not otherwise preserve, protect, insure or care for any Collateral. Secured Party shall not be obligated to preserve any rights Debtor may have against prior parties, to realize on the Collateral at all or in any particular manner or order, or to apply any cash proceeds of Collateral in any particular order of application. This Agreement shall be binding upon and inure to the benefit of Debtor and Secured Party and their respective representatives, successors and assigns and shall take effect when signed by Debtor and delivered to Secured Party, and Debtor waives notice of Secured Party's acceptance hereof. Secured Party may execute this Agreement if appropriate for the purpose of filing, but the failure of Secured Party 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 or other recording document signed by the Debtor shall have the same force and effect as the original for all purposes of a financing statement or other recording document. Debtor will execute, from time to time, and authorizes Secured Party to execute from time to time as Debtor's attorney-in-fact, such financing statements, assignments, and other documents covering the Collateral, including Proceeds, as Secured Party may reasonably request in order to create, evidence, perfect, maintain or continue its security interest in the Collateral (including additional Collateral acquired by Debtor after the date hereof), and Debtor will pay the cost of filing the same in all public offices in which Secured Party may deem filing to be appropriate and will notify Secured Party promptly upon acquiring any additional Collateral that may require an additional filing. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and either of the parties hereto may execute this Agreement by signing any such counterpart. Whenever possible, each provision of this Agreement and any other statement, instrument or transaction contemplated hereby or relating hereto shall be interpreted in such manner as to be effective and valid under such applicable law, but, if any provision of this Agreement or any other statement, instrument or transaction contemplated hereby or relating hereto shall be held to be prohibited or invalid under such applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement or any other statement, instrument or transaction contemplated hereby or relating hereto. 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 owing to Secured Party under the Note.

8. **Governing Law.** The parties to this Agreement have contracted for Wisconsin law to govern this Agreement and it is agreed that this Agreement is made pursuant to and shall be construed and governed by the laws of the State of Wisconsin without regard to the principles of conflicts of law.

9. **Consent to Jurisdiction.** DEBTOR SUBMITS AND CONSENTS TO PERSONAL JURISDICTION OF THE COURTS OF THE STATE OF WISCONSIN

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TO:ADONIS A. NEBLETT COMPANY:FREDRIKSON & BYRON, P.A.

AND COURTS OF THE UNITED STATES OF AMERICA SITTING IN WISCONSIN FOR THE ENFORCEMENT OF THIS AGREEMENT AND WAIVES ANY AND ALL PERSONAL RIGHTS UNDER THE LAWS OF ANY STATE OR THE UNITED STATES OF AMERICA TO OBJECT TO JURISDICTION IN THE STATE OF WISCONSIN. AT THE ELECTION OF SECURED PARTY, LITIGATION MAY BE COMMENCED IN ANY STATE COURT OF GENERAL JURISDICTION FOR THE STATE OF WISCONSIN OR ANY UNITED STATES DISTRICT COURT LOCATED IN WISCONSIN. NOTHING CONTAINED HEREIN SHALL PREVENT SECURED PARTY FROM BRINGING ANY ACTION AGAINST DEBTOR OR EXERCISING ANY RIGHTS AGAINST ANY SECURITY GIVEN TO SECURED PARTY, OR AGAINST DEBTOR PERSONALLY, OR AGAINST ANY PROPERTY OF DEBTOR, WITHIN ANY OTHER STATE. COMMENCEMENT OF ANY SUCH ACTION OR PROCEEDING IN ANY OTHER STATE SHALL NOT CONSTITUTE A WAIVER OF CONSENT TO JURISDICTION OR OF THE SUBMISSION MADE BY DEBTOR TO PERSONAL JURISDICTION WITHIN THE STATE OF WISCONSIN.

10. Waiver. DEBTOR WAIVES TRIAL BY JURY IN ANY JUDICIAL PROCEEDING TO WHICH DEBTOR IS INVOLVED DIRECTLY OR INDIRECTLY AND ANY MATTER IN ANY WAY ARISING OUT OF, RELATED TO, OR CONNECTED WITH THIS AGREEMENT OR THE RELATIONSHIP ESTABLISHED HEREUNDER, AND WHETHER ARISING OR ASSERTED BEFORE OR AFTER THE DATE OF THIS AGREEMENT.

(The signature page follows.)

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

THE PARTIES have executed this Intellectual Property Security Agreement as of the day and year first above written.

IMPACT GEL CORPORATION

By: [Signature]
Its: [Signature]

STATE OF WISCONSIN
COUNTY OF LACROSSE)ss.

The foregoing instrument was acknowledged before me this 19th March, 2009 of August, 2008, by Matthew Kriesel (who is known to me personally or who produced a driver's license as identification), the President of Impact Gel Corporation, a Wisconsin corporation, on behalf of the corporation.

[Signature]
Notary Christine A. Finnigan
My Commission Expires 01/31/12

IG HOLDINGS, LLC

By: [Signature]
Its: [Signature]

STATE OF WISCONSIN
COUNTY OF LACROSSE)ss.

The foregoing instrument was acknowledged before me this 19th March, 2009 of August, 2008, by Matthew Kriesel (who is known to me personally or who produced a driver's license as identification), the President of IG Holdings, LLC, a limited liability company, on behalf of the limited liability company.

[Signature]
Notary Christine A. Finnigan
My Commission Expires 01/31/12

[Signature Page to Intellectual Property Security Agreement]

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USPTO

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

IMPACT GEL SPORTS, LLC

By: [Signature]
Its: President

STATE OF WISCONSIN
COUNTY OF LACROSSE)ss.

The foregoing instrument was acknowledged before me this 19th March, 2009 of August, 2008, by Matthew Krusek (who is known to me personally or who produced a driver's license as identification), the President of Impact Gel Sports, LLC, a Wisconsin limited liability company, on behalf of the limited liability company.

[Signature]
Notary Christine A. Finnigan
My Commission Expires 5/13/12.

IGMI, LLC

By: [Signature]
Its: President

STATE OF WISCONSIN
COUNTY OF LACROSSE)ss.

The foregoing instrument was acknowledged before me this 19th March, 2009 of August, 2008, by Matthew Krusek (who is known to me personally or who produced a driver's license as identification), the President of IGMI, LLC, a Wisconsin limited liability company, on behalf of the limited liability company.

[Signature]
Notary Christine A. Finnigan
My Commission Expires 5/13/12.

[Signature Page to Intellectual Property Security Agreement]

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

IMPACT GEL EQUINE, LLC

By: [Signature]
Its: [Signature]

STATE OF WISCONSIN
COUNTY OF LACROSSE) ss.

The foregoing instrument was acknowledged before me this 19th March, 2009 of August, 2008, by Matthew Kresel (who is known to me personally or who produced a driver's license as identification), the President of Impact Gel Equine, LLC, a Wisconsin limited liability company, on behalf of the limited liability company.

[Signature]
Notary Christine A. Finnigan
my commission expires 5/12/12

IMPACT GEL AUTOMOTIVE, LLC

By: [Signature]
Its: [Signature]

STATE OF WISCONSIN
COUNTY OF LACROSSE) ss.

The foregoing instrument was acknowledged before me this 19th March, 2009 of August, 2008, by Matthew Kresel (who is known to me personally or who produced a driver's license as identification), the President of Impact Gel Automotive, LLC, a Wisconsin limited liability company, on behalf of the limited liability company.

[Signature]
Notary Christine A. Finnigan
my commission expires 5/12/12

[Signature Page to Intellectual Property Security Agreement]

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

EXHIBIT A

Collateral

See attached.

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 TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

SCHEDULE 1

Patents and Patent Applications

Issued

Shock Absorbing Compound (Gel Compound) Impact Gel Holding LLC Reel/Frame: 018061/0418	Patent No.	7,041,719
Hoofed Animal Pad Impact Gel Holding LLC Reel/Frame: 018061/0418	Patent No.	6,588,511
Improved Hoofed Animal Pad Impact Gel Holding LLC Reel/Frame: 018061/0418	Patent No.	6,896,065
Hoofed Animal Pad, Design Impact Gel Corporation Reel/Frame: 013803/0117	Patent No.	D479,021
Hoofed Animal Pad, Design Impact Gel Corporation Reel/Frame: 013800/0451	Patent No.	D478,694

Pending

Foreign (EPO) Shock Absorbing Compound Assigned to Impact Gel Holdings	European Patent Application No.	047890769.9
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Nonprovisional Applications

Reinforced Polymer Shock Absorbing Pad Impact Gel Holding LLC Reel/Frame: 018061/0418	Serial No.	10/681,831
Shock Absorbing Endless Belt for a Treadmill Impact Gel Holding LLC Reel/Frame: 018066/0372	Serial No.	11/326,394
Helmet and Vests (pneumatically inflatable) Impact Gel Holding LLC Reel/Frame: 018732/0263	Serial No.	10/962,189
<u>Provisional Applications (all pending)</u> Gel Tape Impact Gel Holding LLC Reel/Frame: 018066/0372 Filed 08/07/06	Serial No.	60/821,587
Tennis Racket Impact Gel Holding LLC Reel/Frame: 018066/0372 Filed 08/07/06	Serial No.	60/821,589
360 Stretch Fabric Pad Impact Gel Holding LLC Reel/Frame: 018066/0372 Filed 08/07/06	Serial No.	60/821,604
Acoustical Flooring Underlayment Assignment recorded Reel and Frame number not yet assigned, Impact Gel Holding LLC Filed 04/12/07	Serial No.	60/911284

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TO:ADONIS A. NEBLETT COMPANY:FREDRIKSON & BYRON, P.A.

SCHEDULE 2

Patents Licenses

None. **[BORROWER TO CONFIRM]**

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

SCHEDULE 3**Trademarks and Trademark Applications****Registered**

IMPACT GEL	Reg. No. 2828709
HORSE TRAX (stylized)	Reg. No. 2741886
HORSE TRAX	Reg. No. 2729181

Pending

IMPACT GEL (horse and sport)	Serial No. 77154349	IC 28, 18
IMPACT GEL (Canada)	Serial No. 1249924	
EXTREME ARMOR	Serial No. 78304190	IC 28
CONCUSSION GEL	Serial No. 78580740	IC28
SAFARI LINE	Serial No. 77143382	IC18
IMPACT GEL (shoes)	Serial No. 78695846	IC10
IMPACT GEL (flooring)	Serial No. 77154695	IC27
SIGNATURE SERIES	Serial No. 78809723	IC28
NOVIBE	Serial No. 77155849	IC28
IMPACT WRAP	Serial No. 77155857	IC28
GEL RIDE	Serial No. 78580734	IC28
BASE LAYER SYSTEM	Serial No. 78809697	IC 28, 18
MAXIMUM EQUINE PROTECTION	Serial No. 78809717	IC 18

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

SCHEDULE 4

Trademark Licenses

None.

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

SCHEDULE 5

Copyrights and Copyright Applications

None.

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

SCHEDULE 6

Copyrights Licenses

None.

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

SCHEDULE A**Patents****Issued**

Shock Absorbing Compound (Gel Compound) Impact Gel Holding LLC Reel/Frame: 018061/0418	Patent No.	7,041,719
Hoofed Animal Pad Impact Gel Holding LLC Reel/Frame: 018061/0418	Patent No.	6,588,511
Improved Hoofed Animal Pad Impact Gel Holding LLC Reel/Frame: 018061/0418	Patent No.	6,896,065
Hoofed Animal Pad, Design Impact Gel Corporation Reel/Frame: 013803/0117	Patent No.	D479,021
Hoofed Animal Pad, Design Impact Gel Corporation Reel/Frame: 013800/0451	Patent No.	D478,694

Pending

Foreign (EPO) Shock Absorbing Compound Assigned to Impact Gel Holdings	European Patent Application No.	047890769.9
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USPTO**Nonprovisional Applications**

Reinforced Polymer Shock Absorbing Pad Impact Gel Holding LLC Reel/Frame: 018061/0418	Serial No.	10/681,831
Shock Absorbing Endless Belt for a Treadmill Impact Gel Holding LLC Reel/Frame: 018066/0372	Serial No.	11/326,594
Helmet and Vests (place holder) Impact Gel Holding LLC Reel/Frame: 018732/0263	Serial No.	10/962,189
Provisional Applications (all pending) Gel Tape Impact Gel Holding LLC Reel/Frame: 018066/0372 Filed 08/07/06	Serial No.	60/821,587
Tennis Racket Impact Gel Holding LLC Reel/Frame: 018066/0372 Filed 08/07/06	Serial No.	60/821,589
360 Stretch Fabric Pad Impact Gel Holding LLC Reel/Frame: 018066/0372 Filed 08/07/06	Serial No.	60/821,604
Acoustical Flooring Underlayment Assignment recorded Reel and Frame number not yet assigned, Impact Gel Holding LLC Filed 04/12/07	Serial No.	60/911,284

{01309505.DOC} A-8

USPTO

7/23/2009 8:41:23 AM PAGE 49/062

Fax Server

TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

EXHIBIT B

Trademark Assignment Agreement

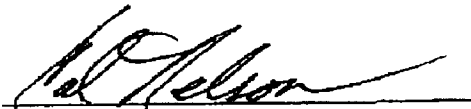
Attached.

(01309505.DOC) B-1

USPTO

7/23/2009 8:41:23 AM PAGE 50/062 Fax Server

TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.



Carl Nelson

[Signature Page to Intellectual Property Security Agreement]

{01309505.DOC}

USPTO

7/23/2009 8:41:23 AM PAGE 51/062 Fax Server

TO:ADONIS A. NEBLETT COMPANY:FREDRIKSON & BYRON, P.A.

TRADEMARK ASSIGNMENT AGREEMENT

THIS TRADEMARK ASSIGNMENT AGREEMENT ("Assignment") is dated as of _____ by and between IG HOLDINGS, LLC, a Wisconsin limited liability company ("Assignor"), and _____ ("Assignee").

WITNESSETH:

WHEREAS, Assignor desires to transfer, and Assignee desires to receive, the Trademarks and Trademark applications listed in Schedule A ("Trademarks") attached hereto;

NOW, THEREFORE, in consideration of the mutual covenants and undertakings contained herein and for other good and valuable consideration, the receipt of which is hereby acknowledged, and subject to and on the terms and conditions herein set forth, Assignors hereby sell, assign and transfer to Assignee, its successors and assigns, the entire right, title and interest in and to the Trademarks, including the inventions therein described and claimed and any United States or foreign Letters Trademarks which may issue with respect to the Trademarks, all rights for past or intervening infringement thereof, all renewals, reissues, extensions, substitutions, continuations, continuations-in-part, or divisions thereof, and all foreign applications based thereon, including the right to apply for Trademarks in foreign countries in its own name, and the right to claim any priority rights to which such foreign applications are entitled under international conventions, treaties, or otherwise. Assignor agrees to execute any additional documents presented to Assignor by Assignee and to perform any other acts which are or may be reasonably necessary to evidence or perfect the assignment, including those reasonably necessary to effectuate the recordation of the assignment.

(The signature page follows.)

{01309505.DOC} B-2

USPTO 7/23/2009 8:41:23 AM PAGE 52/062 Fax Server
TO:ADONIS A. NEBLETT COMPANY:FREDRIKSON & BYRON, P.A.

IN WITNESS WHEREOF, this Trademark Assignment Agreement has been signed on behalf of each of the parties hereto as of the date first above written.

**"ASSIGNOR"
IG HOLDINGS, LLC**

By: _____
Its: _____

STATE OF _____)
)ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ of August, 2008, by _____ (who is known to me personally or who produced a driver's license as identification), the _____ of IG Holdings, LLC, a Wisconsin limited liability company, on behalf of the limited liability company.

Notary

"ASSIGNEE"

By: _____
Its: _____

STATE OF _____)
)ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ of _____, by _____ (who is known to me personally or who produced a driver's license as identification), the _____ of _____, a _____, on behalf of the _____.

Notary

{01309505.DOC} B-3

USPTO

7/23/2009 8:41:23 AM PAGE 53/062 Fax Server

TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

SCHEDULE A**Trademarks****Registered**

IMPACT GEL	Reg. No. 2828709
HORSE TRAX (stylized)	Reg. No. 2741886
HORSE TRAX	Reg. No. 2729181

Pending

IMPACT GEL (horse and sport)	Serial No. 77154349	IC 28, 18
IMPACT GEL (Canada)	Serial No. 1249924	
EXTREME ARMOR	Serial No. 78304190	IC 28
CONCUSSION GEL	Serial No. 78580740	IC28
SAFARI LINE	Serial No. 77143382	IC18
IMPACT GEL (shoes)	Serial No. 78695846	IC10
IMPACT GEL (flooring)	Serial No. 77154695	IC27
SIGNATURE SERIES	Serial No. 78809723	IC28
NOVIBE	Serial No. 77155849	IC28
IMPACT WRAP	Serial No. 77155857	IC28
GEL RIDE	Serial No. 78580734	IC28
BASE LAYER SYSTEM	Serial No. 78809697	IC 28, 18
MAXIMUM EQUINE PROTECTION	Serial No. 78809717	IC 18

(01309505.DOC) B-4

USPTO 7/23/2009 8:41:23 AM PAGE 54/062 Fax Server
TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

EXHIBIT C

Copyright Assignment Agreement

Attached.

{01309505.DOC} C-1

USPTO

7/23/2009 8:41:23 AM PAGE 55/062 Fax Server

TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

COPYRIGHT ASSIGNMENT AGREEMENT**(TO BE COMPLETED AFTER SEARCHES)**

THIS COPYRIGHT ASSIGNMENT AGREEMENT ("Assignment") is dated as of _____ [leave date/year blank] by and between [DEBTOR NAME], a [TYPE OF ENTITY] ("Assignor"), and _____ [leave assignee blank] ("Assignee").

WITNESSETH:

WHEREAS, Assignor desires to transfer, and Assignee desires to receive, the Copyrights and Copyright applications listed in Schedule A ("Copyrights") attached hereto;

NOW, THEREFORE, in consideration of the mutual covenants and undertakings contained herein and for other good and valuable consideration, the receipt of which is hereby acknowledged, and subject to and on the terms and conditions herein set forth, Assignors hereby sell, assign and transfer to Assignee, its successors and assigns, the entire right, title and interest in and to the Copyrights, including the inventions therein described and claimed and any United States or foreign Letters Copyrights which may issue with respect to the Copyrights, all rights for past or intervening infringement thereof, all renewals, reissues, extensions, substitutions, continuations, continuations-in-part, or divisions thereof, and all foreign applications based thereon, including the right to apply for Copyrights in foreign countries in its own name, and the right to claim any priority rights to which such foreign applications are entitled under international conventions, treaties, or otherwise. Assignor agrees to execute any additional documents presented to Assignor by Assignee and to perform any other acts which are or may be reasonably necessary to evidence or perfect the assignment, including those reasonably necessary to effectuate the recordation of the assignment.

(The signature page follows.)

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Fax Server

TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

SCHEDULE A

Copyrights

None.

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TRADEMARK

REEL: 004031 FRAME: 0679

USPTO

7/23/2009 8:41:23 AM PAGE 58/062 Fax Server

TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

INDEMNIFICATION AGREEMENT

As of November 20, 2008

THIS INDEMNITY AGREEMENT (this "Agreement"), dated as of the date first set forth above, is entered into by and among Impact Gel Corporation (the "Indemnitor"), a Wisconsin corporation, and Cal Nelson ("Indemnitee"), an individual.

RECITALS

WHEREAS, Impact Gel Corporation, a Wisconsin corporation ("Impact"), IG Holdings, LLC, a Wisconsin limited liability company ("Holdings"), Impact Gel Equine, LLC, a Wisconsin limited liability company ("Equine"), Impact Gel Automotive, LLC, a Wisconsin limited liability company ("Automotive"), Impact Gel Sports, LLC, and IGMI, LLC ("Military"; Impact, Holdings, Equine, Automotive, Sports and Military are individually and collectively, and jointly and severally, the "Borrower") have issued to Indemnitee their Secured Convertible Note dated the same date as this Agreement (the "Note").

WHEREAS, the Indemnitees desire to be indemnified by Indemnitor, and Indemnitor desires to indemnify the Indemnitees, under the terms and conditions set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

INDEMNIFICATION

1.01 Indemnification of Indemnitee. Indemnitor will indemnify, defend and hold harmless Indemnitee from and against any:

(a) Damages, including, without limitation, reasonable costs of investigation and reasonable attorneys' fees and expenses, it may incur or suffer from time to time caused by, arising out of or related to the following:

(i) The failure or inability of an officer of one or more of the Borrowers to execute and deliver to Indemnitee an Officer's Certificate in the form(s) attached as Exhibit A in connection with the execution and delivery of the Note to Indemnitee.

(ii) The breach or material inaccuracy of any certification made by any officer of any Borrower or on behalf of any Borrower in any Officer's Certificate executed and delivered to Indemnitee in connection with the execution and delivery of the Note to Indemnitee.

(b) all judgments, orders, penalties, fines, costs (including, without limitation, reasonable costs of investigation and reasonable attorneys' fees and expenses), amounts paid in settlement, liabilities, obligations, taxes, liens, losses, damages (including diminution of value), deficiencies, court costs, and other expenses from time to time caused by, arising out of or related to any of the matters referred to in Section 1.01(a).

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USPTO

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

1.02 Procedure for Indemnification. To make a Claim for indemnification under this Agreement, Indemnitee must give Indemnitor written notice of such Claim describing such Claim and the amount for which indemnification is sought, to the extent that the nature of the Claim and such amount are determinable at such time (a "Claim Notice") promptly after Indemnitee receives any written notice of any Claim against or involving Indemnitee by a third-party ("Third-Party Claim") or otherwise discovers the liability, obligation or facts giving rise to such Claim for indemnification; provided that the failure to notify or delay in notifying Indemnitor will not relieve Indemnitor of Indemnitor's obligations under this Agreement, except to the extent that Indemnitor is materially prejudiced as a result thereof.

1.03 Control of Defense of Third Party Claims: Conditions. With respect to the defense of any Third-Party Claim, Indemnitor at Indemnitor's option may appoint as lead counsel of such defense a legal counsel selected by Indemnitor; provided, that Indemnitor notifies Indemnitee in writing within five (5) business days after Indemnitee has given notice of the Third-Party Claim that Indemnitor will assume the defense of the Third-Party Claim; provided, further, that Indemnitor must conduct the defense of the Third-Party Claim actively and diligently thereafter in order to preserve Indemnitor's and Indemnities' rights in this regard.

1.04 Control of Defense: Exceptions, Etc. Indemnitee will be entitled to participate in the defense of a Third-Party Claim and to employ separate counsel of Indemnitee's choice for such purpose at Indemnitee's own expense. Indemnitor will not be entitled to assume control of the defense of a Third-Party Claim, if (i) Indemnitor has failed or is failing to actively and diligently prosecute or defend such Claim, or (ii) in the reasonable and good faith opinion of counsel for Indemnitee there exists a conflict between the interests of Indemnitee and Indemnitor that reasonably requires the retention of separate counsel; In any such case, the reasonable fees and expenses of legal counsel for Indemnitee will be paid by Indemnitor.

1.05 Settlement of Claims. Indemnitor must obtain the prior written consent of the affected Indemnitee (which will not be unreasonably withheld) prior to entering into any settlement of any Claim or ceasing to defend any Claim.

1.06 Survival of Covenants and Obligations. The covenants and obligations of Indemnitor in this Agreement will survive the Closing.

ARTICLE II

GENERAL

2.01 Notices. All notices, requests and other communications hereunder must be in writing and will be deemed to have been duly given only if: (i) delivered personally or by overnight courier, or (ii) mailed by certified mail, return receipt requested, with first class postage prepaid to the parties of the addresses set forth below. All such notices, requests and other communications: (x) if delivered personally or by overnight, courier to the addresses below, will be deemed given upon delivery, or (y) if delivered by mail in the manner described above to the addresses below, will be deemed given three (3) days after the date of mailing (in each case regardless of whether such notice is received by any other Person to whom a copy of such notice is to be delivered pursuant to this Section). Notices will be sent as follows:

If to Indemnitor, to: Impact Gel Corporation
1540 Heritage Boulevard, Suite 201A
West Salem, WI 54669

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

If to Indemnitee, to:

Cal Nelson
26190 Birch Bluff Road
Shorewood, MN 55331

Any party from time to time may change its address or other information for the purpose of notices to that party by giving notice specifying such change to the other parties hereto.

2.02 Entire Agreement. This Agreement supersedes all prior discussions and agreements between the parties with respect to the subject matter hereof and contains the sole and entire agreement between the parties hereto with respect to the subject matter hereof.

2.03 Amendment. This Agreement may be amended, supplemented or modified only by a written instrument duly executed by or on behalf of each party hereto.

2.04 No Assignment; Binding Effect. Neither this Agreement nor any right, interest or obligation hereunder may be assigned by any party hereto without the prior written consent of the other parties hereto and any attempt to do so will be void.

2.05 Headings. The headings used in this Agreement have been inserted for convenience of reference only and do not define or limit the provisions hereof

2.06 Usage. Unless the context of this Agreement otherwise requires: (i) words of any gender include each other gender; (ii) words using the singular or plural number also include the plural or singular number, respectively; (iii) the terms "hereof," "herein," "hereby" and derivative or similar words refer to this entire Agreement; (iv) the terms "Article" or "Section" refer to the specified Article or Section of this Agreement; and (v) a number of days refers a number of calendar days.

2.07 Invalid Provisions. If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future law, and if the rights or obligations of any party hereto under this Agreement will not be materially and adversely affected thereby: (a) such provision will be fully severable; (b) this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof; (c) the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement; and (d) in lieu of such illegal, invalid or unenforceable provision, there will be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.

2.08 Counterparts. This Agreement may be executed in any number of counterparts, including by signature pages provided by facsimile or other electronic transmission, each of which will be deemed an original, but all of which together will constitute one and the same instrument

2.09 Governing Law. This Agreement will be governed by and construed in accordance with the Laws of the State of Wisconsin applicable to a contract executed and performed in such State, without giving effect to the conflicts of laws principles thereof.

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TO: ADONIS A. NEBLETT COMPANY: FREDRIKSON & BYRON, P.A.

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

INDEMNITOR:

IMPACT GEL CORPORATION

By: _____
Name: Matthew Kriesel
Title: President

INDEMNITEE:



Cal Nelson

{01309542.RTF}

USPTO

7/23/2009 8:41:23 AM PAGE 62/062 Fax Server

TO:ADONIS A. NEBLETT COMPANY:FREDRIKSON & BYRON, P.A.

EXHIBIT A

Officer's Certificates

Attached.

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