

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Watership Holdings, Inc.		10/15/2008	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	BANK OF AMERICA, N.A., as successor by merger to LaSalle Business Credit, LLC		
Street Address:	135 South LaSalle Street		
Internal Address:	Suite 425		
City:	Chicago		
State/Country:	ILLINOIS		
Postal Code:	60603		
Entity Type:	National Banking Association: UNITED STATES		
PROPERTY NUMBERS Total: 6			
Property Type	Number	Word Mark	
Registration Number:	2350255		
Registration Number:	2465066	HATS FOR HUMANS	
Registration Number:	2508601	WATERSHIP TRADING COMPANIE	
Registration Number:	2511535	WATERSHIP TRADING COMPANIE	
Registration Number:	2662926		
Registration Number:	2883528		
CORRESPONDENCE DATA			
Fax Number:	(435)214-3811		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	435-214-3806		
Email:	ttery@markuswilliams.com		
Correspondent Name:	Travis R. Terry		
Address Line 1:	2720 Homestead Road		
Address Line 2:	Suite 150		

OP \$165.00 2350255

Address Line 4: Park City, UTAH 84098

NAME OF SUBMITTER:

Travis R. Terry

Signature:

/Travis R. Terry/

Date:

07/31/2009

Total Attachments: 8

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TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "**Security Agreement**") made as of this 15th day of October, 2008, by Watership Holdings, Inc., a Delaware corporation ("**Borrower**") in favor of LaSalle Business Credit, LLC, with an office at 135 South LaSalle Street, Suite 425, Chicago, Illinois 60603 ("**Lender**"):

W I T N E S S E T H

WHEREAS, Borrower, certain other borrowers and Lender are parties to a certain Amended and Restated Loan and Security Agreement dated as of April 22, 2008 (as the same has been and may hereafter be amended and restated or otherwise modified from time to time, the "**Loan Agreement**") and other related loan documents (collectively, with the Loan Agreement, and as each may be amended or otherwise modified from time to time, the "**Financing Agreements**"), which Financing Agreements provide (i) for Lender to, from time to time, extend credit to or for the account of Borrower and (ii) for the grant by Borrower to Lender of a security interest in certain of Borrower's assets, including, without limitation, its trademarks and trademark applications;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, Borrower agrees as follows:

1. Incorporation of Financing Agreements. The Financing Agreements and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Loan Agreement.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the complete and timely payment and satisfaction of the Liabilities, Borrower hereby grants to Lender, and hereby reaffirms its prior grant pursuant to the Financing Agreements of, a continuing security interest in Borrower's entire right, title and interest in and to all of its now owned or existing and hereafter acquired or arising trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other business identifiers, prints and labels on which any of the foregoing have appeared or appear, all registrations and recordings thereof, and all applications (other than "intent to use" applications until a verified statement of use is filed with respect to such applications) in connection therewith, including, without limitation, the trademarks and applications listed on Schedule A attached hereto and made a part hereof and the trademarks, and renewals thereof, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "**Trademarks**"); all rights corresponding to any of the foregoing throughout the world and the goodwill of the Borrower's business connected with the use of and symbolized by the Trademarks. This Security Agreement grants only the security interest herein described, is not intended to and does not affect any

present transfer of title of any trademark registration or application and makes no assignment and grants no right to assign or perform any other action with respect to any intent to use trademark application, unless such action is permitted under 15 U.S.C § 1060.

3. Restrictions on Future Agreements. Borrower agrees that until Borrower's Liabilities shall have been satisfied in full and the Financing Agreements shall have been terminated, Borrower shall not, without the prior written consent of Lender, sell or assign its interest in any Trademark or enter into any other agreement with respect to any Trademark which would affect the validity or enforcement of the rights transferred to Lender under this Security Agreement.

4. New Trademarks. Borrower represents and warrants that, based on a diligent investigation by Borrower, the Trademarks listed on Schedule A constitute all of the federally registered Trademarks, and federal applications for registration of Trademarks (other than "intent to use" applications until a verified statement of use is filed with respect to such applications) now owned by Borrower. If, before Borrower's Liabilities shall have been satisfied in full or before the Financing Agreements have been terminated, Borrower shall (i) become aware of any existing Trademarks of which Borrower has not previously informed Lender, or (ii) become entitled to the benefit of any Trademarks, which benefit is not in existence on the date hereof, the provisions of this Security Agreement above shall automatically apply thereto and Borrower shall give to Lender prompt written notice thereof. Borrower hereby authorizes Lender to modify this Security Agreement by amending Schedule A to include any such Trademarks and to file Schedule A as so amended with the U.S. Patent and Trademark Office and any other domestic or foreign office reasonably deemed necessary to protect the Lender's interest.

5. Term. The term of this Security Agreement shall extend until the payment in full of Borrower's Liabilities and the termination of the Financing Agreements.

6. License. Without limiting the generality of any Other Agreement, the Borrower hereby grants to Lender a non-exclusive, worldwide and royalty-free license to use or otherwise exploit all Trademarks of Borrower for the sole purpose of: (a) after and during the continuance of an Event of Default, completing the manufacture of any in-process materials so that such materials become saleable Inventory, all in accordance with the same quality standards previously adopted by Borrower for its own manufacturing and subject to Borrower's reasonable exercise of quality control; and (b) after and during the continuance of an Event of Default, selling, leasing or otherwise disposing of any or all Collateral which meets such quality standards.

7. Release of Security Agreement. This Security Agreement is made for collateral purposes only. Upon payment in full of Borrower's Liabilities and termination of the Financing Agreements, Lender shall take such actions as may be necessary or proper to terminate the security interests created hereby and pursuant to the Financing Agreements

8. Expenses. All expenses incurred in connection with the performance of any of the agreements set forth herein shall be borne by Borrower. All fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by

Lender in connection with the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or otherwise in protecting, maintaining or preserving the Trademarks or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks shall be borne by and paid by Borrower and until paid shall constitute Liabilities.

9. Duties of Borrower. Borrower shall have the duty (i) to prosecute diligently, as commercially reasonable, any trademark applications pending as of the date hereof or hereafter until Borrower's Liabilities shall have been paid in full and the Financing Agreements have been terminated, (ii) to preserve and maintain all rights in the Trademarks, as commercially reasonable and (iii) to ensure that the Trademarks, which are in use, are and remain enforceable, as commercially reasonable. Any expenses incurred in connection with Borrower's Liabilities under this Section 9 shall be borne by Borrower.

10. Waivers. No course of dealing between Borrower and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder or under the Financing Agreements shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

11. Severability. The provisions of this Security Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Security Agreement in any jurisdiction.

12. Modification. This Security Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 4 hereof or by a writing signed by the parties hereto.

13. Cumulative Remedies; Power of Attorney; Effect on Financing Agreements. All of Lender's rights and remedies with respect to the Trademarks, whether established hereby or by the Financing Agreements, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Borrower hereby authorizes Lender upon the occurrence of an Event of Default, to make, constitute and appoint any officer or agent of Lender as Lender may select, in its sole discretion, as Borrower's true and lawful attorney-in-fact, with power to (i) sign verifications and declarations for all Borrower's pending trademark applications and (ii) assign, convey or otherwise transfer title in or dispose of the Trademarks to anyone. Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until Borrower's Liabilities shall have been paid in full and the Financing Agreements have been terminated. Borrower acknowledges and agrees that this Security Agreement is not intended to limit or restrict in any way the rights and remedies of Lender under the Financing Agreements but rather is intended to facilitate the exercise of such rights and remedies. Lender shall have, in addition to

all other rights and remedies given it by the terms of this Security Agreement and the Financing Agreements, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in Illinois.

14. Binding Effect; Benefits. This Security Agreement shall be binding upon Borrower and its respective successors and assigns, and shall inure to the benefit of Lender, its successors, nominees and assigns.

15. Governing Law. This Security Agreement shall be governed by and construed in accordance with the laws of the State of Illinois and applicable federal law.


16. Headings. Paragraph headings used herein are for convenience only and shall not modify the provisions which they precede.

17. Further Assurances. Borrower agrees to execute and deliver such further agreements, instruments and documents, and to perform such further acts, as Lender shall reasonably request from time to time in order to carry out the purpose of this Security Agreement and agreements set forth herein.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, Borrower has duly executed this Security Agreement
as of the date first written above.

WATERSHIP HOLDINGS, INC.

By: 
Name: S. Garrett Stonehouse
Its: President

Agreed and Accepted
As of the Date First Written Above

LASALLE BUSINESS CREDIT, LLC

By: _____
Name: Catherine D. Saccany
Its: Vice President

Signature Page to Trademark Security Agreement with
Watership Holdings, Inc.

TRADEMARK
REEL: 004035 FRAME: 0591


IN WITNESS WHEREOF, Borrower has duly executed this Security Agreement
as of the date first written above.

WATERSHIP HOLDINGS, INC.

By: _____
Name: S. Garrett Stonehouse
Its: President

Agreed and Accepted
As of the Date First Written Above

LASALLE BUSINESS CREDIT, LLC

By:  _____
Name: Dale P. Grzenia
Its: Senior Vice President


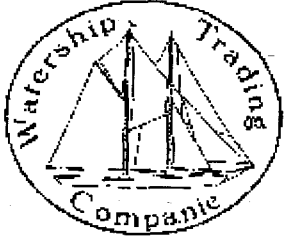
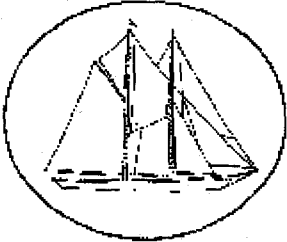
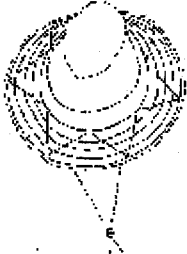
Signature Page to Trademark Security Agreement with
Watership Holdings, Inc.

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TRADEMARK
REEL: 004035 FRAME: 0592

SCHEDULE A

UNITED STATES TRADEMARK REGISTRATIONS

<u>Trademark Description</u>	<u>U.S. Registration No.</u>	<u>Date Registered</u>
	2350255	May 16, 2000
HATS FOR HUMANS	2465066	July 3, 2001
	2508601	November 20, 2001
WATERSHIP TRADING COMPANIE	2511535	November 27, 2001
	2662926	December 17, 2002
	2883528	September 14, 2004

FOREIGN TRADEMARK REGISTRATIONS

<u>Trademark Description</u>	<u>Registration No.</u>	<u>Date Registered</u>
	Mexican Registration No. 753,692	June 28, 2002
	European Registration No. 002845865	October 16, 2003

045LLC-20531D

Sch. A-2

4848-2720-30752

RECORDED: 07/31/2009

TRADEMARK
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