

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

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|----------------------------------|--|-------------------------|--------------------|
| SUBMISSION TYPE: | NEW ASSIGNMENT | | |
| NATURE OF CONVEYANCE: | SECURITY INTEREST | | |
| CONVEYING PARTY DATA | | | |
| Name | Formerly | Execution Date | Entity Type |
| Reddrox Inc. | | 07/31/2009 | CORPORATION: IDAHO |
| RECEIVING PARTY DATA | | | |
| Name: | Hawley Troxell Ennis & Hawley LLP | | |
| Street Address: | 877 Main Street | | |
| Internal Address: | Suite 1000 | | |
| City: | Boise | | |
| State/Country: | IDAHO | | |
| Postal Code: | 83702 | | |
| Entity Type: | Limited Liability Partnership: IDAHO | | |
| PROPERTY NUMBERS Total: 1 | | | |
| Property Type | Number | Word Mark | |
| Serial Number: | 77070353 | REDDROX VITAL HYDRATION | |
| CORRESPONDENCE DATA | | | |
| Fax Number: | (208)342-3829 | | |
| | <i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i> | | |
| Phone: | (208) 344-6000 | | |
| Email: | bfrazer@hawleytroxell.com | | |
| Correspondent Name: | Brad R. Frazer | | |
| Address Line 1: | 877 W. Main Street | | |
| Address Line 2: | Suite 1000 | | |
| Address Line 4: | Boise, IDAHO 83702 | | |
| ATTORNEY DOCKET NUMBER: | 44577-0001 | | |
| NAME OF SUBMITTER: | Brad R. Frazer, Attorney of Record | | |
| Signature: | /brad r frazer/ | | |

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**TRADEMARK
 REEL: 004036 FRAME: 0658**

Date:

08/03/2009

Total Attachments: 9

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT, dated effective the 31st day of July, 2009 (this "**Agreement**"), made by and between **REDDROX, INC.**, an Idaho corporation (the "**Debtor**") and **HAWLEY TROXELL ENNIS & HAWLEY LLP**, an Idaho limited liability partnership (the "**Secured Party**")

WITNESSETH:

WHEREAS, Secured Party has previously extended credit to Debtor in connection with professional services provided to Debtor by Secured Party. Secured Party has also expressed its willingness, but not obligation, to extend credit to Debtor from time to time in such amounts and at such times as determined by Secured Party, in its sole and absolute discretion, also in connection with professional services provided to Debtor by Secured Party, all on the terms and subject to the conditions set forth in that certain "Secured Promissory Note" dated as of the date herein (as may be amended, extended or replaced from time to time, the "**Promissory Note**"); and

WHEREAS, to induce Secured Party to extend such credit Debtor has agreed to pledge and to grant to Secured Party a security interest in and lien upon all of Debtor's Intellectual Property (as defined below) whether now existing or hereafter arising or acquired as security for the Obligations from time to time owing by the Debtor under the Promissory Note; and

WHEREAS, the Debtor is the owner of the entire right, title and interest in, to and under such Debtor's respective Intellectual Property listed on Schedule I hereto.

NOW, THEREFORE, in consideration of the premises and to induce Secured Party and the Lenders to enter into the Promissory Note, the Debtor hereby agrees with Secured Party as follows:

1. **Defined Terms.**

- (a) **Definitions.** Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided in the Promissory Note.
- (b) **Definitions of Certain Terms Used Herein.** As used herein, the following terms shall have the following meanings:

"Copyrights" shall mean, all of such Debtor's now existing or hereafter acquired right, title, and interest in and to: (i) copyrights, rights and interests in copyrights, works protectable by copyright, all applications, registrations and

recordings relating to the foregoing as may at any time be filed in the United States Copyright Office or in any similar office or agency of the United States, any State thereof, any political subdivision thereof or in any other country, and all research and development relating to the foregoing; and (ii) all renewals of any of the foregoing.

“Copyright Licenses” shall mean all agreements, whether written or oral, providing for the grant by or to the Debtor of any right to use any Copyright.

“Intellectual Property” shall mean all: (i) Trademarks and Trademark Licenses and all common-law rights in and to all of the foregoing; (ii) Patents and Patent Licenses; (iii) Copyrights and Copyright Licenses; (iv) all customer lists and customer information; (v) books, records, writings, computer tapes or disks, flow diagrams, specification sheets, computer software (but excluding in all cases any agreements for the licensing of commercially available off-the-shelf software), source codes, object codes, executable code, data, databases and other physical manifestations, embodiments or incorporations of any Trademark, Trademark License, Patent, Patent License, Copyright or Copyright License; and (vi) all other intellectual property throughout the world in and to all the foregoing.

“IP Collateral” shall have the meaning assigned to such term in Section 2 hereof.

“Licenses” shall mean, collectively, the Trademark Licenses, the Patent Licenses, and the Copyright Licenses.

“Obligations” shall mean the sums due and owing, or that shall become due and owing (and defined as the “Amount Due”) under the terms and conditions of that certain Promissory Note defined herein.

“Patents” shall mean all of such Debtor’s now existing or hereafter acquired right, title and interest in and to: (i) all patents, patent applications, inventions, invention disclosures and improvements, and all applications, registrations and recordings relating to the foregoing as may at any time be filed in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof, any political subdivision thereof or in any other country, and all research and development relating to the foregoing; and (ii) the reissues, divisions, continuations, renewals, extensions and continuations-in-part of any of the foregoing.

“Patent Licenses” shall mean all agreements, whether written or oral, providing for the grant by or to the Debtor of any right to manufacture, use or sell any invention covered by a Patent.

“Promissory Note” shall have the meaning assigned to such term in the preliminary statement of this Agreement.

“Trademarks” shall mean all of such Debtor’s now existing or hereafter acquired right, title, and interest in and to: (i) all of such Debtor’s 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 applications (but excluding in all cases all intent-to-use United States trademark applications for which an amendment to allege use or statement of use has not been filed under 15 U.S.C. § 1051(c) or 15 U.S.C. § 1051(d), respectively, or if filed, has not been deemed in conformance with 15 U.S.C. § 1051(a) or examined and accepted, respectively, by the United States Patent and Trademark Office, *provided, that*, upon such filing and acceptance, such intent-to-use applications shall be included in the definition of Trademarks), registrations and recordings relating to the foregoing as may at any time be filed in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof, any political subdivision thereof or in any other country, and all research and development relating to the foregoing; (ii) all renewals thereof; (iii) the entire goodwill of the such Debtor’s business connected with and symbolized by the foregoing or the use thereof; and (iv) all designs and general intangibles of a like nature.

“Trademark Licenses” shall mean all agreements, whether written or oral, providing for the grant by or to the Debtor of any right to use any Trademark.

(c) **Other Definitional Provisions.**

- i. The words “hereof,” “herein” and “hereunder” and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement and section and paragraph references are to this Agreement unless otherwise specified.
- ii. The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

2. **Grant of Security Interest.** To secure the payment and performance of the Obligations, the Debtor hereby confirms and acknowledges that it has granted (and, to the extent not previously granted under the Promissory Note, does hereby grant) to Secured Party, a lien and security interest in such Debtor’s entire right, title and interest in its respective Intellectual Property (except to the extent any Intellectual Property License prohibits such grant or requires the consent of any third party) and all proprietary rights relating to or arising from such Intellectual Property, in each case whether now owned or hereafter acquired by such Debtor, and including, without limitation, each Debtor’s right, title and interest in and to each Intellectual Property and proprietary rights identified on Schedule I attached hereto and made a part hereof, and the right to sue for past, present and future infringements and dilutions, and all rights corresponding thereto throughout the world, and the entire goodwill of such Debtor’s business connected with and symbolized by the Intellectual Property and all income, fees, royalties, proceeds and

other payments at any time due or payable with respect to any of the foregoing (referred to collectively as the “IP Collateral”).

3. **Protection of Intellectual Property by Debtor.** The Debtor shall, at its sole cost, expense and risk, to the extent the Debtor deem necessary in their good faith business judgment, in connection with the operation of their business, undertake the following with respect to the Intellectual Property:

- (a) Pay all renewal fees and other fees and costs associated with maintaining the Intellectual Property and with the processing of the Intellectual Property and take all other reasonable and necessary steps to maintain each registration of the Intellectual Property.
- (b) Take all actions reasonably necessary to prevent any of the Intellectual Property from becoming forfeited, abandoned, dedicated to the public, invalidated or impaired in any way.
- (c) Pursue the prompt, diligent processing of each application for registration, which is the subject of the security interest created herein, and not abandon or delay any such efforts.
- (d) Take any and all action that the Debtor reasonably deem appropriate under the circumstances to protect the Intellectual Property from infringement, misappropriation or dilution, including, without limitation, the prosecution and defense of infringement actions.

4. **Representations and Warranties.** The Debtor represents and warrants that:

- (a) Schedule I is a true, correct and complete list of all registered or applied for Intellectual Property owned by the Debtor as of the date hereof.
- (b) Except as set forth in Schedule I, none of the Intellectual Property identified on Schedule I is the subject of any licensing or franchise agreement pursuant to which any Debtor is the licensor or franchisor.
- (c) The Intellectual Property identified on Schedule I hereto, is valid and enforceable, and to the Debtor’s knowledge: (i) no claim has been made that the use of any of the Intellectual Property does or may violate the rights of any third person; and (ii) no material claim has been asserted and is pending by any Person challenging or questioning the use by the Debtor of any of the Intellectual Property owned by the Debtor or the validity or effectiveness of any of the Intellectual Property owned by the Debtor, nor does the Debtor know of any valid basis for any such claim, in each case.
- (d) Except as could not be reasonably expected to result in a Material Adverse Change, the Debtor owns, or is licensed to use, all Intellectual Property necessary for the conduct of its business as currently conducted, and such

Debtor is the sole and exclusive owner of the entire right, title and interest in, under and to, free and clear of any liens, charges and encumbrances.

- (e) To the knowledge of the Debtor, no holding, decision or judgment has been rendered by any governmental authority which would limit, cancel or question the validity of, the Debtor's rights in, any Intellectual Property set forth on Schedule I in any respect that could reasonably be expected to result in a Material Adverse Change with respect to the business or the property of the Debtor.
- (f) The Debtor has the legal right and authority to enter into this Agreement and perform its terms.
- (g) The Debtor shall give Secured Party written notice (with reasonable detail) on a quarterly basis in the event any of the following occur:
 - i. The Debtor obtaining rights to and filing applications for registration of, any new Intellectual Property, or otherwise acquiring ownership of any newly registered Intellectual Property.
 - ii. The Debtor becoming entitled to the benefit of any registered Intellectual Property whether as licensee or licensor.
 - iii. The Debtor entering into any new Licenses, excluding "off-the-shelf" software or similar immaterial licenses.
 - iv. The Debtor shall give Secured Party written notice (with reasonable detail) following the occurrence of the Debtor's knowing or having reason to know, that any application or registration relating to any material Intellectual Property may become forfeited, abandoned or dedicated to the public, or of any adverse determination or development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office or any court or tribunal) regarding the Debtor's ownership of, or the validity of, any material Intellectual Property or the Debtor's right to register the same or to own and maintain the same.
- (h) If the Debtor amends its name, such Debtor shall provide copies of such amendment documentation to Secured Party and shall re-register such Debtor's Intellectual Property with the appropriate governmental authority and shall execute and deliver such agreements or documentation as Secured Party shall request to maintain a perfected security interest in such Intellectual Property, to the extent such security interest can be perfected by such filing.

5. **No Violation of Promissory Note.** The representations, warranties or covenants contained herein are supplemental to those representations, warranties and covenants contained in the Promissory Note, and shall not be deemed to modify any such representation, warranty or covenant contained in the Promissory Note.

6. **Agreement Applies to Future Intellectual Property.**

- (a) The provisions of this Agreement shall automatically apply to any such additional property or rights described in Section 4 above, all of which shall be deemed to be and treated as “Intellectual Property” within the meaning of this Agreement.
- (b) Upon the reasonable request of Secured Party, the Debtor shall execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as Secured Party may request to evidence Secured Party’s security interest in any Intellectual Property and the goodwill of the Debtor relating thereto or represented thereby (including, without limitation, filings with the United States Patent and Trademark Office or any similar office), and the Debtor hereby constitutes Secured Party as its attorney-in-fact to execute and file all such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; *provided, however*, Secured Party’s taking of such action shall not be a condition to the creation or perfection of the security interest created hereby.

7. **Debtor’s Rights To Enforce Intellectual Property.** Prior to Secured Party’s giving of notice to the Debtor following the occurrence and during the continuance of an Event of Default the Debtor shall have the exclusive right to sue for past, present and future infringement of the Intellectual Property including the right to seek injunctions and/or money damages, in an effort by the Debtor to protect the Intellectual Property against encroachment by third parties, provided:

- (a) Any money damages awarded or received by the Debtor on account of such suit (or the threat of such suit) shall constitute IP Collateral.
- (b) Any damages recovered in any action pursuant to this Section, net of costs and attorneys’ fees reasonably incurred, to be applied as provided in the Promissory Note, as applicable.
- (c) Following the occurrence and during the continuance of any Event of Default, Secured Party, by notice to the Debtor may terminate or limit the Debtor’s rights under this Section 7.

8. **Secured Party’s Actions To Protect Intellectual Property.** Upon the occurrence and continuance of any Event of Default, Secured Party, acting in its own name or in that of the Debtor, may (but shall not be required to) act in the Debtor’s place

and stead and/or in Secured Party's own right with respect to the rights and Obligations of the Debtor under Section 3, Section 6 and Section 7 hereof.

9. **Rights Upon Default.** Upon the occurrence and during the continuance of any Event of Default, Secured Party may exercise all rights and remedies as provided for in the Promissory Note.

10. **Secured Party as Attorney In Fact.**

- (a) The Debtor hereby irrevocably constitutes and designates Secured Party as and for the Debtor's attorney in fact, effective following the occurrence and during the continuance of an Event of Default:
 - i. To supplement and amend from time to time Schedule I of this Agreement to include any new or additional Intellectual Property of the Debtor.
 - ii. To exercise any of the rights and powers referenced herein.
- (b) The within grant of a power of attorney, being coupled with an interest, shall be irrevocable until this Agreement is terminated by a duly authorized officer of Secured Party.
- (c) Secured Party shall not be obligated to do any of the acts or to exercise any of the powers authorized by Section 8 or Section 10, but if Secured Party elects to do any such act or to exercise any of such powers, it shall not be accountable for more than it actually receives as a result of such exercise of power, and shall not be responsible to any Debtor for any act or omission to act except for any act or omission to act as to which there is a final determination made in a judicial proceeding (in which proceeding Secured Party has had an opportunity to be heard) which determination includes a specific finding that the subject act or omission to act had been negligent or in actual bad faith.

11. **Secured Party's Rights.** Upon an Event of Default and during the continuance thereof, any use by Secured Party of the Intellectual Property, as authorized hereunder in connection with the exercise of Secured Party's rights and remedies under this Agreement and under the Promissory Note shall be coextensive with the Debtor's rights thereunder and with respect thereto and without any liability for royalties or other related charges.

12. **No Limitation; Promissory Note.** This Agreement has been executed and delivered by the Debtor for the purpose of recording the security interest granted to Secured Party with respect to the IP Collateral with the UCC Division of the Idaho Secretary of State's Office and the United States Patent and Trademark Office. By signing this Agreement, Debtor hereby consents to such recordation of the security interests granted herein to the Secured Party, together with such other forms as may

evidence the existence of this Agreement. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to Secured Party under the Promissory Note. The Promissory Note (and all rights and remedies of the Debtor and Secured Party) shall remain in full force and effect in accordance with its terms. In the event of a conflict between this Agreement and the Promissory Note, the terms of this Agreement shall control with respect to the IP Collateral and the Promissory Note with respect to any other Collateral.

13. **Termination; Release of Trademark Collateral.** This Agreement and all obligations of the Debtor and Secured Party hereunder shall terminate on the date upon which the Obligations are performed in full and paid in full in cash in accordance with the Promissory Note and the Promissory Note and other Loan Documents are terminated in accordance with the terms of the Promissory Note. Upon termination of this Agreement, Secured Party shall, at the expense of the Debtor, take such actions required by the Promissory Note to release its security interest in the IP Collateral.

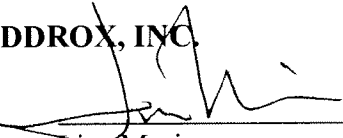
14. **Binding Effect; Benefits.** This Agreement shall be binding upon the Debtor and its respective successors and assigns, and shall inure to the benefit of Secured Party and its respective successors and assigns.

15. **GOVERNING LAW.** THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF IDAHO.

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be executed by its duly authorized representatives as of the date first above written.

“DEBTOR”

REDDROX, INC.

By:  _____

Name: Lisa Marie
(aka Lisa Marie Goold)

Its: President

“SECURED PARTY”

HAWLEY TROXELL ENNIS & HAWLEY LLP

By:  _____

Name: Russell Can _____

Its: Of Counsel _____

Schedule I

[TO BE SUPPLEMENTED BY DEBTOR]

U.S. Trademark Applications and Registrations

| Mark | Serial and /or Registration Number | Filing and/or Registration Date |
|-------------------------|---|--|
| REDDROX VITAL HYDRATION | SN: 77070353 | December 27, 2006 |

U.S. Copyright Applications and Registrations

NONE

U.S. Patent Applications and Registrations

NONE

U.S. Domain Name Registration

| Domain Name |
|---|
| http://www.reddrox.com |
| http://www.facebook.com/pages/ReddRox/55705508948 |