

TRADEMARK ASSIGNMENT

Electronic 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
Elements Behavioral Health, Inc.		11/01/2011	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	Madison Capital Funding LLC, as Agent		
Street Address:	30 South Wacker Drive, Suite 3700		
City:	Chicago		
State/Country:	ILLINOIS		
Postal Code:	60606		
Entity Type:	LIMITED LIABILITY COMPANY: DELAWARE		
PROPERTY NUMBERS Total: 4			
Property Type	Number	Word Mark	
Serial Number:	85375516	THE RANCH	
Registration Number:	3825889	ELEMENTS BEHAVIORAL HEALTH	
Registration Number:	3825890	ELEMENTS BEHAVIORAL HEALTH	
Serial Number:	85434812	SRI SEXUAL RECOVERY INSTITUTE	
CORRESPONDENCE DATA			
Fax Number:	(312)902-1061		
Phone:	312.577.8034		
Email:	oscar.ruiz@kattenlaw.com		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>			
Correspondent Name:	Oscar Ruiz c/o Katten Muchin Rosenman		
Address Line 1:	525 West Monroe Street		
Address Line 4:	Chicago, ILLINOIS 60661		
ATTORNEY DOCKET NUMBER:		214338-58	
NAME OF SUBMITTER:		Oscar Ruiz	

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Signature:	/Oscar Ruiz/
Date:	11/01/2011
Total Attachments: 5 source=Trademark Security Agreement - Elements#page1.tif source=Trademark Security Agreement - Elements#page2.tif source=Trademark Security Agreement - Elements#page3.tif source=Trademark Security Agreement - Elements#page4.tif source=Trademark Security Agreement - Elements#page5.tif	

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (this "**Agreement**") made as of this 1st day of November, 2011 by ELEMENTS BEHAVIORAL HEALTH, INC., a Delaware corporation ("**Grantor**"), in favor of MADISON CAPITAL FUNDING LLC, in its capacity as Agent for the Lenders (as defined in the Credit Agreement referenced below) (in such capacity, "**Grantee**"):

W I T N E S S E T H

WHEREAS, Grantor, Westside Sober Living Centers, Inc., The Ranch on the Piney River, Inc., The Sexual Recovery Institute, Inc., EBH Acquisition Subsidiary, Inc. (the foregoing, collectively, the "**Borrowers**"), Grantor, as Borrower Representative, the financial institutions party thereto from time to time as Lenders and Grantee, as Agent, have entered into a certain Credit Agreement dated as of November 1, 2011 (as amended, restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**"), pursuant to which Grantee and Lenders have agreed, subject to the terms and conditions thereof, to make certain loans to, and other credit accommodations in favor of, the Borrowers.

WHEREAS, pursuant to the terms of a certain Guarantee and Collateral Agreement of even date herewith among Grantee, Grantor and the other Loan Parties party thereto (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "**Guarantee and Collateral Agreement**"), Grantor has granted to Grantee, for its benefit and the benefit of Lenders, a security interest and lien upon substantially all assets of Grantor, including all right, title and interest of Grantor in, to and under all now owned and hereafter acquired Trademarks (as defined in the Guarantee and Collateral Agreement including registrations and applications therefor), together with the goodwill of the business symbolized by Grantor's Trademarks, and all products and proceeds thereof, to secure the payment of the Obligations (as defined in the Credit Agreement).

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, Grantor agrees as follows:

1. Incorporation of Credit Agreement and Guarantee and Collateral Agreement. The Credit Agreement and Guarantee and Collateral Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All capitalized terms used herein but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Guarantee and Collateral Agreement.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the payment and performance of the Obligations, Grantor hereby grants to Grantee, for its benefit and the benefit of Lenders, and hereby reaffirms its prior grant pursuant to the Guarantee and Collateral Agreement of, a continuing security interest in Grantor's entire right, title and interest in and to the following (all of the following items or types of property being herein collectively referred to as the "**Trademark Collateral**"), whether now owned or existing or hereafter created, acquired or arising:

- (i.) each Trademark listed on Schedule A annexed hereto, together with any reissues, continuations or extensions thereof, and all of the goodwill of the business connected with the use of, and symbolized by, each such Trademark; and
- (ii.) all products and proceeds of the foregoing, including without limitation, any claim by Grantor against third parties for past, present or future (a) infringement or dilution of each such Trademark, or (b) injury to the goodwill associated with each such Trademark.

3. Intent-To-Use Trademarks. Notwithstanding the foregoing, and solely to the extent that, and solely during the period in which, the grant of a security interest therein would impair the validity or enforceability of any registration that issues from such intent-to-use application under applicable federal law, the Trademark Collateral shall not include any 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 Trademark Collateral and automatically subject to the security interest granted herein.


4. Governing Law. This Agreement shall be a contract made under and governed by the internal laws of the State of New York applicable to contracts made and to be performed entirely within such State, without regard to conflicts of laws principles.

5. Loan Document. This Agreement shall constitute a Loan Document.

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

ELEMENTS BEHAVIORAL HEALTH, INC.,
a Delaware corporation

By: 
Name: DAVID SACK
Title: CEO

**Agreed and Accepted
As of the Date First Written Above:**

**MADISON CAPITAL FUNDING LLC,
as Agent**

By: 

Name: Faraaz Karim

Its: Director

Schedule A

United States Federal Trademark Registrations and Applications

Mark	Application No.	Application Date	Registration No.	Registration Date	Owner/Applicant
THE RANCH	85375516	7/22/11			Elements Behavioral Health, Inc.
ELEMENTS BEHAVIORAL HEALTH	77607251	11/4/08	3825889	7/27/10	Elements Behavioral Health, Inc.
ELEMENTS BEHAVIORAL HEALTH	77607257	11/4/08	3825890	7/27/10	Elements Behavioral Health, Inc.
SRI SEXUAL RECOVERY INSTITUTE SRI LOGO	85434812	9/28/11			Elements Behavioral Health, Inc.

Foreign Trademark Registrations and Applications

Mark	Application No.	Registration No.	Country	Owner/Applicant
PROMISES	2986924		Argentina	Elements Behavioral Health, Inc.
PROMISES	1351522	1351522	Australia	Elements Behavioral Health, Inc.
PROMISES	830581537		Brazil	Elements Behavioral Health, Inc.
PROMISES	1478439		Canada	Elements Behavioral Health, Inc.
PROMISES	8960271		European Community	Elements Behavioral Health, Inc.