

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
Cleveland Whiskey LLC		06/27/2012	LIMITED LIABILITY COMPANY: OHIO

RECEIVING PARTY DATA

Name:	E Capital Management LLC
Street Address:	1025 Bridge Street
City:	Ashtabula
State/Country:	OHIO
Postal Code:	44004
Entity Type:	LIMITED LIABILITY COMPANY: OHIO

PROPERTY NUMBERS Total: 11

Property Type	Number	Word Mark
Serial Number:	85592075	CLEVELAND
Serial Number:	85592068	HERESY
Serial Number:	85592066	BLASPHEMY
Serial Number:	85592064	SABOTAGE
Serial Number:	85592063	DAMNED
Serial Number:	85592062	SACRILEGE
Serial Number:	85435354	WRY
Serial Number:	85126322	PRESSURE-AGED
Serial Number:	85465378	CHRISTMAS WHISKEY
Serial Number:	85465375	CLEVELAND
Serial Number:	85435329	CLEVELAND TEA

CORRESPONDENCE DATA

Fax Number:

**900229966**

**TRADEMARK**  
**REEL: 004833 FRAME: 0938**

OP \$290.00 85592075

*Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.*

Phone: 216-736-7218  
Email: drp@kjk.com  
Correspondent Name: David R. Posteraro  
Address Line 1: 1375 East Ninth Street  
Address Line 2: 20th Floor  
Address Line 4: Cleveland, OHIO 44114-1793

ATTORNEY DOCKET NUMBER:	11660.001
NAME OF SUBMITTER:	David R. Posteraro
Signature:	/David R. Posteraro/
Date:	08/01/2012

**Total Attachments: 13**

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## INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (the "*IP Security Agreement*"), dated June 12, 2012, is entered into by and among: Cleveland Whiskey LLC, an Ohio limited liability company (the "*Borrower*"); Thomas Lix, an individual ("*Lix*"); and E Capital Management, LLC, an Ohio limited liability company (the "*Lender*"). The Borrower and Lix may hereinafter be referred to as a "*Pledgor*" and collectively as the "*Pledgors*".

### WITNESSETH:

WHEREAS, this IP Security Agreement is being delivered by the Borrower and Lix in connection with the Borrower's initial offering (the "*Offering*") of a Secured Convertible Promissory Note (the "*Convertible Note*") to Lender in connection with that certain Secured Convertible Note and Warrant Purchase Agreement (the "*Purchase Agreement*") and the related Warrant to Purchase Membership Interests (the "*Warrant*"). Any capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Purchase Agreement.

WHEREAS, pursuant to the Convertible Note (as the same may be hereafter amended, restated, modified or supplemented from time to time) and all other obligations of the Borrower evidenced thereby, the Lender has agreed to provide certain loans to the Borrower, and the Pledgors have agreed, among other things, to grant a security interest to the Borrower in certain intellectual property as security for such loans and other obligations as more fully described herein.

NOW, THEREFORE, intending to be legally bound hereby, the parties hereto agree as follows:

1. **Defined Terms.** Where applicable and except as otherwise expressly provided herein, terms used herein (whether or not capitalized) shall have the respective meanings assigned to them in the Uniform Commercial Code as enacted in the State of Ohio, as amended from time to time.

- (a) "*Assignment*" shall mean an Assignment in the form of Exhibit A hereto.
- (b) "*Collateral*" shall mean, collectively, all of each of the Pledgor's existing and future Intellectual Property.
- (c) "*Event of Default*" shall mean an event or condition that constitutes an event of default pursuant to Section 7 hereof.
- (d) "*Person(s)*" shall mean any individual, sole proprietorship, partnership, joint venture, unincorporated organization, corporation, limited liability company, institution, trust, estate, government or other agency or political subdivision thereof or any other entity.
- (e) "*Debt*" shall mean and include all obligations and, without limiting the generality of the foregoing, all loans, obligations, liabilities, and indebtedness from time to

time of the Borrower under or in connection with the Convertible Note, the Purchase Agreement or any other loan document, whether for principal, interest, fees, indemnities, expenses, or otherwise, and all extensions, renewals, refinancings or refundings thereof, in whole or in part, whether such obligations, liabilities, or indebtedness are direct or indirect, secured or unsecured, joint or several, absolute or contingent, due or to become due, whether for payment or performance, now existing or hereafter arising (and including obligations, liabilities, and indebtedness arising or accruing after the commencement of any bankruptcy, insolvency, reorganization, or similar proceeding with respect to the Borrower or Lix, or which would have arisen or accrued but for the commencement of such proceeding, even if the claim for such obligation, liability, or indebtedness is not enforceable or allowable in such proceeding, and including all obligations, liabilities, and indebtedness arising from any extensions of credit under or in connection with the Convertible Note from time to time, regardless whether any such extensions of credit are in excess of the amount committed under or contemplated by the Convertible Note or the Purchase Agreement or the Warrant or are made in circumstances in which any condition to extension of credit is not satisfied). Without limitation of the foregoing, any of the Debt shall be and remain Debt entitled to the benefit of this IP Security Agreement even if the Lender, or any of their respective affiliates (or any of their respective assignees or transferees) from time to time assigns or otherwise transfers all or any portion of its rights and obligations under the Convertible Note or the Purchase Agreement, or any other Debt, to any other Person.

- (f) "**Intellectual Property**" shall mean and include all present and future right, title and interest in and to, and all of, the following: (i) all inventions and patentable matter, improvements, enhancements and modifications thereto, whether or not a patent has been issued with respect to such matter, patent applications (including provisional applications), patents, and all foreign counterparts thereto; (ii) all trademarks, service marks, trade names, trademark and service mark applications and registrations; (iii) all copyrights, and any work of authorship in which a copyright may subsist, and all applications and registrations therefore; (iv) all domain names; and (v) all technical data, know-how and other information that may be protected as a "trade secret" under the Uniform Trade Secrets Act as adopted in Ohio (Ohio Rev. Code § 1333.61) and, with respect to all of the foregoing, whether now owned or hereafter acquired by any Pledgor, including, without limitation, those listed on Schedule A hereto, including all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), all goodwill in each of the foregoing, the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all reissues, divisions, continuations, reexaminations, renewals, extensions and continuations-in-part thereof, and the goodwill of the business to which any of such Intellectual Property relate.

2. **Grant.** To secure the full payment and performance of all Debt, each Pledgor hereby grants and conveys a security interest to the Lender in the entire right, title and interest of such Pledgor in and to all of its Collateral.

**3. Covenants and Warranties of Pledgors.** Each Pledgor, jointly and severally, covenants and warrants that:

- (a) The Intellectual Property set forth on Schedule A is subsisting and has not been adjudged invalid or unenforceable, in whole or in part, and to the best of each Pledgor's knowledge, the other Intellectual Property is subsisting and has not been adjudged invalid or unenforceable, in whole or in part;
- (b) to the best of such Pledgor's knowledge, the Intellectual Property is valid and enforceable;
- (c) such Pledgor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of its Intellectual Property, free and clear of any liens, charges and encumbrances, except for those liens and encumbrances currently held by Cuyahoga County as shown in Exhibit B; including without limitation pledges, assignments, licenses, moral rights, shop rights and covenants by such Pledgor not to sue third Persons;
- (d) such Pledgor has the individual, corporate, limited liability company or partnership, as the case may be, power and authority to enter into this IP Security Agreement and perform its terms;
- (e) no claim has been made to such Pledgor or, to the knowledge of such Pledgor, any other Person that the use of any of the Intellectual Property does or may violate the rights of any third party;
- (f) such Pledgor has used, and will continue to use for the duration of this IP Security Agreement, consistent standards of quality in its manufacture of products sold under any Intellectual Property;
- (g) such Pledgor has used, and will continue to use for the duration of this IP Security Agreement, proper statutory notice in connection with its use of the Intellectual Property; and
- (h) such Pledgor shall permit the Lender, its officers, employees and Lenders to inspect all books and records related to the Intellectual Property.

**4. Covenants and Warranties of Borrower.** Borrower covenants and warrants that:

- (a) Borrower will not change its state of incorporation, formation or organization, as applicable without providing twenty (20) days prior written notice to the Lender;
- (b) Borrower will not change its name without providing twenty (20) days prior written notice to the Lender;
- (c) Borrower shall preserve its corporate, limited liability existence and shall not (i) in one, or a series of related transactions, merge into or consolidate with any other

entity, the survivor of which is not the Borrower, or (ii) sell all or substantially all of its assets.

**5. Further Agreements Prohibited.** Each Pledgor agrees that, until all of the Debt shall have been indefeasibly satisfied in full, it and/or he will not enter into any agreement (for example, a license agreement) which is inconsistent with such Pledgor's obligations under this IP Security Agreement, without the Lender's prior written consent which shall not be unreasonably withheld, except such Pledgor may license technology in the ordinary course of business without the Lender's consent to suppliers and customers to facilitate the manufacture and use of such Pledgor's products and the provision of such Pledgor's services.

**6. New Intellectual Property.** If, before the Debt shall have been indefeasibly satisfied in full, any Pledgor shall develop, own or acquire any new Intellectual Property related to the present or future business of the Company including without limitation any new Intellectual Property in the field of fermentation, distillation and/or the manufacture, production, or delivery of alcohol, intoxicating liquors or distilled spirits, the provisions of this IP Security Agreement shall automatically apply thereto. Such Pledgor shall give to the Lender prompt notice in writing of any such new Intellectual Property. Each Pledgor and the Lender agree to modify this IP Security Agreement by amending Schedule A to include any such new Intellectual Property and the provisions of this IP Security Agreement shall apply thereto.

**7. Event of Default.**

- (a) The occurrence of any of the following shall constitute an "Event of Default" under this IP Security Agreement: (i) if an Event of Default shall occur under the Convertible Note or the Purchase Agreement; (ii) if Pledgors shall fail to perform any obligation of Pledgors to be performed under this IP Security Agreement and that failure shall not have been fully corrected within thirty (30) days after the giving of written notice thereof to Pledgors by Lender that the specified failure is to be remedied; (iii) the falsity, inaccuracy or material breach by Pledgors of any written warranty, representation or statement made or furnished to Lender or by or on behalf of Pledgors, or (iv) the failure to have perfected a first priority security interest in the Collateral.
- (b) Each Pledgor expressly acknowledges that Lender shall record this IP Security Agreement with the United States Patent and Trademark Office in Washington, D.C. Contemporaneously herewith, each Pledgor shall also execute and deliver to Lender the Assignment, which Assignment shall have no force and effect and shall be held by Lender, in escrow, until the occurrence and during the continuance of an Event of Default; provided that, anything herein to the contrary notwithstanding, the security interest granted herein shall be effective as of the date of this IP Security Agreement. After the occurrence of an Event of Default (unless such Event of Default has been cured or waived prior to Lender providing the notice provided for in this Section 7), the Assignment shall take effect immediately upon certification of such fact by an authorized officer of Lender in the form attached as Exhibit A hereto and upon written notice to Pledgors and thereafter Lender may, in its sole discretion, record the Assignment with the

United States Patent and Trademark Office and/or the United States Copyright Office.

- (c) If an Event of Default shall occur, each Pledgor irrevocably authorizes and empowers Lender to terminate each Pledgor's use of the Collateral and to exercise such rights and remedies as allowed by law. Without limiting the generality of the foregoing, Lender may immediately sell at public or private sale, in a commercially reasonable manner, or otherwise realize upon all or, from time to time, any of the Collateral together with the associated goodwill, or any interest that any Pledgor may have therein, and, after deducting from the proceeds of sale or other disposition of the Collateral all commercially reasonable expenses (including all reasonable expenses for attorneys' and brokers' fees and other legal services), Lender shall apply such proceeds against payment of the Debt. Any remainder of the proceeds, after payment in full of the Debt, shall be paid to Pledgors. At any such sale or other disposition, Lender may, to the extent permissible under applicable law, purchase the whole or any part of the Collateral sold, free from any right of redemption on the part of Pledgors, which right is hereby waived and released.

**8. Rights and Remedies of Lender.** The Lender shall have, in addition to all other rights and remedies given it by this IP Security Agreement and those rights and remedies set forth in the Convertible Note and the Purchase Agreement, those allowed by applicable law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Intellectual Property may be located and, without limiting the generality of the foregoing, if an Event of Default has occurred and is continuing, the Lender may immediately, without demand of performance and without other notice (except as set forth below) or demand whatsoever to any Pledgor, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, in a city that the Lender shall designate by notice to the Pledgors, in Cleveland, Ohio or elsewhere, the whole, or from time to time any part of, the Collateral, or any interest which such Pledgor may have therein.

**9. Power of Attorney.** Each Pledgor hereby authorizes and empowers the Lender to make, constitute and appoint any officer of the Lender, as the Lender may select in its exclusive discretion, as such Pledgor's true and lawful attorney-in-fact, with the power to endorse such Pledgor's name on all applications, documents, papers and instruments necessary for the Lender to use the Collateral, or to grant or issue, on commercially reasonable terms, any exclusive or nonexclusive license under the Intellectual Property in the Collateral to any third Person, or necessary for the Lender to assign, pledge, convey or otherwise transfer title in or dispose, on commercially reasonable terms, of the Intellectual Property in the Collateral to any third Person; provided, however, that the Lender agrees not to exercise the foregoing power until after the occurrence of an Event of Default. Each Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable for the term of this IP Security Agreement.

**10. Termination.** At such time as the Pledgors shall have indefeasibly paid in full all of the Debt, this IP Security Agreement shall terminate and the Lender shall execute and deliver

to the applicable Pledgor all deeds, assignments and other instruments as may be necessary or proper to remove the Lender's security interest in the Collateral, subject to any disposition thereof which may have been made by the Lender pursuant hereto.

**11. Prosecution of Intellectual Property.** Until the Debt shall have been indefeasibly paid in full, each Pledgor shall have the duty, through counsel reasonably acceptable to the Lender, to prosecute diligently any and all patent, trademark, service mark or copyright applications for the Intellectual Property in the Collateral pending as of the date of this IP Security Agreement or in the future with respect to any Intellectual Property subject to Section 6 above, if commercially reasonable to make application on unpatented but patentable inventions (whenever it is commercially reasonable in the reasonable judgment of such Pledgor to do so) and to preserve and maintain all rights in patent applications and patents included in the Collateral, including without limitation the payment of all maintenance fees. Any expenses incurred in connection with such an application shall be borne by the Pledgors. No Pledgor shall abandon any of the Collateral without the consent of the Lender, which shall not be unreasonably withheld.

**12. Enforcement of Intellectual Property.** Each Pledgor shall have the right, with the consent of the Lender, which shall not be unreasonably withheld, to bring suit, action or other proceeding in its or his own name, and to join the Lender, if necessary, as a party to such suit so long as the Lender is satisfied that such joinder will not subject it to any risk of liability, to enforce the Intellectual Property in the Collateral and any licenses thereunder. Each Pledgor shall promptly, upon demand, reimburse and indemnify the Lender for all damages, costs and expenses, including reasonable legal fees, incurred by the Lender as a result of such suit or joinder by such Pledgor.

**13. No Waiver.** No course of dealing between the Pledgors and the Lender, nor any failure to exercise, nor any delay in exercising, on the part of the Lender, any right, power or privilege hereunder or under the Convertible Note or the Purchase Agreement shall operate as a waiver of such right, power or privilege, 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.

**14. Cumulative Rights.** All of the Lender's rights and remedies with respect to the Intellectual Property in the Collateral, whether established hereby or by the Convertible Note or the Purchase Agreement or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently.

**15. Joint and Several Obligations.** Each of the obligations of each Pledgor under this IP Security Agreement is joint and several and the Lender hereby reserve all rights the Lender has against each Pledgor. The Lender may, in its sole discretion, elect to enforce this IP Security Agreement against either Pledgor and such an election by the Lender shall not be a defense to any action the Lender may elect to take against either Pledgor.

**16. Severability.** The provisions of this IP 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 clause or provision of this IP Security Agreement in any jurisdiction.

17. **Modifications.** This IP Security Agreement is subject to modification only by a writing signed by the parties, except as provided in Section 5.

18. **Benefit.** The benefits and burdens of this IP Security Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties, provided, however, that neither Pledgor may assign or transfer any of its rights or obligations hereunder or any interest herein and any such purported assignment or transfer shall be null and void.

19. **Governing Law.** This IP Security Agreement shall be governed by and construed in accordance with the internal Laws of the State of Ohio without regard to its conflicts of law principles.

20. **JURISDICTION AND VENUE.** EACH PLEDGOR IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS INTELLECTUAL PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF OHIO SITTING IN CUYAHOGA COUNTY AND OF THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF OHIO, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS IP SECURITY AGREEMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH OHIO STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS IP SECURITY AGREEMENT OR IN THE CONVERTIBLE NOTE OR THE PURCHASE AGREEMENT SHALL AFFECT ANY RIGHT THAT THE LENDER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS IP SECURITY AGREEMENT OR THE CONVERTIBLE NOTE OR THE PURCHASE AGREEMENT AGAINST ANY PLEDGOR OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION. EACH PLEDGOR IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS IP SECURITY AGREEMENT OR THE CONVERTIBLE NOTE OR THE PURCHASE AGREEMENT IN ANY COURT REFERRED TO IN THIS SECTION 20. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT AND AGREES NOT ASSERT ANY SUCH DEFENSE.

**21. Counterparts.** This IP Security Agreement may be executed in any number of counterparts, and by different parties hereto in separate counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same instrument. Each Pledgor acknowledges and agrees that a telecopy or electronic pdf transmission to the Lender of the signature pages hereof purporting to be signed on behalf of any Pledgor shall constitute effective and binding execution and delivery hereof by such Pledgor.

**22. WAIVER OF JURY TRIAL.** EXCEPT AS PROHIBITED BY LAW, EACH PLEDGOR HEREBY WAIVES ANY RIGHT IT OR HE MAY HAVE TO A TRIAL BY A JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS IP SECURITY AGREEMENT OR ANY OTHER DOCUMENTS OR TRANSACTIONS RELATING THERETO.

**23. Notices.** All notices, requests, demands, directions and other communications (collectively, "*notices*") given to or made upon any party hereto under the provisions of this IP Security Agreement shall be as set forth in Section 10(i) of the Purchase Agreement.

**24. Inspection.** Each Pledgor acknowledges and agrees that, in addition to the other rights of the Lender hereunder and under the other Loan Documents, because the Lender's remedies at law for failure of such Pledgor to comply with the provisions hereof relating to the Lender's rights (i) to inspect the books and records related to the pledged Intellectual Property, (ii) to receive the various notifications such Pledgor is required to deliver hereunder, (iii) to obtain copies of agreements and documents as provided herein with respect to the pledged Intellectual Property, (iv) to enforce the provisions hereof pursuant to which the such Pledgor has appointed the Lender its attorney-in-fact, and (v) to enforce the Lender's remedies hereunder, would be inadequate and that any such failure would not be adequately compensable in damages, such Pledgor agrees that each such provision hereof may be specifically enforced.


**Each Pledgor acknowledges that it has read and understood all the provisions of this IP Security Agreement, including the waiver of jury trial, and has been advised by counsel as necessary or appropriate.**

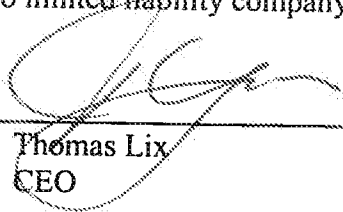
IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties hereto have caused this IP Security Agreement to be executed by their respective officers or Lenders thereunto duly authorized, as of the date first above written.

**PLEDGORS:**


CLEVELAND WHISKEY LLC,  
an Ohio limited liability company

ATTEST:

By:   
Name: Joseph K. Croder  
Title: Manager

By:   
Name: Thomas Lix  
Title: CEO

ATTEST:

By:   
Name: Joseph K. Croder  
Title: Manager

Thomas Lix  


**SCHEDULE A**  
**TO**  
**IP SECURITY AGREEMENT**

LIST OF PATENTS, PATENT APPLICATIONS, TRADEMARKS, TRADEMARK  
APPLICATION, TRADE NAMES, DOMAIN NAMES AND COPYRIGHTS

**PATENT APPLICATIONS**

<b>TITLE</b>	<b>APPLICATION NUMBER</b>
WHISKEY MAKING METHOD	US 61/247,539
WHISKEY MAKING METHOD	PCT/2010/048259
WHISKEY MAKING METHOD	US 61/391,138
WHISKEY MAKING METHOD	US 13/253,072

**TRADEMARKS**

<b>SERIAL NUMBER</b>	<b>MARK</b>
85592075	CLEVELAND
85592068	HERESY
85592066	BLASPHEMY
85592064	SABOTAGE
85592063	DAMNED
85592062	SACRILEGE
85435354	WRY
85126322	PRESSURE-AGED
85465378	CHRISTMAS WHISKEY
85465375	CLEVELAND
85435329	CLEVELAND TEA

EXHIBIT A

TO  
IP SECURITY AGREEMENT

ASSIGNMENT

BY SIGNING IN THE SPACE PROVIDED BELOW, THE UNDERSIGNED OFFICER OF LENDER CERTIFIES THAT AN EVENT OF DEFAULT (AS DEFINED IN THE IP SECURITY AGREEMENT) HAS OCCURRED AND IS CONTINUING AND THAT LENDER HAS ELECTED TO TAKE POSSESSION OF THE COLLATERAL (AS DEFINED BELOW) AND TO RECORD THIS DOCUMENT WITH THE UNITED STATES PATENT AND TRADEMARK OFFICE OR UNITED STATES COPYRIGHT OFFICE. UPON RECORDING OF THIS DOCUMENT WITH THE UNITED STATES PATENT AND TRADEMARK OFFICE OR UNITED STATES COPYRIGHT OFFICE, THIS LEGEND SHALL CEASE TO HAVE ANY FORCE OR EFFECT

By: \_\_\_\_\_  
Print: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

ASSIGNMENT

WHEREAS, CLEVELAND WHISKEY, LLC, an Ohio limited liability company ("**Pledgor**") is the owner of the Collateral, as hereinafter defined;

WHEREAS, Pledgor has executed an Intellectual Property Security Agreement, dated as of \_\_\_\_\_, 2012 (as the same may from time to time be amended, restated or otherwise modified, the "Agreement") in favor of E CAPITAL MANAGEMENT, LLC ("**Lender**"), pursuant to which Pledgor has granted to Lender a security interest in and contingent assignment of the Collateral as security for the Debt, as defined in the IP Security Agreement;

WHEREAS, the IP Security Agreement provides that the security interest in the Collateral is effective as of the date of the IP Security Agreement;

WHEREAS, the IP Security Agreement provides that this Assignment shall become effective upon the occurrence of an Event of Default, as defined in the IP Security Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and intending to be legally bound hereby, Pledgor, its successors and

assigns, subject to the limitations stated in the paragraph immediately following, does hereby transfer, assign and set over unto Lender, its successors, transferees and assigns, all of its existing and future (a) patents, patent applications, patent licenses, technology licenses, trademark registrations, trademark applications, trademark licenses, service mark registrations, service mark applications, service mark licenses, trade names, domain names, copyright registrations and copyright licenses, including, but not limited to, those listed on Schedule 1 hereto (as such Schedule 1 may from time to time be amended, supplemented or otherwise modified); (b) common law trademark and service mark rights, copyrights, improvements and inventions, trade secrets and know-how; (c) renewals, proceeds on infringement suits, and rights to sue for past, present and future infringements relating to any of the foregoing; (d) all goodwill associated with any of the foregoing; (e) royalties derived from any of the foregoing; and (f) any other proceeds of any of the foregoing (collectively, the "*Collateral*"), including, but not limited to, the Collateral listed on Schedule 1 hereto that is registered in the United States Patent and Trademark Office in Washington, D.C. or that is the subject of pending applications in the United States Patent and Trademark Office or is the subject of pending applications in the United States Copyright Office or is registered in the United States Copyright Office

This Assignment shall be effective only upon the certification of an authorized officer of Lender, as provided above, that (a) an Event of Default, as defined in the IP Security Agreement, has occurred and is continuing, and (b) Lender has elected to take actual title to the Collateral.

IN WITNESS WHEREOF, the undersigned has caused this Assignment to be executed by its duly authorized officer on \_\_\_\_\_, 20\_\_\_\_\_.

CLEVELAND WHISKEY LLC

By: \_\_\_\_\_  
Name:  
Title:

EXHIBIT B

TO  
IP SECURITY AGREEMENT

1. Loan Agreement dated August 9<sup>th</sup>, 2010 by and between Cleveland Whiskey LLC and the County of Cuyahoga, Ohio.
2. Loan Agreement dated June 16<sup>th</sup>, 2011 by and between Cleveland Whiskey LLC and the County of Cuyahoga, Ohio.