

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
ZERO TECHNOLOGIES, LLC		01/05/2012	LIMITED LIABILITY COMPANY: DELAWARE

RECEIVING PARTY DATA

Name:	Mr. Thomas Mendell
Street Address:	4510 Adams Circle
Internal Address:	c/o Zero Technologies, LLC
City:	Bensalem
State/Country:	PENNSYLVANIA
Postal Code:	19020
Entity Type:	INDIVIDUAL: UNITED STATES

Name:	Mr. Mukund Krishnaswami
Street Address:	4510 Adams Circle
Internal Address:	c/o Zero Technologies, LLC
City:	Bensalem
State/Country:	PENNSYLVANIA
Postal Code:	19020
Entity Type:	INDIVIDUAL: UNITED STATES

PROPERTY NUMBERS Total: 10

Property Type	Number	Word Mark
Registration Number:	2802616	ZEROWATER
Serial Number:	78727666	ZERO WATER
Registration Number:	3808042	ZEROWATER 0 0
Registration Number:	3455859	ZER000 WATER FOR WATER THAT'S ONLY WATER
Serial Number:	78883261	ZER000 WATER FOR WATER THAT'S ONLY WATER
Registration Number:	3808040	IF IT'S NOT ALL ZEROS - IT'S NOT ZEROWATER

CH \$265.00 2802616

Registration Number:	3463401	Z-PITCHER
Registration Number:	3502795	Z-DECANTER
Registration Number:	3569722	TAP IS BACK
Registration Number:	3383437	FOR WATER THAT'S ONLY WATER

CORRESPONDENCE DATA

Fax Number: (215)701-2122

Phone: 215-665-7277

Email: dalbert@cozen.com

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

Correspondent Name: David M. Albert

Address Line 1: 1900 Market Street

Address Line 2: Cozen O'Connor

Address Line 4: Philadelphia, PENNSYLVANIA 19103

ATTORNEY DOCKET NUMBER:	ZERO TECH SECURITY AGRMNT
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NAME OF SUBMITTER:	David M. Albert
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Signature:	/David M. Albert/
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Date:	03/15/2012
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Total Attachments: 15

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SECURITY AGREEMENT

This SECURITY AGREEMENT ("Agreement"), dated as of January 5, 2012, is entered into between **ZERO TECHNOLOGIES, LLC**, a Delaware limited liability company ("Grantor"), **Thomas Mendell and Mukund Krishnaswami** (collectively, the "Collateral Agents"), and the undersigned holders of the Grantor's Series C Notes (each a "Secured Lender" and together with successor holders of Notes (as defined herein), the "Secured Lenders").

RECITALS

WHEREAS, Grantor is the owner of certain intellectual property, identified below, in which Grantor is granting a security interest to the Collateral Agents, for the benefit of the Secured Lenders;

WHEREAS, contemporaneously herewith and from time to time hereafter, the Secured Lenders are purchasing from Grantor, and Grantor is issuing to the Secured Lenders, pursuant to Subscription Agreements between Grantor and each Secured Lender (the "Subscription Agreement"), the Series C-1 Secured Convertible Notes and Series C-2 Secured Convertible Notes (collectively, the "Notes");

WHEREAS, the exercise by the Collateral Agents of any rights given to them under this Agreement and the security interests created hereby, are subject to the provisions of, and subordinate to the rights and security interests of any currently outstanding security interests.

NOW THEREFORE, in consideration of the mutual promises, covenants, conditions, representations, and warranties hereinafter set forth and for other good and valuable consideration, the parties hereto mutually agree as follows:

1. DEFINITIONS AND CONSTRUCTION.

1.1 Definitions. The following terms, as used in this Agreement, have the following meanings:

"Code" means the Delaware Uniform Commercial Code, as amended and supplemented from time to time, and any successor statute.

"Collateral" means all of the following, whether now owned or hereafter acquired:

(i) All of Grantor's right to the trademarks, service marks, all applications, registrations, and renewals in connection therewith, and including all goodwill associated with any of the foregoing as listed on Exhibit A attached hereto, as the same may be updated hereafter from time to time;

(ii) Each of the trademarks, service marks, all applications, registrations, and renewals in connection therewith, and rights and interest which are capable of being protected as trademarks (including trademarks, service marks, designs, logos, indicia, tradenames, corporate names, company names, business names, fictitious

business names, trade styles, and other source or business identifiers, and applications pertaining thereto), which are presently, or in the future may be, owned, created, acquired, or used (whether pursuant to a license or otherwise) by Grantor, in whole or in part, and all trademark rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), and rights to renew and extend such trademarks and trademark rights;

(iii) All of Grantor's right, title, and interest, in and to the patents, patent registrations, patent applications and reissuances, continuations, continuations-in-part, revisions, extensions, and reexaminations of any of the foregoing listed on Exhibit B attached hereto, as the same may be updated hereafter from time to time;

(iv) Each of the patents, patent registrations, patent applications and reissuances, continuations, continuations-in-part, revisions, extensions, and reexaminations of any of the foregoing which are presently, or in the future may be, owned, issued, acquired, or used (whether pursuant to a license or otherwise) by Grantor, in whole or in part, and all patent rights with respect thereto throughout the world, including all proceeds thereof (including license royalties and proceeds of infringement suits), foreign filing rights, and rights to extend such patents and patent rights;

(v) All general intangibles relating to the foregoing and all other intangible intellectual or other similar property of the Grantor of any kind or nature, associated with or arising out of any of the aforementioned properties and assets and not otherwise described above; and

(vii) All proceeds of any and all of the foregoing (including, without limitation, license royalties and proceeds of infringement suits) and, to the extent not otherwise included, all payments under insurance, or any indemnity, warranty, or guaranty payable by reason of loss or damage to or otherwise with respect to the Collateral.

"Obligations" means all obligations, liabilities, and indebtedness of Grantor to the Secured Lenders or to the Collateral Agents, acting for the benefit of the Secured Lenders, whether direct, indirect, liquidated, or contingent, arising under this Agreement or the Notes, including all costs and expenses described in Section 7.8 hereof.

1.2 Construction. Unless the context of this Agreement clearly requires otherwise, references to the plural include the singular, references to the singular include the plural, and the term "including" is not limiting. The words "hereof," "herein," "hereby," "hereunder," and other similar terms refer to this Agreement as a whole and not to any particular provision of this Agreement. Neither this Agreement nor any uncertainty or ambiguity herein shall be construed or resolved against the Collateral Agents or Grantor, whether under any rule of construction or otherwise. On the contrary, this Agreement has been reviewed by Grantor, the Collateral Agents and the Secured Lenders and their respective counsel, and shall be construed and interpreted according to the ordinary meaning of the words used so as to fairly accomplish the purposes and intentions of Grantor, the Collateral Agents and the Secured Lenders. Headings have been set forth herein for convenience only, and shall not be used in the construction of this Agreement.

2. GRANT OF SECURITY INTEREST.

To secure the complete and timely payment and performance of all Obligations, and without limiting any other security interest Grantor has granted to the Secured Lenders or the Collateral Agents, Grantor hereby grants, assigns, and conveys to the Collateral Agents, for the benefit of the Secured Lenders, a security interest in Grantor's entire right, title, and interest in and to the Collateral.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS.

Grantor hereby represents, warrants, and covenants that:

3.1 Title. Grantor is the sole and exclusive owner of the entire and unencumbered right, title, and interest in and to each of the patents, patent applications, trademarks, and trademark registrations, free and clear of any liens, charges, and encumbrances.

3.2 Perfection of Security Interest. Except for the filing of a financing statement with the Secretary of State of Delaware and filings with the United States Patent and Trademark Office necessary to perfect the security interests created hereunder, no authorization, approval, or other action by, and no notice to or filing with, any governmental authority or regulatory body is required either for the grant by Grantor of the security interest hereunder or for the execution, delivery, or performance of this Agreement by Grantor or for the perfection of or the exercise by the Collateral Agents of their rights hereunder to the Collateral in the United States.

4. POWER OF ATTORNEY.

Grantor hereby appoints the Collateral Agents as Grantor's true and lawful attorney, with full power of substitution, to do any or all of the following, in the name, place and stead of Grantor: (a) file this Agreement (or an abstract hereof) or any other document describing the Collateral Agents' interest in the Collateral with the United States Patent and Trademark Office; (b) execute any modification of this Agreement; (c) take any action and execute any instrument which the Collateral Agents may deem necessary or advisable to accomplish the purposes of this Agreement; and (d) following an Event of Default (as defined in the Notes), (i) endorse Grantor's name on all applications, documents, papers and instruments necessary for the Collateral Agents to use or maintain the Collateral; (ii) ask, demand, collect, sue for, recover, impound, receive, and give acquittance and receipts for money due or to become due under or in respect of any of the Collateral; (iii) file any claims or take any action or institute any proceedings that the Collateral Agents may deem necessary or desirable for the collection of any of the Collateral or otherwise enforce the Collateral Agents' rights with respect to any of the Collateral, and (iv) assign, pledge, convey, or otherwise transfer title in or dispose of the Collateral to any person.

5. COLLATERAL AGENTS

5.1 Appointment. Thomas Mendell and Mukund Krishnaswami are hereby appointed as the Collateral Agents hereunder by each Secured Lender, and each Secured Lender hereby authorizes the Collateral Agents to act hereunder as its agent under the express conditions contained in this Agreement. All actions and determinations of the Collateral Agents shall be made by the unanimous consent of Thomas Mendell and Mukund Krishnaswami. The Collateral Agents agree to act as such upon the express conditions contained in this Section 5. The provisions of this Section 5 are solely for the benefit of the Collateral Agents and the Secured

Lenders and Grantor shall not have any rights as a third party beneficiary of any of the provisions hereof. In performing its functions and duties under this Agreement, the Collateral Agents shall act solely as agent of the Secured Lenders, and the Collateral Agents shall not assume or be deemed to have assumed any obligation towards or relationship of agency or trust with or for Grantor.

5.2 Duties Specified. Each Secured Lender irrevocably authorizes the Collateral Agents to take such action on such Secured Lender's behalf and to exercise such powers hereunder as are specifically delegated to the Collateral Agents by the terms hereof, together with such responsibilities which are expressly specified in this Agreement, and may perform such duties by or through its agents or employees. The duties of the Collateral Agents shall be mechanical and administrative in nature; the Collateral Agents shall not have by reason of this Agreement a fiduciary relationship in respect of any Secured Lender; and nothing in this Agreement, expressed or implied, is intended to or shall be so construed as to impose upon the Collateral Agents any obligations in respect to this Agreement, except as expressly set forth herein.

5.3 No Responsibility for Certain Matters. The Collateral Agents shall not be responsible to any Secured Lender for the execution, effectiveness, genuineness, validity, enforceability, collectability or sufficiency of this Agreement, or any other documents, or for any representations, warranties, recitals or statements made herein or therein or made in any written or oral statement or in any financial or other statements, instruments, reports, certificates or any other documents in connection herewith or therewith furnished or made by the Collateral Agents to the Secured Lenders or by or on behalf of Grantor to the Collateral Agents or any Secured Lender or be required to ascertain or inquire as to the performance or observance of any of the terms, conditions, provisions, covenants, or agreements contained herein or therein or as to the use of the proceeds of the Notes or of the existence or possible existence of any Event of Default or potential Event of Default pursuant to the Notes.

5.4 Exculpatory Provisions. Neither of the Collateral Agents nor any of their respective officers, partners, directors, employees or agents shall be liable to the Secured Lenders for any action taken or omitted hereunder or in connection herewith unless caused by his or their gross negligence or willful misconduct. If the Collateral Agents shall request instructions from the Secured Lenders with respect to any act or action (including the failure to take an action) in connection with this Agreement, the Collateral Agents shall be entitled to refrain from such act or taking such action unless and until it shall have received instructions from the holders of at least a majority in principal amount of the then outstanding Notes (the "**Requisite Holders**"). Without prejudice to the generality of the foregoing, (i) the Collateral Agents shall be entitled to rely, and shall be fully protected in relying, upon any communication, instrument or document believed by it to be genuine and correct and to have been signed or sent by the proper person or persons, and shall be entitled to rely and shall be protected in relying on opinions and judgments of attorneys (who may be attorneys for Grantor), accountants, experts and other professional advisors selected by it; and (ii) no Secured Lender shall have any right of action whatsoever against the Collateral Agents as a result of the Collateral Agents acting or (where so instructed) refraining from acting under this Agreement in accordance with the instructions of Requisite Holders. The Collateral Agents shall be entitled to refrain from exercising any power, discretion or authority vested in it under this Agreement unless and until it has obtained the instructions of Requisite Holders.

5.5 Collateral Agents Entitled to Act as Secured Lender. To the extent that the Collateral Agents or any of their affiliates holds Obligations, the agency hereby created shall in no way impair or affect any of the rights and powers of, or impose any duties or obligations upon, the Collateral Agents or any affiliate of any of the Collateral Agents in its individual capacity as a Secured Lender hereunder. With respect to its participation as a holder of Notes, the Collateral Agents or any affiliate of the Collateral Agents shall have the same rights and powers hereunder as any other Secured Lender and may exercise the same as though the Collateral Agents were not performing the duties and functions delegated to it hereunder, and the term "Secured Lender" or "Secured Lenders" or any similar term shall, if applicable, include the Collateral Agents or any their affiliates in their individual capacity. The Collateral Agents and their affiliates may engage in any kind of business with Grantor or any affiliate of Grantor as if it were not performing the duties specified herein, and may accept fees and other consideration from Grantor for services in connection with this Agreement and otherwise without having to account for the same to the Secured Lenders.

5.6 Representations and Warranties; No Responsibility for Appraisal of Creditworthiness. Each Secured Lender represents and warrants that it has made its own independent investigation of the financial condition and affairs of Grantor in connection with the issuance of the Notes and has made and shall continue to make its own appraisal of the creditworthiness of Grantor. The Collateral Agents shall not have any duty or responsibility either initially or on a continuing basis to make any such investigation or any such appraisal on behalf of the Secured Lenders or to provide any Secured Lender with any credit or other information with respect thereto whether coming into its possession before the issuance of the Notes or any time or times thereafter, nor shall it have any responsibility with respect to the accuracy of or the completeness of the information provided to the Secured Lenders.

5.7 Indemnification. Each Secured Lender severally agrees to indemnify the Collateral Agents, proportionately to its pro rata interest in such Notes, to the extent the Collateral Agents shall not have been reimbursed by Grantor, for liabilities, obligations, losses, damages, penalties, actions judgments, suits, costs, expenses (including without limitations counsel fees and disbursements) or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Collateral Agents in performing their duties hereunder, in any way relating to or arising out of this Agreement or any other document; provided that no Secured Lender shall be liable to the Collateral Agents for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from the gross negligence or willful misconduct of the Collateral Agents. If any indemnity furnished to the Collateral Agents for any purpose shall, in the opinion of the Collateral Agents, be insufficient or become impaired, the Collateral Agents may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished.

5.8 Initial Secured Lenders Treated as Holders. The Collateral Agents may deem and treat the initial Secured Lenders named herein as the holders of the Obligations for all purposes hereof unless and until a written notice of the assignment or transfer of any Obligations (including the Notes) shall have been filed with the Collateral Agents. Any request, authority, or consent of any person or entity who, at the time of making such request or giving such authority or consent, is the holder of any Obligation shall be conclusive and binding on any subsequent holder, transferee or assignee of that Obligation.

5.9 Successor Collateral Agents. Either of the Collateral Agents may resign at any time by giving written notice thereof to the Secured Lenders and Grantor. Upon any such resignation or upon the death of any Collateral Agent, holders of a majority in principal amount of the then outstanding Notes shall have the right, upon five days' notice to Grantor, to appoint a successor Collateral Agent. If no successor Collateral Agent shall have been so appointed by such holders and shall have accepted such appointment, within 30 days after the retiring Collateral Agent's giving of notice of resignation or after the death of any Collateral Agent, then, upon five days' notice to Grantor, the non-retiring or surviving Collateral Agent, as applicable, may, on behalf of the Secured Lenders, appoint a successor Collateral Agent. Upon the acceptance of any appointment as Collateral Agent hereunder by a successor Collateral Agent, that successor Collateral Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring or deceased Collateral Agent, and the retiring Collateral Agent shall be discharged from its duties and obligations under this Agreement. After any retiring or deceased Collateral Agent ceases to serve hereunder as Collateral Agent, the provisions of this Section 5 shall inure to his or his heirs benefit as to any actions taken or omitted to be taken by it while it was Collateral Agent under this Agreement.

5.10 Application of Proceeds. All cash, property or other amounts paid to or held by the Collateral Agents under this Agreement shall be applied for the benefit of the Secured Lenders, and shall be allocated among the Secured Lenders pro rata based on the total amount of Obligations owed to each of them.

6. SPECIFIC REMEDIES.

Upon the occurrence and during the continuance of any Event of Default (as defined in the Notes), the Collateral Agents shall have, in addition to, other rights given by law or in this Agreement or in any other document, all of the rights and remedies with respect to the Collateral of a secured party under the Code, including the following:

6.1 Notification. The Collateral Agents may notify any licensees to make royalty payments on license agreements directly to the Collateral Agents;

6.2 Sale. The Collateral Agents may sell or assign the Collateral and associated goodwill at public or private sale for such amounts, and at such time or times as the Collateral Agents deem advisable. Any requirement of reasonable notice of any disposition of the Collateral shall be satisfied if such notice is sent to Grantor ten (10) days prior to such disposition. Grantor shall be credited with the net proceeds of such sale only when they are actually received by the Collateral Agents, and Grantor shall continue to be liable for any deficiency remaining after the Collateral is sold or collected. If the sale is to be a public sale, the Collateral Agents shall also give notice of the time and place by publishing a notice one time at least five (10) days before the date of the sale in a newspaper of general circulation in the county in which the sale is to be held. To the maximum extent permitted by applicable law, the Collateral Agents may be the purchaser of any or all of the Collateral and associated goodwill at any public sale and shall be entitled, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any public sale, to use and apply all or any part of the Obligations as a credit on account of the purchase price of any collateral payable by the Collateral Agents at such sale.

7. GENERAL PROVISIONS.

7.1 Effectiveness. This Agreement shall be binding and deemed effective when executed by Grantor, the Collateral Agents and the Secured Lenders.

7.2 Notices. Except to the extent otherwise provided herein, all notices, demands, and requests that either party is required or elects to give to the other shall be in writing and shall be governed by the notice provisions of the Notes.

7.3 No Waiver. No course of dealing between Grantor and the Collateral Agents, nor any failure to exercise nor any delay in exercising, on the part of the Collateral Agents, any right, power, or privilege under this Agreement or any other document, shall operate as a waiver. No single or partial exercise of any right, power, or privilege under this Agreement or any other agreement by the Collateral Agents shall preclude any other or further exercise of such right, power, or privilege or the exercise of any other right, power, or privilege by the Collateral Agents.

7.4 Rights Are Cumulative. All of the Collateral Agents' rights and remedies with respect to the Collateral whether established by this Agreement or any other documents or agreements, or by law shall be cumulative and may be exercised concurrently or in any order.

7.5 Successors. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

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

7.7 Entire Agreement. This Agreement is subject to modification only by a writing signed by the Grantor and each of the Collateral Agents. To the extent that any provision of this Agreement conflicts with any provision of the Subscription Agreement or any other document, the provision giving the Collateral Agents greater rights or remedies shall govern, it being understood that the purpose of this Agreement is to add to, and not detract from, the rights granted to the Collateral Agents under any other agreement. This Agreement and any documents filed under Section 4 of this Agreement comprise the entire agreement of the parties with respect to the matters addressed in this Agreement.

7.8 Fees and Expenses. Grantor shall pay to the Collateral Agents on demand all costs and expenses that the Collateral Agents pay or incur in connection with the administration, enforcement, and termination of this Agreement.

7.9 Indemnity. Grantor shall protect, defend, indemnify, and hold harmless the Collateral Agents and each of the Collateral Agent's assigns from all liabilities, losses, and costs (including without limitation reasonable attorneys' fees) incurred or imposed on the Collateral Agents relating to the matters in this Agreement.

7.10 Further Assurances. At the Collateral Agents' request, Grantor shall execute and deliver to the Collateral Agents any further instruments or documentation, and perform any acts, that may be reasonably necessary or appropriate to implement this Agreement or any other

agreement, and the documents relating thereto, including without limitation any instrument or documentation reasonably necessary or appropriate to create, maintain, perfect, or effectuate the Collateral Agents' security interests in the Collateral.

7.11 Release. At such time as Grantor shall completely satisfy all of the Obligations, the Collateral Agents shall execute and deliver to Grantor all assignments and other instruments as may be reasonably necessary or proper to terminate the Secured Lender's security interest in the Collateral, subject to any disposition of the Collateral which may have been made by the Collateral Agents pursuant to this Agreement. For the purpose of this Agreement, the Obligations shall be deemed to continue if Grantor enters into any bankruptcy or similar proceeding at a time when any amount paid to the Collateral Agents could be ordered to be repaid as a preference or pursuant to a similar theory, and shall continue until it is finally determined that no such repayment can be ordered.

7.12 Governing Law. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws of the State of Delaware, excluding its conflict of law rules to the extent such rules would apply the law of another jurisdiction, and the United States. The parties agree that all actions or proceedings arising in connection with this Agreement shall be tried and litigated only in the state and federal courts located in the State of Delaware or, at the sole option of the Collateral Agents, in any other court in which the Collateral Agents shall initiate legal or equitable proceedings and which has subject matter jurisdiction over the matter in controversy. Each of Grantor and the Collateral Agents waives, to the extent permitted under applicable law, any right they may have to assert the doctrine of forum non conveniens or to object to venue to the extent any proceeding is brought in accordance with this Section.

7.13 Waiver of Right to Jury Trial. THE COLLATERAL AGENTS AND GRANTOR EACH HEREBY WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATING TO: (I) THIS AGREEMENT; OR (II) ANY OTHER PRESENT OR FUTURE INSTRUMENT OR AGREEMENT BETWEEN THE COLLATERAL AGENTS AND GRANTOR; OR (III) ANY CONDUCT, ACTS OR OMISSIONS OF THE COLLATERAL AGENTS OR GRANTOR OR ANY OF THEIR DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, ATTORNEYS OR ANY OTHER PERSONS AFFILIATED WITH THE COLLATERAL AGENTS OR GRANTOR; IN EACH OF THE FOREGOING CASES, WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Grantor and Collateral Agents have executed this Agreement on the date first written above.

COMPANY:

ZERO TECHNOLOGIES, LLC

By 
Douglas Kellam, Chief Executive Officer

COLLATERAL AGENT:

Mukund Krishnaswami

By _____

Thomas Mendell

By _____

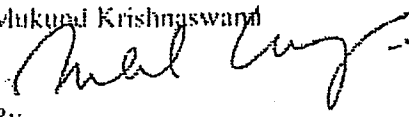
IN WITNESS WHEREOF, the Grantor and Collateral Agents have executed this Agreement on the date first written above.

COMPANY:

ZERO TECHNOLOGIES, LLC

By _____
Douglas Kellam, Chief Executive Officer

COLLATERAL AGENT:

Mukund Krishnaswami

By _____

Thomas Mendell

By _____

IN WITNESS WHEREOF, the Grantor and Collateral Agents have executed this Agreement on the date first written above.

COMPANY:

ZERO TECHNOLOGIES, LLC

By _____
Douglas Kellam, Chief Executive Officer.

COLLATERAL AGENT:

Mukund Krishnaswami

By _____

Thomas Mendell

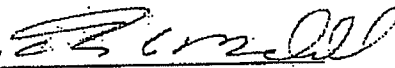



By 

Exhibit "A"

TRADEMARKS

U.S. Trademark Registrations and Applications

Registration / Application No.	Trademark	Goods / Services
Reg. No. 2,802,616	ZEROWATER	water filtering units for household use
App. Ser. No. 78/727,666	ZERO WATER	drinking water
Reg. No. 3,808,042		Water filtering units sold for household use; water filters; water filtration bottles and pitchers sold empty
Reg. No. 3,455,859		water filtering units for household use
App. Ser. No. 78/883,261		Drinking water
Reg. No. 3,808,040	IF IT'S NOT ALL ZEROS - IT'S NOT ZEROWATER	Water filtering units for household use; water filters; water filtration bottles and pitchers sold empty
Reg. No. 3,463,401	Z-PITCHER	Water filtration pitchers sold empty; water filters
Reg. No. 3,502,795	Z-DECANTER	Decanters
Reg. No. 3,569,722	TAP IS BACK	Retail store services featuring water filtration products and accessories
Reg. No. 3,383,437	FOR WATER THAT'S ONLY WATER	Water filters

Canada Trademark Registrations

Registration No.	Trademark	Goods / Services
Reg. No. TMA 793,985	ZERO WATER	water filters water filtering units for household use
Reg. No. TMA778,231	Z-PITCHER	water filtration pitchers sold empty; water filters

CTM (European Union) Trademark Registrations

Registration No.	Trademark	Goods / Services
Reg. No. 005705215	ZERO WATER	water filtering units for household use
Reg. No. 006258784	Z-PITCHER	water filtration pitchers sold empty; water filters

Mexico Trademark Registrations

Registration No.	Trademark	Goods / Services
Reg. No. 990770	ZERO WATER	water filtering units for household use

India Trademark Registrations

Registration No.	Trademark	Goods / Services
Reg. No. 1557673	ZERO WATER	water filtering units for household use drinking water

China Trademark Registrations and Application

Registration / Application No.	Trademark	Goods / Services
Reg. No. 6262629	Z-PITCHER	Filters for drinking water; water filters
To be filed.	ZEROWATER	water filtering units for household use; water filters; water filtration bottles and pitchers sold empty
To be filed	靈水	water filtering units for household use; water filters; water filtration bottles and pitchers sold empty

Exhibit "B"

PATENTS

U.S. Patents

Patent No.	Appl. No.	Title	Filing Date
5,635,063	08/311,943	WATER TREATMENT APPARATUS	09-26-1994
6,572,769	09/951,479	WATER TREATMENT APPARATUS	09-14-2001
7,276,161	10/408,658	WATER TREATMENT APPARATUS	04-08-2003
7,413,663	11/847,015	WATER TREATMENT APPARATUS AND METHOD	08-29-2007
D620,304	29/323,023	WATER FILTERING AND DISPENSING SYSTEM	08-15-2008

U.S. Patent Applications

Appl. No.	Title	Filing Date
12/193,137	WATER TREATMENT APPARATUS	08-18-2008
12/673,121	WATER FILTERING AND DISPENSING SYSTEM AND SYSTEM FOR FILTERING, STORING, DELIVERING, AND TESTING WATER	08-11-2011
12/673,147	WATER FILTERING AND DISPENSING SYSTEM AND SYSTEM FOR FILTERING, STORING, DELIVERING, AND TESTING WATER	06-09-2011

Canada and PCT Patent Applications

Appl. No.	Title	Filing Date
CA 2,696,503	WATER FILTERING AND DISPENSING SYSTEM AND SYSTEM FOR FILTERING, STORING, DELIVERING,	08-15-2008

	AND TESTING WATER	
PCT/US08/073326	WATER FILTERING AND DISPENSING SYSTEM AND SYSTEM FOR FILTERING, STORING, DELIVERING, AND TESTING WATER	08-15-2008
PCT/US09/034518	WATER FILTERING AND DISPENSING SYSTEM AND SYSTEM FOR FILTERING, STORING, DELIVERING, AND TESTING WATER	02-19-2009