

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM320251

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Lyons Magnus, Inc.		10/14/2014	CORPORATION:
RECEIVING PARTY DATA			
Name:	Thirsty Ventures, Inc.		
Street Address:	39 Norman Street		
City:	Salem		
State/Country:	MASSACHUSETTS		
Postal Code:	01970		
Entity Type:	CORPORATION: MASSACHUSETTS		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Registration Number:	4485446	MAUI BEVERAGES	
Registration Number:	2745939	MAUI FRUIT BLENDS "CATCH THE WAVE"	
CORRESPONDENCE DATA			
Fax Number:	7819042701		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	781-904-2700		
Email:	lindsay.millette@mclane.com		
Correspondent Name:	McLane, Graf, Raulerson & Middleton P.A.		
Address Line 1:	300 TradeCenter, Suite 7000		
Address Line 4:	Woburn, MASSACHUSETTS 01801		
ATTORNEY DOCKET NUMBER:	85802		
NAME OF SUBMITTER:	Beverly E. Hjorth		
SIGNATURE:	/Beverly E. Hjorth/		
DATE SIGNED:	10/16/2014		
Total Attachments: 10			
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INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT ("IP Security Agreement") is made effective as of October 14, 2014 by and between LYONS MAGNUS, INC., a California corporation with a principal address of 3158 East Hamilton Avenue, Fresno, California 93702 (the "Debtor"), and THIRSTY VENTURES, INC., a Massachusetts corporation with a principal address of 39 Norman Street, Salem, Massachusetts 01970 (the "Secured Party").

WHEREAS, the Secured Party has on the date hereof issued a loan to Debtor in the amount of Two Million Six Hundred Thousand Dollars and 00/100 (\$2,600,000.00) (the "Loan") pursuant to the terms of that certain Settlement Agreement (the "Settlement Agreement") of even date herewith, by and among Debtor, Secured Party and the other party named therein; and

WHEREAS, the Loan is evidenced by Debtor's Secured Promissory Note of even date herewith issued to the Secured Party in the amount of Two Million Six Hundred Thousand Dollars and 00/100(\$2,600,000.00) (the "Promissory Note").

NOW THEREFORE, in consideration of the covenants and mutual promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties to this IP Security Agreement, intending to be legally bound, hereby agree as follows:

1. **DEFINITIONS:** As used herein, the following terms shall have the meanings set forth below, or if not defined herein shall have the meanings ascribed to them in the Loan Documents (as defined below).

"Direct Bill Accounts" shall have the meaning assigned to such term in Section 2 hereof.

"Event of Default" shall have the meaning assigned to such term in Section 3 of the Promissory Note.

"Intellectual Property" shall have the meaning assigned to such term in Section 3 hereof.

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

"Licenses" shall mean Trademark Licenses.

"Loan Documents" shall mean each and all of the documents executed and delivered in connection with Settlement Agreement, including without limitation, (i) the Promissory Note and (ii) all amendments, modifications, extensions thereto and all other documents executed in connection therewith

"Material Adverse Effect" means, since any specified date or from the circumstances existing immediately prior to the happening of any specified event, a material adverse change in (a) the business, assets, financial condition or income of the Debtor and/or its subsidiaries (on a consolidated basis), (b) the ability of the Debtor to perform material obligations under this IP Security Agreement or the other Loan Documents, (c) the rights and remedies of the Secured Party under this IP Security Agreement or the other Loan Documents, or (d) the ability of the Debtor to operate or conduct business in all material respects in the manner in which it is currently operated.

"PTO" shall mean the United States Patent and Trademark Office or any other federal governmental agency which may hereafter perform its functions.

"Trademarks" shall mean the trademarks, trade names, corporate names, company names, business names, fictitious business names, trade dress, trade styles, service marks, designs, logos and other source or business identifiers of Debtor, whether registered or unregistered, relating in any way to the trademarks listed on EXHIBIT A annexed hereto and made a part hereof, together with all registrations and recordings thereof, all applications in connection therewith, and any goodwill of the business connected with, and symbolized by, any of the foregoing.

"Trademark Licenses" shall mean all agreements, whether written or oral, providing for the grant by or to Debtor of any right to use any Trademark, including, without limitation, the agreements listed on EXHIBIT E of the Settlement Agreement which is incorporated herein and made a part hereof.

2. **GRANT OF SECURITY INTEREST:** In furtherance and as confirmation of the security interest granted by Debtor to Secured Party under the Loan Documents, and as further security for the payment or performance in full of the obligations listed therein, Debtor hereby ratifies such security interest and grants to Secured Party a continuing security interest, with a power of sale (which power of sale shall be exercisable only during the continuance of an Event of Default), in all of the present and future right, title and interest of Debtor in and to the following property, and each item thereof, whether now owned or existing or hereafter acquired or arising, together with all products, proceeds, substitutions, and accessions of or to any of the following property (collectively, the "IP Collateral"):

- (a) The Trademarks and Trademark Licenses listed on Exhibit A.
- (b) All renewals of any of the foregoing.
- (c) Secured Party's interest in the formulas and recipes associated with the Trademarks listed on Exhibit A transferred to Debtor pursuant to the Settlement Agreement.
- (d) All General Intangibles connected with the use of, or related to, any and all Intellectual Property (including, without limitation, all goodwill of Debtor

appurtenant to, associated with, or symbolized by, any or all of the Intellectual Property and the use thereof).

(e) All accounts receivable, income, royalties, damages and payments now and hereafter due and/or payable under and with respect to any of the foregoing, including, without limitation, payments under all Licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, and all accounts receivable related to the Direct Bill Accounts set forth on Exhibit B.

(f) All Inventory connected with the use of, or related to, any and all Intellectual Property or the Direct Bill Accounts set forth on Exhibit B.

(g) The right to sue for past, present and future infringements and dilutions of any of the foregoing.

(h) All of Debtor's rights corresponding to any of the foregoing throughout the world.

3. PROTECTION OF INTELLECTUAL PROPERTY BY DEBTOR:

Except as set forth below in this Section 3, Debtor shall undertake the following with respect to each of the items respectively described in Section 2(a)-(d) (collectively, 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) At Debtor's sole cost, expense, and risk, pursue the prompt, diligent processing of each application for registration which is the subject of the security interest reflected herein and not abandon or delay any such efforts.

(d) At Debtor's sole cost, expense, and risk, take any and all action which Debtor reasonably deems 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. DEBTOR'S REPRESENTATIONS AND WARRANTIES: Debtor represents and warrants that:

(a) EXHIBIT A is a true, correct and complete list of the Trademarks and Trademark Licenses owned by Debtor as of the date hereof.

(b) Except as set forth in EXHIBIT A, none of the Intellectual Property is the subject of any licensing agreement pursuant to which Debtor is the licensor.

(c) All IP Collateral owned by Debtor is, and shall remain, free and clear of all liens, encumbrances, or security interests in favor of any Person, other than liens in favor of the Secured Party and such other liens, claims and encumbrances as maybe permitted by Secured Party in its sole and absolute discretion from time to time in writing.

(d) Debtor owns, or is licensed to use, all Intellectual Property necessary for the conduct of its business as currently conducted. No claim has been asserted and is pending by any Person challenging or questioning the use by Debtor of any of its Intellectual Property or the validity or effectiveness of any of its Intellectual Property, nor does Debtor know of any valid basis for any such claim. To the knowledge of Debtor, the use by Debtor of the Intellectual Property does not infringe the rights of any Person. No holding, decision or judgment has been rendered by any governmental authority which would limit, cancel or question the validity of, or Debtor's rights in, any Intellectual Property in any respect that could reasonably be expected to have a Material Adverse Effect on the business or the property of Debtor.

(e) Debtor shall give Secured Party written notice (with reasonable detail) within ten (10) days following the occurrence of any of the following: (iii) Debtor's entering into any new Licenses, (iv) 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 PTO or any court or tribunal) regarding Debtor's ownership of, or the validity of, any material Intellectual Property or Debtor's right to register the same or to own and maintain the same and Debtor appoints the Secured Party its attorney in fact to amend this Agreement to reflect the above and to file any such amendment or notification thereof with the PTO or any court or tribunal at the Debtor's cost.

5. [RESERVED]

6. **DEBTOR'S RIGHTS TO ENFORCE INTELLECTUAL PROPERTY:** Prior to Secured Party's giving of notice to Debtor following the occurrence of an Event of Default, 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 Debtor to protect the Intellectual Property against encroachment by third parties, provided, however:

(a) Debtor first provides Secured Party with written notice of Debtor's intention to so sue for enforcement of any Intellectual Property.

(b) Any money damages awarded or received by Debtor on account of such suit (or the threat of such suit) shall constitute IP Collateral.

(c) Following the occurrence of any Event of Default, Secured Party, by notice to Debtor, may terminate or limit Debtor's rights under this Section 6.

7. SECURED PARTY'S ACTIONS TO PROTECT INTELLECTUAL PROPERTY: In the event of:

(a) Debtor's failure, within five (5) days of written notice from Secured Party, to cure any failure by Debtor to observe or perform any of Debtor's covenants, agreements or other obligations hereunder; and/or

(b) The occurrence and continuance of any other Event of Default, Secured Party, acting in its own name or in that of Debtor, may (but shall not be required to) act in Debtor's place and stead and/or in Secured Party's own right in connection therewith.

8. RIGHTS UPON DEFAULT: Upon the occurrence of any Event of Default, in addition to all of the other rights and remedies provided to Secured Party in the Loan Documents with respect to the IP Collateral, Secured Party may exercise all rights and remedies of a secured party upon default under the Uniform Commercial Code as adopted in the State of California, with respect to the IP Collateral, in addition to which Secured Party may sell, license, assign, transfer, or otherwise dispose of the Intellectual Property. Any person may conclusively rely upon an affidavit of an officer of the Secured Party that an Event of Default has occurred and that Secured Party is authorized to exercise such rights and remedies.

9. SECURED PARTY AS ATTORNEY IN FACT:

(a) Debtor hereby irrevocably constitutes and designates Secured Party as and for Debtor's attorney in fact, effective following the occurrence and during the continuance of any Event of Default: (i) to exercise any of the rights and powers referenced herein, and (ii) to execute all such instruments, documents, and papers as Secured Party reasonably determines to be appropriate in connection with the exercise of such rights and remedies and to cause the sale, license, assignment, transfer, or other disposition of the Intellectual Property.

(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 9(a), 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 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 grossly negligent or in actual bad faith.

10. SECURED PARTY'S RIGHTS:

(a) 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 Loan Documents shall be coextensive with Secured Party's rights thereunder and with respect thereto and without any liability for royalties or other related charges.

(b) None of this Agreement, the Loan Documents, or any act, omission, or circumstance taken or arising hereunder may be construed as directly or indirectly conveying to Secured Party any present right, title or interest in and to the Intellectual Property, which right, title and interest is effective only following the occurrence of any Event of Default.

11. **INTENT:** This Agreement is being executed and delivered by Debtor for the purpose of registering and confirming the grant of the security interest of Secured Party in the IP Collateral with the PTO. It is intended that the security interest granted and confirmed pursuant to this Agreement is granted as a supplement to, and not in limitation of the security interest granted to Secured Party under the Loan Documents. All provisions of the Loan Documents shall apply to the IP Collateral. Secured Party shall have the same rights, remedies, powers, privileges and discretions with respect to the security interests created in the IP Collateral as in all other Collateral. In the event of a conflict between this Agreement and the Loan Documents, the terms of this Agreement shall control with respect to the IP Collateral and the Loan Documents with respect to all other Collateral.

12. **CHOICE OF LAWS:** It is intended that this Agreement take effect as a sealed instrument and that all rights and obligations hereunder, including matters of construction, validity, and performance, shall be governed by the laws of the State of California and venue for any actions related to this Agreement shall occur in Fresno County Superior Court or in the United State District Court, Eastern District of California.

THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, Debtor and Secured Party respectively have caused this Agreement to be executed by their respective duly authorized officers as of the date first above written.

WITNESS:

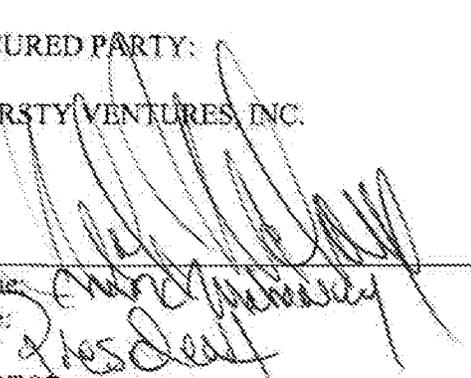


Christopher Cromwell

WITNESS:

SECURED PARTY:

THIRSTY VENTURES, INC.

By: 

Name: _____

Title: _____

DEBTOR:

LYONS MAGNUS, INC.

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF, Debtor and Secured Party respectively have caused this Agreement to be executed by their respective duly authorized officers as of the date first above written.

WITNESS:

SECURED PARTY:

THIRSTY VENTURES, INC.

By: _____

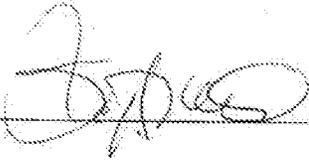
Name:

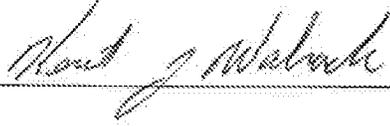
Title:

WITNESS:

DEBTOR:

LYONS MAGNUS, INC.



By:  _____

Name:

Title:

EXHIBIT A

List of Trademarks and Trademark Licenses
Trademark Registrations and Applications

LYONS MAGNUS, INC.		
Registered Trademarks		
MARK	DATE REGISTERED	REG. NO.
Maui	[INSERT DATE]	4485446
Maui Fruit Blends	[INSERT DATE]	2745939

LYONS MAGNUS, INC.		
Pending Trademarks		
MARK	DATE FILED	SERIAL NO.

EXHIBIT A- Continued

List of Foreign Trademarks

Trademark/ Service Mark	Owner	Country	Serial/ Application Number	Registration Certificate	Renewal Filings
	Thirsty Ventures, Inc.	International Registration Grant of Protection extended to:	A0021828	Registered 10/26/10 #1060766	Renewal due 10/26/20 DOCKETED
		European Union		Registered (IR #1060766) CTM grant 11/8/11	Renewal due 10/26/20 (Designate CTM)
		Japan		Registered (IR #1060766) 10/21/11	Renewal due 10/26/20 (Designate Japan)
		Republic of Korea		Registered (IR #1060766) KR grant 10/24/11	Renewal due 10/26/20 (Designate Korea)