

PATENT ASSIGNMENT

Electronic Version v1.1
Stylesheet Version v1.1

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| SUBMISSION TYPE: | NEW ASSIGNMENT |
| NATURE OF CONVEYANCE: | ASSIGNMENT |
| EFFECTIVE DATE: | 09/18/2006 |
| CONVEYING PARTY DATA | |
| Name | Execution Date |
| Perryville & Broadway Holdings, LLC | 09/18/2006 |
| RECEIVING PARTY DATA | |
| Name: | Rosewood Equity Holdings, LLC |
| Street Address: | 3090 N. Litchfield Rd |
| City: | Goodyear |
| State/Country: | ARIZONA |
| Postal Code: | 85338 |
| PROPERTY NUMBERS Total: 14 | |
| Property Type | Number |
| Patent Number: | 6964275 |
| Patent Number: | 4797220 |
| Patent Number: | 5322635 |
| Patent Number: | 5360488 |
| Patent Number: | 5451335 |
| Patent Number: | 5527395 |
| Patent Number: | 5680877 |
| Patent Number: | 5800629 |
| Patent Number: | 5873944 |
| Patent Number: | 5885364 |
| Patent Number: | 5895763 |
| Patent Number: | 6076536 |
| Patent Number: | 6345632 |
| Patent Number: | 5332494 |

PATENT

500162645

REEL: 018367 FRAME: 0612

CH \$560.00 6964275

CORRESPONDENCE DATA

Fax Number: (602)255-0103

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

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Email: lal@tblaw.com

Correspondent Name: Richard E. Oney

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Address Line 2: Third Floor

Address Line 4: Phoenix, ARIZONA 85016-4237

ATTORNEY DOCKET NUMBER:

12062-002

NAME OF SUBMITTER:

Richard E. Oney

Total Attachments: 7

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ASSIGNMENT OF SECURITY AGREEMENT

This Assignment is made and executed by Perryville & Broadway Holdings, LLC ("Assignor") to and in favor of Rosewood Equity Holdings, L.L.C. ("Assignee").

For valuable consideration received, Assignor hereby sells, assigns and transfers to Assignee, its successors or assigns, Assignor's entire right, title and interest in and to the following:

1. Security Agreement between H.E.R.C. Products, Inc., a Delaware corporation (“HERC”) and Perryville & Broadway Holdings, LLC, an Arizona limited liability company (“Perryville”) dated September 2, 2005;

2. Agreement for Convertible Secured Line of Credit between HERC and Perryville dated September 2, 2005 (the "Line Agreement");

3. Patent and Trade Secret Sale and Assignment Agreement, between HERC and Perryville dated September 2, 2005;

4. Patent Security Agreement between HERC and Perryville dated September 2, 2005;

5. Trademark Security Agreement between HERC and Perryville dated September 2, 2005;

6. Warrant Agreement between HERC and Perryville dated September 26, 2005;

7. Amendment to Line Agreement, dated September 28, 2005;

8. Second Amendment to Line Agreement, dated October 26, 2005;

9. Warrant Certificate to Purchase Shares of Class A Common Stock of H.E.R.C. Products, Inc., a Delaware Corporation, grant date October 26, 2005;

10. Third Amendment to Line Agreement, dated February 27, 2006;

11. Secured Promissory Note between HERC and Perryville dated September 2, 2005;

12. Secured Promissory Note between HERC and Perryville dated September 7, 2005;

13. Secured Promissory Note between HERC and Perryville dated September 14, 2005;

14. Secured Promissory Note between HERC and Perryville dated September 21, 2005;

15. Secured Promissory Note between HERC and Perryville dated September 28, 2005;

16. Secured Promissory Note for Third Amendment to Agreement for Secured Convertible Line of Credit dated January 23, 2006;

17. Warrant Agreement between HERC and Perryville dated July 21, 2005; and

18. All other documents and instruments evidencing, securing or relating to the Line Agreement, any and all advances made under or pursuant to the Line Agreement or any of the Secured Promissory Notes, and any of the collateral for such advances.

PERRYVILLE & BROADWAY HOLDINGS, LLC

Date 9/18/2006

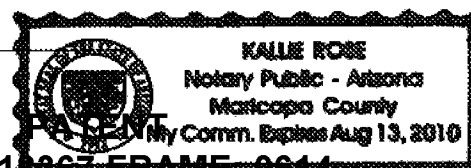
By Jack Rose
Jack Rose
Managing Member

State of Arizona)
) ss.:
County of Maricopa)

The foregoing instrument was acknowledged before me this 18th day of September, 2006, by Jack Rose, the Managing Member of Perryville & Broadway Holdings, LLC, on behalf of the company.

My commission expires:

Kellie Pose
NOTARY PUBLIC





UNITED STATES PATENT AND TRADEMARK OFFICE

UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND
DIRECTOR OF THE UNITED STATES PATENT AND TRADEMARK OFFICE

NOVEMBER 09, 2005

PTAS

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RICHARD E. ONEY
TIFFANY & BOSCO, P.A.
2525 E. CAMELBACK ROAD, THIRD FLOOR
PHOENIX, ARIZONA 85016

UNITED STATES PATENT AND TRADEMARK OFFICE
NOTICE OF RECORDATION OF ASSIGNMENT DOCUMENT

THE ENCLOSED DOCUMENT HAS BEEN RECORDED BY THE ASSIGNMENT DIVISION OF THE U.S. PATENT AND TRADEMARK OFFICE. A COMPLETE MICROFILM COPY IS AVAILABLE AT THE ASSIGNMENT SEARCH ROOM ON THE REEL AND FRAME NUMBER REFERENCED BELOW.

PLEASE REVIEW ALL INFORMATION CONTAINED ON THIS NOTICE. THE INFORMATION CONTAINED ON THIS RECORDATION NOTICE REFLECTS THE DATA PRESENT IN THE PATENT AND TRADEMARK ASSIGNMENT SYSTEM. IF YOU SHOULD FIND ANY ERRORS OR HAVE QUESTIONS CONCERNING THIS NOTICE, YOU MAY CONTACT THE EMPLOYEE WHOSE NAME APPEARS ON THIS NOTICE AT 571-272-3350. PLEASE SEND REQUEST FOR CORRECTION TO: U.S. PATENT AND TRADEMARK OFFICE, MAIL STOP: ASSIGNMENT SERVICES DIVISION, P.O. BOX 1450, ALEXANDRIA, VA 22313.

RECORDATION DATE: 09/08/2005

REEL/FRAME: 016745/0363
NUMBER OF PAGES: 5

BRIEF: SECURITY AGREEMENT

ASSIGNOR:

H.E.R.C. PRODUCTS INCORPORATED

DOC DATE: 09/06/2005

ASSIGNEE:

PERRYVILLE & BROADWAY HOLDING, LLC
1616 N. LITCHFIELD ROAD
SUITE 240
GOODYEAR, ARIZONA 85338

SERIAL NUMBER: 10025629

FILING DATE: 12/26/2001

PATENT NUMBER: 6964275

ISSUE DATE: 11/15/2005

TITLE: COUNTERMEASURE WASHDOWN SYSTEM CLEANING

SERIAL NUMBER: 07151712 FILING DATE: 02/03/1988
PATENT NUMBER: 4797220 ISSUE DATE: 01/10/1989
TITLE: DESCALING AND ANTI-OXIDIZING COMPOSITION AND PROCESS THEREFOR

SERIAL NUMBER: 07700780 FILING DATE: 05/16/1991
PATENT NUMBER: 5322635 ISSUE DATE: 06/21/1994
TITLE: SOAP COMPOSITIONS OF CARBOXYLIC ACIDS AND AMINES USEFUL IN REMOVAL
AND PREVENTION OF SCALE

SERIAL NUMBER: 08099738 FILING DATE: 07/30/1993
PATENT NUMBER: 5332494 ISSUE DATE: 07/26/1994
TITLE: WATER CONTROL SYSTEM USING OXIDATION REDUCTION POTENTIAL SENSING

SERIAL NUMBER: 08036188 FILING DATE: 03/23/1993
PATENT NUMBER: 5360488 ISSUE DATE: 11/01/1994
TITLE: METHOD OF CLEANING AND MAINTAINING WATER DISTRIBUTION PIPE SYSTEMS

SERIAL NUMBER: 08259904 FILING DATE: 06/15/1994
PATENT NUMBER: 5451335 ISSUE DATE: 09/19/1995
TITLE: 1:1 SOAP COMPOSITIONS OF ACIDS AND AMINES OR AMMONIA USEFUL IN
REMOVAL AND PREVENTION OF SCALE

SERIAL NUMBER: 08262601 FILING DATE: 06/20/1994
PATENT NUMBER: 5527395 ISSUE DATE: 06/18/1996
TITLE: METHOD OF CLEANING AND MAINTAINING POTABLE WATER DISTRIBUTION PIPE
SYSTEMS WITH A HEATED CLEANING SOLUTION

SERIAL NUMBER: 08547099 FILING DATE: 10/23/1995
PATENT NUMBER: 5680877 ISSUE DATE: 10/28/1997
TITLE: SYSTEM FOR AND METHOD OF CLEANING WATER DISTRIBUTION PIPES

SERIAL NUMBER: 08812273 FILING DATE: 03/06/1997
PATENT NUMBER: 5800629 ISSUE DATE: 09/01/1998
TITLE: PIPE SYSTEM CLEANING AND IN-LINE TREATMENT OF SPENT CLEANING
SOLUTION

SERIAL NUMBER: 08854929 FILING DATE: 05/13/1997
PATENT NUMBER: 5873944 ISSUE DATE: 02/23/1999
TITLE: VACUUM WASTE PIPE CLEANING

SERIAL NUMBER: 08675802 FILING DATE: 07/05/1996
PATENT NUMBER: 5885364 ISSUE DATE: 03/23/1999
TITLE: METHOD OF CLEANING AND MAINTAINING POTABLE WATER DISTRIBUTION PIPE
SYSTEMS

SERIAL NUMBER: 08838174 FILING DATE: 04/16/1997
PATENT NUMBER: 5895763 ISSUE DATE: 04/20/1999
TITLE: CONTROLLED CARBONATE REMOVAL FROM WATER CONDUIT SYSTEMS

SERIAL NUMBER: 09167360 FILING DATE: 10/07/1998
PATENT NUMBER: 6076536 ISSUE DATE: 06/20/2000

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SERIAL NUMBER: 09515075

FILING DATE: 02/28/2000

PATENT NUMBER: 6345632

ISSUE DATE: 02/12/2002

TITLE: A METHOD OF CLEANING AND PASSIVATING A FIRE PROTECTION SYSTEM

SHARON LATIMER, EXAMINER
ASSIGNMENT DIVISION
OFFICE OF PUBLIC RECORDS

PATENT SECURITY AGREEMENT

This PATENT SECURITY AGREEMENT ("Agreement") is made this 2nd day of September, 2005, by and between H.E.R.C. Products Incorporated, a Delaware corporation, having its principal office at 1420 Columbus Avenue, Portsmouth, VA 23704 ("Debtor"), and Perryville & Broadway Holdings, LLC, an Arizona limited liability company, having its principal office at 1616 North Litchfield Road, Suite 240, Goodyear, Arizona 85338 ("Secured Party").

WHEREAS, Debtor is the owner of the U.S. patents and patent applications listed on the attached Schedule I (collectively, the "Patents");

WHEREAS, Secured Party has agreed to advance or loan to Debtor certain amounts (the "Loans") pursuant to the terms and conditions of that certain Agreement for Secured Convertible Line of Credit (the "Agreement for Line of Credit"), that certain Security Agreement dated September 2, 2005 (the "Security Agreement") and that certain Secured Promissory Note (the "Note"), all dated September 2, 2005, and all signed by Debtor in favor of Secured Party;

WHEREAS, under the Security Agreement, Debtor has granted and assigned to Secured Party a security interest in certain of its assets (including the Patents) to secure the performance of the obligations of Debtor under the Agreement for Line of Credit, the Security Agreement, the Note and all of the other documents and instruments now or hereafter evidencing, securing or pertaining to the Loans, together with all modifications, renewals and replacements thereof (collectively, the "Loan Documents"); and

WHEREAS, Debtor and Secured Party by this instrument seek to confirm and make a record of the grant of a security interest in the Patents;

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Debtor does hereby acknowledge that it has granted to Secured Party a security interest in all of Debtor's right, title and interest now owned or hereafter acquired in and to the Patents, and all inventions (whether patented or not) and other patents and patent applications, and all reissues, divisions, continuations, continuations-in-part, renewals and extensions of the Patents and such other patents and patent applications, and improvements of any such inventions, and all licenses of any of the foregoing. Debtor also acknowledges and confirms

that the rights and remedies of Secured Party with respect to the security interest granted hereby are more fully set forth in the Loan Documents, which are incorporated herein by reference.

H.E.R.C. Products Incorporated

9/6/05
Date

Steve Carl
Steve Carl
President, CEO

State of Virginia,
City of Portsmouth
County of SS

The foregoing instrument was acknowledged before me this 6 day of September, 2005, by Steve Carl, the President, CEO of H.E.R.C. Products Incorporated, a Delaware corporation, on behalf of the company.

My commission expires: 6-30-06

Judith Deaula
NOTARY PUBLIC

| Country | Inventor | Status | Serial No. | Application Date | Patent No. | Issue/Grant Date | Title |
|---------------|------------------|---------|------------|------------------|------------|------------------|--|
| United States | Dale A. Miller | Granted | 07/151,712 | 2/3/1988 | 4,797,220 | 1/10/1989 | Descaling And Anti-Oxidizing Composition and Process Therefor |
| United States | Allen C. Hieatt | Granted | 07/700,780 | 5/16/1991 | 5,322,635 | 6/21/1994 | Soap Compositions Of Carboxylic Acids and Amines Useful in Removal and Prevention of Scale |
| United States | Allen C. Hieatt | Granted | 08/259,904 | 6/15/1994 | 5,451,335 | 9/19/1995 | 1:1 Soap Compositions Of Acids and Amines or Ammonia Useful In Removal and Prevention of Scale |
| United States | Allen C. Hieatt | Granted | 08/036,188 | 3/23/1993 | 5,360,488 | 11/1/1994 | Method Of Cleaning And Maintaining Water Distribution Pipe Systems |
| United States | Edward C. Perry | Granted | 08/262,601 | 6/20/1994 | 5,527,395 | 6/18/1996 | Method of Cleaning & Maintaining Potable Water Distribution Pipe Systems With a Heat Cleaning Solution |
| United States | Allen C. Hieatt | Granted | 08/675,802 | 7/5/1996 | 5,885,364 | 3/23/1999 | Method of Cleaning and Maintaining Potable Water Distribution Pipe Systems |
| United States | Todd R. Eden | Granted | 08/099,738 | 7/30/1993 | 5,332,494 | 7/26/1994 | Water Control System Using Oxidation Reduction Potential Sensing |
| United States | Craig Edstrand | Granted | 08/547,099 | 10/23/1995 | 5,680,877 | 10/28/1997 | System For And Method Of Cleaning Water Distribution Pipes |
| United States | Jerome H. Ludwig | Granted | 08/812,273 | 3/6/1997 | 5,800,629 | 9/1/1998 | Pipe System Cleaning and In-Line Treatment of Spent Cleaning Solution |
| United States | Craig Edstrand | Granted | 08/838,174 | 4/16/1997 | 5,895,763 | 4/20/1999 | Controlled Carbonate Removal from Water Conduit Systems |
| United States | Patrick E. Lien | Granted | 08/854,929 | 5/13/1997 | 5,873,944 | 2/23/1999 | Vacuum Waste Pipe Cleaning |
| United States | Jerome H. Ludwig | Granted | 09/167,360 | 10/7/1998 | 6,076,536 | 6/20/2000 | Cleaning and Passivating Water Distribution Systems |
| United States | Jerome H. Ludwig | Granted | 09/515,075 | 2/28/2000 | 6,345,632 | 2/12/2002 | Method of Cleaning and Passivating a Fire Protection System |
| United States | S. Steven Carl | Filed | 10/025,629 | 12/26/2001 | | | Countermeasure Washdown System Cleaning |

PATENT

RECORDED: 10/10/2006

REEL: 018367 FRAME: 0620