

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
Transcend Products, LLC	01/11/2010
RECEIVING PARTY DATA	
Name:	D. Keith Wilson
Street Address:	580 West 650 South
City:	Orem
State/Country:	UTAH
Postal Code:	84058
PROPERTY NUMBERS Total: 1	
Property Type	Number
Patent Number:	7734029
CORRESPONDENCE DATA	
Fax Number:	(801)924-4166
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	801-531-7090
Email:	bscholl@klmrlaw.com
Correspondent Name:	Barry G. Scholl
Address Line 1:	136 E. South Temple Street
Address Line 2:	21st Floor
Address Line 4:	Salt Lake City, UTAH 84111-1124
ATTORNEY DOCKET NUMBER:	06/28/2010
NAME OF SUBMITTER:	Barry G. Scholl
Total Attachments: 4 source=0788_001#page1.tif source=0788_001#page2.tif source=0788_001#page3.tif source=0788_001#page4.tif	

OP \$40.00 7734029

PATENT

501216825

REEL: 024599 FRAME: 0220

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT, dated as of January 11, 2010 (as amended, supplemented or otherwise modified from time to time, this "Intellectual Property Security Agreement"), is entered into among Transcend Products, LLC, a Utah limited liability company (the "Grantor"), and D. Keith Wilson ("Purchaser").

WHEREAS, Grantor has entered into that certain Convertible Senior Subordinated Secured Promissory Note dated as of January 11, 2010 (as amended, supplemented, replaced or otherwise modified from time to time, the "Note"), with Purchaser. Capitalized terms used and not defined herein have the meanings given such terms in the Note.

WHEREAS, pursuant to the Note, Grantor has agreed to issue and sell to Purchaser and Purchaser has agreed to purchase, the Note upon the terms and subject to the conditions set forth therein.

WHEREAS, it is a condition precedent to the obligation to enter into the transactions contemplated by the Note that the Grantor shall have executed and delivered that certain Security Agreement, dated as of the date hereof, in favor of the Purchaser (as amended, supplemented, replaced or otherwise modified from time to time, the "Security Agreement").

WHEREAS, under the terms of the Security Agreement, the Grantor has granted a security interest in certain property, including, without limitation, certain proprietary rights of the Grantor to Purchaser, and has agreed as a condition thereof to execute this Intellectual Property Security Agreement for recording with the United States Patent and Trademark Office, the United States Copyright Office, and other applicable governmental authorities.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees as follows:

1. **GRANT OF SECURITY.** Grantor hereby grants to the Purchaser a continuing security interest in and to all of Grantor's right, title and interest, whether now owned or existing or hereafter acquired or arising, in and to the following (collectively referred to as the "Collateral") as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of all of Grantor's obligations under the Note:

(a) (i) all trademarks, service marks, trade names, corporate names, company names, business names, trade dress, trade styles, logos, or other indicia of origin or source identification, trademark and service mark registrations, and applications for trademark or service mark registrations and any renewals thereof in the U.S. or any foreign jurisdiction, including, without limitation, each registration and application identified in Schedule I; (ii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof; (iii) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof); and (iv) all other rights of any kind whatsoever of Grantor accruing thereunder or

pertaining thereto, together in each case with the goodwill of the business connected with the use of, and symbolized by, each of the above (collectively, the "Trademarks");

(b) (i) all patents, patent applications and patentable inventions in the U.S. or any foreign jurisdiction, including, without limitation, each patent and patent application identified in Schedule I; (ii) all inventions and improvements described and claimed therein; (iii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof; (iv) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof); and (v) all reissues, divisions, continuations, continuations-in-part, substitutes, renewals, and extensions thereof, all improvements thereon and all other rights of any kind whatsoever of Grantor accruing thereunder or pertaining thereto (collectively, the "Patents");

(c) (i) all copyrights, whether or not the underlying works of authorship have been published, and all works of authorship and other intellectual property rights therein, all copyrights of works based on, incorporated in, derived from or relating to works covered by such copyrights, all right, title and interest to make and exploit all derivative works based on or adopted from works covered by such copyrights, and all copyright registrations and copyright applications in the U.S. or any foreign jurisdiction, and any renewals, restorations or extensions thereof, including, without limitation, each registration and application identified in Schedule I; (ii) the rights to reproduce, print, publish and distribute and to publicly display and perform any of the foregoing and to sell, rent, lease or lend copies of the foregoing and to sublicense to third parties the foregoing rights, including the right to sublicense to further third parties; (iii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof; (iv) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof); and (v) all other rights of any kind whatsoever of Grantor accruing thereunder or pertaining thereto (collectively, the "Copyrights");

(d) (i) all trade secrets and all confidential and proprietary information, including know-how, manufacturing and production processes and techniques, inventions, research and development information, technical data, financial, marketing and business data, pricing and cost information, business and marketing plans, and customer and supplier lists and information, security procedures and devices; (ii) right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof; (iii) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements or misappropriations thereof); and (iv) all other rights of any kind whatsoever of Grantor accruing thereunder or pertaining thereto (collectively, the "Trade Secrets");

(e) (i) all licenses or agreements, whether written or oral, providing for the grant by or to Grantor of: (A) any right to use any Trademark, (B) any right to manufacture, use or sell any invention covered in whole or in part by a Patent, (C) any right under any Copyright

including, without limitation, the grant of rights to reproduce, manufacture, distribute, publicly display or perform, exploit and sell, rent, lease or lend any Copyrights or any derivative works of any Copyright including, without limitation, any of the foregoing identified in Schedule I, and (D) any right to use any Trade Secret; (ii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations of any of the foregoing; (iii) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past, present or future infringements thereof); and (iv) all other rights of any kind whatsoever of Grantor accruing thereunder or pertaining thereto; and

(f) any and all proceeds of the foregoing.

2. **GRANT OF NON-EXCLUSIVE LICENSE.** Grantor hereby grants to Purchaser a non-exclusive royalty-free license or other right to use, without charge, Grantor's Proprietary Rights, labels and advertising matter, or any property of a similar nature, as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral in exercising Purchaser's rights under the Security Agreement and the Note and in connection with such action, Grantor's rights under all licenses and all franchise agreements shall inure to the Purchaser's benefit.

3. **RECORDATION.** Grantor authorizes and requests that the Register of Copyrights, the Commissioner of Patents, and the Commissioner of Trademarks and any other applicable government officer in the U.S. or any foreign jurisdiction record this Intellectual Property Security Agreement.

4. **EXECUTION IN COUNTERPARTS.** This Intellectual Property Security Agreement may be executed in any number of counterparts (including by telecopy), each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

5. **GOVERNING LAW.** THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF UTAH WITHOUT GIVING EFFECT TO PRINCIPLES OF CONFLICTS OF LAW.

6. **CONFLICT PROVISION.** This Intellectual Property Security Agreement has been entered into in conjunction with the provisions of the Security Agreement and the Note. The rights and remedies of each party hereto with respect to the security interest in the Collateral granted herein are without prejudice to, and are in addition to, those set forth in the Security Agreement and the Note, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this Intellectual Property Security Agreement are in conflict with the Security Agreement or the Note, the provisions of the Security Agreement or the Note shall govern.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the undersigned has caused this Intellectual Property Security Agreement to be duly executed and delivered as of the date first above written.

GRANTOR:

TRANSCEND PRODUCTS, LLC

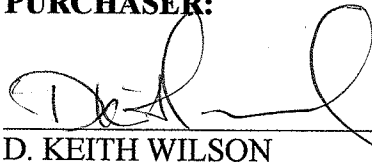
By: 

Name: Rix Ryskamp

Title: Manager

Address: 761 West 1200 North
Springville, UT 84663

PURCHASER:


D. KEITH WILSON

Address: 580 West 650 South
Orem, UT 84058