

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT												
NATURE OF CONVEYANCE:	Assignment of Security Interest and Full Assignment via Occurrence of Condition Precedent Stated in Prior Conditional Assignment												
CONVEYING PARTY DATA													
<table border="1"><thead><tr><th>Name</th><th>Execution Date</th></tr></thead><tbody><tr><td>Pavillion Bank</td><td>11/05/2010</td></tr><tr><td>Pet Ecology Brands, Inc.</td><td>09/14/2009</td></tr></tbody></table>		Name	Execution Date	Pavillion Bank	11/05/2010	Pet Ecology Brands, Inc.	09/14/2009						
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RECEIVING PARTY DATA													
<table border="1"><tr><td>Name:</td><td>BBAC VII</td></tr><tr><td>Street Address:</td><td>1340 Treat Boulevard</td></tr><tr><td>Internal Address:</td><td>Suite 600</td></tr><tr><td>City:</td><td>Walnut Creek</td></tr><tr><td>State/Country:</td><td>CALIFORNIA</td></tr><tr><td>Postal Code:</td><td>94597</td></tr></table>		Name:	BBAC VII	Street Address:	1340 Treat Boulevard	Internal Address:	Suite 600	City:	Walnut Creek	State/Country:	CALIFORNIA	Postal Code:	94597
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PROPERTY NUMBERS Total: 4													
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CORRESPONDENCE DATA													
Fax Number: (760)294-5161 <i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>													
Phone: 7602945160													
Email: diane@mmip.com													
Correspondent Name: Mastermind IP Law P.C.													
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Address Line 4: Escondido, CALIFORNIA 92029													
ATTORNEY DOCKET NUMBER:	0086-L001001												

OP \$160.00 6101978

501452367

PATENT
REEL: 025875 FRAME: 0927

NAME OF SUBMITTER:

Diane L. Gardner

Total Attachments: 7

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PATENT

REEL: 025875 FRAME: 0928

ASSIGNMENT OF SECURITY INTEREST AND CONDITIONAL ASSIGNMENT

WHEREAS:

Pavillion Bank, a Texas banking organization having a place of business at 1200 West Campbell Road, Richardson, Texas 75080 (hereinafter "Assignor") has entered into a loan transaction pursuant to which it loaned Pet Ecology Brands, Inc., a Texas corporation having a place of business at 14822 Venture Drive, Dallas, Texas 75234 (hereinafter "Patentee"), certain funds secured by, *inter alia*, a security interest in and right to conditional assignment of (hereinafter "Interests") the U.S. Patents listed in the attached Schedule of Patents (hereinafter "Patents"); and

WHEREAS:

Pursuant to the aforementioned loan transaction, Assignor and Patentee executed a document entitled "Conditional Assignment of and Security Interest in Patents" (hereinafter "Agreement") having an effective date of September 14, 2009; and

WHEREAS:

For good and valuable consideration, the receipt of which is hereby acknowledged, Assignor hereby assigns to BBAC VII, a California corporation having a place of business at 1340 Treat Boulevard, Suite 600, Walnut Creek, California 94597 (hereinafter "Assignee"), all of its rights acquired pursuant to the Agreement between Assignor and Patentee, including the entire Interests in the Patents; and

WHEREAS:

The Interests include a right of setoff against, and effective upon demand upon the occurrence and during the continuance of an event of default by the Patentee, the assignment, transfer and conveyance of the rights and title to the Patents (including,



without limitation, all re-issues, continuations and/or divisionals thereof) to the Assignee for the benefit of the Assignee.

THEREFORE:

Assignor hereby assigns to Assignee one hundred percent of its Interests in the Patents, and Assignor authorizes Assignee to take any and all such actions as are authorized pursuant to Agreement. Assignee authorizes the Interests to be held and enjoyed by the Assignee and Assignee's successors and assigns as fully and exclusively as it would have been held and enjoyed by Assignor had this Assignment not been made. Assignor hereby covenants that it has full right to convey the entire Interests herein assigned and that no agreement has been executed or will be executed in conflict herewith.

Assignor further agrees to: a) cooperate with Assignee, its heirs, assigns and legal representatives in the execution, verification, acknowledgement and delivery of all such further papers as may be required in order to perfect this Assignment, including instruments of transfer; and b) perform such other acts as Assignee lawfully may request to obtain to maintain the Interests granted herein without further compensation to Assignor, its heirs or legal representatives.

[Remainder of page intentionally left blank; signature page to follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed this 5th day of November, 2010.

BBAC VII

By: Timothy J. Kane
Name: Timothy J. Kane
Title: Asst Sec.

PAVILLION BANK

By: Stephen K. Storey
Stephen K. Storey, President

SCHEDULE OF PATENTS

<u>U.S. Pat. No.</u>	<u>Title</u>
6,101,978	"Animal litter having the property of detecting urinary infection in cats"
5,655,480	"Animal control litter"
5,996,534	"Animal litter having the property of detecting urinary infection in felines"
7,533,630	"Animal litter having the property of detecting diabetes in felines"

**CONDITIONAL ASSIGNMENT OF AND
SECURITY INTEREST IN PATENTS**

THIS CONDITIONAL ASSIGNMENT OF AND SECURITY INTEREST IN PATENTS ("Conditional Assignment"), dated as of 14th day of September, 2009, is made by Pet Ecology Brands, Inc. a Texas corporation, ("the Grantor"), in favor of Pavillion Bank, a Texas banking organization of Richardson, Texas, as Secured Party under that certain Commercial Security Agreement between the parties dated as of July 30, 2009, together with all amendments and other modifications, if any, from time to time thereafter made thereto ("the Security Agreement").

WITNESETH:

WHEREAS, pursuant to the Security Agreement, the Secured Party has agreed to make certain loans and other financial accommodations to the Grantor; and

WHEREAS, under the Security Agreement, the Grantor is required to execute and deliver this Conditional Assignment to perfect, continue and preserve Grantor's obligations under the Security Agreement, and to confirm the Secured Party's lien status; and

WHEREAS, the Grantor has duly authorized the execution, delivery and performance of this Conditional Assignment; and

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and in order to induce the Secured Party to make loans and other financial accommodations pursuant to the Security Agreement, the Grantor agrees, for the benefit of the Secured Party, as follows:

SECTION 1. Definitions. Unless otherwise defined or the context otherwise requires, terms used in this Conditional Assignment, including its preamble and recitals, have the meanings provided or provided by reference in the Security Agreement.

SECTION 2. Conditional Assignment and Grant of Security Interest. The Grantor hereby pledges and grants a continuing security interest in, and a right of setoff against, and effective upon demand upon the occurrence and during the continuance of an event of default assigns, transfers and conveys the United States Patents listed on Schedule A hereto (including, without limitation, all re-issues, continuations or divisionals thereof), to the Secured Party for the benefit of the Secured Party.

SECTION 3. Purpose. This Conditional Assignment has been executed and delivered by the Grantor for the purpose of registering the Conditional Assignment and grant of security interest herein with the United States Patent and Trademark Office. The Conditional Assignment and security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Secured Party under the Security Agreement. The Security Agreement remains in full force and effect in accordance with terms.

SECTION 4. Acknowledgment. The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Secured Party with respect to the security interest in the Patents granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein. Grantor further acknowledges, as a part of its duties toward all property subject to the Security Agreement, to pay all maintenance fees, annuities, and similar fees required to maintain the Patents in force.

SECTION 5. Counterparts. This Conditional Assignment may be executed in counterparts, each of which will be deemed an original, but all of which together constitute one and the same original.

IN TESTIMONY WHEREOF, the parties hereto have caused this Conditional Assignment to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

GRANTOR:

Pet Ecology Brands, Inc.

By: Ralph Steckel
Name: RALPH STECKEL
Title: President

SECURED PARTY:

Pavillion Bank

By: Stephen K. Storey
Name: Stephen K. Storey
Title: President & CEO

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on September 14, 2009 by Ralph Steckel, President of Pet Ecology Brands, Inc. a Texas corporation, on behalf of said corporation.



Julie M. McKinney
Notary Public

My Commission Expires: Sept. 4, 2012

Conditional Assignment of and Security Interest In Patents

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**SCHEDULE A TO
CONDITIONAL ASSIGNMENT OF AND
SECURITY INTEREST IN PATENTS**

<u>U.S. Patent No.</u>	<u>Title</u>
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