

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
AWHR AMERICA'S WATER HEATER RENTALS, L.L.C.		06/21/2007	LIMITED LIABILITY COMPANY: DELAWARE
RECEIVING PARTY DATA			
Name:	ROYAL BANK OF CANADA		
Street Address:	200 BAY STREET, 12TH FLOOR		
Internal Address:	SOUTH TOWER, ROYAL BANK PLAZA		
City:	TORONTO, ONTARIO		
State/Country:	CANADA		
Postal Code:	M5J 2W7		
Entity Type:	CANADIAN BANK:		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Serial Number:	78798174	WATER HEATERS FOR LIFE.	
CORRESPONDENCE DATA			
Fax Number:	(646)848-4455		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	212-848-4455		
Email:	jlik@shearman.com		
Correspondent Name:	Gloria Jung		
Address Line 1:	599 Lexington Avenue		
Address Line 2:	Shearman & Sterling LLP		
Address Line 4:	New York, NEW YORK 10022		
ATTORNEY DOCKET NUMBER:	4811/63		
DOMESTIC REPRESENTATIVE			
Name:			

CH \$40.00 78798174

Address Line 1:

Address Line 2:

Address Line 3:

Address Line 4:

NAME OF SUBMITTER:

Gloria Jung

Signature:

/GLORIA JUNG/

Date:

06/27/2007

Total Attachments: 5

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

This INTELLECTUAL PROPERTY SECURITY AGREEMENT dated as of June 21, 2007 (as amended, amended and restated, supplemented or otherwise modified from time to time, the “*IP Security Agreement*”), is made by the Persons listed on the signature pages hereof (collectively, the “*Grantors*”) in favor of Royal Bank of Canada, as Collateral Agent (the “*Collateral Agent*”) for the Secured Parties (as defined in the Credit Agreement referred to below).

WHEREAS, Macquarie Water Heater Rentals LLC, a Delaware limited liability company (the “*Borrower*”), Macquarie Water Heater Rental Holdings LLC, a Delaware limited liability company (the “*Parent*”), and the other Guarantors have entered into a Credit Agreement dated as of June 21, 2007 (as amended, amended and restated, supplemented or otherwise modified from time to time, the “*Credit Agreement*”), with Royal Bank of Canada, as Administrative Agent and Collateral Agent, and the Lender Parties party thereto. Terms defined in the Credit Agreement and not otherwise defined herein are used herein as defined in the Credit Agreement.

WHEREAS, as a condition precedent to the making of Advances and the issuance of Letters of Credit by the Lender Parties under the Credit Agreement and the entry into Secured Hedge Agreements by the Hedge Banks from time to time, each Grantor has executed and delivered that certain Security Agreement dated as of June 21, 2007 (as amended, amended and restated, supplemented or otherwise modified from time to time, the “*Security Agreement*”), made by the Grantors to the Collateral Agent.

WHEREAS, under the terms of the Security Agreement, the Grantors have granted to the Collateral Agent, for the ratable benefit of the Secured Parties, a security interest in, among other property, certain intellectual property of the Grantors, and have agreed as a condition thereof to execute this IP Security Agreement for recording with the U.S. Patent and Trademark Office, the United States Copyright Office and other governmental authorities.

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

SECTION 1. Grant of Security. Each Grantor hereby grants to the Collateral Agent for the ratable benefit of the Secured Parties a security interest in all of such Grantor’s right, title and interest in and to the following (the “*Collateral*”):

- (i) the patents and patent applications set forth in Schedule A hereto (the “*Patents*”);
- (ii) the trademark and service mark registrations and applications set forth in Schedule B hereto (provided that no security interest shall be granted in United States intent-to-use trademark applications to the extent that, and solely during the period in which, the grant of a security interest therein would impair the validity or enforceability of such intent-to-use trademark applications under applicable federal law), together with the goodwill symbolized thereby (the “*Trademarks*”);

(iii) all copyrights, whether registered or unregistered, now owned or hereafter acquired by such Grantor, including, without limitation, the copyright registrations and applications set forth in Schedule C hereto (the “*Copyrights*”);

(iv) all reissues, divisions, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the foregoing, all rights in the foregoing provided by international treaties or conventions, all rights corresponding thereto throughout the world and all other rights of any kind whatsoever of such Grantor accruing thereunder or pertaining thereto;

(v) any and all claims for damages and injunctive relief for past, present and future infringement, dilution, misappropriation, violation, misuse or breach with respect to any of the foregoing, with the right, but not the obligation, to sue for and collect, or otherwise recover, such damages; and

(vi) any and all proceeds of, collateral for, income, royalties and other payments now or hereafter due and payable with respect to, and supporting obligations relating to, any and all of the Collateral of or arising from any of the foregoing.

provided that, notwithstanding the foregoing, “*Collateral*” shall not include any rights or interests in any lease, license, agreement or property or assets if under the terms of such lease, license, agreement (or the lease, license or agreement relating to or restricting liens on such property or assets), or applicable law with respect thereto, the assignment or valid grant of a security interest or lien therein to Collateral Agent is prohibited and such prohibition has not been or is not waived or the consent of the other party to the applicable lease, license, or agreement has not been or is not otherwise obtained or under applicable law such prohibition cannot be waived; *provided* that the foregoing exclusion shall in no way be (i) construed to apply to the extent any such prohibition would be rendered ineffective under the Uniform Commercial Code (including Section 9-406 and 9-408) or other applicable law or principles of equity, (ii) construed as to limit, impair or otherwise affect Collateral Agent’s unconditional continuing security interests in and liens upon any rights or interests of the Grantors in or to the proceeds thereof, including monies due or to become due under any such lease, license, agreement (including any accounts), or (iii) construed to apply at such time as the condition causing such prohibition shall be remedied and, to the extent severable, “*Collateral*” shall include any portion of such lease, license, agreement or property or assets that does not result in such prohibition.

SECTION 2. Security for Obligations. The grant of a security interest in, the Collateral by each Grantor under this IP Security Agreement secures the payment of all Obligations of such Grantor and the Borrower now or hereafter existing under or in respect of the Loan Documents, whether direct or indirect, absolute or contingent, and whether for principal, reimbursement obligations, interest (including, without limitation, any post-petition interest in bankruptcy), premiums, penalties, fees, indemnifications, contract causes of action, costs, expenses or otherwise. Without limiting the generality of the foregoing, this IP Security Agreement secures, as to each Grantor, the payment of all amounts that constitute part of the Secured Obligations and that would be owed by such Grantor and the Borrower to any Secured Party under the Loan Documents but for the fact that such Secured Obligations are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving a Loan Party.

SECTION 3. Recordation. Each Grantor authorizes and requests that the U.S. Registrar of Copyrights, the U.S. Commissioner for Patents and the U.S. Commissioner for Trademarks and any other applicable U.S. government officer record this IP Security Agreement.

SECTION 4. Execution in Counterparts. This IP Security Agreement may be executed in any number of counterparts, 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.


SECTION 5. Grants, Rights and Remedies. This IP Security Agreement has been entered into in conjunction with the provisions of the Security Agreement. Each Grantor does hereby acknowledge and confirm that the grant of the security interest hereunder to, and the rights and remedies of, the Collateral Agent with respect to the Collateral are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated herein by reference as if fully set forth herein. To the extent of any inconsistency between this IP Security Agreement and the Security Agreement, the Security Agreement shall take precedence.


SECTION 6. Governing Law. This IP Security Agreement shall be governed by, and construed in accordance with, the laws of the State of New York.

[Signature Pages Follow.]

IN WITNESS WHEREOF, each Grantor has caused this IP Security Agreement to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

AWHR AMERICA'S WATER HEATER RENTALS,
L.L.C., as Grantor

By: 
Name: DUNCAN MURDOCH
Title:

By: 
Name: TOBIAS BACHTEKER
Title:

Address for Notices:
Macquarie Water Heater Rentals LLC
1215 Fern Ridge Parkway, Suite 216
St. Louis, MO 63141
Attention of Todd Gryzbinski
Phone: 314-469-8951
Fax: 314-469-0019
E-mail: toddgrzybinski@filfinance.com

with a copy to

Macquarie Water Heater Rentals LLC
125 West 55th Street
New York, NY 10019
Attention of Andrew Underwood
Phone: 212-231-1728
Fax: 212-231-1717
E-mail: andrew.underwood@macquarie.com

SCHEDULE B TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT

1. WATER HEATERS FOR LIFE, Trademark Number 78/798,174.