



To the Honorable Commissioner of Patents

101838344

Send original documents or copy thereof.

1. Name of conveying party (if **PAPE** **JC152** **SEP 06 2001** **PATENT & TRADEMARK OFFICE**)

Kroy Wools Ltd.

Additional name(s) of conveying party(ies) attached?  
Yes \_\_\_\_\_ No x

\_\_\_\_ Individual(s)      \_\_\_\_ Association  
 \_\_\_\_ General Partnership      \_\_\_\_ Limited Partnership  
x Corporation - State      \_\_\_\_ Other

Additional name(s) of conveying party(ies) attached?  
 \_\_\_\_ Yes x No

2. Name and address of receiving party(ies): **9.6.01**

Name: Kroy International Inc.

Internal Address: 95 King Street East, Suite 500

Toronto, Ontario, M5C 1G4 Canada

Street Address: 95 King Street East, Suite 500

City: Toronto State: Ontario  
 ZIP: M5C 1G4

Country: Canada

\_\_\_\_ Individual(s) citizenship  
 \_\_\_\_ Association  
 \_\_\_\_ General Partnership  
X Corporation - State Ontario, Canada  
 \_\_\_\_ Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes \_\_\_\_\_ No \_\_\_\_\_

(Designations must be a separate document from Assignment)  
 Additional names/addresses attached? Yes \_\_\_\_\_ No X

3. Nature of conveyance:

\_\_\_\_ Assignment      \_\_\_\_ Merger  
 \_\_\_\_ Security Agreement      x Change of Name

Other \_\_\_\_\_

Execution Date: February 3, 1997

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1,918,654

Additional numbers attached? \_\_\_\_ Yes x No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: H. Roger Hart

Internal Address: c/o Bereskin & Parr

Street Address: Box 401, 40 King Street West

City: Toronto State: Ontario ZIP: M5H 3Y2

Country: Canada

6. Total number of applications and registrations involved: ..... 1

7. Total fee (37 CFR 3.41).....\$40.00

x Enclosed  
x Authorized to be charged to deposit account

8. Deposit account number:  
02-2095

(No need to attach duplicate copy of this page if paying by deposit account)

09/11/2001 LHWELLER 00000005 1918654  
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DO NOT USE THIS SPACE

9. Statement and signature. To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

H. Roger Hart, Bereskin & Parr, Regn. 26,426  
 Name of Person Signing  
 652-56R

[Signature]  
 Signature

Sept 5/01  
 Date

Total number of pages (including cover sheet): 17

OMB No. 0651-0011 (exp. 4/94)

Do not detach this portion

Mail documents to be recorded with required cover sheet information to:  
**Commissioner of Patents and Trademarks**  
**Box Assignments**  
**Washington, D.C. 20231**

Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information Systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project (0651-0011), Washington, D.C. 20503.



5. A) The amalgamation agreement has been duly adopted by the shareholders of each of the amalgamating corporations as required by subsection 176 (4) of the Business Corporations Act on the date set out below.

A) Les actionnaires de chaque société qui fusionne ont dûment adopté la convention de fusion conformément au paragraphe 176 (4) de la Loi sur les sociétés par actions à la date mentionnée ci-dessous.

CHECK	COCHER
A OR B	A OU B

B) The amalgamation has been approved by the directors of each amalgamating corporation by a resolution as required by section 177 of the Business Corporations Act on the date set out below.

B) Les administrateurs de chaque société qui fusionne ont approuvé la fusion par voie de résolution conformément à l'article 177 de la Loi sur les sociétés par actions à la date mentionnée ci-dessous.

The articles of amalgamation in substance contain the provisions of the articles of incorporation of

Les statuts de fusion reprennent essentiellement les dispositions des statuts constitutifs de

and are more particularly set out in these articles. et sont énoncés textuellement aux présents statuts.

Names of amalgamating corporations Dénomination sociale des sociétés qui fusionnent	Ontario Corporation Number Numéro de la société en Ontario	Date of Adoption / Approval Date d'adoption ou d'approbation
<b>Kestrel Capital Corporation</b>	<b>1114277</b>	<b>03/02/1997</b>
<b>Ralroy Corporation Ltd.</b>	<b>396530</b>	<b>03/02/1997</b>
<b>Kroy Wools Ltd.</b>	<b>898131</b>	<b>03/02/1997</b>

6. Restrictions, if any, on business the corporation may carry on or on powers the corporation may exercise. Limites, s'il y a lieu, imposées aux activités commerciales ou aux pouvoirs de la société :

**There shall be no restrictions on the business which the Corporation is authorized to carry on or on the powers which the Corporation is authorized to exercise.**

7. The classes and any maximum number of shares that the corporation is authorized to issue: Catégories et nombre maximal, s'il y a lieu, d'actions que la société est autorisée à émettre :

**The Corporation is authorized to issue an unlimited number of common shares.**

Form 4  
Business  
Corporations  
Act  
Formule 4  
Loi sur les  
sociétés par  
actions

8. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series:

Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions qui peut être émise en série :

**The attached page 4A forms part of, and is deemed to be incorporated in full into, these articles of amalgamation.**

*Document prepared by  
Smith Lyons  
Barristers & Solicitors  
Patent & Trade-mark  
Agents  
Toronto, Ontario*

**styleus corporation**  
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CBR-78 8/1993

**Rights and Privileges of Common Shares:**

The common shares shall have attached thereto the following rights, privileges, restrictions and conditions:

- (a) The holders of common shares shall be entitled to vote at all meetings of shareholders of the Corporation, except meetings at which only holders of another specified class of shares of the Corporation are entitled to vote.
- (b) Subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Corporation, the holders of common shares shall be entitled to receive the remaining property of the Corporation upon the liquidation, dissolution or winding-up of the Corporation.

9. The issue, transfer or ownership of shares is / is not restricted and the restrictions (if any) are as follows: L'émission, le transfert ou la propriété d'actions est / n'est pas restreinte. Les restrictions, s'il y a lieu, sont les suivantes :

**The attached page 5A forms part of, and is deemed to be incorporated in full into, these articles of amalgamation.**

10. Other provisions, if any:

Autres dispositions, s'il y a lieu :

**Without restricting any of the powers and capacities of the Corporation, whether derived from the Business Corporations Act or otherwise, the Corporation may mortgage, hypothecate, pledge or otherwise create a security interest in all or any present or future, real or personal, movable or immovable, legal or equitable property of the Corporation (including without limitation book debts, rights, powers, franchises and undertaking) for any purpose whatsoever.**

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11. The statements required by subsection 178 (2) of the Business Corporations Act are attached as Schedule "A":
12. A copy of the amalgamation agreement or directors resolutions (as the case may be) is/are attached as Schedule "B":

Les déclarations exigées aux termes du paragraphe 178 (2) de la Loi sur les sociétés par actions constituent l'annexe "A":

Une copie de la convention de fusion ou les résolutions des administrateurs (selon le cas) constitue(nt) l'annexe "B":

1. No shareholder of the Corporation shall be entitled to transfer any share or shares of the Corporation without either:
  - (i) the previous consent of the holders of more than fifty per cent of the common shares then outstanding expressed by a resolution passed by the votes of the holders of more than fifty per cent of the common shares then outstanding at a meeting of the holders of the common shares or by a resolution signed by all of the holders of the common shares then outstanding or by an instrument or instruments in writing signed by the holders of more than fifty per cent of the common shares then outstanding; or
  - (i) the previous consent of the directors of the Corporation expressed by a resolution passed by the votes of a majority of the directors of the Corporation at a meeting of the directors of the Corporation or by a resolution signed by all of the directors of the Corporation or by an instrument or instruments in writing signed by a majority of the directors of the Corporation.
2. The number of shareholders of the Corporation, exclusive of persons who, having been formerly in the employment of the Corporation, were, while in that employment, and have continued after termination of that employment to be, shareholders of the Corporation, is limited to not more than fifty, two or more persons who are the joint registered owners of one or more shares being counted as one shareholder.
3. Any invitation to the public to subscribe for any securities of the Corporation is prohibited.



These articles are signed in duplicate.

Les présents statuts sont signés en double exemplaire.

Form 4  
Business  
Corporations  
Act

Formule 4  
Loi sur les  
sociétés par  
actions

Names of the amalgamating corporations and  
signatures and descriptions of office of their proper  
officers.

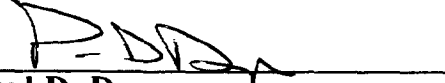
Dénomination sociale des sociétés qui fusionnent,  
signature et fonction de leurs dirigeants régulièrement  
désignés.

**KESTREL CAPITAL CORPORATION**  
By:



**Paul D. Damp,**  
**Chief Executive Officer and Director**

**RALROY CORPORATION LTD.**  
By:



**Paul D. Damp,**  
**President and Director**

**KROY WOOLS LTD.**  
By:



**Paul D. Damp,**  
**Chairman of the Board, President and  
Director**

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**TRADEMARK**  
**REEL: 002364 FRAME: 0200**

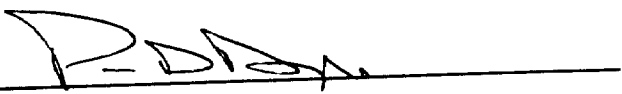
## SCHEDULE "A"

### STATEMENT OF DIRECTOR OR OFFICER PURSUANT TO SUBSECTION 178(2) OF THE BUSINESS CORPORATIONS ACT

I, Paul D. Damp, of the City of North York, in the Municipality of Metropolitan Toronto, in the Province of Ontario, hereby certify and state as follows:

1. This statement is made pursuant to subsection 178(2) of the Business Corporations Act (the "Act") in connection with the amalgamation (the "Amalgamation") of Kestrel Capital Corporation ("Kestrel"), Ralroy Corporation Ltd. ("Ralroy") and Kroy Wools Ltd. ("Kroy") (collectively, the "Amalgamating Corporations").
2. I am the Chief Executive Officer and the sole director of Kestrel and as such have knowledge of its affairs.
3. I am the President and a director of Ralroy and as such have knowledge of its affairs.
4. I am the Chairman of the Board, President and a director of Kroy and as such have knowledge of its affairs.
5. I have conducted such examinations of the books and records of each of the Amalgamating Corporations as are necessary to enable me to make the statements hereinafter set forth.
6. There are reasonable grounds for believing that (i) each of the Amalgamating Corporations is and the corporation to be formed by the Amalgamation (the "Amalgamated Corporation") will be able to pay its liabilities as they become due, and (ii) the realizable value of the assets of the Amalgamated Corporation will not be less than the aggregate of its liabilities and the stated capital of all classes of shares of the Amalgamated Corporation.
7. There are reasonable grounds for believing that no creditor of the Amalgamating Corporations will be prejudiced by the Amalgamation.

This statement is made as of the 3rd day of February, 1997.

  
Paul D. Damp

**SCHEDULE "B"**

**THIS AGREEMENT made as of the 3rd day of February, 1997.**

**B E T W E E N:**

**KESTREL CAPITAL CORPORATION, a corporation  
incorporated under the Business Corporations Act (Ontario)**

**(hereinafter called "Kestrel")**

**OF THE FIRST PART**

**- and -**

**RALROY CORPORATION LTD., a corporation  
incorporated under the Business Corporations Act (Ontario)**

**(hereinafter called "Ralroy")**

**OF THE SECOND PART**

**- and -**

**KROY WOOLS LTD., a corporation incorporated under  
the Business Corporations Act (Ontario)**

**(hereinafter called "Kroy")**

**OF THE THIRD PART**

**WHEREAS Kestrel, Ralroy and Kroy have agreed to amalgamate upon the terms  
and conditions herein contained in accordance with the provisions of the OBCA;**

**NOW THEREFORE in consideration of the premises and the mutual covenants  
hereinafter contained and for other good and valuable consideration, the receipt and sufficiency  
of which is hereby acknowledged, the parties hereto hereby covenant and agree as follows:**

## ARTICLE ONE

## DEFINITIONS

Section 1.01 Definitions: In this Agreement:

- (a) "Agreement" means this agreement as amended, modified or supplemented from time to time;
- (b) "Amalgamated Corporation" means the corporation continuing from the amalgamation of the Amalgamating Corporations;
- (c) "Amalgamating Corporations" means Kestrel, Ralroy and Kroy collectively;
- (d) "Amalgamation" means the amalgamation of the Amalgamating Corporations as provided for in this Agreement;
- (e) "common shares" means the common shares which the Amalgamated Corporation will be authorized to issue as constituted on the Effective Date;
- (f) "Effective Date" means the effective date of the Amalgamation as set forth in the certificate of amalgamation issued to the Amalgamated Corporation by the Director under the OBCA;
- (g) "Kestrel Shares" means all of the issued and outstanding shares of Kestrel, all of which are owned by Paul D. Damp;
- (h) "#1 Kroy Shares" means all of the issued and outstanding shares of Kroy which are owned by Paul D. Damp;
- (i) "#2 Kroy Shares" means all of the issued and outstanding shares of Kroy which are owned by Ralroy;
- (j) "OBCA" means the Business Corporations Act (Ontario); and
- (k) "Ralroy Shares" means all of the issued and outstanding shares of Ralroy, all of which are owned by Paul D. Damp;

Words and phrases used herein and defined in the OBCA shall have the same meaning herein as in the OBCA unless the context otherwise requires.

## ARTICLE TWO

## AMALGAMATION

Section 2.01 Effective Date of Amalgamation: The Amalgamating Corporations agree to amalgamate pursuant to the provisions of the OBCA as of the Effective Date and, on the Effective Date, the Amalgamation shall become effective and the Amalgamating Corporations shall be amalgamated and continue as one corporation upon the terms and conditions herein contained.

## ARTICLE THREE

## AMALGAMATED CORPORATION

Section 3.01 Name: The name of the Amalgamated Corporation shall be Kroy International Inc.

Section 3.02 Registered Office: The registered office of the Amalgamated Corporation shall be Suite 5800, 40 King Street West, Scotia Plaza, Toronto, Ontario M5H 3Z7, in the Municipality of Metropolitan Toronto.

Section 3.03 Authorized Capital: The Amalgamated Corporation shall be authorized to issue an unlimited number of common shares. The common shares shall have attached thereto the following rights, privileges, restrictions and conditions:

- (a) The holders of the common shares shall be entitled to vote at all meetings of shareholders of the Amalgamated Corporation, except meetings at which only holders of another specified class of shares of the Amalgamated Corporation are entitled to vote.
- (b) Subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Amalgamated Corporation, the holders of common shares shall be entitled to receive the remaining property of the Amalgamated Corporation upon the liquidation, dissolution or winding-up of the Amalgamated Corporation.

**Section 3.04 Restrictions on Issue, Transfer or Ownership of Shares:**

1. No shareholder of the Amalgamated Corporation shall be entitled to transfer any share or shares of the Amalgamated Corporation without either:
  - (a) the previous consent of the holders of more than fifty per cent of the common shares then outstanding expressed by a resolution passed by the votes of the holders of more than fifty per cent of the common shares then outstanding at a meeting of the holders of the common shares or by a resolution signed by all of the holders of the common shares then outstanding or by an instrument or instruments in writing signed by the holders of more than fifty per cent of the common shares then outstanding; or
  - (b) the previous consent of the directors of the Amalgamated Corporation expressed by a resolution passed by the votes of a majority of the directors of the Amalgamated Corporation at a meeting of the directors of the Amalgamated Corporation or by a resolution signed by all of the directors of the Amalgamated Corporation or by an instrument or instruments in writing signed by a majority of the directors of the Amalgamated Corporation.
  
2. The number of shareholders of the Amalgamated Corporation, exclusive of persons who, having been formerly in the employment of the Amalgamated Corporation, were, while in that employment, and have continued after termination of that employment to be, shareholders of the Amalgamated Corporation, is limited to not more than fifty, two or more persons who are the joint registered owners of one or more shares being counted as one shareholder.
  
3. Any invitation to the public to subscribe for any securities of the Amalgamated Corporation is prohibited.

**Section 3.05 Directors:**

1. **Minimum and Maximum:** The Amalgamated Corporation shall have a minimum of one and a maximum of five directors.
  
2. **First Directors:** The first directors of the Amalgamated Corporation shall be the persons whose names and addresses appear below:

<u>Full Name</u>	<u>Residential Address</u>	<u>Resident Canadian</u>
Paul D. Damp	9 Bowring Walk North York, Ontario M5H 5Z5	Yes
Lynn M. Damp	9 Bowring Walk North York, Ontario M5H 5Z5	Yes

Such directors shall hold office until the first annual meeting of the shareholders of the Amalgamated Corporation or until their respective successors are elected or appointed.

Section 3.06 Powers: There shall be no restrictions on the business which the Amalgamated Corporation is authorized to carry on or on the powers which the Amalgamated Corporation is authorized to exercise.

Section 3.07 By-Laws: The by-laws of the Amalgamated Corporation, until repealed, amended or altered, shall be the by-laws of Ralroy.

Section 3.08 Charging Power: Without restricting any of the powers and capacities of the Amalgamated Corporation, whether derived from the OBCA or otherwise, the Amalgamated Corporation may mortgage, hypothecate, pledge or otherwise create a security interest in all or any present or future, real or personal, movable or immovable, legal or equitable property of the Amalgamated Corporation (including without limitation book debts, rights, powers, franchises and undertaking) for any purpose whatsoever.

#### ARTICLE FOUR

##### ISSUE OF SECURITIES BY THE AMALGAMATED CORPORATION

Section 4.01 Issue of Shares: The outstanding shares of the Amalgamating Corporations immediately prior to the Effective Date shall be exchanged or cancelled as follows:

- (a) Paul D. Damp shall receive one fully paid and non-assessable common share in exchange for each one Kestrel Share held by him;
- (b) Paul D. Damp shall receive one fully paid and non-assessable common share in exchange for each one #1 Kroy Share held by him;

- (c) the #2 Kroy Shares owned by Ralroy shall be automatically cancelled without any repayment of capital in respect thereof in accordance with subsection 175(2) of the OBCA; and
- (d) Paul D. Damp shall receive one fully paid and non-assessable common share in exchange for each one Ralroy Share held by him;

provided that the stated capital account maintained in respect of the common shares shall be equal to the aggregate of the stated capital of the issued and outstanding shares of each of the Amalgamating Corporations immediately prior to the Effective Date.

Section 4.02 Certificates: After the issue of a certificate of amalgamation in respect of the Amalgamation by the Director under the OBCA, upon surrender of the certificate representing the Kestrel Shares, the #1 Kroy Shares and the Ralroy Shares, Paul D. Damp shall be entitled in return to receive a certificate representing the appropriate number of common shares.

## ARTICLE FIVE

### ARTICLES OF AMALGAMATION

Section 5.01 Filing: Upon the shareholders of each of the Amalgamating Corporations approving the Amalgamation and this Agreement in accordance with the OBCA, the Amalgamating Corporations shall jointly file with the Director under the OBCA articles of amalgamation, in duplicate, together with such other documents as may be required in connection with the Amalgamation.

Section 5.02 Termination: Notwithstanding the approval of the Amalgamation and this Agreement by the shareholders of the Amalgamating Corporations, this Agreement may be terminated by the mutual agreement of the Amalgamating Corporations.

## ARTICLE SIX

### GENERAL

Section 6.01 Assets and Liabilities: Each of the Amalgamating Corporations shall contribute to the Amalgamated Corporation all of its assets, subject to its liabilities, as they exist immediately before the Amalgamation becomes effective. The Amalgamated Corporation shall possess all of the property, rights, privileges and franchises, as they exist immediately before the Amalgamation becomes effective, and shall be subject to all of the liabilities, contracts, disabilities and debts of each of the Amalgamating Corporations, as they exist immediately before the Amalgamation becomes effective. All rights of creditors against the property, assets, rights, privileges and franchises of the Amalgamating Corporations and all liens upon their respective property, rights and assets shall be unimpaired by the Amalgamation and all debts, contracts, liabilities and duties of the Amalgamating Corporations shall henceforth attach to and may be enforced against the Amalgamated Corporation.



No action or proceeding by or against any of the Amalgamating Corporations shall abate or be affected by the Amalgamation but, for all purposes of such action or proceeding, the name of the Amalgamated Corporation shall be substituted in such action or proceeding in place of the name of the relevant Amalgamating Corporations.

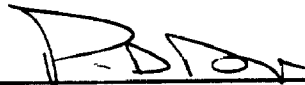
Section 6.02 Governing Law: This Agreement shall be governed by and be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 6.05 Entire Agreement: This Agreement constitutes the entire agreement between the Amalgamating Corporations relating to the subject matter hereof and supersedes all prior agreements and understandings, oral and written, between the Amalgamating Corporations with respect to the subject matter hereof.

IN WITNESS WHEREOF this Agreement has been executed by each of the Amalgamating Corporations.

KESTREL CAPITAL CORPORATION

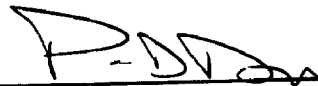
By:



Paul D. Damp,  
Chief Executive Officer & Director

RALROY CORPORATION LTD.

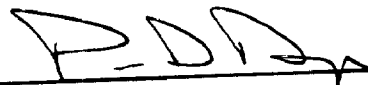
By:



Paul D. Damp  
President and Director

KROY WOOLS LTD.

By:



Paul D. Damp  
Chairman of the Board, President  
and Director