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Form PTO-1594

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Tab settings

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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

ROYAL ENTERPRISES, INC.

- ☐ Individual(s) ☐ Association
☐ General Partnership ☐ Limited Partnership
☒ Corporation-State
☐ Other _____

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

3. Nature of conveyance:

- ☒ Assignment ☐ Merger
☐ Security Agreement ☐ Change of Name
☐ Other _____

Execution Date: 01/01/03

2. Name and address of receiving party(ies)

Name: URNEX BRANDS, INC.

Internal

Address: _____

Street Address: 170 Ludlow Street

City: Yonkers State: NY Zip: 10705

- ☐ Individual(s) citizenship _____
☐ Association _____
☐ General Partnership _____
☐ Limited Partnership _____
☒ Corporation-State Delaware
☐ 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 name(s) & address(es) attached? ☐ Yes ☒ No

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

A. Trademark Application No.(s) _____

B. Trademark Registration No.(s) 2129109, 2364420

Additional number(s) attached ☐ Yes ☒ No

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

Name: Josh Dick

Internal Address: President

Urnex Brands, Inc.

Street Address: 170 Ludlow Street

City: Yonkers State: NY Zip: 10705

6. Total number of applications and registrations involved: 2

7. Total fee (37 CFR 3.41).....\$ 65.00

- ☒ Enclosed
☐ Authorized to be charged to deposit account

8. Deposit account number:

DO NOT USE THIS SPACE

9. Signature.

Joshua Dick

Name of Person Signing

 Signature

 February 25, 2003
 Date

Total number of pages including cover sheet, attachments, and document: 8

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

 TRADEMARK
 REEL: 002682 FRAME: 0844

RECORDED

FEB 25 2003

11:30 AM

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 40.00 DP
 25.00 DP

CONTRIBUTION AND EXCHANGE AGREEMENT

THIS CONTRIBUTION AND EXCHANGE AGREEMENT (this "Agreement") is made and entered into as of this 1st day of January, 2003, by and between **ROYAL ENTERPRISES, INC.**, a New York corporation ("REI"), and **URNEX BRANDS, INC.**, a Delaware corporation ("UBI").

WITNESSETH:

WHEREAS, the parties have agreed that REI shall transfer certain of its assets and liabilities used in its coffee pot cleaner and related businesses (the "Transferred Business") to UBI in exchange for all of the outstanding capital stock of UBI as set forth in Schedule 1 hereto (the "Stock").

NOW, THEREFORE, in consideration of the premises, covenants, promises, warranties and representations hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Transfer of Assets.

(a) REI does hereby contribute, grant, transfer, convey, assign and deliver to UBI, as of the date first above appearing, all of REI's right, title and interest, of whatever kind and character, in and to certain assets of REI as listed on Exhibit A hereto (such assets are collectively referred to herein as the "Assets"). Exhibit A includes the adjusted tax basis and appraised market value of the Assets.

(b) The foregoing assignment shall not be effective with respect to any contract which, by its terms, may not be assigned without the prior consent of any other party thereto, until REI has obtained a written consent from such other party; provided, however, that, with respect to such contracts, REI agrees to take all reasonable actions to obtain such consents, provided that REI shall not be required to agree to the amount of any payments due under such contracts in order to obtain such consents, and REI further agrees to make available to UBI the benefits of any such assigned contract.

(c) REI hereby irrevocably makes, constitutes and appoints UBI its true and lawful attorney, with full power of substitution, for and in the name and stead of REI but on behalf and for the benefit of UBI, to demand and receive from time to time any and all property, tangible and intangible, constituting any of the Assets and to give receipts and releases for and in respect of the same and any part thereof and, from time to time, to institute and prosecute in the name of REI, but at the expense and for the benefit of UBI, any and all proceedings at law, in equity or otherwise, which UBI may deem proper to collect, assert or enforce any claim, right or title of any kind in respect of any of the Assets and to defend and compromise any and all actions, suits or proceedings hereafter instituted in respect of any of the Assets and to do all such acts and things in relation to the Assets as UBI shall deem desirable.

2. Assumption of Liabilities. As of the date first written above and subject to the terms and conditions herein set forth, UBI agrees to accept the contribution of the Assets subject to the assumption of the liabilities set forth on Exhibit B hereto (the "Assumed Liabilities"). Accordingly, UBI agrees to assume the Assumed Liabilities and become obligated to pay and discharge the Assumed Liabilities, when and as they become due and payable.

3. Employees. Upon the effective date of this Agreement, REI shall terminate all of its employees engaged in the UBI business, and UBI shall use its best efforts to hire such employees, subject to compliance in full with the terms of that certain Agreement, dated June 3, 2002 (the "Union Agreement"), by and between REI and Local 202, an affiliate of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America. The parties will use their best efforts to obtain the consent of Local 202 to the employee transfer pursuant to the Union Agreement.

4. Issuance of the Stock. In exchange for the Assets and Assumed Liabilities, UBI shall hereby issue the Stock to REI.

5. Subchapter S Election. The parties hereto agree and intend that REI shall file an election with the Internal Revenue Service for UBI to be treated as a qualified subchapter S subsidiary pursuant to the Internal Revenue Code of 1986, as amended.

6. Representations and Warranties of the Parties.

(a) REI hereby warrants and represents to UBI that: (i) it has full power, right authority and capacity to enter into and perform this Agreement, (ii) its execution, delivery and performance of this Agreement, and the transactions contemplated hereby have been duly authorized by all necessary action by its Board of Directors.

(b) UBI hereby represents and warrants to REI that: (i) its execution, delivery and performance of this Agreement and the transactions contemplated hereby have been duly authorized by all necessary action by its Board of Directors, and (ii) the Stock, when issued as contemplated herein, shall be validly issued, fully-paid and non-assessable.

7. Further Assurances. Each of the parties hereby agrees to execute and deliver from time to time, at the request of the other party, all such further instruments of conveyance, assignment, transfer, issuance, assumption and further assurance as may be reasonably required in order to vest in and confirm to the other party all of the rights, properties, liabilities and stock hereby granted, transferred, conveyed, assigned, delivered, assumed or issued.

8. Governing Law. This Agreement shall be deemed to have been executed and delivered in the State of New York and shall be governed by and construed in accordance with the internal laws, as opposed to the rules governing conflicts of laws, of the State of New York.

9. Successors. This Agreement shall be binding upon the parties and their respective successors, heirs and assigns.

10. Entire Agreement. This Agreement and the Schedules and Exhibits attached hereto contain the entire agreement among the parties with respect to the transactions

contemplated hereby and supersede all previous oral negotiations, commitments, understandings and agreements.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above by their duly authorized representatives.

ROYAL ENTERPRISES, INC.

By: Joseph M. Dick
Name: Joseph M. Dick
Its: PRES

URNEX BRANDS, INC.

By: Joshua Dick
Name: JOSHUA DICK
Its: PRESIDENT

SCHEDULE 1

THE STOCK

REI will receive One Thousand (1,000) shares of common stock, \$.01 par value, of UBI in exchange for the Assets and assumption of the Assumed Liabilities. Such shares, when issued, shall constitute all of the outstanding capital stock of UBI.

EXHIBIT A

ASSETS

Operating Company Assets

Equipment

Machine #1 Prodo-Pak
Auger for #1
Blender #1 60 cu. ft.
Machine #2 Prodo-Pak
Auger for #2
Blender #2 12 cu. ft.
Dust Collection System
Tablet Press
Liquid Bottling Line/Capper
Blending Tanks (2 -- 300 gal. Ea.)
Forklift Truck
Material Press and Table
Material Winder
Sewing Machines
Ribbon Cutting Machines
Knitting Machines (8)
Steaming Machine
Compressor
High Pressure Boiler
Battery Charger
Racking System
Tape/Label Machines

Office

Computers and Network Systems
Mas200 Software Package
Avaya Phone System
Printers
Fax
Copier
Filing Systems

Lease Obligations

Shipping Software Package
Postage Handling System
Telephone System
Cars

Financial

Inventory

Accounts Receivable

Accounts Payable

Yonkers Loan (orig. value/cur. value) \$50,000/\$40,000

Line of Credit (\$125,000) \$10,000 approx.

Insurance

Other

Laboratory equipment

Espresso Machines for Testing

Proprietary formulas

NSF certification

Prepaid kosher certification

Business Division and Assets Purchase Agreement with Regency Wraps, Inc. (pursuant to which Urnex is assuming all rights under this agreement, but any and all liabilities remain with Royal as noted on Exhibit B).

Union

10 employees

Contract renewed June 3, 2002 for three years.

Trademarks

Urnex	Dead
Cleancaf	Live
Lemon Wedge Bag	Live/Expired
Lemon Cover	Dead
Sani-Pure	Live
Rinza	In Use to be Filed
Cafiza	In Use to be Filed

Domain Names

urnex.com

EXHIBIT B

ASSUMED LIABILITIES

- [1] All liabilities and obligations listed on the books, records or balance sheets of REI with respect to the Transferred Business as of the date of the Agreement.
- [2] All obligations of REI under agreements, contracts, licenses and other arrangements referred to on Exhibit A to this Agreement, and entered into in the ordinary course of business to furnish goods, services and other non-cash benefits to another party after the date of this Agreement or to pay for goods, services, and other non-cash benefits that another party will furnish to UBI after the date of this Agreement.
- [3] In particular, pursuant to the terms of that certain Agreement, dated June 3, 2002 (the "Union Agreement"), by and between REI and Local 202, an affiliate of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America, UBI shall assume all accrued obligations of REI to the employees of REI covered by the Union Agreement and agrees to be bound by the terms and provisions of the Union Agreement.
- [4] Assumed liabilities does not include, and UBI shall not assume, liabilities or obligations (i) for payroll accruing prior to the date of the Agreement, (ii) for any taxes, including, but not limited to, payroll, franchise, income, sales and other taxes accruing prior to the date of the Agreement or that may be assessed in the future with respect to dates prior to the date of the Agreement, and (iii) pursuant to the Business Division and Assets Purchase Agreement with Regency Wraps, Inc.