

12-30-2004

Form PTO-1594 (Rev. 06/04)
OMB Collection 0651-0027 (exp. 6/30/2005)



DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

RECORD# 102913702
TRADEMARKS ONLY

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)/Execution Date(s):

Clearly Canadian Beverage Corporation

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

Citizenship (see guidelines) Canada

Execution Date(s) November 23, 2004

Additional names of conveying parties attached? Yes No

3. Nature of conveyance:

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

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: Global (GMPC) Holdings Inc.

Internal

Address: P.O. Box 2426

Street Address: Suite 3000, 2300 Yonge Street

City: Toronto

State: Ontario

Country: Canada Zip: M4P 1E4

Association Citizenship _____

General Partnership Citizenship _____

Limited Partnership Citizenship _____

Corporation Citizenship Canada

Other _____ Citizenship _____

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)

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

See Exhibit A attached hereto

B. Trademark Registration No.(s)

See Exhibit A attached hereto

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

1697898

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

Name: Ryan, Swanson & Cleveland, PLLC

Internal Address: Attention: Paul Meier, Esq.

Street Address: 1201 Third Avenue, Suite 3400

City: Seattle

State: WA Zip: 98101

Phone Number: 206-654-2214

Fax Number: 206-652-2914

Email Address: meier@ryanlaw.com

6. Total number of applications and registrations involved:

6

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 165.00

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers _____
Expiration Date 12-06-2004

b. Deposit Account Number _____

U.S. Patent & TMO's/TM Mail Rcpt Dt. #74

Authorized User Name _____

9. Signature:

TACHE 00000146 1697898

R. Paul Meier
Signature

12/11/04
Date

40.00
125.00
Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 12

Documents to be recorded (including cover sheet) should be faxed to (703) 306-5995, or mailed to: Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

TRADEMARK
REEL: 003098 FRAME: 0920

Handwritten notes: "706" and "12"

12/29/2004 NGB
01 FC:8521
02 FC:8522

EXHIBIT A
Trademarks

Clearly Canadian Beverage Corporation	Clearly Canadian	1697898	June 30, 1992
Clearly Canadian Beverage Corporation	Clearly Canadian 02	2297921	December 7, 1999
Clearly Canadian Beverage Corporation	[Design]	2506107	November 13, 2001
Clearly Canadian Beverage Corporation	Tre Limone	2696945	March 18, 2003
Clearly Canadian Beverage Corporation	Clearly Canadian 0+2 Super-Oxygenated Water	2292588	November 16, 1999
Clearly Canadian Beverage Corporation	O+2	2294375	November 23, 1999

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT ("Agreement") is entered into as of November 23, 2004 by **CLEARLY CANADIAN BEVERAGE CORPORATION**, a British Columbia company with a mailing address of 2489 Bellevue Avenue, West Vancouver, B.C. V7V 1E1 (the "**Debtor**") in favor of **GLOBAL (GMPC) HOLDINGS INC.** (the "**Secured Party**"), with a mailing address of Suite 3000, 2300 Yonge Street, Toronto, Ontario M4P 1E4 with respect to the following facts:

A. The Debtor is the borrower pursuant to a loan agreement dated November 23, 2004 between the Debtor and the Secured Party (including as same may be amended, supplemented, revised restated or replaced from time to time, the "**Loan Agreement**").

B. Each capitalized term used but not defined in this Agreement shall have the meaning assigned to it in the Loan Agreement.

C. It is a condition precedent to the continued obligations of the Secured Party under the Loan Agreement that the Debtor shall have granted the security interest contemplated by this Agreement.

NOW, THEREFORE, in consideration of the premises, Debtor hereby agrees as follows:

1. **Grant of Security Interest.** The Debtor hereby assigns and pledges to the Secured Party, and hereby grants to the Secured Party a security interest in, all of the Debtor's right, title and interest in and to the following (the "**Trademark Collateral**"):

(a) all trademarks, service marks (including any common law marks), trademark and service mark registrations, interests in any trademarks or service marks under any and all license agreements, and trade names and trademark or service mark applications for which registrations have been issued or applied for in the United States Patent and Trademark Office; including, without limitation, the trademarks, service marks, applications and registrations listed on Schedule "A" attached hereto and made a part hereof (excluding each application to register any trademark, service mark or other mark prior to the filing under applicable law of a verified statement of use (or the equivalent) for such trademark or service mark) and the license agreements (both as licensee or licensor) listed on Schedule "B" attached hereto and made a part hereof and (i) all renewals thereof, (ii) all income, royalties, damages and payments now or hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements thereof but excluding attorneys' fees and court costs payable to the Debtor in respect thereto, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing trademarks, trademark registrations, and interests under license agreements, trade names and applications, together with the items described in clauses (i) through (iv) in this subparagraph (a), are sometimes hereinafter individually and/or collectively referred to as the "**Trademarks**"; and

(b) the goodwill of the Debtor's business connected with the Trademarks.

2. **Security for Obligations.** This Agreement secures the payment and performance of all obligations of the Debtor now or hereafter existing under the Loan Agreement, whether for principal, interest, fees, expenses or otherwise, including all obligations of the Debtor now or hereafter existing under this Agreement (all such obligations of the Debtor being the "**Obligations**"). Without limiting the generality of the foregoing, this Agreement secures the payment of all amounts which constitute part of the Obligations and would be payable by the Debtor to the Secured Party but for the fact that they are

unenforceable or not allowable due to the existence of a bankruptcy or similar proceeding involving the Debtor.

3. **Restrictions on Future Agreements.** The Debtor agrees that until all Obligations have been paid and satisfied in full and the Loan Agreement has been terminated pursuant to the terms thereof, the Debtor shall not, without the Secured Party's prior written consent, abandon any Trademark or enter into any agreement, including, without limitation, any license agreement, which is inconsistent with the Debtor's obligations under this Agreement in each case if such actions could reasonably be expected to materially impair the value of the Trademark Collateral or the benefits of this Agreement granted to the Secured Party, including, without limitation, the priority or perfection of the security interest granted herein or the remedies of the Secured Party hereunder, and the Debtor further agrees that it will not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which could reasonably be expected to affect the validity or enforcement of the rights transferred to the Secured Party under this Agreement and any such agreement or action if it shall take place shall be null and void and of no effect whatsoever.

4. **New Trademarks.** The Debtor represents and warrants that the Trademarks listed on Schedule "A" and the license agreements listed on Schedule "B" constitute all of the Trademarks and applications now owned by or licensed to or by the Debtor for which registrations have been issued or applied for in the United States Patent and Trademark Office and that the disclosure intended in such schedules is accurate in respect thereof. If, before the Obligations have been satisfied in full and the Loan Agreement terminated pursuant to the terms thereof, (i) the Debtor shall obtain rights to any new trademarks, trademark registrations or applications or trade names used in the United States or any state, territory or possession thereof, or (ii) the Debtor shall become entitled to the benefit of any trademark application, trademark, trademark registration or trade name used in the United States or any state, territory or possession thereof, then the provisions of Section 1 above shall automatically apply thereto and the Debtor shall give to the Secured Party prompt written notice thereof. The Debtor agrees that from time to time, at the expense of the Debtor, the Debtor shall promptly execute and deliver all further instruments and documents, and take all further action, that may be reasonably necessary or desirable, or that the Secured Party may reasonably request, in order to perfect and protect any security interest granted hereby or to enable the Secured Party to exercise and enforce its rights and remedies hereunder with respect to any Trademark Collateral. The Debtor hereby authorizes the Secured Party to modify this Agreement by amending Schedule "A" and Schedule "B" to include any future trademarks, trademark registrations, trademark applications, trade names and license agreements which are Trademark Collateral, as applicable, under Section 1 above or under this Section 4 and to amend any UCC financing statement or similar instrument in order to give notice of such modification, and to file and/or record the same.

5. **Additional Representations and Warranties.** The Debtor hereby represents, warrants, covenants and agrees that:

(a) Except as otherwise provided herein, in the Security Agreement or in the Loan Agreement, upon the delivery of this Agreement, it is and will continue to be the owner of all right, title and interest in the Trademark Collateral so long as the Trademarks shall continue in force, free from any lien or security interest in favor of any Person save for the security interest granted to the Secured Party and any Permitted Encumbrances.

(b) It has the full right and power to grant the security interest in the Trademark Collateral made hereby.

(c) No effective financing statement or other instrument similar in effect covering all or any part of the Trademark Collateral is on file in any recording office, except such as may have been filed in favor of the Secured Party.

(d) Subject to any limitation stated therein or in connection therewith, all information furnished to the Secured Party concerning the Trademark Collateral and proceeds thereof, for the purpose of obtaining credit or an extension of credit, is, or will be at the time the same is furnished, accurate and correct in all material respects.

(e) To the best of the Debtor's knowledge and belief, no material infringement or unauthorized use is now being made of any of the Trademarks which could reasonably be expected to materially adversely affect the fair market value of the Trademark Collateral or the benefits of this Agreement granted to the Secured Party.

6. **Royalties, Terms.** The Debtor hereby agrees that any rights granted hereunder to the Secured Party and its successors, transferees and assigns with respect to all Trademark Collateral as described above shall be without any liability for royalties or other related charges from the Secured Party to the Debtor. The term of the assignments of security interest granted herein shall extend until the earlier of (i) the expiration or termination of each of the Trademarks assigned hereunder or (ii) all Obligations have been paid in full and the Loan Agreement has been terminated pursuant to the terms thereof.

7. **Additional Covenants and Duties of Debtor.** The Debtor hereby covenants and agrees that:

(a) Debtor shall not (a) sell, grant any license under, lease, assign (by operation of law or otherwise) or otherwise dispose of, or grant any option with respect to, any of the Trademark Collateral, or (b) create or permit to exist any lien, security interest, option or other charge or encumbrance upon or with respect to any of the Trademark Collateral, except for Permitted Encumbrances. The Debtor shall have the duty (i) to prosecute diligently any trademark application that is part of the Trademarks pending as of the date hereof or thereafter until all Obligations shall have been paid in full and the Loan Agreement shall have been terminated pursuant to the terms thereof, (ii) to make application for registration of Trademarks, as appropriate, and (iii) to preserve and maintain all rights in trademark applications, trademarks, trade names, interests under trademark license agreements and trademark registrations that are part of the Trademarks, including taking legal action to prevent or halt infringement of any of the Trademark Collateral. The Debtor shall not abandon any right to file a trademark application or any pending trademark application without the consent of the Secured Party.

(b) The Debtor agrees that at any time and from time to time, at the expense of the Debtor, the Debtor will promptly execute and deliver all further instruments and documents (including UCC-1 financing statements), and take all further action, that may be necessary or desirable, or that the Secured Party may reasonably request, in order to perfect and protect any security interest or assignment granted or purported to be granted hereby or to enable the Secured Party to exercise and enforce its rights and remedies hereunder with respect to any Trademark Collateral.

(c) If the Debtor fails to comply with any of the foregoing duties, the Secured Party may do so in the Debtor's name to the extent permitted by law, but at the Debtor's expense, and the Debtor hereby agrees to reimburse the Secured Party in full for all expenses, including the reasonable fees and disbursements of counsel incurred by Secured Party in protecting, defending and maintaining the Collateral.

8. **Secured Party Appointed Attorney-in-Fact.** The Debtor hereby irrevocably appoints the Secured Party the Debtor's attorney-in-fact, with full authority in the place and stead of the Debtor and in the name of the Debtor, the Secured Party or otherwise, from time to time following the occurrence and continuance of an Event of Default, and, with respect only to subsection (d) below where necessary to prevent the impairment of the value of the Trademark Collateral irrespective of whether an Event of Default has occurred, to take any action and to execute any instrument which the Secured Party may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation:

(a) to ask, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in respect to any Trademark Collateral;

(b) to receive, endorse and collect any drafts or other instruments, documents and chattel paper in connection with clause (a) above;

(c) to file any claims or take any action or institute any proceedings which the Secured Party may deem necessary or desirable for the collection of any of the Trademark Collateral or otherwise to enforce the rights of the Secured Party with respect to any of the Trademark Collateral;

(d) to sign or endorse all writings, and take all acts contemplated or required of the Debtor under Section 7(b).

9. **Secured Party May Perform.** If the Debtor fails to perform any agreement contained herein, the Secured Party may itself perform, or cause performance of, such agreement, and the expenses of the Secured Party incurred in connection therewith shall be payable by the Debtor under Section 12.

10. **The Secured Party's Duties.** The powers conferred on the Secured Party hereunder are solely to protect its interest in the Trademark Collateral and shall not impose any duty upon it to exercise any such powers. Except for the safe custody of any Trademark Collateral and its possession and the accounting for moneys actually received by it hereunder, the Secured Party shall have no duty as to any of the Trademark Collateral or as to the taking of any necessary steps to preserve rights against prior parties or any other rights pertaining to the Trademark Collateral.

11. **Remedies.**

(a) If any Event of Default shall have occurred and be continuing, the Secured Party may exercise in respect of the Trademark Collateral, in addition to other rights and remedies provided for herein or otherwise available to it, all of the rights and remedies of a secured party under the Uniform Commercial Code as adopted in the State of Washington (the "Code") (whether or not the Code applies to the affected Trademark Collateral) and all other rights and remedies accorded to the Secured Party at equity or law, including, without limitation, the right to apply for and have a receiver appointed by a court of competent jurisdiction to manage, protect and preserve the Trademark Collateral, continue the operation of the business of the Debtor and to collect all revenues and profits thereof. Any notice of sale or other disposition of the Trademark Collateral given not less than ten (10) days prior to such proposed action shall constitute reasonable and fair notice of such action, however no notice shall be required with respect to Trademark Collateral which threatens to decline speedily in value. The Secured Party may postpone or adjourn any such sale from time to time by announcement at the time and place of sale stated in the notice of sale. Any such sale may be for cash or, unless prohibited by applicable law, upon such credit or installment terms as the Secured Party shall determine. The Secured Party may be the purchaser at any such sale. The Debtor shall be credited with the net proceeds of such sale only when such proceeds actually are received by the Secured Party. Despite the consummation of any such sale, the Debtor shall

remain liable for any deficiency with respect to the Obligations which remain outstanding following any such sale.

(b) All cash proceeds received by the Secured Party in respect of any sale of, collection from, or other realization upon all or any part of the Trademark Collateral shall be applied (other than amounts which may be retained for a reasonable time for the purpose of payment of amounts to the Secured Party pursuant to Section 12) in whole or in part by the Secured Party against, all or any part of the Obligations in such order as the Secured Party shall elect. Any surplus of such cash or cash proceeds held by the Secured Party and remaining after payment in full of all the Obligations shall be paid over to the Debtor or to whomsoever may be lawfully entitled to receive such surplus.

(c) Upon the request of the Secured Party, the Debtor shall transfer the Trademark Collateral, and deliver all documents necessary or appropriate in connection therewith, to the Secured Party.

12. **Indemnity and Expenses.**

(a) The Debtor agrees to indemnify the Secured Party from and against any and all claims, losses and liabilities growing out of or resulting from this Agreement, except claims, losses or liabilities resulting from the Secured Party's gross negligence or willful misconduct.

(b) The Debtor shall, from time to time on demand of the Secured Party, reimburse the Secured Party for all reasonable costs and expenses, including the reasonable fees and disbursements of its counsel and of any experts and agents, incurred in or in connection with (i) the administration of this Agreement, (ii) the custody, preservation, use or operation of, or the sale of, collection from, or other realization upon, any of the Trademark Collateral, (iii) the exercise or enforcement of any of the rights of the Secured Party hereunder or (iv) the failure by the Debtor to perform or observe any of the provisions hereof.

13. **Severability.** Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall be ineffective, as to such jurisdiction, to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

14. **Amendments.** No amendment or waiver of any provision of this Agreement, nor consent to any departure by the Debtor herefrom, shall in any event be effective unless the same shall be in writing and signed by the Secured Party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

15. **Addresses for Notices.** All notices and communications under this Agreement shall be effective when given in the manner set forth in the Loan Agreement.

16. **Continuing Security Interest.** This Agreement shall create a continuing security interest in the Trademark Collateral and shall (i) remain in full force and effect until payment in full of the Obligations, (ii) be binding upon the Debtor and its successors and assigns and (iii) inure to the benefit of the Secured Party and its successors, transferees and assigns.

Without limiting the generality of the foregoing clause (iii), nothing in this Agreement shall limit the rights of the Secured Party to assign or otherwise transfer its rights under the Loan Agreement to any other person or entity, and such other person or entity shall thereupon become vested with all the benefits in respect thereof granted to the Secured Party herein or otherwise. Upon the payment in full of the Obligations, the

security interest granted hereby shall terminate and all rights to the Collateral shall revert to the Debtor. Upon any such termination, the Secured Party shall, at the Debtor's expense, execute and deliver to the Debtor such documents as the Debtor shall reasonably request to evidence such termination.


17. **Governing Law; Terms.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Washington except to the extent that the validity or perfection of the security interest hereunder, or remedies hereunder, in respect of any particular Trademark Collateral, are governed by the laws of a jurisdiction other than the State of Washington.

18. **Venue and Jurisdiction.** Actions to enforce the Secured Party's rights herein may be brought in or transferred to, at the option of the Secured Party, the United States District Courts or the state courts of general jurisdiction sitting in King County, State of Washington, or in any jurisdiction where any Trademark Collateral is located. Debtor consents to the non-exclusive jurisdiction of all such courts, and waives any and all defenses based on inconvenience of forum in all actions brought hereunder.

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

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

CLEARLY CANADIAN BEVERAGE CORPORATION

Per:  _____
Authorized Signatory

SCHEDULE "A"

**TRADEMARK REGISTRATIONS AND APPLICATIONS OF CLEARLY CANADIAN
BEVERAGE CORPORATION AND ITS SUBSIDIARIES
IN THE UNITED STATES**

Clearly Canadian Beverage Corporation	Clearly Canadian	1697898	June 30, 1992
Clearly Canadian Beverage Corporation	Clearly Canadian 02	2297921	December 7, 1999
Clearly Canadian Beverage Corporation	[Design]	2506107	November 13, 2001
Clearly Canadian Beverage Corporation	Tre Limone	2696945	March 18, 2003
Clearly Canadian Beverage Corporation	Clearly Canadian 0+2 Super-Oxygenated Water	2292588	November 16, 1999
Clearly Canadian Beverage Corporation	O+2	2294375	November 23, 1999

SCHEDULE "B"

TRADEMARK LICENSE AGREEMENTS


NONE

DOMESTIC REPRESENTATIVE DESIGNATION

RYAN, SWANSON & CLEVELAND, PLLC, Paul Meier, Esq., whose mailing address is 1201 Third Avenue, Suite 3400, Seattle, Washington, 98101, is hereby designated as owner's representative upon whom notice or process in proceedings affecting the trademarks and/or trademark applications on Schedule A attached hereto may be served.

Dated as of Nov 24, 2004.

GLOBAL (GMPC) HOLDINGS INC.

By 

Name: Chris Carmichael

Title: Chief Financial Officer

SCHEDULE A
Trademarks

Clearly Canadian Beverage Corporation	Clearly Canadian	1697898	June 30, 1992
Clearly Canadian Beverage Corporation	Clearly Canadian 02	2297921	December 7, 1999
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