

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
------------------	----------------

NATURE OF CONVEYANCE:	RELEASE BY SECURED PARTY
-----------------------	--------------------------

**CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
Penfund Mezzanine Limited Partnership II		10/31/2006	LIMITED PARTNERSHIP: ONTARIO

**RECEIVING PARTY DATA**

Name:	Pet Valu Canada Inc.
Street Address:	121 McPherson Street
City:	Markham, Ontario
State/Country:	CANADA
Postal Code:	L3R 3L3
Entity Type:	CORPORATION:

**PROPERTY NUMBERS Total: 2**

Property Type	Number	Word Mark
Registration Number:	1563967	PET VALU
Registration Number:	1572264	PERFORMATRIN

**CORRESPONDENCE DATA**

Fax Number: (215)864-9950  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
 Phone: 215-864-8201  
 Email: jacobsmeadwayr@ballardspahr.com,  
 steigerwalte@ballardspahr.com  
 Correspondent Name: Roberta Jacobs-Meadway  
 Address Line 1: 1735 Market Street, 51st Floor  
 Address Line 4: Philadelphia, PENNSYLVANIA 19103

ATTORNEY DOCKET NUMBER:	884903
-------------------------	--------

**DOMESTIC REPRESENTATIVE**

CH \$65.00 1563967

Name: Roberta Jacobs-Meadway  
Address Line 1: 1735 Market Street, 51st Floor  
Address Line 4: Philadelphia, PENNSYLVANIA 19103

NAME OF SUBMITTER:	Roberta Jacobs-Meadway
Signature:	/roberta jacobs-meadway/
Date:	11/06/2006

Total Attachments: 4  
source=int4F#page1.tif  
source=int4F#page2.tif  
source=int4F#page3.tif  
source=int4F#page4.tif

**RELEASE AND ACKNOWLEDGMENT**

**TO: PET VALU CANADA INC. ("PVC")**  
**AND TO: PET VALU, INC. ("PVI")**  
**AND TO: PET VALU INTERNATIONAL INC. ("PVII")**  
**AND TO: PETON DISTRIBUTORS INC. ("PETON")**  
**AND TO: PAULMAC'S PET FOOD INC. ("PAULMAC")**  
**AND TO: PV PROPERTIES INC. ("PVPI")**  
**AND TO: PVUS HOLDINGS INC. ("PVUS")**

(collectively, the "Pet Valu Companies")

WHEREAS the following documents have been executed and delivered to and in favour of the undersigned by one or more of the Pet Valu Companies:

1. A secured subordinated debenture made as of September 30, 2004 by PVC (the "Debenture"), pursuant to which PVC agreed to pay to the undersigned the sum of CAD\$15,000,000 in accordance with the terms of the Debenture;
2. A guarantee made as of September 30, 2004 by Peton (the "Peton Guarantee"), whereby Peton guaranteed the payment and performance of various obligations of PVC as set forth in the Debenture and the Peton Guarantee;
3. A general security agreement by Peton (the "Peton GSA"), whereby Peton mortgaged, pledged, charged, and granted to the undersigned a security interest in all of Peton's right, title and interest in the property referred to in the Peton GSA, including certain intellectual property, to secure payment and performance of all debts, liabilities, and obligations referred to in the Peton GSA;
4. A guarantee made as of September 30, 2004 by Paulmac (the "Paulmac Guarantee"), whereby Paulmac guaranteed the payment and performance of various obligations of PVC as set forth in the Debenture and the Paulmac Guarantee;
5. A general security agreement by Paulmac (the "Paulmac GSA"), whereby Paulmac mortgaged, pledged, charged, and granted to the undersigned a security interest in all of Paulmac's right, title and interest in the property referred to in the Paulmac GSA, including certain intellectual property, to secure payment and performance of all debts, liabilities, and obligations referred to in the Paulmac GSA;
6. A collateral mortgage by Paulmac (the "Paulmac Mortgage"), whereby Paulmac mortgaged the real property municipally known as 2365 Whittington Drive, R.R.3, Peterborough, Ontario, registered as Instrument No. 710942 in the Land Registry Office for the Land Registry Division of Peterborough (No. 45);

7. A guarantee made as of September 30, 2004 by PVPI (the "PVPI Guarantee"), whereby PVPI guaranteed the payment and performance of various obligations of PPCI as set forth in the Debenture and the PVPI Guarantee;
8. A general security agreement by PVPI (the "PVPI GSA"), whereby PVPI mortgaged, pledged, charged, and granted to the undersigned a security interest in all of PVPI's right, title and interest in the property referred to in the PVPI GSA, including certain intellectual property, to secure payment and performance of all debts, liabilities, and obligations referred to in the PVPI GSA;
9. A collateral charge by PVPI (the "PVPI Charge"), whereby PVPI charged the real property municipally known as 35 Bates Drive, Carleton Place, Ontario, registered as Instrument No. LC 24131 in the Land Registry Office for the Land Titles Division of Lanark (No. 27);
10. A guaranty made as of September 30, 2004 by PVI (the "PVI Guaranty") whereby PVI guaranteed the payment and performance of various obligations of PPCI as set forth in the Debenture and the PVI Guaranty;
11. A pledge and security agreement made as of September 30, 2004 by PVI (the "Pledge and Security Agreement") whereby PVI: (a) pledged the outstanding shares of the common stock of PVII then owned by it, being 1,100 shares of common stock of PVII represented by share certificate No. 3 (the "Pledged Shares"), to secure (A) the PVI Guaranty, (B) the obligations of PVI under a Debenture and Warrant Purchase Agreement dated as of September 30, 2004; and (C) the obligations of PVI under the Pledge and Security Agreement; and (b) granted to the undersigned a lien on and security interest in PVI's right, title and interest in the Pledged Shares and certain other property described in the Pledge and Security Agreement;
12. A stock transfer power by PVI (incorrectly signed by PPCI)(the "Stock Power"), whereby PVI sold, assigned and transferred in blank the Pledged Shares and appointed the President of the undersigned as attorney to transfer the Pledged Shares on behalf of PVI with full power of substitution in the premises;
13. A guaranty made as of September 30, 2004 by PVII (the "PVII Guaranty"), whereby PVII guaranteed the payment and performance of various obligations of PPCI as set forth in the Debenture and the PVII Guaranty;
14. A security agreement made as of September 30, 2004 by PVII (the "PVII Security Agreement"), whereby PVII granted to the undersigned a lien on and security interest in PVII's right, title and interest in the property described in the PVII Security Agreement and a licence with respect to the intellectual property described in the PVII Security Agreement;
15. A collateral assignment for security (trademarks) by PPCI (the "Trademark Assignment"), whereby PPCI granted to the undersigned a security interest in PPCI's right, title and interest in certain trademarks registered in, or subject to pending applications for registration in, the United States Patent and Trademark Office, together with the goodwill of the business symbolized thereby and related property described in the Trademark Assignment, to secure payment of the obligations under the Debenture; and
16. A special power of attorney by PPCI (the "PPCI Special Power"), whereby PPCI appointed the undersigned as its attorney under the Debenture to perform certain acts upon an event of default under the Debenture, namely, to dispose of PPCI's rights to:

(a) any letters patent or pending applications therefor in any jurisdiction, (b) any trademarks, trade names, trade styles, and service marks and pending applications therefor, and (c) to any copyrights or applications therefor;

AND WHEREAS the Debenture, the Peton Guarantee, the Peton GSA, the Paulmac Guarantee, the Paulmac GSA, the Paulmac Mortgage, the PVPI Guarantee, the PVPI GSA, the PVPI Charge, the PVI Guaranty, the Pledge and Security Agreement, the Stock Power, the PVII Guaranty, the PVII Security Agreement, the Trademark Assignment, and the PVCI Special Power are hereinafter collectively referred to as the "Security Documents";

AND WHEREAS the undersigned hereby acknowledges that PVCI has, as of the date hereof, repaid in full the principal amount, accrued interest, and prepayment premium owing under the Debenture, and that, accordingly, all obligations of all of the Pet Valu Companies to the undersigned under the Security Documents have been fully satisfied and discharged and are at an end;

NOW, THEREFORE, the undersigned has, in accordance with provisions of the Security Documents, surrendered for cancellation all of the Security Documents to the Pet Valu Companies and hereby acknowledges to and agrees with the Pet Valu Companies that, as and from the date hereof,

1. Each of the Security Documents is hereby cancelled, revoked, discharged and terminated; and
2. The undersigned hereby grants, releases, remises, reconveys, transfers, assigns, discharges and forever quit claims and surrenders to each of the Pet Valu Companies and their respective successors and assigns, all of their respective property and assets, real and personal, moveable and immovable, of whatsoever nature and kind, now covered or intended to be covered or which is otherwise subject to any security interest created pursuant to the Security Documents, to have and to hold the said property and assets with all the appurtenances thereto to each such Pet Valu Company, forever and absolutely freed, acquitted, discharged and released of and from any claims from the undersigned and its successors and assigns, whatsoever and wheresoever arising.

The undersigned hereby consents to the Pet Valu Companies and their counsel (or any agent of the foregoing) or any of them executing on behalf of the undersigned such documents as are necessary to give effect to this Release and Acknowledgment. Specifically, the undersigned, as all secured parties under the Security Documents, hereby authorize within the meaning of Article 9 of the Uniform Commercial Code, the Pet Valu Companies and each of them, and their counsel and each of them, to file UCC termination statements with respect to any and all UCC financing statements filed anywhere with respect to the Security Documents. In furtherance of the foregoing, the undersigned hereby irrevocably authorizes, directs, and grants a limited power of attorney to the Pet Valu Companies and their counsel (or any agent of the foregoing) or any of them to execute any and all further releases, discharges, financing change statements, UCC termination statements, instruments, notices and other documents on behalf of the undersigned to

cause all filings and registrations to be made to discharge security interests, registered in favour of the undersigned against the Pet Valu Companies or any of them, in all of the various jurisdictions in which such security interests have been registered.

The undersigned hereby represents and warrants that it has not assigned, transferred, encumbered or otherwise disposed of its right, title and interest created by the Security Documents and has full authority to execute this Release and Acknowledgment.

The undersigned shall from time to time upon the request of the Pet Valu Companies, or any of them, take such action and execute and deliver such further documents as may be reasonably necessary or appropriate to give effect to the provisions and intent of this document.

This Release and Acknowledgment shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

This Release and Acknowledgment enures to the benefit of and is binding upon the parties hereto and their respective successors and assigns.

Date: October 31, 2006

**PENFUND MEZZANINE LIMITED PARTNERSHIP II**  
by its general partner, **PENFUND MEZZANINE MANAGEMENT INC.**

Per:

  
\_\_\_\_\_  
Authorized Signing Officer