

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL

**CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
Jennico 2, Inc.		04/02/2006	CORPORATION: WISCONSIN

**RECEIVING PARTY DATA**

Name:	Pinnacle Labs LLC
Street Address:	134 Columbia Court
City:	Chaska
State/Country:	MINNESOTA
Postal Code:	55318
Entity Type:	LIMITED LIABILITY COMPANY: MINNESOTA

**PROPERTY NUMBERS Total: 7**

Property Type	Number	Word Mark
Serial Number:	78831389	ROAR
Serial Number:	78239436	BRIGHT WATER
Serial Number:	76488262	SPRING AIRE
Serial Number:	76078943	SPRING TIME
Serial Number:	75481553	SPRING TIME
Serial Number:	73508388	BRIGHT WATER
Serial Number:	73508390	BRIGHT WATER

**CORRESPONDENCE DATA**

Fax Number: (973)251-8699  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
 Phone: 973-422-1100  
 Email: [ijkaplan@beckermeisel.com](mailto:ijkaplan@beckermeisel.com)  
 Correspondent Name: Ivan J. Kaplan  
 Address Line 1: 354 Eisenhower Parkway  
 Address Line 2: Plaza II; Suite 2800

OP \$190.00 78831389

Address Line 4: Livingston, NEW JERSEY 07039

NAME OF SUBMITTER:

Ivan J. Kaplan

Signature:

/Ivan J. Kaplan/

Date:

10/12/2007

**Total Attachments: 21**

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# RECORDATION FORM COVER SHEET 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):

Jennico 2, Inc.

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

Citizenship (see guidelines) \_\_\_\_\_

Additional names of conveying parties attached?  Yes  No

### 3. Nature of conveyance /Execution Date(s) :

Execution Date(s) 04/02/2006

- 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: Pinnacle Labs LLC

Internal \_\_\_\_\_

Address: \_\_\_\_\_

Street Address: 134 Columbia Court

City: Chaska

State: MN

Country: USA

Zip: 55318

- Association Citizenship \_\_\_\_\_
- General Partnership Citizenship \_\_\_\_\_
- Limited Partnership Citizenship \_\_\_\_\_
- Corporation Citizenship \_\_\_\_\_
- Other LLC Citizenship Minnesota

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)

78/831,389

B. Trademark Registration No.(s)

Additional sheet(s) attached?  Yes  No

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

"ROAR"; Filing Date 03/07/2006

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

Name: Jordan and Hamburg

Internal Address: Attn: C. Bruce Hamburg

Street Address: 122 East 42nd Street

City: New York

State: NY Zip: 10168

Phone Number: \_\_\_\_\_

Fax Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

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

7

### 7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$190.00

- 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 \_\_\_\_\_

b. Deposit Account Number \_\_\_\_\_  
Authorized User Name \_\_\_\_\_

### 9. Signature:

Signature \_\_\_\_\_

Date \_\_\_\_\_

C. Bruce Hamburg  
Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 21

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:  
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

**Additional Sheet to Recordation Form Cover Sheet  
United States Trademarks**

<b>Mark</b>	<b>Serial No./ Filing Date</b>	<b>Reg. No./ Reg. Date</b>	<b>Int. Class</b>	<b>Owner</b>	<b>Status</b>
BRIGHT WATER	78239436 18-APR-2003	2949989 10-MAY- 2005	3	Heritage Brands, LLC	REGISTERED
SPRING AIRE	76488262 07-FEB-2003	3047324 24-JAN- 2006	3	Heritage Brands, LLC	REGISTERED
SPRING TIME	76078943 28-JUN-2000	2473524 31-JUL- 2001	3	Heritage Brands, LLC	REGISTERED
SPRING TIME	75481553 08-MAY-1998	2421790 16-JAN- 2001	3	Heritage Brands, LLC	REGISTERED
BRIGHT WATER	73508388 13-NOV-1984	1336230 21-MAY- 1985	3	Heritage Brands, LLC	RENEWED (REGISTERED)
BRIGHT WATER	73508390 13-NOV-1984	1336232 21-MAY- 1985	3	Heritage Brands, LLC	RENEWED (REGISTERED)

# COPY

## VOLUNTARY SURRENDER AND FORECLOSURE AGREEMENT

**THIS AGREEMENT** is made, entered into and effective as of 6:15 p.m. this 2nd day of April, 2006 ("Transfer Time"), by and among Pinnacle Labs LLC ("Creditor"), Jennico 2, Inc., a Wisconsin corporation ("Debtor"), and Douglas A. Larson ("Larson"), Steven W. Alf and Constance J. Alf (collectively "Alf") (collectively Larson and Alf are referred to as "Guarantors").

### RECITALS:

**R.1** Debtor, Guarantors and Royal Credit Union ("RCU") are the original counterparties to the Loan Documents described on **Exhibit A** attached hereto ("Loan Documents"). Pursuant to the terms of the Loan Documents, Debtor granted RCU a security interest in the Collateral (as defined in the Loan Documents), including but not limited to Debtor's equipment, inventory, accounts, and general intangibles, as each such term is defined under the Uniform Commercial Code as adopted and in effect in Wisconsin (the "UCC"). The Guarantors guaranteed and/or pledged certain assets to secure some or all of the Obligations (as defined in the Loan Documents). RCU, Debtor and Guarantors also subsequently entered into a series of forbearance agreements and extensions thereof in connection with the Loan Documents and Collateral (the "Forbearance Agreements").

**R.2** Pursuant to the terms of a Loan Purchase and Sale Agreement of even date herewith, Creditor purchased from RCU, all of RCU's right, title and interest in, to and under the Loan Documents identified on **Exhibit A-1**, together with all attendant powers, rights and security granted by Debtor and Guarantors in favor of RCU, including, but not limited to, the right to payment of all principal and interest now owing or which may be owing in the future, and all rights, power, authority and obligations of RCU, as mortgagee, pledgee, secured party, assignee, agent, counterparty and otherwise, both express and implied, pursuant to any of the Loan Documents and the Forbearance Agreements.

**R.3** Creditor has demanded the payment of the Obligations but Debtor is unable to pay. Debtor is in default under the Loan Documents and Forbearance Agreements, and such defaults have continued and are continuing following expiration of all applicable cure periods.

**R.4** Debtor has offered to transfer, surrender and assign all of the Collateral to Creditor to reduce the Obligations, subject to the terms and provisions hereof.

**R.5** Alf and RCU entered into a Settlement Agreement bearing even date herewith governing the terms and conditions for payment and satisfaction of the Alf Guaranty of the Obligations ("Alf Settlement").

**R.6** Guarantors have agreed to the transfer, surrender and assignment of all of the Collateral to Creditor to reduce the Obligations, subject to the terms and provisions hereof and of the Alf Settlement.

**R.7** Creditor deems it advisable to accept the surrender of all of the Collateral, as described herein, and to discharge the Obligations, all upon the terms and conditions herein contained.

**R.8** Alfs have been advised that it is in their best interest and that they should retain legal counsel to represent them in connection with this Surrender Agreement and related transactions and agreements with RCU and Creditor but have declined to pursue or retain legal counsel.

**NOW, THEREFORE**, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is hereby agreed:

**1. Surrender of Assets by Debtor to Creditor.**

- A. Pursuant to § 409.609, Wis. Stats., and effective at the Transfer Time or such other date and time as the parties may agree, Debtor hereby transfers, conveys, surrenders and assigns to Creditor, Debtor's business as a going concern and all other of Debtor's assets and property constituting the Collateral, more particularly described on the attached **Exhibit B** (the "Surrendered Collateral"), without limitation and wherever located, owned, or held by Debtor or to which Debtor is entitled on the date hereof, except the Collateral identified on the attached **Exhibit C** (the "Excluded Assets").
- B. To the extent the Surrendered Collateral consists of inventory, accounts and/or general intangibles, such Surrendered Collateral shall consist of all such inventory, accounts and/or general intangibles owned by Debtor as of the Transfer Time.

**2. No Assumption of Liabilities of Debtor; Indemnification.**

- A. Except as set forth in Paragraph 5 and the Alf Settlement, this voluntary surrender of Creditor's Collateral is in consideration of Creditor agreeing to a full satisfaction of Debtor's Obligations, as set forth in Paragraph 5, hereof.
- B. Creditor shall assume no liability for any obligations owed by Debtor to third parties incurred prior to the surrender or incurred as a result of such surrender, except the liability and obligations identified on the attached **Exhibit D** (the "Assumed Liabilities").

**3. Documents of Transfer.** The conveyance, transfer, assignment, surrender and delivery of the Surrendered Collateral to Creditor shall be effected by bills of sale, endorsements, assignments, deeds, and other instruments of transfer and conveyance in such form as Creditor shall reasonably request. Debtor shall, at any time, and from time to time after the date hereof, upon the reasonable request of Creditor, execute, acknowledge, and deliver, or shall cause to be done, executed, acknowledged, and delivered, all such further acts, bills of sale, endorsements, assignments, deeds, transfers, conveyances, powers of attorney, and assurances as may be reasonably required for effectively selling, assigning, transferring, granting, conveying, assuring, and confirming to Creditor, or to its successors and assigns, or for aiding and assisting in collecting and reducing to possession any or all of the Surrendered Collateral. If Debtor is

unwilling or, for any reason, unable to take any of the foregoing actions, Debtor hereby authorizes and empowers Creditor (or any duly authorized officer of Creditor) in its own name, or in the name of its nominee, or in the name of, and as attorney hereby irrevocably constituted for, Debtor, to take any and all such action.

4. **INTENTIONALLY OMITTED.**

5. **Extinguishment of Obligations.**

- A. "Obligations" as used herein means the Obligations (as defined in the Loan Documents) assigned, transferred and conveyed to Creditor by RCU excluding that portion of the Obligations of Alf as a guarantor that Alf has agreed to pay and satisfy under the Alf Settlement Agreement. This Voluntary Surrender And Foreclosure Agreement and the surrender hereunder does not extinguish, release, satisfy or effect the obligations of Alf under the Alf Settlement Agreement.
- B. Pursuant to Wis. Stat. § 409.620, this Agreement constitutes a proposal by Creditor and consent by Debtor and Guarantors that the transfer of possession hereunder shall constitute a surrender of possession by Debtor and, except as provided herein, acceptance by Creditor of the Collateral in full payment, satisfaction and discharge of the Obligations.
- C. To the extent that the assignment of any contract, license, lease, commitment, or receivable to be assigned to Creditor shall require the consent of any other party to such contract, license, lease, commitment, or receivable, this Agreement shall not constitute an agreement to assign the same if an attempted assignment would constitute a breach thereof. Debtor shall use its best efforts to obtain forthwith the consent of the other party to such contract, license, lease, commitment, or receivable to the assignment thereof to Creditor. If such consent is not obtained within thirty (30) days of the execution of this Agreement, Debtor shall cooperate with Creditor in any reasonable arrangement designed to provide to Creditor or its assigns the benefits under any such contract, license, lease, commitment, or receivable, including enforcement, at the cost and for the benefit of Debtor, of any and all rights of Debtor against the other party thereto arising out of the breach or cancellation by such other party or otherwise.

6. **Collection of Accounts Receivable Subsequent to Closing.** From and after the date hereof, Creditor shall have the right and authority to collect for the account of Debtor, but for the exclusive benefit of Creditor, all accounts and notes receivable and other items which shall be transferred to Creditor, as provided herein, and to indorse with the name of Debtor checks received on account of such receivables or other items. Nothing herein to the contrary notwithstanding, Debtor shall act as agent for Creditor for the limited purpose of collecting all accounts and notes receivable for the benefit of Creditor. At and after the date hereof, Debtor

shall transfer and deliver to Creditor any cash or other property that Debtor may receive in respect of such accounts receivable or other items.

7. **Hiring of Debtor's Employees.** For purposes of Wis. Stat. § 109.07, to the extent applicable, Creditor agrees to hire substantially all of Debtor's employees; *provided, however,* that such hiring shall not constitute an assumption by Creditor of any liabilities except the Assumed Liabilities.

8. **Debtor's Representations.** Debtor represents and warrants to Creditor as follows:

- A. **Organization and Standing.** Debtor is duly organized, validly existing, and in good standing under the laws of the State of Wisconsin as a limited liability company. Neither the business activities nor the ownership or leasing of property by Debtor requires it to be qualified in any other jurisdiction.
- B. **Taxes.** Debtor has duly filed or properly extended the filing dates for all required federal, state, county, and local tax reports and returns, and such reports and returns are true and correct to the best of Debtor's knowledge. Debtor will file all such reports and returns when due in the future, and will provide copies of such reports and returns to Creditor.
- C. **Absence of Certain Changes.** Except as set forth in any of the Exhibits, Debtor has not: (1) incurred any liability (absolute or contingent), except current liabilities incurred in the ordinary course of business and liabilities under instruments which are listed and described in the Exhibits annexed hereto; (2) discharged or satisfied any lien or encumbrance, or paid any liability (absolute or contingent), other than current liabilities shown on the balance sheet of Debtor as and at May 1, 2006, and current liabilities incurred since the date of such balance sheet in the ordinary course of business; (3) subjected any of its assets to any lien or other encumbrance, except financing in the ordinary course of business; (4) sold or transferred any of its tangible assets or canceled any debts or claims, except in each case in the ordinary course of business; without Creditor's specific knowledge and consent.
- D. **Employment Agreements, Pension, Profit Sharing, and Other Obligations.** Except for the items described or listed in Exhibit E hereto, Debtor is not a party to any written or oral (1) agreement for the employment of any officer or employee, (2) pension, profit sharing, retirement, bonus, insurance, or similar obligation with respect to its employees or others, (3) contract with any labor union, (4) agency or advertising contract which is not terminable on 30 days' (or less) notice, or (5) contract or agreement of any other nature with any person, firm, or corporation, whether or not such obligations are of a legally binding nature or in the nature of informal understandings, other than the contracts and



agreements made in the ordinary course of business which terminate or are terminable at will without penalty by Debtor on or before the date hereof.

**E. Litigation.** There are no actions, suits, or proceedings pending or, to the knowledge of Debtor, threatened against, by, or affecting Debtor in any court or before any governmental agency, domestic or foreign, except as set forth in **Exhibit F** annexed hereto. Debtor is not subject to any order, writ, injunction, or decree of any court or agency which would prevent the sale of all or any part of Debtor's assets, or has created or would create any lien thereon or would affect or interfere with Debtor's use thereof or rights therein.

**F. Compliance with Laws.** Debtor, to the best of its knowledge, has complied with all laws, regulations, and orders applicable to its business including but not limited to applicable environmental laws and regulations. Except as noted on **Exhibit G**, annexed hereto, the execution and carrying out of this agreement and compliance with the provisions hereof by Debtor will not violate any provision of law applicable to Debtor and will not conflict with, or result in a breach of, any term, condition, or provision of or constitute a default under Debtor's organizational documents, or any indenture, mortgage, security interest, agreement, or other instrument to which Debtor is a party or by which it may be bound, nor result in the creation of any lien, charge, or encumbrance upon any of Debtor's properties or assets.

**G. Contracts.** Annexed hereto as **Exhibit H** is a complete and correct list and summary description of all material contracts and agreements, oral or written, to which Debtor is a party at the date hereof, other than those described in other Exhibits and other than arrangements made in the ordinary course of business which terminate or are terminable at will by Debtor on or before the Transfer Time.

**H. Financial Statements.** All of the financial statements of Debtor heretofore furnished to Creditor by Debtor are accurate and complete in all material respects and fairly present the financial condition and the results of operations of Debtor for the periods covered thereby and as of the relevant dates thereof. Debtor has no knowledge of any material liabilities of any nature not disclosed to the Creditor.

9. **Creditor's Representations.** Creditor represents and warrants to Debtor as follows:

**A. Organization and Standing.** Creditor is a Minnesota limited liability company validly existing, and in good standing under the laws of the State of Minnesota.

**B. Compliance with Laws.** Neither the execution and delivery of this Agreement, nor the consummation of the transactions herein contemplated, nor the fulfillment of or compliance with the terms, provisions, and conditions hereof will conflict with, or result in a breach of any term, provision, or condition of Creditor's [Certificate of Incorporation] or Bylaws or of any instrument to which Creditor is a party or by which it may be bound, or constitute (with the giving of notice, or the passage of time, or both) a default under any such instrument.

**10. Debtor's Renunciation of Notice; Creditor's Notice to Secured Parties.**

**A.** Pursuant to the provisions of Wis. Stat. § 409.624, Debtor and Guarantors hereby acknowledge that this Agreement is one freely and voluntarily entered into and authenticated after default.

**B.** Pursuant to the provisions of Wis. Stat. § 409.624, Debtor and Guarantors hereby waive any rights of notice of mandatory disposition and/or redemption any of them may have with respect to the Surrendered Collateral.

**11. Access to Books, Records, Etc.** From and after the execution of this Agreement, Debtor shall afford to the officers and accredited representatives of Creditor free access to the offices, books, and records of Debtor in order that Creditor may have full opportunity to make such investigation as it desires of the affairs of Debtor.

**12. Conditions Precedent to Consummation of Transaction by Creditor.** The obligations of Creditor are, at its option, subject to the condition that the representations and warranties made by Debtor herein shall be correct, as of the date hereof. Creditor shall be deemed to have relied on each and every such representation and warranty made hereunder by Debtor.

**13. Deliveries to be Made at the Closing.** The following payments and deliveries shall be made at the Transfer Time:

**A.** Debtor shall pay to the Creditor an amount equal to Debtor's cash on hand.

**B.** Debtor shall deliver the documents required under Paragraph 3 hereof.

**C.** In addition to the foregoing payments, the parties shall deliver such other closing documents as shall be reasonably required in order to carry out the terms of this Agreement.

**14. Guarantors.** The Guarantors have been advised of their right to representation by legal counsel in connection with this Surrender Agreement and all related agreements and transactions. The Guarantors consent and agree that the waiver by a Guarantor, if any, of retention of legal counsel shall not affect the validity or enforceability of this Surrender Agreement or any related agreements or transactions.

15. **Releases.** Except for the covenants, agreements, representations, and warranties made herein by the parties and in the assignments and documents to be delivered at the Transfer Time, none of which are hereby released, Debtor and Guarantor each hereby release Creditor, its affiliates, and their respective officers, directors, and employees of and from all claims, demands, and liabilities of any kind or nature from the beginning of the world to the date hereof.

16. **Debtor's Indemnification to Creditor.** Debtor shall be liable to Creditor for any damage or loss arising out of the breach of any representation or warranty or agreement made by it in or pursuant to this Agreement, and, in addition to the provisions of paragraph 2 hereof, shall indemnify Creditor against:

- A. Any liability Creditor may legally incur for taxes arising out of the failure of Debtor to pay the correct amount of its taxes payable, or Debtor's failure to timely pay such taxes or file proper returns;
- B. Any other liability of Debtor to a third party that such third party may attempt to collect from Creditor; and
- C. Nothing herein or in this Agreement shall be interpreted as a guaranty or assurance by Debtor or any Guarantor as to the collectibility of any of the Accounts Receivable of Debtor included in the Surrendered Collateral.

17. **Miscellaneous Provisions.**

- A. **Survival of Representations.** All representations and warranties of the parties hereunder shall survive the execution of this Agreement. All of the terms and provisions of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the successors and assigns of Debtor and Creditor.
- B. **Nonperformance of Conditions - Termination.** If either party to this Agreement shall be unable to perform any of the agreements, covenants, or conditions which are of material significance required to be performed or fulfilled by such party, the other party, at its option, may terminate this Agreement by notice given to such defaulting party, and in the event of such termination both parties shall be released from any further obligation or liability hereunder. Nothing herein shall however, affect the validity of the voluntary surrender of the Surrendered Collateral to Creditor.
- C. **Notices.** All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if delivered or mailed, first class, postage prepaid:

If to Debtor:

Jennico 2, Inc.  
Attn: Steve Alf  
4404 Anderson Drive  
Eau Claire, WI 54703

And to:

Jennico 2, Inc.  
c/o Steve Alf  
9057 165<sup>th</sup> St.  
Chippewa Falls, WI 54729

with copies to:

John McDonald  
Robins, Kaplan, Miller & Ciresi L.L.P.  
2 800 LaSalle Plaza  
800 LaSalle Avenue  
Minneapolis, MN 55402-2015

If to Creditor:

Pinnacle Labs LLC  
134 Columbia Court  
Chaska, MN 55318

with copies to:

Johnson, Killen & Seiler, P.A.  
800 Wells Fargo Center  
230 West Superior Street  
Duluth, MN 55802

- D. Entire Agreement - Alteration or Amendment.** This Agreement embodies the entire agreement between the parties and may not be altered or amended except by a writing signed by the parties.
- E. Captions.** The captions are for convenience of the parties only and shall not control or affect the meaning or construction of any provision of this Agreement.
- F. Counterparts; Facsimile.** This Agreement may be executed in one or more counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same instrument. Execution of this Agreement by facsimile signature shall be binding on the party transmitting its signature by such method, and shall be deemed to have the same force and effect as an original signature.
- G. Non-waiver.** No delay or failure by a party to exercise any right under this Agreement, and no partial or single exercise of that right, shall constitute a waiver of that or any other right, unless otherwise expressly provided herein.

H. **Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of Wisconsin.

I. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties and their respective legal representatives, successors, and assigns.

WITNESS the due execution hereof as of the day and year first above-written.

**Debtor:**

Jennico 2, Inc.

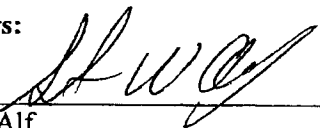
By: 

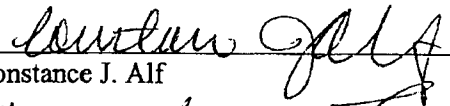
Steven W. Alf

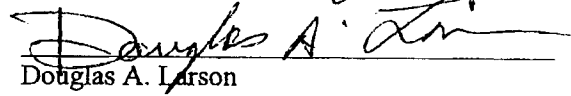
Its: 

President

**Guarantors:**

  
\_\_\_\_\_  
Steven W. Alf

  
\_\_\_\_\_  
Constance J. Alf

  
\_\_\_\_\_  
Douglas A. Larson

TRADEMARK

REEL: 003638 FRAME: 0975

**LIST OF EXHIBITS**

- A. Loan Documents
- B. Surrendered Collateral
- C. Excluded Collateral
- D. Assumed Liabilities
- E. Employment Agreements
- F. Litigation
- G. Compliance with Law
- H. Contracts

**VOLUNTARY SURRENDER AND FORECLOSURE AGREEMENT**

**EXHIBIT A**

1. Business Notes (\$150,000 dated February 1, 2002 and \$2,521,636.65 dated February 22, 2005)
2. Revolving Credit Agreements dated February 22, 2005
3. Term Credit Agreements dated November 20, 2001 and February 22, 2005
4. Collateral Pledge Agreement dated March 27, 2003
5. General Business Security Agreements dated November 30, 2001, February 1, 2002 and November 3, 2003
6. Personal Guaranty of Steven W. Alf and Constance J. Alf dated November 30, 2001
7. Personal Guaranty of Douglas A. Larson dated February 22, 2005
8. Collateral Assignments of First Colony Life Insurance Policies No. 6389833 (on the life of Steven W. Alf) and 6389829 (on the life of Constance J. Alf).

**VOLUNTARY SURRENDER AND FORECLOSURE AGREEMENT**

EXHIBIT A-1

1. Business Notes (\$150,000 dated February 1, 2002 and \$2,521,636.65 dated February 22, 2005)
2. Revolving Credit Agreements dated February 22, 2005
3. Term Credit Agreements dated November 20, 2001 and February 22, 2005
4. General Business Security Agreements dated November 30, 2001, February 1, 2002 and November 3, 2003
5. Personal Guaranty of Douglas A. Larson dated February 22, 2005
6. Economic Development Fund Loan Agreement dated February 1, 2002
7. Collateral Pledge Agreement dated March 27, 2003



**VOLUNTARY SURRENDER AND FORECLOSURE AGREEMENT**

**EXHIBIT B – Surrendered Collateral**

Except as identified on Exhibit C, all of Debtor's equipment (including but not limited to the machinery and equipment identified on the attached schedule), fixtures, inventory (including all goods held for sale, lease or demonstration or to be furnished under contracts of service, goods leased to others, trade-ins and repossessions, raw materials, work in process and materials or supplies used or consumed in Debtor's business), documents relating to inventory, general intangibles, accounts, contract rights, chattel paper and instruments, now owned or hereafter acquired by Debtor, and all additions and accessions to, all spare and repair parts, special tools, equipment and replacements for, all returned or repossessed goods the sale of which gave rise to, and all proceeds and products of the foregoing, wherever located (the "Collateral").

**VOLUNTARY SURRENDER AND FORECLOSURE AGREEMENT**

**EXHIBIT C – Excluded Assets**

Leased equipment and licenses, if any, that require the consent of any other party to such lease or license if an attempted assignment would constitute a breach thereof and if such other party does not consent to such assignment.

**VOLUNTARY SURRENDER AND FORECLOSURE AGREEMENT**

EXHIBIT D – Assumed Liabilities

NONE

**VOLUNTARY SURRENDER AND FORECLOSURE AGREEMENT**

**EXHIBIT E**

**Employment Agreements, Pension, Profit Sharing and Other Obligations**

Accrued Vacation Pay: \$ 4,587.30

Accrued Payroll: \$ 19,107.90

Accrued Severance: \$11,000.00

**VOLUNTARY SURRENDER AND FORECLOSURE AGREEMENT**

EXHIBIT F – Litigation

<u>Case Number</u>	<u>Filing Date</u>	<u>County Name</u>	<u>Case Status</u>	<u>Caption</u>
<u>2006SC000762</u>	04-07-2006	Eau Claire	Open	Marcott's Trucking LLC vs. Jennico 2
<u>2006CV000247</u>	04-24-2006	Eau Claire	Open	Lofton Label Inc vs. Jennico 2 Inc
<u>2006CV000213</u>	04-07-2006	Eau Claire	Open	K A Steel Chemicals Inc vs. Jennico 2 Inc
<u>2005CV000550</u>	12-21-2005	Ozaukee	Open	DSI Marketing, Inc vs. Jennico 2, Inc
<u>2004CV000160</u>	12-21-2004	Kewaunee	Open	Wisconsin Label Corporation vs. Jennico 2 Inc et al
<u>1996FJ000008</u>	10-25-1996	Eau Claire	Filed Only	Lake State Transport Inc vs Jennico Inc
Case #31 181 E 0033104		American Arbitration Association		Metro Properties Association v. Jennico 2 Inc.
#CVD 7401		Forsyth County		Fmg Personnel Services Inc. v. Jennico 2, Inc.

<u>Case Number</u>	<u>Filing Date</u>	<u>County Name</u>	<u>Case Status</u>	<u>Caption</u>
<u>2006SC000472</u>	02-24-2006	Eau Claire	Closed	DS Electric Supply Inc vs. Jennico 2 Inc
<u>2006SC000330</u>	03-14-2006	Chippewa	Closed	Falls Farm Automation Inc vs. Jennico 2 Inc
<u>2005CV000841</u>	12-28-2005	Eau Claire	Closed	Jesco Industrial Supplies, Inc vs. Jennico 2 inc
<u>2005CV000430</u>	07-15-2005	Eau Claire	Closed	Jobs Plus Inc vs. Jennico 2 Inc
<u>2005CV000409</u>	07-05-2005	Eau Claire	Closed	Sunbelt Rentals Inc vs. Jennico 2 Inc
<u>2004CV000110</u>	02-23-2004	Eau Claire	Closed	Jennico2, Inc. vs. National Distributors
<u>2003SC002595</u>	11-12-2003	Eau Claire	Closed	Marshfield Clinic vs. Darryl J Bertrand & Dianna Bertrand
<u>2003CV000801</u>	12-02-2003	Eau Claire	Closed	Jennico2 Inc vs. Tiro Industries LLC

**VOLUNTARY SURRENDER AND FORECLOSURE AGREEMENT**

EXHIBIT G – Compliance with Laws

NONE

**VOLUNTARY SURRENDER AND FORECLOSURE AGREEMENT**

EXHIBIT H – Contracts

Weyerhaeuser- Corrugated carton supplier, invoiced once monthly, based on usage.

Degussa- Had a usage program in place for purchase of raw materials, billed once monthly for actual usage.

Ahold USA Corporate Brands- Private Label supplier agreement duration of one year.

Kroger Inc, Private Label supplier agreement duration of 2 years.

Daymon Associates-Brokerage agreement with commission paid on private label accounts at a specified rate.

American Home Health- Contract Packing agreement with AHH supplying the raw materials and Jennico2, Inc. receiving a tolling charge for labor and overhead.