

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

**CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
MDI Technologies, Inc.		11/26/2007	CORPORATION: DELAWARE
BlueWater Merger Co.		11/26/2007	CORPORATION: DELAWARE

**RECEIVING PARTY DATA**

Name:	National Bank of Canada
Street Address:	600 de la Gauchetiere Street West
City:	Montreal, Quebec
State/Country:	CANADA
Postal Code:	H3B 4L2
Entity Type:	COMPANY: CANADA

**PROPERTY NUMBERS Total: 7**

Property Type	Number	Word Mark
Registration Number:	2815300	MDI TECHNOLOGIES
Registration Number:	2433149	TOUCH TIME
Registration Number:	1404701	ULTRACARE
Registration Number:	1449352	MONETTE INFORMATION SYSTEMS
Registration Number:	3114743	MORE!
Registration Number:	2073196	PATHLINKS
Registration Number:	2859470	ACHIEVE MATRIX

**CORRESPONDENCE DATA**

Fax Number: (312)803-2209  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
 Phone: 212-407-4000  
 Email: nytrademark@loeb.com  
 Correspondent Name: Kevin M. Eisenberg - LOEB & LOEB LLP  
 Address Line 1: 345 Park Avenue

CH \$190.00 2815300

Address Line 4: New York, NEW YORK 10154

ATTORNEY DOCKET NUMBER:

207838-10001

DOMESTIC REPRESENTATIVE

Name:

Address Line 1:

Address Line 2:

Address Line 3:

Address Line 4:

NAME OF SUBMITTER:

Kevin M. Eisenberg

Signature:

/Kevin M. Eisenberg/

Date:

12/21/2007

Total Attachments: 7

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## INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement, dated as of November 26, 2007, is made by MDI Technologies, Inc., a Delaware corporation ("MDI"), and BlueWater Merger Co., a Delaware corporation ("BlueWater" together with MDI, the "Grantors" and each, a "Grantor"), in favor of National Bank of Canada (the "Lender").

### WITNESSETH:

WHEREAS, pursuant to a letter agreement dated the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") by and among the Lender, Logibec Groupe Informatique Liée (the "Borrower") and various subsidiaries of the Borrower, the Lender has agreed to make extensions of credit to the Borrower upon the terms and subject to the conditions set forth therein; and

WHEREAS, each Grantor is a party to a Guarantee and Collateral Agreement dated as of the date hereof in favor of the Lender (the "Guarantee and Collateral Agreement") pursuant to which such Grantor is required to execute and deliver this Intellectual Property Security Agreement.

NOW, THEREFORE, in consideration of the premises and to induce the Lender to enter into the Credit Agreement and to induce the Lender to make extensions of credit to the Borrower thereunder, each Grantor hereby agrees with the Lender as follows:

Section 1. Defined Terms. Capitalized terms used herein without definition are used as defined in the Guarantee and Collateral Agreement.

Section 2. Grant of Security Interest in IP Collateral. Each Grantor, as collateral security for the prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of the Grantor Obligations, hereby mortgages, pledges and hypothecates to the Lender and grants to the Lender a Lien on and security interest in, all of its right, title and interest in, to and under the following Collateral of such Grantor (the "IP Collateral"):

(a) all of its Trademarks, Trademark Licenses providing for the grant by or to Grantor of any right under any Trademark, Copyrights and Copyright Licenses providing for the grant by or to Grantor of any right under any Copyright, including, without limitation, the Trademarks referred to on Schedule 1 hereto and the Copyrights referred to on Schedule 2 hereto;

(b) all renewals and extensions of the foregoing;

(c) all income, royalties and proceeds at any time due or payable or asserted under and with respect to any of the foregoing, including, without limitation, all rights to sue and recover at law or in equity for any past, present and future infringement, misappropriation, dilution, violation or other impairment thereof; and

(d) all goodwill of the business connected with the use of, and symbolized by, each of the foregoing.

Section 3. Guarantee and Collateral Agreements. The security interest granted pursuant to this Intellectual Property Security Agreement is granted in conjunction with the security interest granted to the Lender pursuant to each Guarantee and Collateral Agreement and each Grantor hereby acknowledges and agrees that the rights and remedies of the Lender with respect to the security interest in the IP Collateral made and granted hereby are more fully set forth in each Guarantee and Collateral Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

Section 4. Grantors Remains Liable. Each Grantor hereby agrees that, anything herein to the contrary notwithstanding, it shall assume full and complete responsibility for the prosecution, defense, enforcement or any other necessary or desirable actions in connection with its IP Collateral subject to a security interest hereunder.

Section 5. Termination. Upon indefeasible payment in full in cash of all Guarantor Obligations and irrevocable termination of the Guarantee and Collateral Agreement, this Agreement shall terminate and the Lender agrees, at the Grantors' expense, to execute and deliver to the Grantors such instruments and documents as may be reasonably requested to fully effect the release of the IP Collateral.

Section 6. Counterparts; Signatures. This Intellectual Property Security Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Any signature delivered by a party by facsimile or electronic transmission shall be deemed to be an original signature hereto.

Section 7. Governing Law. This Intellectual Property Security Agreement and the rights and obligations of the parties hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.

{Signature Pages Follow}

In witness whereof, each Grantor has caused this Intellectual Property Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

Very truly yours,

MDI TECHNOLOGIES, INC.

By: M. Brunet  
Name: MARC BRUNET  
Title: CHIEF FINANCIAL OFFICER

BLUEWATER MERGER CO.

By: M. Brunet  
Name: MARC BRUNET  
Title: CHIEF FINANCIAL OFFICER

ACCEPTED AND AGREED  
as of the date first above written:

NATIONAL BANK OF CANADA

By: \_\_\_\_\_  
Name:  
Title:

In witness whereof, each Grantor has caused this Intellectual Property Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

Very truly yours,

MDI TECHNOLOGIES, INC.

By: \_\_\_\_\_  
Name:  
Title:

BLUEWATER MERGER CO.

By: \_\_\_\_\_  
Name:  
Title:

ACCEPTED AND AGREED  
as of the date first above written:

NATIONAL BANK OF CANADA

By: \_\_\_\_\_  
Name: *John-Guy Paris*  
Title: *Senior Manager*

SCHEDULE I  
TO  
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Trademarks

MDI TECHNOLOGIES, INC.

A. REGISTERED TRADEMARKS

TRADEMARK	REGISTRATION OR APPLICATION NO.	REGISTRATION OR FILING DATE
MDI TECHNOLOGIES	2,815,300	02/17/04
TOUCHTIME	2,433,149	03/06/01
ULTRACARE	1,404,701	08/12/86
MONETTE INFORMATION SYSTEMS	1,449,352	7/28/87
MORE!	3,114,743	7/11/06

B. TRADEMARK APPLICATIONS

None

C. TRADEMARK LICENSES

None

BLUEWATER MERGER CO.

A. REGISTERED TRADEMARKS

TRADEMARK	REGISTRATION NO.	REGISTRATION DATE	COUNTRY
PATHLINKS	2,073,196	06/24/97	USA
ACHIEVE MATRIX	2,859,470	07/06/04	USA
ACHIEVE MATRIX	TMA636,772	04/05/05	CANADA

B. TRADEMARK APPLICATIONS

None

C. TRADEMARK LICENSES

None



SCHEDULE 2  
TO  
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Copyrights

MDI TECHNOLOGIES, INC.

A. REGISTERED COPYRIGHTS

<u>COPYRIGHT TITLE</u>	<u>REGISTRATION NO.</u>	<u>REGISTRATION DATE</u>
MDI on-line advantage program code	TX-5-704-900	02/17/04
On-line advantage	TX-6-029-811	10/13/04

B. COPYRIGHT APPLICATIONS

None

C. COPYRIGHT LICENSES

None

BLUEWATER MERGER CO.

A. REGISTERED COPYRIGHTS

None

B. COPYRIGHT APPLICATIONS

None

C. COPYRIGHT LICENSES

None