2-15-08

02-19-2008

Form PTO-1594 (Rev. 07/05)
OMB Collection 0651-0027 (exp. 6/30/2008)

PARTMENT OF COMMERCE
Patent and Trademark Office

RECORD
TRA

103483177

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

1. Name of conveying party(ies):

Merangue International Limited

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

Citizenship (see guidelines)

Additional names of conveying parties attached? ☐ Yes ☒ No

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? ☐ Yes ☒ No

Name: Royal Bank of Canada
Internal Address:
Street Address: 320 Front Street West
City: Toronto
State: Ontario
Country: Canada Zip: M5V 3B6

☒ Association Citizenship
☐ General Partnership Citizenship Canada
☐ Limited Partnership Citizenship
☐ Corporation Citizenship
☐ 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)

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

Execution Date(s) January , 2008

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

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)
2,745,708

Additional sheet(s) attached? ☐ Yes ☒ No

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

NATURE RITER

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

Name: Thomas J. Keable, Esq.
Internal Address:
Gross Shuman Brizdle & Gilfillan, P.C.
Street Address: 465 Main Street, Suite 600
City: Buffalo
State: New York Zip: 14203
Phone Number: (716) 854-4300
Fax Number: (716) 854-2787
Email Address: tkeable@gross-shuman.com

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 2.6(b)(6) & 3.41) $ 40.00

☐ 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

January 29, 2008
Date

JOHN MORGAN
Name of Person Signing

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

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

02/19/2008 DBYRNE 00000008 2745708
01 FC:8521 40.00 OP

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS AGREEMENT ("this Agreement"), dated as of January 29, 2008, between **MERANGUE LIMITED INTERNATIONAL**, a federal Canadian corporation (the "Borrower"), and **ROYAL BANK OF CANADA** ("Lender").

WITNESSETH:

WHEREAS, Lender has entered or is about to enter into certain financing arrangements pursuant to which Lender may make loans and provide other financial accommodations to the Borrower pursuant to a loan agreement dated as of the date hereof between the Borrower and the Lender, as the same may be amended, modified, supplemented or replaced from time to time (the "Loan Agreement"); and

WHEREAS Lender requires that this Agreement be entered into by the Borrower prior to its making any advance of funds or financial accommodations to the Borrower.

NOW, THEREFORE, in consideration of the mutual conditions and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged the parties hereto agree as follows:

SECTION 1 DEFINITIONS

All terms used herein which are defined in the Loan Agreement shall have the meanings given therein unless otherwise defined in this Agreement. All references to the plural herein shall also mean the singular and to the singular shall also mean the plural unless the context otherwise requires. All references to Borrower and Lender pursuant to the definitions set forth in the recitals hereto, or any other person herein, shall include their respective successors and assigns. The words "hereof", "herein", "hereunder", "this Agreement" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not any particular provision of this Agreement and as this Agreement now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced. The word "including" when used in this Agreement shall mean "including, without limitation". References herein to any statute or any provision thereof include such statute or provision as amended, revised, re-enacted and/or consolidated from time to time and any successor statute thereto. An Event of Default shall exist or continue or be continuing until such Event of Default is waived in accordance with the Loan Agreement or is cured in a manner satisfactory to Lender, if such Event of Default is capable of being cured as determined by Lender. "Canadian Dollars" and the sign $ mean lawful money of Canada. "US Dollars" and the sign "US$" mean lawful money of the United States of America.

SECTION 2 GRANT OF SECURITY INTEREST

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure the payment and performance of any and all indebtedness and liabilities of the Borrower to the Lender (collectively, the "Liabilities"), Borrower hereby mortgages, pledges, hypothecates to Lender, and grants to Lender a security interest in all of the following property (the "Collateral"), whether now owned or hereafter acquired or existing:

a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade dress, service marks, certification marks, collective marks, logos, other source of business identifiers, prints and labels on which any of the foregoing have appeared or appear and designs (all of the foregoing items in this clause (a) being collectively called a "Trademark"), now existing anywhere in the world or hereafter adopted or acquired, whether currently in use or not, all registrations, recordings and applications with the Canadian Intellectual Property Office, the United States Patent and Trademark Office or in any office or agency of Canada, the United States or any Province or State thereof or any foreign country, including those referred to in Item A of Attachment 1 hereto and all reissues, extensions or renewals thereof;

b) all Trademark licenses and other agreements providing Borrower with the right to use any items described in clause (a), including each Trademark license referred to in Item B of Attachment 1 hereto;

c) all of the goodwill of the business connected with the use of, and symbolized by the items described in, clause (a);

d) the right to sue third parties for past, present and future infringements of any Collateral described in clauses (a) and (b);

e) all proceeds of, and rights associated with, the foregoing, including any claim by Borrower against third parties for past, present and future infringement or dilution of any Trademark, Trademark registration or Trademark license, including any Trademark, Trademark registration or Trademark license referred to in Item A and Item B of Attachment 1 hereto, or for any injury to the goodwill associated with the use of any such Trademark or for breach or enforcement of any Trademark license and all rights corresponding thereto throughout the world;

f) all patents, patent applications and inventions identified in Attachment 1 and all issued patents in Canada, the United States or elsewhere and any future patents, including any reissue, continuation, division or other extension in whole or part of any such patent (collectively, the "Patents");

g) all rights to receive royalty, licence, reasonable compensation or other payments due to the Borrower from any licensed user or other user of any of the Patents and all rights and claims of action that may exist by reason of the Patents;

h) the rights and benefits of all present and future patent license agreements in which the Borrower is licensee of any third party identified in Attachment 1 hereto or any other third party; and

i) all proceeds of, and rights associated with, the foregoing, including any claim by Borrower against third parties for past, present and future infringement or dilution of any Patent, Patent registration or Patent license, including any Patent, Patent registration or Patent license referred to in Item A and Item B of Attachment 1 hereto, or for any injury to the goodwill associated with the use of any such Patent or for breach or enforcement of any Patent license and all rights corresponding thereto throughout the world.

SECTION 3 SECURITY AGREEMENTS

This Agreement has been executed and delivered by Borrower for the purpose of recording the security interest of Lender in the Collateral with the Canadian Intellectual Property Offices, the Canadian Patent Office and the United States Patent and Trademark Office. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interests granted to Lender under the general security agreements (the "General Security Agreements") dated as of the date hereof executed by the Borrower in favor of the Lender. The General Security Agreements (and all rights and remedies of the Lender thereunder) shall remain in full force and effect in accordance with the terms thereof.

SECTION 4 RELEASE OF SECURITY INTEREST

Upon payment in full of all Liabilities and the termination of the Loan Agreement, Lender shall, at Borrower's expense, execute and deliver to Borrower all instruments and other documents as may be necessary or proper to release the lien on and security interest in the Collateral which has been granted hereunder.

SECTION 5 ACKNOWLEDGEMENT

Borrower does hereby further acknowledge and affirm that the rights and remedies of Lender with respect to the security interest in the Collateral granted hereby are more fully set forth in the General Security Agreements, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6 LOAN DOCUMENT ETC.

This Agreement is a document executed pursuant to the Loan Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Loan Agreement.

SECTION 7 COUNTERPARTS

This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

TRADEMARK
REEL: 003722 FRAME: 0235

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

MERANGUE INTERNATIONAL LIMITED

By: _____
Name: JOHN MOREAU
Title: PRESIDENT

By: _____
Name: JOHN EVANS
Title: VICE PRESIDENT

Doc #260509v2

TRADEMARK
REEL: 003722 FRAME: 0236

ATTACHMENT 1
(to Intellectual Property Security Agreement)

ITEM A

List of Canadian Business/Trade Name Registrations:

None

List of Canadian Trademark Registrations and Applications:

Mark:	Registration No.:	File No.:	Registered Date:
Alien Riter	TMA 572,808	1054386	December 23, 2002
Nature Riter	TMA 572,809	1054385	December 23, 2002
Locker Gear	TMA 669,985	1296610	November 1, 2007

List of US Trademark Registrations and Applications:

Mark:	Registration No.:	Registered Date:
Nature Riter	2,745,708	August 5, 2003

List of Patents and Patent Applications:

None

ITEM B

List of License Agreements:

None