

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

U.S. DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

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):

KAENON, LLC

- Individual(s)
- General Partnership
- Corporation- State: _____
- Other Limited Liability Company

- Association
- Limited Partnership

Citizenship (see guidelines) California

Additional names of conveying parties attached? Yes No

2. Name and address of receiving party(ies)

- Yes
- No

Additional names, addresses, or citizenship attached?

Name: KAENON, INC.

Internal

Address: _____

Street Address: 1607 Babcock Street

Newport Beach

City: California

State: _____

Country: USA

Zip: 92663

Association Citizenship _____

General Partnership Citizenship _____

Limited Partnership Citizenship _____

Corporation Citizenship DELAWARE

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) 12/18/2006

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

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) 2923185, 2641136,

2633395, 2580455, 2580448, 2599512

Additional sheet(s) attached? Yes No

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

See attached

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

Name: Stacey Hallerman

Internal Address: _____

Street Address: 645 Fifth Avenue, 5th Floor

City: New York

State: New York Zip: 10022

Phone Number: (212) 891-2445

Fax Number: (212) 891-2446

Email Address: Stacey.hallerman@richemont-ip.com

6. Total number of applications and registrations involved:

6

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 240.00

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

8. Payment Information:

a. Credit Card Last 4 Numbers 1009
Expiration Date 10/11

b. Deposit Account Number _____

Authorized User Name _____

9. Signature:

Signature

Date

Stacey Hallerman

Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 18

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0148, or mailed to:

OP \$165.00 2923185

Schedule of Trademarks for Assignment

Serial Number	Reg. Number	Word Mark
1	78357812	2923185 DESIGN ONLY
2	78076678	2641136 GLARE 86
3	78076674	2633395 SR-91
4	78068252	2580455 EVOLVE OPTICALLY
5	78062457	2580448 LTL
6	78020687	2599512 KAENON

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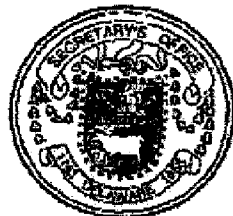
Delaware

PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "KAENON, INC.", FILED IN THIS OFFICE ON THE TWELFTH DAY OF DECEMBER, A.D. 2006, AT 3:28 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.



4221800 8100

061135687

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 5270961

DATE: 12-12-06

TRADEMARK

REEL: 003775 FRAME: 0418

Jan. 2. 2008 5:11PM KAENON PUBLISHING

CONTRIBUTION AND DISSOLUTION AGREEMENT

THIS CONTRIBUTION AND DISSOLUTION AGREEMENT ("Agreement") is made and entered into as of December 18, 2006 by and among the individuals listed on Exhibit A, attached hereto and made a part hereof (each, a "Contributor" and collectively, "Contributors"), Kaenon, LLC, a California limited liability company ("KP, LLC", also referred to herein as the "Company"), and Kaenon, Inc., a Delaware corporation ("Kaenon, Inc.").

RECITALS

A. KP, LLC is presently existing pursuant to the Operating Agreement of KP, LLC, dated November 15, 2003, a copy of which is attached hereto as Schedule 1 (the "Current Operating Agreement");

B. The Contributors listed on Exhibit A are the members of KP, LLC, owning beneficially and of record 100% of the issued and outstanding units of KP, LLC (the "Units"), with each Contributor owning that number of Units set forth beside such Contributor's name on Exhibit A;

C. Kaenon, Inc. desires to acquire the Units from each the Contributors, and each of the Contributors desires to contribute and transfer their respective Units to Kaenon, Inc.; in exchange therefor, Kaenon, Inc. will issue to each such Contributor an equal number of shares of its common stock as set forth on Exhibit A, which shares are to represent 100% of the issued and outstanding shares of Kaenon, Inc. capital stock (the "Exchange Shares"); and

D. This Agreement is being entered into by the parties as part of a unified plan of contribution and exchange of securities ("Plan") that is intended by the parties to qualify for non-recognition treatment under Section 351 of the Internal Revenue Code of 1986, as amended ("Code"). Such Plan is comprised of the transactions contemplated by this Agreement; provided, however, that none of the parties to this Agreement have made or are making any representations or warranties with respect to whether the transactions being consummated pursuant to and as part of such Plan will comply with the requirements of Code Section 351 or as to the consequences, under applicable federal, state or other tax laws, of such transaction to the parties to this Agreement.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Exchange of Units.** Subject to the terms and conditions of this Agreement, each of the Contributors hereby contributes, conveys, assigns, transfers, sets over and delivers to Kaenon, Inc. all of their respective Units (the "Transfer"), free and clear of all liens, claims, encumbrances, pledges, options, security interests and any other adverse interests of any kind or nature whatsoever, and Kaenon, Inc. hereby accepts the contribution of the Units from each of the Contributors.

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2. **Consideration for Units.** In exchange for the Units being contributed hereby to Kaenon, Inc. by the Contributors, each of the Contributors shall receive, as of the effective date of this Agreement, from Kaenon, Inc. consideration consisting of that number of Exchange Shares set forth besides such Contributor's name on Exhibit A hereto. Kaenon, Inc. agrees that, contemporaneous with the contribution of the Units pursuant to Section 1 hereof, that it will issue the Exchange Shares to the Contributors.

3. **Representations and Warranties of the Contributors.** Each of the Contributors, severally, as to himself, herself or itself, represents and warrants to Kaenon, Inc. as follows:

3.1 **Authority and Capacity.** Such Contributor has the full legal right and capacity to execute and deliver, and to perform his obligations under this Agreement. Such Contributor has duly executed and delivered this Agreement on the date hereof, with the intent to be legally bound hereby and thereby and such Agreement constitutes a valid and legally binding obligation of such Contributor that is enforceable against such Contributor in accordance with its respective terms, except as such enforceability may be limited by (i) bankruptcy, insolvency, moratorium or other similar laws affecting creditors' rights and (ii) general principles of equity relating to the availability of equitable remedies (regardless of whether such agreement is sought to be enforced in a proceeding at law or in equity).

3.2 **Ownership of Units of KP, LLC.** Such Contributor is the sole owner, beneficially and of record, of all of the Units of KP, LLC set forth opposite his, her or its name on Exhibit A hereto, free and clear of all claims, liens, encumbrances, security interests, pledges, options, charges, restrictions, defects in title and any adverse interests of any nature whatsoever, other than restrictions imposed by federal and applicable state securities laws which do not constitute an impediment to the contribution and transfer of such Units to Kaenon, Inc. as described in this Agreement. Such Contributor is not a party to any agreement, commitment or understanding, written or oral, that provides for the grant or sale of, and has not granted or sold to any person or entity (a "Person"), any options, warrants or other rights to purchase, nor does any Person have any right to acquire from such Contributor, any of the Units of KP, LLC.

3.3 **Adequacy of Consideration.** Each Contributor hereby acknowledges that the Kaenon, Inc. Exchange Shares received by such Contributor constitutes the full and complete consideration to which such Contributor is entitled for his, her or its Units of KP, LLC, and, following the consummation of the transactions contemplated by this Agreement, such Contributor shall no longer have any interest whatsoever in KP, LLC. Each Contributor also hereby acknowledges that all requirements, obligations and agreements of KP, LLC and the other Contributors has been satisfied or, if not satisfied, all noncompliance therewith is hereby waived.

3.4 **No Contributor Conflicts.** Neither the Contributor's execution and delivery of, nor the performance of his obligation under this Agreement will result in either of the following: (i) a violation or breach of any agreement governing or restricting the sale or transferability of any of the Contributor's Units of KP, LLC; or (ii) a violation or breach of any writ, injunction or decree of any court or governmental instrumentality to which such Contributor is a party or by which any of its properties are bound or any laws or regulations applicable to such Contributor.

3.5 **Tax Matters.** Each Contributor hereby acknowledges that no representations, covenants or warranties have been made to the Contributor by KP, LLC, Kaenon,

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Inc., any other Contributor or any of their officers or agents as to the tax consequences of the transactions contemplated in this Agreement (including without limitation Federal, state and local income taxes), and that such Contributor has been urged to and has had the opportunity to consult with their own tax advisor with respect to the tax consequences to such Contributor.

3.6 Operating Agreement. Such Contributor is currently a party to, and is bound by the provisions of, the Current Operating Agreement, as a "Member" (as such term is defined in the Current Operating Agreement"). The Contributor acknowledges and agrees that (i) prior to November 15, 2003, the Members of KP, LLC were parties to and bound by the Operating Agreement dated July 14, 2000, a copy of which is attached hereto as Schedule 2 (the "Old Operating Agreement"), which provided that a majority in interest of the Members could repeal the Old Operating Agreement and adopt a new operating agreement on behalf of KP, LLC; (ii) on November 15, 2003, Darren Rosenberg and Steve Rosenberg repealed the Old Operating Agreement in accordance with its terms and adopted the Current Operating Agreement on behalf of KP, LLC; and (iii) the Contributor waives any and all rights that it may have in connection with the repeal of the Old Operating Agreement and adoption of the Current Operating Agreement, including, without limitation, any right to receive written notice thereof, to the extent applicable.

3.7 Securities Law Compliance.

(a) Such Contributor has been advised and understands and agrees that the offer and sale of the Kaenon, Inc. Exchange Shares will not be registered under the Securities Act of 1933, as amended ("1933 Act"), nor qualified under any state securities laws, on the ground (among others) that no distribution or public offering of the Kaenon, Inc. Exchange Shares is to be effected in connection with the transactions contemplated herein and, in issuing the Kaenon, Inc. Exchange Shares to each Contributor hereunder, Kaenon, Inc. is relying on the accuracy and completeness of the representations of such Contributor set forth in this Agreement.

(b) Such Contributor is acquiring the Kaenon, Inc. Exchange Shares for its own account, and not as a nominee or agent for any other person, and for investment and not with a view to distribution or resale thereof.

(c) Such Contributor acknowledges that he, she or it has been informed and understands that no public market for the Kaenon, Inc. Exchange Shares exists and that there can be no assurance that any such market may develop or exist in the future and, even if a public market does develop, that the Kaenon, Inc. Exchange Shares may not be sold or transferred except in compliance with the 1933 Act or any exemption thereunder, and there is no assurance that any exemption from registration, including Rule 144, under the 1933 Act will become available to permit resale of the Kaenon, Inc. Exchange Shares.

(d) Such Contributor (a) is an "accredited investor" as defined in Rule 501 under the 1933 Act, or (b) (i) is familiar with the business of Kaenon, Inc., (ii) has had an opportunity to discuss with representatives of Kaenon, Inc. the condition of and prospects for the continued operation of Kaenon, Inc. and such other matters as he, she or it deemed appropriate in considering whether to invest in the Kaenon, Inc. Exchange Shares, and (iii) has been provided access to all available information about Kaenon, Inc. requested by him, her or it.

Delaware

PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "KAENON, INC.", FILED IN THIS OFFICE ON THE TWELFTH DAY OF DECEMBER, A.D. 2006, AT 3:28 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.



4221800 8100

061135687

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 5270961

DATE: 12-12-06

CONTRIBUTION AND DISSOLUTION AGREEMENT

THIS CONTRIBUTION AND DISSOLUTION AGREEMENT ("Agreement") is made and entered into as of December 18, 2006 by and among the individuals listed on Exhibit A, attached hereto and made a part hereof (each, a "Contributor" and collectively, "Contributors"), Kaenon, LLC, a California limited liability company ("KP, LLC", also referred to herein as the "Company"), and Kaenon, Inc., a Delaware corporation ("Kaenon, Inc.").

RECITALS

A. KP, LLC is presently existing pursuant to the Operating Agreement of KP, LLC, dated November 15, 2003, a copy of which is attached hereto as Schedule 1 (the "Current Operating Agreement");

B. The Contributors listed on Exhibit A are the members of KP, LLC, owning beneficially and of record 100% of the issued and outstanding units of KP, LLC (the "Units"), with each Contributor owning that number of Units set forth beside such Contributor's name on Exhibit A;

C. Kaenon, Inc. desires to acquire the Units from each the Contributors, and each of the Contributors desires to contribute and transfer their respective Units to Kaenon, Inc.; in exchange therefor, Kaenon, Inc. will issue to each such Contributor an equal number of shares of its common stock as set forth on Exhibit A, which shares are to represent 100% of the issued and outstanding shares of Kaenon, Inc. capital stock (the "Exchange Shares"); and

D. This Agreement is being entered into by the parties as part of a unified plan of contribution and exchange of securities ("Plan") that is intended by the parties to qualify for non-recognition treatment under Section 351 of the Internal Revenue Code of 1986, as amended ("Code"). Such Plan is comprised of the transactions contemplated by this Agreement; provided, however, that none of the parties to this Agreement have made or are making any representations or warranties with respect to whether the transactions being consummated pursuant to and as part of such Plan will comply with the requirements of Code Section 351 or as to the consequences, under applicable federal, state or other tax laws, of such transaction to the parties to this Agreement.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Exchange of Units.** Subject to the terms and conditions of this Agreement, each of the Contributors hereby contributes, conveys, assigns, transfers, sets over and delivers to Kaenon, Inc. all of their respective Units (the "Transfer"), free and clear of all liens, claims, encumbrances, pledges, options, security interests and any other adverse interests of any kind or nature whatsoever, and Kaenon, Inc. hereby accepts the contribution of the Units from each of the Contributors.

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2. **Consideration for Units.** In exchange for the Units being contributed hereby to Kaenon, Inc. by the Contributors, each of the Contributors shall be receive, as of the effective date of this Agreement, from Kaenon, Inc. consideration consisting of that number of Exchange Shares set forth besides such Contributor's name on Exhibit A hereto. Kaenon, Inc. agrees that, contemporaneous with the contribution of the Units pursuant to Section 1 hereof, that it will issue the Exchange Shares to the Contributors.

3. **Representations and Warranties of the Contributors.** Each of the Contributors, severally, as to himself, herself or itself, represents and warrants to Kaenon, Inc. as follows:

3.1 **Authority and Capacity.** Such Contributor has the full legal right and capacity to execute and deliver, and to perform his obligations under this Agreement. Such Contributor has duly executed and delivered this Agreement on the date hereof, with the intent to be legally bound hereby and thereby and such Agreement constitutes a valid and legally binding obligation of such Contributor that is enforceable against such Contributor in accordance with its respective terms, except as such enforceability may be limited by (i) bankruptcy, insolvency, moratorium or other similar laws affecting creditors' rights and (ii) general principles of equity relating to the availability of equitable remedies (regardless of whether such agreement is sought to be enforced in a proceeding at law or in equity).

3.2 **Ownership of Units of KP, LLC.** Such Contributor is the sole owner, beneficially and of record, of all of the Units of KP, LLC set forth opposite his, her or its name on Exhibit A hereto, free and clear of all claims, liens, encumbrances, security interests, pledges, options, charges, restrictions, defects in title and any adverse interests of any nature whatsoever, other than restrictions imposed by federal and applicable state securities laws which do not constitute an impediment to the contribution and transfer of such Units to Kaenon, Inc. as described in this Agreement. Such Contributor is not a party to any agreement, commitment or understanding, written or oral, that provides for the grant or sale of, and has not granted or sold to any person or entity (a "Person"), any options, warrants or other rights to purchase, nor does any Person have any right to acquire from such Contributor, any of the Units of KP, LLC.

3.3 **Adequacy of Consideration.** Each Contributor hereby acknowledges that the Kaenon, Inc. Exchange Shares received by such Contributor constitutes the full and complete consideration to which such Contributor is entitled for his, her or its Units of KP, LLC, and, following the consummation of the transactions contemplated by this Agreement, such Contributor shall no longer have any interest whatsoever in KP, LLC. Each Contributor also hereby acknowledges that all requirements, obligations and agreements of KP, LLC and the other Contributors has been satisfied or, if not satisfied, all noncompliance therewith is hereby waived.

3.4 **No Contributor Conflicts.** Neither the Contributor's execution and delivery of, nor the performance of his obligation under this Agreement will result in either of the following: (i) a violation or breach of any agreement governing or restricting the sale or transferability of any of the Contributor's Units of KP, LLC; or (ii) a violation or breach of any writ, injunction or decree of any court or governmental instrumentality to which such Contributor is a party or by which any of its properties are bound or any laws or regulations applicable to such Contributor.

3.5 **Tax Matters.** Each Contributor hereby acknowledges that no representations, covenants or warranties have been made to the Contributor by KP, LLC, Kaenon,

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Inc., any other Contributor or any of their officers or agents as to the tax consequences of the transactions contemplated in this Agreement (including without limitation Federal, state and local income taxes), and that such Contributor has been urged to and has had the opportunity to consult with their own tax advisor with respect to the tax consequences to such Contributor.

3.6 Operating Agreement. Such Contributor is currently a party to, and is bound by the provisions of, the Current Operating Agreement, as a "Member" (as such term is defined in the Current Operating Agreement"). The Contributor acknowledges and agrees that (i) prior to November 15, 2003, the Members of KP, LLC were parties to and bound by the Operating Agreement dated July 14, 2000, a copy of which is attached hereto as Schedule 2 (the "Old Operating Agreement"), which provided that a majority in interest of the Members could repeal the Old Operating Agreement and adopt a new operating agreement on behalf of KP, LLC; (ii) on November 15, 2003, Darren Rosenberg and Steve Rosenberg repealed the Old Operating Agreement in accordance with its terms and adopted the Current Operating Agreement on behalf of KP, LLC; and (iii) the Contributor waives any and all rights that it may have in connection with the repeal of the Old Operating Agreement and adoption of the Current Operating Agreement, including, without limitation, any right to receive written notice thereof, to the extent applicable.

3.7 Securities Law Compliance.

(a) Such Contributor has been advised and understands and agrees that the offer and sale of the Kaenon, Inc. Exchange Shares will not be registered under the Securities Act of 1933, as amended ("1933 Act"), nor qualified under any state securities laws, on the ground (among others) that no distribution or public offering of the Kaenon, Inc. Exchange Shares is to be effected in connection with the transactions contemplated herein and, in issuing the Kaenon, Inc. Exchange Shares to each Contributor hereunder, Kaenon, Inc. is relying on the accuracy and completeness of the representations of such Contributor set forth in this Agreement.

(b) Such Contributor is acquiring the Kaenon, Inc. Exchange Shares for its own account, and not as a nominee or agent for any other person, and for investment and not with a view to distribution or resale thereof.

(c) Such Contributor acknowledges that he, she or it has been informed and understands that no public market for the Kaenon, Inc. Exchange Shares exists and that there can be no assurance that any such market may develop or exist in the future and, even if a public market does develop, that the Kaenon, Inc. Exchange Shares may not be sold or transferred except in compliance with the 1933 Act or any exemption thereunder, and there is no assurance that any exemption from registration, including Rule 144, under the 1933 Act will become available to permit resale of the Kaenon, Inc. Exchange Shares.

(d) Such Contributor (a) is an "accredited investor" as defined in Rule 501 under the 1933 Act, or (b) (i) is familiar with the business of Kaenon, Inc., (ii) has had an opportunity to discuss with representatives of Kaenon, Inc. the condition of and prospects for the continued operation of Kaenon, Inc. and such other matters as he, she or it deemed appropriate in considering whether to invest in the Kaenon, Inc. Exchange Shares, and (iii) has been provided access to all available information about Kaenon, Inc. requested by him, her or it.

(e) Such Contributor has made his, her or its own investigation whether or not to exchange his Units of KP, LLC for the Kaenon, Inc. Exchange Shares, has had the opportunity to consult with legal counsel for such Contributor, and that such Contributor has sufficient business and financial experience so as to enable him, her or it to evaluate the merits and risks associated with the Kaenon, Inc. Exchange Shares.

(f) Such Contributor is able to bear the economic risk of a total loss of his, her or its investment in Kaenon, Inc., and he has adequate means of providing for his, her or its current needs and foreseeable personal contingencies, and has no need for his investment in the Kaenon, Inc. Exchange Shares to be liquid.

(g) Such Contributor acknowledges and agrees that the certificates representing the Kaenon, Inc. Exchange Shares shall contain a restrictive legend substantially in the form below:

THE OFFER AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, HYPOTHECATED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER SUCH ACT AND UNDER ANY APPLICABLE STATE SECURITIES LAWS, OR AN OPINION OF COUNSEL SATISFACTORY TO THE ISSUER THAT SUCH REGISTRATION IS NOT REQUIRED AS TO SUCH SALE OR OFFER.

A STATEMENT OF THE RIGHTS, PREFERENCES, PRIVILEGES AND RESTRICTIONS GRANTED TO OR IMPOSED UPON THE RESPECTIVE CLASSES OF SHARES OF STOCK OF THE CORPORATION AND UPON THE HOLDERS THEREOF MAY BE OBTAINED BY ANY SHAREHOLDER UPON REQUEST AND WITHOUT CHARGE AT THE PRINCIPAL OFFICE OF THE ISSUER.

4. **Representations and Warranties of Kaenon, Inc.** Kaenon, Inc. hereby represents and warrants to the Contributors as follows:

4.1 **Organization.** Kaenon, Inc. is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware.

4.2 **Corporate Power.** Kaenon, Inc. possesses the requisite corporate power and authority to enter into and perform its obligations under this Agreement.

4.3 **Valid Issuance.** The Kaenon, Inc. Exchange Shares, when issued and delivered in accordance with the terms hereof for the consideration expressed herein will be duly and validly issued, fully paid and nonassessable, free and clear of any encumbrances of any nature whatsoever, other than any applicable restrictions pursuant to federal and state securities laws hereof.

4.4 No Conflicts. The execution, delivery and performance of this Agreement by Kaenon, Inc. will not result in any of the following: (i) violation of the Certificate of Incorporation or the Bylaws of Kaenon, Inc.; (ii) a default or breach, or an event that with notice or lapse of time, or both, would constitute a default or breach, or a termination of any contract, lease, license, franchise, promissory note, conditional sales contract, commitment, indenture, mortgage, deed of trust, security or pledge agreement, or other agreement, instrument or arrangement to which Kaenon, Inc. is a party and which is material to Kaenon, Inc.; (iii) an acceleration of the maturity of any material indebtedness of Kaenon, Inc.; or (iv) a violation or breach of any writ, injunction or decree of any court or governmental instrumentality to which Kaenon, Inc. is a party or by which any of its properties is bound or any laws or regulations applicable to Kaenon, Inc., where the violation would have a material adverse effect on Kaenon, Inc..

4.5 Investment Intent. Kaenon, Inc. is acquiring the Units from the Contributors for its own account for investment and not with a view to the sale or distribution thereof.

4.6 Disclosure. The representations and warranties of Kaenon, Inc. contained herein do not contain any statement of a material fact that was untrue when made or omits any material fact necessary to make the information contained therein, in light of the circumstances under which such information was disclosed, not misleading.

5. Consent to Transfers and Dissolution. KP, LLC and the Contributors hereby acknowledge that in connection with the Transfer and the execution of this Agreement, KP, LLC will be dissolved and liquidated, with the intent that it no longer exist pursuant to its legal dissolution.

6. Dissolution, winding up, and termination of the Company.

6.1 Dissolution and Termination of KP, LLC. As a result of, and pursuant to the Transfer, Kaenon, Inc. hereby agrees to carry out the termination and dissolution of KP, LLC. KP, LLC shall be dissolved, terminated and wound-up in accordance with all applicable laws and in accordance with the terms of this Agreement and the Current Operating Agreement. In addition, Kaenon, Inc., as the sole member of KP, LLC after the Transfers, shall have full power and authority, and shall have the duty, to wind up KP, LLC's business and to dissolve and terminate KP, LLC, including, but not limited to, the full power and authority, and the duty, to:

(a) Prepare, execute, file, record, and publish on behalf of the Contributors and KP, LLC any agreements, documents, or instruments connected with the dissolution, winding up and termination of the business and affairs of KP, LLC;

(b) Using KP, LLC's assets, pay, assume, or otherwise settle or discharge all of the debts, liabilities, and other obligations of KP, LLC it deems necessary at the time of the dissolution of KP, LLC; and

(c) Take all other actions that are (i) incidental to the foregoing powers, (ii) necessary or appropriate to the performance of the duties of the general partners under this Agreement, or (iii) required by law or the Current Operating Agreement in connection with the dissolution, winding up or termination of KP, LLC.

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6.2 Distributions to Kaenen, Inc. In furtherance of the dissolution and termination of the Company, KP, LLC shall irrevocably distribute, transfer and assign any and all of its rights, title and interests in 100% of its assets to Kaenen, Inc. subject to any requirement to set aside assets to satisfy its obligations to pay Company creditors. To the extent that any assets remain in KP, LLC after the payment of all its creditors, KP, LLC shall distribute such assets to Kaenen, Inc. in accordance with the foregoing and execute a Bill of Sale, in customary form, to effect the same. The Contributors agrees to execute, as necessary, any and all documents, instruments and agreements necessary to distribute KP, LLC's assets to Kaenen, Inc. in accordance with the foregoing.

6.3 Assumption of Liabilities. Kaenen, Inc. shall, on the date hereof and to the extent not otherwise paid pursuant to the dissolution, assume all of KP, LLC's obligations and liabilities, whether accrued, contingent, or otherwise, existing on or before the date of this Agreement, including without limitation liabilities for the payment of taxes and liabilities secured by real property, if any. Notwithstanding the foregoing, in no event shall the aggregate obligations of the Contributors under this Section 6.3 exceed the fair market value of the assets of KP, LLC as of the date hereof.

6.4 Termination of KP, LLC Current Operating Agreement. The Contributors agree that the Current Operating Agreement is hereby terminated as of the effective date of the Transfer, and shall be of no further force and effect. All rights and obligations of the Contributors contained in the Current Operating Agreement are hereby terminated as of the effective date hereof.

6.5 Further Assurances. The Contributors, at the request of KP, LLC or Kaenen, Inc. at any time, and from time to time, after the date hereof and without further consideration, shall execute and deliver such other documents and instruments, and take such other actions as KP, LLC or Kaenen, Inc. reasonably may require in order to perfect the assumption of the rights and liabilities of KP, LLC and to dissolve KP, LLC.

6.6 No Further Acts. Commencing with the effective date of this Agreement, the Contributors shall have no authority to incur any obligations or liabilities on behalf of KP, LLC, or participate in any way in the business of KP, LLC under the name of KP, LLC.

6.7 Maintenance of Records. Kaenen, Inc. shall retain custody of all of the existing books and records of KP, LLC for a period of five (5) years from the date hereof.

7. Continuing Obligations. Each party hereto shall execute and deliver, such instruments and take such other actions as the other party or parties, as the case may be, may reasonably request in order to carry out the intent of this Agreement or to better evidence or effectuate the transactions contemplated herein, including, without limitation, the dissolution of KP, LLC.

8. Deliveries. Contemporaneous with the execution of this Agreement:

8.1 By the Contributors. Each of the Contributors shall deliver or cause to be delivered to Kaenen, Inc. (i) the certificates evidencing the Units held by such Contributor, accompanied by (ii) appropriate instruments of transfer, duly executed by such Contributor.

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Kaenon Polarized

No.2383 P. 9

8.2 By Kaenon, Inc. Kaenon, Inc. shall deliver or cause to be delivered to the each Contributors stock certificates issued in the name of such Contributor for the number of Exchange Shares issuable to the Contributors as provided herein and as noted on Exhibit A attached hereto.

9. Nature and Survival of Representations and Warranties and Covenants. All of the respective representations and warranties of the Contributors and Kaenon, Inc. set forth in this Agreement or in any certificates or schedules delivered pursuant hereto shall remain in full force and effect and shall survive the Closing, regardless of any investigation, verification or approval by any party hereto or by anyone or on behalf of any party hereto.

10. Notices. All notices, requests, demands or other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given when delivered by hand or three (3) days after being mailed by certified or registered mail, return receipt requested, with postage prepaid, to such party or parties at its respective address as set forth on the register of shareholders of Kaenon, Inc., or as provided in writing by the Contributors.

11. Assignment. The Contributors may not assign this Agreement, or assign its rights or delegate its duties hereunder, without the prior written consent of Kaenon, Inc..

12. Amendment. Neither this Agreement nor any of this Agreement's terms or conditions may be waived, amended or modified except by means of a written instrument duly executed by the parties hereto.

13. Effectiveness of the Agreement. Notwithstanding anything contained herein to the contrary, this Agreement shall only become effective at the election of the Company, which election shall be evidenced by a written confirmation from the Company that the contribution and other provisions of this Agreement have taken effect. In the event that the Company elects to terminate this Agreement, it may do so by executing a written notice, in which case this Agreement shall be of no further force and effect.

14. Miscellaneous.

14.1 Severability. Any provision of this Agreement which is illegal, invalid or unenforceable shall be ineffective to the extent of such illegality, invalidity or unenforceability, without affecting in any way the remaining provisions hereof.

14.2 Governing Law. The internal substantive laws, and not the laws of conflicts, of the State of California shall govern the enforceability and validity of this Agreement, the construction of its terms and the interpretation of the rights and duties of the parties.

14.3 Incorporation and Amendment. This Agreement constitutes the entire Agreement of the parties, superseding and extinguishing all prior agreements and understandings, representations and warranties, relating to the subject matter hereof. This Agreement may not be modified, amended or terminated except by written agreement specifically referring to this Agreement signed by the parties hereto.

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14.4 Waiver. No waiver of a breach or default hereunder shall be considered valid unless in writing and signed by the party giving such waiver, and no such waiver shall be deemed a waiver of any subsequent breach or default of the same or similar nature.

14.5 Gender; Number. As used in this Agreement, the masculine gender will include the feminine and neuter, and vice versa, as the context so requires; and the singular number will include the plural, and vice versa, as the context so requires.

14.6 Headings. The section and paragraph headings contained herein are for the purpose of convenience only and are not intended to define or limit the contents of such sections.

14.7 Counterparts. This Agreement may be executed in separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Signature Page Follows]

Jan. 2. 2008 5:13PM

Kaenon Polarized

No. 2383 P. 11

IN WITNESS WHEREOF, the undersigned individuals have executed this Agreement, on the date first above written.

KAENON, INC.

By: DARREN ROSENBERG

Title: Vice President

KP, LLC

By: _____

Its: _____

CONTRIBUTORS:

Steve Rosenberg

Darron Rosenberg

Chris Sweetwood

Allan Rosenberg

Carolyn Rosenberg

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IN WITNESS WHEREOF, the undersigned individuals have executed this Agreement, on the date first above written.

KAENON, INC.

By: _____

Title: _____

KP, LLC

By: *[Signature]* / *DARRIN ROSENBERG*

Its: *Vice President*

CONTRIBUTORS:

Steve Rosenberg

Darren Rosenberg

Chris Swortwood

Allan Rosenberg

Carolyn Rosenberg

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IN WITNESS WHEREOF, the undersigned individuals have executed this Agreement, on the date first above written.

KAENON, INC.

By: _____

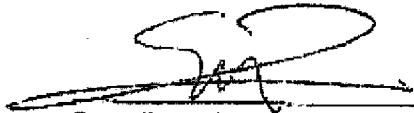
Title: _____

KP, J.LC

By: _____

Its: _____

CONTRIBUTORS:



Steve Rosenberg

Darren Rosenberg

Chris Swortwood

Allan Rosenberg

Carolyn Rosenberg

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