

TRADEMARK ASSIGNMENT

Electronic Version v1.1
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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
American Essentials Inc.		12/17/2010	CORPORATION: NEW YORK

RECEIVING PARTY DATA

Name:	Bank of Montreal
Street Address:	100 King Street West
Internal Address:	11th Floor, First Canadian Place
City:	Toronto, Ontario
State/Country:	CANADA
Postal Code:	M5X 1A1
Entity Type:	Chartered Bank: CANADA

PROPERTY NUMBERS Total: 13

Property Type	Number	Word Mark
Registration Number:	2948139	A E AMERICAN ESSENTIALS
Serial Number:	76666177	FEEL GOOD BY AMERICAN ESSENTIALS
Serial Number:	76666176	FEEL GOOD AMERICAN ESSENTIALS
Serial Number:	76670636	V12
Serial Number:	76672634	ECOLOGIX
Serial Number:	76676008	SMOKIN' MOOSE
Serial Number:	76678164	AMERICAN ESSENTIALS NEW YORK
Serial Number:	76697667	AMERICAN ESSENTIALS LUXURY
Serial Number:	76697666	THE ORIGINAL CUSHION SOLE COMFORT SOCK
Serial Number:	77916261	BARE ESSENTIALS
Registration Number:	0599382	HAPPY FOOT
Registration Number:	1933423	AMERICAN ESSENTIALS
Registration Number:	1562242	AMERICAN ESSENTIALS

CH \$340.00 2948139

CORRESPONDENCE DATA**Fax Number:** (312)803-5299*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.***Phone:** (312) 845-3430**Email:** kalwa@chapman.com**Correspondent Name:** Richard Kalwa**Address Line 1:** 111 West Monroe Street**Address Line 2:** Chapman and Cutler LLP**Address Line 4:** Chicago, ILLINOIS 60603**ATTORNEY DOCKET NUMBER:**

1948587

DOMESTIC REPRESENTATIVE**Name:****Address Line 1:****Address Line 2:****Address Line 3:****Address Line 4:****NAME OF SUBMITTER:**

Richard Kalwa

Signature:

/richard kalwa/

Date:

12/17/2010

Total Attachments: 4

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**TRADEMARK COLLATERAL AGREEMENT
(AMERICAN ESSENTIALS INC.)**

This 17th day of December, 2010, American Essentials Inc., a New York corporation ("*Debtor*") with its principal place of business and mailing address at 63 Polson Street, Toronto, Ontario M5A 1A4 Canada, in consideration of ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, assigns, mortgages and pledges to Bank of Montreal ("*BMO*"), with its mailing address at 11th Floor, First Canadian Place, 100 King Street West, Toronto, Ontario M5X 1A1, Canada, Attention: Director Re: McGregor Industries Inc. and its successors and assigns (BMO and any successor(s) or assign(s) to BMO being hereinafter referred to as the "*Lender*"), and grants to the Lender a continuing security interest in, the following property:

(i) Each trademark, trademark registration, and trademark application listed on Schedule A hereto, and all of the goodwill of the business connected with the use of, and symbolized by, each such trademark, trademark registration, and trademark application; and

(ii) All proceeds of the foregoing, including without limitation any claim by Debtor against third parties for damages by reason of past, present or future infringement of any trademark, trademark registration, or trademark application listed on Schedule A hereto or by reason of injury to the goodwill associated with any such trademark, trademark registration, or trademark application, in each case together with the right to sue for and collect said damages;

to secure the payment and performance of all Secured Obligations as set out and defined in that certain Security Agreement bearing even date herewith between the Debtor, as debtor, and the Lender, as secured party, as the same may be amended, modified, or restated from time to time (the "*Security Agreement*").

Notwithstanding anything herein to the contrary, this Trademark Collateral Agreement shall not operate as a sale, transfer, conveyance or other assignment to Lender of any applications by Debtor for a trademark based on an intent to use the same if and so long as such application is pending without a Statement of Use having been filed and accepted (such pending applications which are based on intent to use being hereinafter referred to collectively as "*Intent-To-Use Applications*"), but rather, if and so long as Debtor's Intent-To-Use Application is pending without a Statement of Use having been filed and accepted, then this Trademark Collateral Agreement shall operate only to create a security interest for collateral purposes in favor of Lender on such Intent-To-Use Application as collateral security for the Secured Obligations. When a Statement of Use is filed and accepted by the Trademark Office, then that application shall cease to be partly exempted from this Agreement.

Debtor does hereby further acknowledge and affirm that the rights and remedies of Lender with respect to the assignment, mortgage, pledge and security interest in the trademarks, trademark registrations, and trademark applications made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated herein by reference as if fully set forth herein.

IN WITNESS WHEREOF, Debtor has caused this Trademark Collateral Agreement to be duly executed as of the date and year last above written.

AMERICAN ESSENTIALS INC.

By 
Carl Grillo, Chief Financial Officer

Accepted and agreed to as of the date and year last above written.

BANK OF MONTREAL

By _____
Name _____
Title _____

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the said Court at the City of New York, this 1st day of June, 1964.

WILLIAM J. DONOHUE, J.C.

By

Clerk of the Court

Accepted for registration of the trademark of the said Court

WILLIAM J. DONOHUE, J.C.

By

Clerk

**SCHEDULE A
TO TRADEMARK COLLATERAL AGREEMENT**

<u>Matter Name</u>	<u>Country</u>	<u>Application No.</u>	<u>Filing Date</u>	<u>Registration No</u>	<u>Date</u>	<u>Status</u>
A E AMERICAN ESSENTIALS LOGO	U.S.A.	74/616,679	Dec 29, 1994	2,948,139	May 10, 2005	Registered
FEEL GOOD BY AMERICAN ESSENTIALS	U.S.A.	76/666,177	Sep 18, 2006			Pending
FEEL GOOD AMERICAN ESSENTIALS	U.S.A.	76/666,176	Sep 18, 2006			Pending
V12	U.S.A.	76/670,636	Dec 21, 2006			Pending
ECOLOGIX	U.S.A.	76/672,634	Feb 13, 2007			Pending
SMOKIN' MOOSE	U.S.A.	76/676,008	Apr 26, 2007			Pending
AMERICAN ESSENTIALS NEW YORK	U.S.A.	76/678,164	Jun 13, 2007			Pending
AMERICAN ESSENTIALS LUXURY	U.S.A.	76/697,667	Jun 1, 2009			Pending
THE ORIGINAL CUSHION SOLE COMFORT SOCK	U.S.A.	76/697,666	Jun 1, 2009			Pending
BARE ESSENTIALS	U.S.A.	77/916,261	Jan 20, 2010			Pending
HAPPYFOOT & Design	U.S.A.	71/636,955	Oct 20, 1952	599,382	Dec 14, 1954	Registered
AMERICAN ESSENTIALS	U.S.A.	74/286,977	Jun 22, 1992	1,933,423	Nov 7, 1995	Registered
AMERICAN ESSENTIALS	U.S.A.	73/632,497	Nov 25, 1986	1,562,242	Oct 24, 1989	Registered