

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM389237

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Goldray Industries Ltd.		06/23/2016	Limited Company: CANADA
RECEIVING PARTY DATA			
Name:	BDC Capital Inc.		
Street Address:	444 - 7 Avenue Southwest		
Internal Address:	Suite 110		
City:	Calgary, Alberta		
State/Country:	CANADA		
Postal Code:	T2P 0X8		
Entity Type:	Corporation: CANADA		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Serial Number:	86010832	QUICKFROST	
CORRESPONDENCE DATA			
Fax Number:			
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	6129644299		
Email:	tara.anderson@tjabusinesslaw.com		
Correspondent Name:	Tara J. Anderson		
Address Line 1:	11985 Technology Drive		
Address Line 2:	Suite 140		
Address Line 4:	Eden Prairie, MINNESOTA 55344		
NAME OF SUBMITTER:	Tara J. Anderson		
SIGNATURE:	/tja/		
DATE SIGNED:	06/24/2016		
Total Attachments: 11			
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**TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT**

THIS AGREEMENT ("**Agreement**"), dated this 23rd day of June, 2016, is by and between Goldray Industries Ltd. (the "**Borrower**"), having its chief executive office at 4605 – 52nd Ave SE, Calgary, Alberta T2C 4N7, and **BDC CAPITAL INC.** ("**BDCC**"), a wholly-owned subsidiary of the **BUSINESS DEVELOPMENT BANK OF CANADA**, having an office at 110, 444 – 7 Avenue SW, Calgary, Alberta, T2P 0X8, Canada.

WITNESSETH:

WHEREAS the Borrower has adopted, used and is using, and is the owner of the entire right, title and interest in and to the trademarks and applications therefor described in Exhibit A hereto and made a part hereof.

AND WHEREAS BDCC and the Borrower have entered into or are about to enter into financing arrangements pursuant to a Letter of Offer dated April 29, 2016, between, *inter alios*, the Borrower and BDCC as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced from time to time (collectively the "**Letter of Offer**") and other agreements, documents and instruments referred to therein or at any time executed and/or delivered in connection therewith or related thereto (all of the foregoing, together with the Letter of Offer, as the same now exist or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced from time to time, being collectively referred to herein as the "**Financing Agreements**").

AND WHEREAS in order to induce BDCC to make loans and advances and provide other financial accommodations to the Borrower, the Borrower has agreed to grant to BDCC certain collateral security as set forth herein.

NOW THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Borrower hereby agrees as follows:

1. GRANT OF SECURITY INTEREST

As collateral security for the prompt performance, observance and indefeasible payment in full of all of the Obligations (as hereinafter defined), the Borrower hereby grants to BDCC a continuing security interest in and a general lien upon, and a conditional assignment of, the following (being collectively referred to herein as the "**Collateral**"): (a) all of the Borrower's now existing or hereafter acquired right, title and interest in and to all of the Borrower's interest in any trademarks and all applications, registrations and recordings relating to the foregoing as may at any time be filed in the Canadian Intellectual Property Office or in any similar office or agency of Canada, any Province thereof, any political subdivision thereof or in any other country, including, without limitation, those trademarks, applications, registrations and recordings described in Exhibit A hereto, together with all rights and privileges arising under applicable law with respect to the Borrower's use of any trademarks and all reissues, divisions, continuations, extensions and renewals thereof (all of the foregoing being collectively referred to herein as the "**Trademarks**"); (b) all present and future inventions and improvements described and claimed therein; (c) all income, fees, royalties and other payments at any time due or payable with respect thereto, including, without limitation, payments under all licenses at any time entered into in connection therewith; (d) the right to sue for past, present and future infringements thereof; (e) all rights corresponding thereto throughout the world; and (f) any and all other proceeds of any of the foregoing, including, without limitation, all damages and payments or claims by the Borrower against third parties for past or future infringement of the Trademarks.

2. OBLIGATIONS SECURED

The security interest, lien and other interests granted to BDCC pursuant to this Agreement shall secure the prompt performance, observance and payment in full of any and all obligations, liabilities and indebtedness of every kind, nature and description owing by the Borrower to BDCC and/or its affiliates, including principal, interest, charges, fees, costs and expenses, however evidenced, whether as principal, surety, endorser, guarantor or otherwise, arising under this Agreement, the Financing Agreements or in connection with the transactions contemplated by this Agreement or any of the Financing Agreements, whether now existing or hereafter arising, whether arising before, during or after the initial or any renewal term of the Letter of Offer, whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured, and however acquired by BDCC (all of the foregoing being collectively referred to herein as the "**Obligations**").

3. REPRESENTATIONS, WARRANTIES AND COVENANTS

The Borrower hereby represents, warrants and covenants with and to BDCC the following (all of such representations, warranties and covenants being continuing so long as any of the Obligations are outstanding):

- (a) the Borrower shall pay and perform all of the Obligations according to their terms;
- (b) all of the existing Collateral is valid and subsisting in full force and effect, and the Borrower owns the sole, full and clear title thereto, and the right and power to grant the security interest and conditional assignment granted hereunder. The Borrower shall, at the Borrower's expense, perform all acts and execute all documents necessary to maintain the existence of the Collateral consisting of registered Trademarks and to maintain all of the Collateral as valid and subsisting, including, without limitation, the filing of any renewal affidavits and applications. The Collateral is not subject to any liens, claims, mortgages, assignments, licenses, security interests or encumbrances of any nature whatsoever, except (i) the security interests granted hereunder and (ii) the licenses permitted under Section 3(e) below;
- (c) the Borrower shall not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon, encumber, grant an exclusive or non-exclusive license relating to the Collateral, or otherwise dispose of any of the Collateral, in each case without the prior written consent of BDCC, except as otherwise permitted herein. Nothing in this Agreement shall be deemed a consent by BDCC to any such action, except as such action is expressly permitted hereunder;
- (d) the Borrower shall, at the Borrower's expense, promptly perform all acts and execute all documents requested at any time by BDCC to evidence, perfect, maintain, record or enforce the security interest in and conditional assignment of the Collateral granted hereunder or to otherwise further the provisions of this Agreement. Where permitted by law, the Borrower hereby authorizes BDCC to execute and file one or more financing statements (or similar documents) with respect to the Collateral signed only by BDCC or as otherwise determined by BDCC. The Borrower further authorizes BDCC to have this Agreement or any other similar security agreement filed with the Registrar of Trademarks or any other appropriate federal, state or government office;
- (e) as of the date hereof, the Borrower does not have any Trademarks registered, or subject to pending applications, in the Canadian Intellectual Property Office or any similar office or agency in Canada, any Province thereof, any political subdivision thereof or in any other country, other than those described in Exhibit A hereto and has not granted any licenses with respect thereto other than as set forth in Exhibit B hereto;
- (f) the Borrower shall, concurrently with the execution and delivery of this Agreement, execute and deliver to BDCC three (3) originals of a Special Power of Attorney in the form of Exhibit C annexed hereto for the implementation of the assignment, sale or other

disposition of the Collateral pursuant to BDCC's exercise of the rights and remedies granted to BDCC hereunder;

- (g) BDCC may, in its sole discretion, pay any amount or do any act which the Borrower fails to pay or do as required hereunder or as requested by BDCC to preserve, defend, protect, maintain, record or enforce the Obligations, the Collateral or the security interest and conditional assignment granted hereunder, including, but not limited to, all filing or recording fees, court costs, collection charges, and legal accounts on a solicitor-client fully indemnity basis. The Borrower shall be liable to BDCC for any such payment, which payment shall be deemed an advance by BDCC to the Borrower, shall be payable on demand together with interest at the rate then applicable to the indebtedness of the Borrower to BDCC set forth in any Financing Agreement and shall be part of the Obligations secured hereby;
- (h) the Borrower has not abandoned any of the Trademarks and the Borrower will not do any act, nor omit to do any act, whereby the Trademarks may become abandoned, invalidated, unenforceable, avoided or avoidable. The Borrower shall notify BDCC immediately if it knows or has reason to know of any reason why any application, registration or recording with respect to the Trademarks may become abandoned, cancelled, invalidated, avoided or avoidable;
- (i) the Borrower shall render any assistance, as BDCC shall determine is necessary, to BDCC in any proceeding before the Canadian Intellectual Property Office, any federal or provincial court, or any similar office or agency in Canada, any province thereof, any political subdivision thereof or in any other country, to maintain such application and registration of the Trademarks as the Borrower's exclusive property, and to protect BDCC's interest therein, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference and cancellation proceedings;
- (j) to the best of the Borrower's knowledge, the Borrower has no notice of any material infringement or unauthorized use presently being made of any of the Trademarks that would adversely affect in any material respect the fair market value of the Trademarks or the benefits of this Agreement granted to BDCC, including, without limitation, the remedies of BDCC hereunder. There has been no judgment holding any of the Trademarks invalid or unenforceable, in whole or in part, nor is the validity or enforceability of any of the Trademarks presently being questioned in any litigation or proceeding to which the Borrower is a party. The Borrower shall promptly notify BDCC if the Borrower (or any affiliate or subsidiary thereof or any guarantor) learns of any potentially infringing use of the Trademarks. If requested by BDCC, the Borrower, at the Borrower's expense, shall join with BDCC in such action as BDCC, in BDCC's sole discretion, may deem advisable for the protection of BDCC's interest in and to the Trademarks;
- (k) the Borrower assumes all responsibility and liability arising from the use of the Trademarks and the Borrower hereby indemnifies and holds BDCC harmless from and against any claim, suit, loss, damage or expense (including legal accounts on a solicitor-client fully indemnity basis) arising out of any alleged defect in any product manufactured, promoted or sold by the Borrower in connection with any Trademark or out of the manufacture, promotion, labelling, sale or advertisement of any such product by the Borrower (or any affiliate or subsidiary thereof). The foregoing indemnity shall survive the payment of the Obligations, the termination of this Agreement and the termination or non-renewal of the Letter of Offer; and
- (l) the Borrower shall promptly pay BDCC for any and all expenditures made by BDCC pursuant to the provisions of this Agreement or for the defense, protection or enforcement of the Obligations, the Collateral or the security interests and conditional

assignment granted hereunder, including, but not limited to, all filing or recording fees, court costs, collection charges, travel expenses and legal accounts on a solicitor-client fully indemnity basis. Such expenditures shall be payable on demand, together with interest at the rate then applicable to the indebtedness of the Borrower to BDCC set forth in the Letter of Offer and shall be part of the Obligations secured hereby.

4. EVENTS OF DEFAULT

All Obligations shall become immediately due and payable, without notice or demand, at the option of BDCC, upon the occurrence of any default under any of the Financing Agreements (each an "**Event of Default**" hereunder).

5. RIGHTS AND REMEDIES

At any time an Event of Default exists or has occurred and is continuing, in addition to all other rights and remedies of BDCC, whether provided under this Agreement, any of the Financing Agreements, applicable law or otherwise, BDCC shall have the following rights and remedies which may be exercised without notice to, or consent by, the Borrower except as such notice or consent is expressly provided for hereunder:

- (a) BDCC may, in its sole determination, require that neither the Borrower nor any affiliate or subsidiary of the Borrower make any use of the Trademarks for any purpose whatsoever. BDCC may make use of any Trademarks for the sale of goods, completion of work-in-process or rendering of services or otherwise in connection with enforcing any other security interest granted to BDCC by the Borrower or for such other reason as BDCC may determine.
- (b) BDCC may grant such license or licenses relating to the Collateral for such term or terms, on such conditions, and in such manner, as BDCC shall in its sole discretion deem appropriate. Such license or licenses may be general, special or otherwise, and may be granted on an exclusive or non-exclusive basis throughout all or any part of Canada.
- (c) BDCC may assign, sell or otherwise dispose of the Collateral or any part thereof, either with or without special conditions or stipulations except that if notice to the Borrower of intended disposition of Collateral is required by law, the giving of ten (10) days' prior written notice to the Borrower of any proposed disposition shall be deemed sufficient notice thereof and the Borrower waives any other notice with respect thereto. BDCC shall have the power to buy the Collateral or any part thereof, and BDCC shall also have the power to execute assurances and perform all other acts which BDCC may, in its sole discretion, deem appropriate or proper to complete such assignment, sale or disposition. In any such event, the Borrower shall be liable for any deficiency.
- (d) In addition to the foregoing, in order to implement the assignment, sale or other disposition of any of the Collateral pursuant to the terms hereof, BDCC may at any time execute and deliver on behalf of the Borrower, pursuant to the authority granted in the Powers of Attorney described in Section 3(f) hereof, one or more instruments of assignment of the Trademarks (or any application, registration or recording relating thereto), in form suitable for filing, recording or registration. The Borrower agrees to pay BDCC on demand all costs incurred in any such transfer of the Collateral, including, but not limited to, any taxes, fees and legal accounts on a solicitor-client fully indemnity basis. The Borrower agrees that BDCC has no obligation to preserve rights to the Trademarks against any other parties.
- (e) BDCC may first apply the proceeds actually received from any such license, assignment, sale or other disposition of Collateral to the costs and expenses thereof, including,

without limitation, legal accounts on a solicitor-client fully indemnity basis and all travel and other expenses which may be incurred by BDCC. Thereafter, BDCC may apply any remaining proceeds to such of the Obligations as BDCC may in its sole discretion determine. The Borrower shall remain liable to BDCC for any of the Obligations remaining unpaid after the application of such proceeds, and the Borrower shall pay BDCC on demand any such unpaid amount, together with interest at the rate then applicable to the indebtedness of the Borrower to BDCC set forth in the Letter of Offer.

- (f) The Borrower shall supply to BDCC or to BDCC's designee, the Borrower's knowledge and expertise relating to the manufacture and sale of the products and services to which the Trademarks relate and the Borrower's customer lists and other records relating to the Trademarks and the distribution thereof.
- (g) Nothing contained herein shall be construed as requiring BDCC to take any such action at any time. All of BDCC's rights and remedies, whether provided under this Agreement, the Financing Agreements, applicable law or otherwise, shall be cumulative and none is exclusive. Such rights and remedies may be enforced alternatively, successively or concurrently.

6. GOVERNING LAW

- (a) The validity, interpretation and enforcement of this Agreement and the Financing Agreements and any dispute arising out of the relationship between the parties hereto, whether in contract, tort, equity or otherwise, shall be governed by the laws of the Province of Alberta, Canada (without giving effect to principles of conflicts of law).
- (b) BDCC shall not have any liability to the Borrower (whether in tort, contract, equity or otherwise) for losses suffered by the Borrower in connection with, arising out of or in any way related to the transactions or relationships contemplated by this Agreement, or any act, omission or event occurring in connection herewith, unless it is determined by a final and non-appealable judgment or court order binding on BDCC that the losses were the result of acts or omissions constituting gross negligence or wilful misconduct. In any such litigation, BDCC shall be entitled to the benefit of the presumption that it acted in good faith and with the exercise of ordinary care in the performance by it of the terms of this Agreement and the Financing Agreements.

7. MISCELLANEOUS

- (a) All notices, requests and demands hereunder shall be given in accordance with the terms of the Letter of Offer.
- (b) All references to the plural herein shall also mean the singular and to the singular shall also mean the plural. All references to the Borrower and BDCC pursuant to the definitions set forth in the recitals hereto, or to 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. An Event of Default shall exist or continue or be continuing until such Event of Default is waived in accordance with Section 7(e) hereof.
- (c) This Agreement, the Financing Agreements and any other document referred to herein or therein shall be binding upon the Borrower and its successors and assigns and inure to the benefit of and be enforceable by BDCC and its successors and assigns.

- (d) If any provision of this Agreement is held to be invalid or unenforceable, such invalidity or unenforceability shall not invalidate this Agreement as a whole, but this Agreement shall be construed as though it did not contain the particular provision held to be invalid or unenforceable and the rights and obligations of the parties shall be construed and enforced only to such extent as shall be permitted by applicable law.
- (e) Neither this Agreement nor any provision hereof shall be amended, modified, waived or discharged orally or by course of conduct, but only by a written agreement signed by an authorized officer of BDCC. BDCC shall not, by any act, delay, omission or otherwise be deemed to have expressly or impliedly waived any of its rights, powers and/or remedies unless such waiver shall be in writing and signed by an authorized officer of BDCC. Any such waiver shall be enforceable only to the extent specifically set forth therein. A waiver by BDCC of any right, power and/or remedy on any one occasion shall not be construed as a bar to or waiver of any such right, power and/or remedy which BDCC would otherwise have on any future occasion, whether similar in kind or otherwise.
- (f) The Borrower: (a) acknowledges receiving a copy of this Agreement; and (b) waives all rights to receive from BDCC, a copy of any financing statement or financing change statement filed, or any verification statement or other document received at any time respecting this Agreement, including, without limitation, from the Canadian Intellectual Property Office.
- (g) This Agreement may be executed in any number of counterparts, and all such counterparts together shall constitute one and the same Agreement; and such counterparts may be delivered by any means of electronic communication which can produce a printed copy (including Portable Document Format), and when so executed and delivered shall be deemed to be an original, and notwithstanding the date of execution by any party, shall be deemed to bear the date first above written.

[Remainder of Page Intentionally Left Blank. Signature page to follow]

IN WITNESS WHEREOF the Borrower and BDCC have executed this Agreement as of the day and year first above written.

GOLDRAY INDUSTRIES LTD.

Per: 
Name: Catherine Saroka
Title: President

BDC CAPITAL INC.

Per: _____
Vern Malcolm
Director, Growth and Transition Capital

Per: _____
Matthew Kellow
Managing Director, Growth and Transition
Capital

IN WITNESS WHEREOF the Borrower and BDCC have executed this Agreement as of the day and year first above written.

GOLDRAY INDUSTRIES LTD.

Per: _____
Name: Catherine Saroka
Title: President

BDC CAPITAL INC.

Per:  _____
Vern Malcolm
Director, Growth and Transition Capital
Director, Growth & Transition Capital
BDC Capital

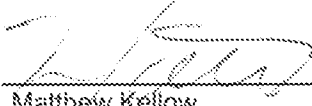
Per:  _____
Matthew Kellow
Managing Director, Growth and Transition
Capital

EXHIBIT A
TO
TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT

LIST OF TRADEMARKS AND TRADEMARK APPLICATIONS

CIPO
Application Number

1639540

USPTO
Serial Number

86010832

**EXHIBIT B
TO
TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT
LICENSES**

Nil

EXHIBIT C
TO
TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT
SPECIAL POWER OF ATTORNEY
(TRADEMARKS)

PROVINCE OF ALBERTA

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KNOW ALL MEN BY THESE PRESENTS that GOLDRAY INDUSTRIES LTD. (the "**Borrower**"), having its chief executive office at 4605 - 52nd Avenue SE, Calgary, Alberta T2C 4N7 hereby appoints and constitutes severally **BDC CAPITAL INC. ("BDCC")**, and each officer thereof, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on behalf of the Borrower:

1. execution and delivery of any and all agreements, documents, instruments of assignment or other papers which BDCC, in its sole discretion, deems necessary or advisable for the purpose of assigning, selling or otherwise disposing of all right, title and interest of the Borrower in and to any Trademarks and all registrations, recordings, reissues, extensions and renewals thereof, or for the purpose of recording, registering and filing or accomplishing any other formality with respect to the foregoing; and
2. execution and delivery of any and all documents, statements, certificates or other papers which BDCC, in its sole discretion, deems necessary or advisable to further the purposes described in subparagraph 1 hereof.

This Power of Attorney is made pursuant to a Trademark Collateral Assignment and Security Agreement, dated of even date herewith, between the Borrower and BDCC and is subject to the terms and provisions thereof. This Power of Attorney being coupled with an interest, is irrevocable until all "Obligations", as such term is defined in the Trademark Collateral Assignment and Security Agreement, are satisfied and discharged in full.

Dated: this ____ of _____, 2016

GOLDRAY INDUSTRIES LTD.

Per: _____
Name: Catherine Saroka
Title: