

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM405968

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Security Agreement		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
RCR International Inc.		06/11/2014	Corporation: CANADA
RECEIVING PARTY DATA			
Name:	Bank of Montreal		
Street Address:	105 St-Jacques Street West, 3rd Floor		
City:	Montreal		
State/Country:	CANADA		
Postal Code:	H2Y 1L6		
Entity Type:	Bank: CANADA		
PROPERTY NUMBERS Total: 16			
Property Type	Number	Word Mark	
Serial Number:	87211829	SEASONPROOF YOUR HOME	
Serial Number:	87062088	W.J. DENNIS	
Serial Number:	86853072	ESSENTIA	
Registration Number:	4758841	RCR	
Registration Number:	5024818	CLIMALOC	
Serial Number:	86323251	CLIMALOC PLUS	
Registration Number:	4797907	POLAR GRIP	
Registration Number:	4606128	TABLET PAL	
Registration Number:	4801820	ESKIMO	
Registration Number:	4665442	TOPSI	
Registration Number:	4771062	T-REX	
Registration Number:	4548003	CLIMALOC PRO-SPEC	
Registration Number:	4192369	ITILE	
Registration Number:	3444987	COMFORT SEAL RCR D DENNIS	
Registration Number:	2284589		
Registration Number:	2275336	ESKIMO	
CORRESPONDENCE DATA			
Fax Number:			
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent</i>			
TRADEMARK			

OP \$415.00 87211829

using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.

Email: michael.barys@thomsonreuters.com
Correspondent Name: Gregory T. Pealer
Address Line 1: 111 West Monroe Street
Address Line 2: Chapman and Cutler LLP
Address Line 4: Chicago, ILLINOIS 60603

NAME OF SUBMITTER:	Gregory T. Pealer
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SIGNATURE:	/Michael Barys/
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DATE SIGNED:	11/18/2016
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Total Attachments: 19

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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):

RCR International Inc.
180 de Normandie Street
Boucherville, Quebec J4B 5S7
Canada

- Individual(s)
- Partnership
- Corporation- State: _____
- Other Canadian corporation
- Association
- Limited Partnership

Citizenship (see guidelines) Canada

Additional names of conveying parties attached? Yes No

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

Execution Date(s) June 11 2014

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

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: Bank of Montreal

Street Address: 105 St-Jacques Street West, 3rd Floor

City: Montreal

State: Quebec

Country: Canada Zip: H2Y 1L6

- Individual(s) Citizenship _____
- Association Citizenship _____
- Partnership Citizenship _____
- Limited Partnership Citizenship _____
- Corporation Citizenship _____
- Other Bank Citizenship Canada

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)

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

A. Trademark Application No.(s) _____ Text

B. Trademark Registration No.(s) _____

See Schedule A

See Schedule A

Additional sheet(s) attached? Yes No

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

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

Name: Gregory T. Pealer

Internal Address: Chapman and Cutler LLP

Street Address: 111 West Monroe Street

City: Chicago

State: Illinois Zip: 60603

Phone Number: 312-845-2955

Docket Number: _____

Email Address: pealer@chapman.com

6. Total number of applications and registrations involved:

16

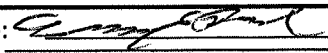
7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ _____

- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

Deposit Account Number _____

Authorized User Name _____

9. Signature: , for Chapman and Cutler LLP

November 17, 2016

Signature

Date

Gregory T. Pealer, Senior Paralegal




Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 19

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to: Mail Stop Assignment Recordation Branch, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

SCHEDULE A

Trademark	App/Reg no.	Owner
SEASONPROOF YOUR HOME SEASONPROOF YOUR HOME	87/211,829	RCR INTERNATIONAL INC.,
W.J. DENNIS	87/062,088	RCR INTERNATIONAL INC.
ESSENTIA ESSENTIA	86/853,072	RCR INTERNATIONAL INC.
RCR 	86/332,769 4,758,841	RCR INTERNATIONAL INC.
CLIMALOC CLIMALOC	86/324,908 5,024,818	RCR INTERNATIONAL INC.
CLIMALOC PLUS CLIMALOC PLUS	86/323,251	RCR INTERNATIONAL INC.
POLAR GRIP POLAR GRIP	86/301,956 4,797,907	RCR INTERNATIONAL INC
TABLET PAL TABLET PAL	85/770,769 4,606,128	RCR INTERNATIONAL INC.
ESKIMO ESKIMO	85/682,015 4,801,820	RCR INTERNATIONAL INC.
TOPSI	85/612,545 4,665,442	RCR INTERNATIONAL INC.

Trademark	App/Reg no.	Owner
T-REX T-REX	85/612,585 4,771,062	RCR INTERNATIONAL INC.
CLIMALOC PRO-SPEC CLIMALOC PRO-SPEC	85/442,065 4,548,003	RCR INTERNATIONAL INC.
	77/953,421 4,192,369	RCR INTERNATIONAL INC.
COMFORT SEAL RCR D DENNIS 	77/313,322 3,444,987	RCR INTERNATIONAL INC.
<i>Design Only</i> 	75/387,722 2,284,589	RCR INTERNATIONAL INC.
ESKIMO	75/357,865 2,275,336	RCR INTERNATIONAL INC.

HYPOTHEC ON THE UNIVERSALITY OF MOVABLE PROPERTY

GRANTED BY: RCR ACQUISITION CORP., a corporation governed by the laws of Canada, having its registered office at 1155 René-Levesque Boulevard West, 40th Floor, Montreal, Québec, H3B 3V2

(the "RCR Acquisition")

AND BY: RCR INTERNATIONAL INC., a corporation governed by the laws of Canada, having its registered office at 180 de Normandie Street, Boucherville, Québec, J4B 5S7

("RCR International" and collectively with RCR Acquisition, the "Grantors" and each individually, a "Grantor")

IN FAVOUR OF: BANK OF MONTREAL, a Canadian chartered bank duly constituted under the Bank Act (Canada), having its head office and an establishment directly concerned at 105 St-Jacques Street West, 3rd Floor, Montreal, Quebec, H2Y 1L6

Notice of its address has been registered at the Québec Register of Personal and Movable Real Rights under number 018841;

(the "Lender")

WHEREAS RCR Acquisition, as borrower, and W.J. Dennis & Company, as guarantor, and the Lender, as lender, have entered into that certain credit agreement dated on or about June 13, 2014 (as same may be amended, modified, supplemented, restated, extended, renewed, superseded or refinanced from time to time, the "Credit Agreement"), pursuant to which the Lender has agreed to extend to RCR Acquisition credit facilities in a maximum amount of Cdn\$54,750,000, the whole as more fully described in the Credit Agreement;

WHEREAS to secure the obligations of RCR Acquisition towards the Lender arising from the Loan Documents (as defined in the Credit Agreement), the Grantors have agreed to grant this hypothec in favour of the Lender;

THEREFORE, THE PARTIES HAVE AGREED AS FOLLOWS:

1. INTERPRETATION

1.1 Definitions. Capitalized terms used herein and not otherwise defined herein shall have the respective meanings ascribed thereto in the Credit Agreement.

1.2 Reference herein to amounts of money or to currency shall mean lawful money of Canada.

1.3 Words importing the singular number only shall include the plural and *vice versa* and words importing the masculine gender shall include the feminine gender and words importing persons shall include firms, associations and corporations and *vice versa* where the context so requires.

2. HYPOTHEC: DESCRIPTION OF CHARGED PROPERTY

Each Grantor hereby hypothecates (the "**Hypothec**") in favour of the Lender the universality of its movable property, corporeal and incorporeal, present and future, of any nature whatsoever and wherever situated (hereinafter, the "**Charged Property**"), including, without limitation, the following universalities of present and future properties:

2.1 Property in Stock

All its property in stock or inventory of any nature and kind whether in its possession, in transit or held on its behalf, including raw materials or other materials, goods manufactured or transformed, or in the process of being so, by a Grantor or by others, packaging materials, property evidenced by bill of lading, animals, mineral substances, hydrocarbons and other products of the soil as well as all fruits thereof, from the time of their extraction (hereinafter, the "**Property in stock**").

The Property in stock held by third parties pursuant to a lease agreement, a leasing contract, a franchise or license agreement, or any other agreement entered into with either Grantor or on its behalf, is also subject to this Hypothec.

Property having formed part of the Property in stock which has been alienated by a Grantor in favour of a third person but in respect of which such Grantor has retained title pursuant to a reservation of ownership provision, shall remain charged by the Hypothec until title is transferred; any Property in stock the ownership of which reverts to a Grantors pursuant to the resolution or resiliation of any agreement is also subject to the Hypothec.

2.2 Claims, Book Debts and Other Movable Property

2.2.1 Claims, Receivables and Book Debts

All of its claims, debts, demands and choses in action, whatever their cause or nature, whether or not they are certain, liquid or exigible; whether or not evidenced by any title (and whether or not such title is negotiable), bill of exchange or draft; whether litigious or not; whether or not they have been previously or are to be invoiced; whether or not they constitute book debts. Hypothecated claims shall include: (i) indemnities payable to either Grantor under any contract of liability insurance, insurance of persons or subject to the rights of creditors holding hypothecs on the insured property, (ii) the sums owing to either Grantor in connection with interest or currency exchange contracts ("SWAPS") and other treasury or hedging instruments, management of risks instruments or derivative products existing in favour of either Grantor, and (iii) a Grantor's rights in the credit balance of accounts held for its benefit either by the Lender

(subject to the Lender's compensation rights) or by any financial institution or any other person.

2.2.2 Rights of Action

Its rights under contract with third parties as well as its rights of action and claims against third persons.

2.2.3 Accessories

All the securities, security agreements, guarantees, suretyships, notes and accessories to the claims and rights mentioned above and other rights relating thereto (including, without limitation, its rights in its capacity as seller under an installment sale or a conditional sale, where the claims are the result of such sale).

2.2.4 Movable Property

All movable property owned by a Grantor and covered by the installment or conditional sales mentioned in paragraph 2.2.3 hereof.

A right or a claim shall not be excluded from the Charged Property by reason of the fact that: (i) the debtor thereof is domiciled outside the Province of Québec or (ii) the debtor thereof is an affiliate (as such term is defined in the *Canada Business Corporations Act*) of a Grantor (regardless of the law of the jurisdiction of its incorporation) or (iii) such right or claim is not related to the operation of a Grantor or (iv) such right or claim is not related to the ordinary course of business of a Grantor.

2.3 Securities

All shares, limited partnership units, trust units, warrants, bonds, debentures, debenture stock, other capital stock, equity rights, securities accounts, securities, financial assets and security entitlements (as such terms are defined in the *Act respecting the transfer of securities and the establishment of security entitlements* (Québec)) (the "STA") in which either Grantor now or hereafter has an interest, and any part thereof, together with any renewals thereof, substitutions therefor and additions thereto and all certificates and instruments evidencing or representing such securities and any and all other property that may at any time be received or receivable by or otherwise distributed to or acquired by either Grantor in any manner in respect of, or in substitution for, or in addition to, or in exchange for, or on account of, any of the foregoing, including, without limitation, any shares or other securities or interests resulting from the subdivision, consolidation, change, conversion or reclassification of any of the securities, or the occurrence of any event which results in the substitution or exchange of such interests, as well as all those which are delivered by a Grantor to the Lender or to a third party on its behalf from time to time (collectively, the "Hypothecated Securities").

2.4 Equipment and Road Vehicles

All the equipment, office furniture, tools, machinery, rolling stock (including road vehicles), spare parts and additions.

2.5 Intellectual Property Rights

All of each Grantor's rights in any trade mark, copyright, industrial design, patent, invention, trade secret, know-how, plant breeders' right, topography of integrated circuits and in any other intellectual property right (registered or not) including, if any, improvements and modifications thereto as well as rights in any action pertaining to the protection, in Canada or abroad, of any such intellectual property rights.

2.6 Fruits and Revenues

All fruits and revenues emanating from the above Charged Property, including without limitation equipment, negotiable instruments, bills, commercial paper, securities, monies, compensation for expropriation given or paid following a sale, repurchase, distribution or any other operation concerning any property hereby charged in favour of the Lender.

2.7 Records and Others

All records, data, vouchers, invoices and other documents related to the Charged Property described above, including without limitation computer programs, disks, tapes and other means of electronic communications as well as its rights to recover such property from third parties, receipts, client lists, directories and other similar property.

Where, under the terms of any of the above paragraphs, the Hypothec charges a universality of property, all property which is acquired, transformed or manufactured after the date of this agreement shall be charged by the Hypothec, whether or not such property has been acquired in replacement of other Charged Property which may have been alienated by a Grantor in the ordinary course of business, whether or not such property results from a transformation, mixture or combination of any Charged Property, and in the case of securities, whether or not they have been issued pursuant to the purchase, redemption, conversion or cancellation or any other transformation of the charged securities and without the Lender being required to register or re-register any notice whatsoever, the object of the Hypothec being a universality of present and future property.

2.8 Suspensive Condition

If any agreement, right, franchise, licence or permit to which any Grantor is a party or of which any Grantor has the benefit, may not be assigned, subleased, charged or encumbered without the leave, license, consent or approval of the applicable counterparty, governmental authority or any other person (the "**Restricted Contractual Rights**"), the Hypothec herein created on any Restricted Contractual Rights is under the suspensive condition of obtaining such leave, license, consent or approval. Upon obtaining the applicable leave, license, consent or approval, the Hypothec will apply in respect of the relevant Restricted Contractual Rights without regard to this Section 2.8 and without the necessity of any further act or delivery by any person. The Grantor agrees that it shall use all commercially reasonable efforts to obtain any consent and/or give any notice required, in order to permit any Restricted Contractual Rights to be subjected to the Hypothec created hereby.

3. AMOUNT OF THE HYPOTHEC

The Hypothec created hereunder is granted for a principal amount of SIXTY FIVE MILLION DOLLARS (\$65,000,000) with interest thereon from the date of this Agreement at the rate of twenty-five percent (25%) per annum.

The Hypothec hereby made and created is a continuing security and shall have effect and subsist notwithstanding any fluctuation or repayment of the Obligations.

Each Grantor shall be deemed to obligate itself again, as provided in Article 2797 of the *Civil Code of Québec*, with respect to any future Obligation.

4. SECURED OBLIGATIONS

The Hypothec shall secure payment of the following obligations (collectively, the "Obligations"):

4.1 All of each Grantor's obligations, direct or indirect, incurred towards the Lender (whether such obligations result from a loan, line of credit or any other agreement which may result in advances of monies, overdraft facilities or protection, issuance of letters guarantees, letters of credit, bills of exchange or any other financial advantage whatsoever which may be procured by the Lender) pursuant to, under, or arising from, the Loan Documents, as such obligations are, from time to time, modified, extended or renewed.

4.2 All obligations falling within the above description, which do not yet exist but which represent future obligations of the Lender or which result from future agreements with the Lender.

4.3 The payment of all sums due or to become due pursuant to this Agreement and the performance of all obligations provided for under this Agreement.

5. ASSIGNMENT OF CLAIMS SUBJECT TO THE FINANCIAL ADMINISTRATION ACT

Each Grantor hereby assigns to the Lender by way of absolute assignment all its present and future claims which form part of the Charged Property and are subject to Sections 67 and 68 of the *Financial Administration Act*, as collateral and continuing security of all obligations secured hereunder. The Lender may, at any time, after an Event of Default which is continuing, fulfill any of the formalities required by law to make such transfer enforceable.

6. ADDITIONAL PROVISIONS WITH RESPECT TO THE HYPOTHEC ON CLAIMS

The following provisions apply to all claims owed to each Grantor and hypothecated in favour of the Lender.

6.1 Authorization to Collect

Each Grantor shall have authority to collect the claims hypothecated in favour of the Lender pursuant to this Agreement (the "Hypothecated Claims"), as they fall due. The Lender may withdraw this authorization by written notice following the occurrence of an Event of Default

which is continuing. Notwithstanding the foregoing, the Lender may at any time, following the occurrence of an Event of Default which is continuing, take all necessary steps to set up this Hypothec against the debtors of the Hypothecated Claims. In such event, each Grantor undertakes to remit to the Lender, upon request, all titles, documents, registers, invoices and accounts evidencing the Hypothecated Claims or relating thereto, whatever the nature of their medium and whatever the form in which they are accessible, whether written, graphic, taped, filmed, computerized, or other.

6.2 Payments Received

Following the withdrawal of the authorization to collect Hypothecated Claims, as provided above, any payment received by a Grantor on account of any Hypothecated Claim shall be received for the Lender's account, shall not entitle such Grantor to the amounts collected and shall be kept separate from such Grantor's other property at all times and remitted forthwith by such Grantor to the Lender without compensation.

6.3 Lender to Inquire

Following the withdrawal of the authorization to collect Hypothecated Claims, as provided above, the Lender may, at its discretion, verify the existence and status of the Hypothecated Claims at any time. For such purposes, each Grantor shall provide the necessary assistance and information and shall take such action in this respect as the Lender may reasonably request: in particular, it shall allow the Lender and its agents to enter the premises occupied by a Grantor and to consult such Grantor's accounting books and registers as well as any document relating to the Hypothecated Claims and make copies thereof. Each Grantor specifically authorizes the Lender to communicate with any third party in order to obtain or transmit any personal information and any information relating to the Hypothecated Claims and to a Grantor for the purpose of verifying and collecting said Claims in accordance with this Section 6.

7. ADDITIONAL PROVISIONS TO THE HYPOTHEC ON SECURITIES

7.1 Delivery of Hypothecated Securities to the Lender

Each Grantor shall, as promptly as reasonably practicable, deliver and pledge to the Lender, by delivering same to it or its then designated nominee, such certificates and other instruments endorsed in blank or accompanied by appropriate powers of attorney for transfer in blank, duly executed, representing shares or other equity interests in the subsidiaries of the relevant Grantor along with, to the extent required under the constating documents of the issuer or the laws governing such issuer, a certified copy of a resolution of the board of directors of each issuer of such Hypothecated Securities, or such other appropriate authority, in form and substance satisfactory to the Lender having regard to the applicable constating documents of such issuer, approving the transfer(s) contemplated by this Agreement, including any prospective transfer of such Hypothecated Securities by the Lender upon realization on the Hypothec. Once so delivered, they will be deemed to be "**Pledged Equity**" for the purposes hereof. Until the occurrence of an Event of Default, the Lender waives the application of Article 2714.6 of the *Civil Code of Québec*.

Should the delivery and pledge of the Hypothecated Securities described above not be possible by reason of such Hypothecated Securities being uncertificated or for any other reason, each Grantor shall cause the issuer thereof, as promptly as reasonably practicable:

7.1.1 to register the Lender, or its agent or nominee, as the Lender may direct, as the registered owner of such Hypothecated Securities; or

7.1.2 cause to be delivered to the Lender an irrevocable agreement of the issuer of such Hypothecated Securities satisfactory to the Lender that the issuer will comply with instructions that are originated by the Lender without the further consent of the relevant Grantor and sufficient to provide the Lender "control" of the securities and financial assets (within the meaning of the STA) and maintain first priority of the Hypothec on such securities and financial assets.

Each Grantor represents and warrants to the Lender as follows and acknowledges that the Lender will be relying on such representations and warranties with respect to any certificates and other instruments endorsed in blank or accompanied by appropriate powers of attorney for transfer in blank, duly executed, representing any Hypothecated Security that is delivered to the Lender in the future:

7.1.3 it is the registered and beneficial owner of, and has good title to, such Hypothecated Security and there exists no shareholders agreement or any other agreement prohibiting the relevant Grantor from hypothecating or pledging such Hypothecated Security or subjecting same to consents or authorizations which have not yet been obtained;

7.1.4 it has caused each issuer of such Hypothecated Security to record on their books and records that such Hypothecated Security is subject to a pledge in favour of the Lender or its nominee under this Agreement; and

7.1.5 (i) the terms of such Hypothecated Security issued by an issuer that is a partnership or a limited liability company provide that each such Hypothecated Security is a "security" within the meaning of the STA or equivalent legislation, (ii) such issuer has agreed and each Grantor also agrees that it will take no action to cause or permit any such Hypothecated Security to fail to constitute a "security" and (iii) such issuer has agreed that such equity interests will at all times be certificated.

7.2 Control Agreement

Each Grantor shall, as promptly as reasonably practicable cause to be delivered to the Lender an irrevocable agreement of any securities intermediary holding at any time a securities account of any Grantor (the "**Securities Intermediary**") that the Securities Intermediary will comply with instructions that are originated by the Lender without the further consent of the relevant Grantor and sufficient to provide the Lender "control" (within the meaning of the STA) of the securities account and financial assets registered therein and maintain first priority of the Hypothec on such securities account and financial assets.

Should the delivery of the control agreement described above not be possible for any

other reason, the relevant Grantor shall cause the Securities Intermediary, as promptly as reasonably practicable to register the securities account in the name of Lender, or its agent or nominee, as the Lender may direct.

7.3 Registration in Name of Lender

7.3.1 If any Hypothecated Securities are at any time registered or recorded in records maintained by or on behalf of the issuer thereof in the name of a clearing agency or a custodian or of a nominee of either, each Grantor will cause an appropriate entry to be made in the records of the clearing agency or custodian to record the interest of the Lender in such Hypothecated Securities or instruments created pursuant to this Agreement.

7.3.2 The Lender may also request, after the occurrence of an Event of Default which is continuing, that each Grantor cause, and each Grantor shall then cause, such of the Hypothecated Securities to be registered in the name of the Lender or its nominee and, if then requested by the Lender, transfer such Hypothecated Securities into the name of the Lender or its nominee, so that the Lender or its nominee may appear as the sole owner of record of such Hypothecated Securities.

7.4 Notices and Other Communications in Respect of Hypothecated Securities

Until the occurrence of an Event of Default, the Lender shall deliver promptly to each Grantor all notices or other communications received by the Lender in respect of any Hypothecated Securities. After the occurrence of an Event of Default which is continuing, each Grantor waives all rights to receive any notices or communications received by the Lender or its nominee in respect of the Hypothecated Securities.

7.5 Voting and Other Rights

7.5.1 Until the occurrence of an Event of Default which is continuing, each Grantor shall be entitled to exercise all voting rights in respect of the Hypothecated Securities and to give consents, waivers, directions, notices and ratifications and to take other action in respect thereof, provided however that no votes shall be cast or consent, waiver, direction, notice or ratification given or action taken which would:

- 7.5.1.1** be prejudicial to the Lender's hypothec;
- 7.5.1.2** impair or reduce the value of or restrict the transferability of the Hypothecated Securities; or
- 7.5.1.3** be inconsistent with or violate any provisions of this Agreement, the Credit Agreement, the other Loan Documents.

7.5.2 Until the occurrence of an Event of Default which is continuing, if any of the Hypothecated Securities are registered in the Lender's, its agent's or nominee's name, the Lender, on the relevant Grantor's written request, shall execute and deliver or cause its agent or nominee to execute and deliver to the relevant Grantor suitable proxies, voting powers or powers of Lender in favour of such Grantor or its nominee or nominees

for voting, giving consents, waivers, directions, notices or ratifications or taking any other action such Grantor is permitted to take in respect of the Hypothecated Securities.

7.5.3 Until the occurrence of an Event of Default which is continuing, each Grantor shall be entitled to receive and deal with (except as restricted by this Agreement, the Credit Agreement or the other Loan Documents) any distributions or dividends at any time payable on or with respect to the Hypothecated Securities, and the Lender shall immediately deliver to each Grantor any distributions or dividends received by the Lender.

7.5.4 Upon the occurrence of an Event of Default which is continuing, each Grantor's rights pursuant to Sections 7.5.1, 7.5.2 and 7.5.3 shall cease and the Lender may enforce and exercise any of the Grantors' rights with respect to the Hypothecated Securities. Upon an Event of Default which is continuing, each Grantor shall and shall be deemed to hold all Hypothecated Securities not under the control of the Lender as mandatary, separate and apart from other property and assets of the such Grantor, for the benefit of the Lender, until all Obligations owing by such Grantor have been paid in full, and shall forthwith transfer control of such Hypothecated Securities to the Lender, or its nominee or agent, as the Lender may direct. The Lender and its nominee shall not have any duty of care with respect to the Hypothecated Securities other than to use the same care in the custody and preservation of the Hypothecated Securities as it would with its own property. The Lender or its nominee may take no steps to defend or preserve the Grantors' rights against the claims or demands of others. The Lender or its nominee, however, shall use its reasonable best efforts to give each Grantor notice of any claim or demand of which it becomes aware to permit the Grantors to have a reasonable opportunity to defend or contest the claim or demand.

Any and all money and other property paid over to or received by the Lender pursuant to Section 7.5.4 shall be retained by the Lender as additional Charged Property hereunder and applied in accordance with the provisions hereof.

8. REPRESENTATIONS AND WARRANTIES

Each Grantor hereby represents and warrants to the Lender that:

8.1 Claims Subject to the Financial Administration Act

It does not hold title to any material claim referred to in Section 5.

8.2 Claim Secured by Registered Hypothec

It does not hold title to any claim secured by registered hypothec.

9. UNDERTAKINGS OF THE GRANTOR

Each Grantor hereby covenants and agrees with the Lender that, from and after the date of this Agreement:

9.1 Security on Hypothecated Claims

It shall inform the Lender in writing of the name of any guarantor or debtor having granted one or more hypothecs in favour of the relevant Grantor to secure the payment of any Hypothecated Claim (or to secure any guarantee provided to the Grantor as security for such Hypothecated Claim) and, in any such case, shall provide the Lender, upon demand, with satisfactory proof that such hypothec(s) has (have) been registered or published in accordance with applicable law in order for the rights of the Lender to be set up against third parties.

9.2 Fees and Expenses

It shall pay or reimburse all costs and expenses relating to this Agreement and to the exercise of all rights resulting in favour of the Lender from this Agreement as well as all costs and expenses incurred to set up the rights of the Lender against third persons, and all discharge fees (such costs and expenses shall include all fees and expenses of consultants, mandataries or counsel retained for any appraisal required in case of default), as well as administrative fees; to reimburse the Lender for all costs and expenses incurred by it for the purpose of carrying out such Grantor's obligations or of exercising its rights; the repayment of such fees and expenses shall be secured by the Hypothec.

9.3 Information

To inform the Lender in writing of any new claim subject to Section 5.

9.4 Preservation of the Hypothec

To perform all acts and execute all deeds and documents (including notices of renewal) necessary to give full effect to the Hypothec and to ensure that it is at all times fully enforceable against third persons.

10. EVENTS OF DEFAULT

10.1 Each Grantor shall be in default hereunder, without notice or other formality, upon the occurrence of an Event of Default (as such term is defined in the Credit Agreement).

10.2 Recourses

Upon the occurrence of an Event of Default, the Lender shall be entitled to exercise any and all recourses available to the Lender under applicable law and may realize on the Hypothec created hereunder, including enforcing the hypothecary rights provided in the Civil Code of Québec. The Lender shall only be required to exercise reasonable care in the exercise of its rights or recourses and, in any event, shall only be liable for its intentional or gross fault.

11. LENDER'S RECOURSES IN CASE OF DEFAULT

11.1 Exercise of Rights

Upon the occurrence of an Event of Default, the Lender may, through its officers, agents or Lenders, exercise any right of action provided for under this Agreement (and more

particularly under this Section 11) or by law or in equity including without limitation any of the hypothecary rights provided for under Articles 2748 to 2794 of the Civil Code of Québec and any rights or remedies provided to secured parties under any applicable personal property security legislation.

11.2 Rights of the Lender

Whatever hypothecary rights or recourses the Lender elects to exercise either pursuant to the Civil Code of Québec or to the law of any other jurisdiction or in equity, the following provisions shall apply:

11.2.1 the Lender may, in its discretion, at the Grantors' expense:

- 11.2.1.1** pursue the transformation of the Charged Property or any work in progress or unfinished goods comprised in the Charged Property and complete the manufacture or processing thereof or proceed with any operations to which such property is submitted by the Grantors in the ordinary course of its business and acquire property for such purposes;
- 11.2.1.2** alienate or dispose of any Charged Property which may be obsolete, may perish or is likely to depreciate rapidly;
- 11.2.1.3** use for its benefit all information obtained while exercising its rights;
- 11.2.1.4** perform any of the Grantors' obligations or covenants hereunder;
- 11.2.1.5** exercise any right attached to the Charged Property on such conditions and in such manner as it may determine, acting reasonably;
- 11.2.1.6** for the exercise of any of its rights, utilize without charge the Grantors' plant, equipment, machinery, process, information, records, computer programs and intellectual property;
- 11.2.1.7** borrow monies or lend monies and, in such cases the monies borrowed or lent by the Lender shall bear interest at the rate then obtained by the Lender in the case of monies borrowed or determined reasonably by the Lender in the case of monies lent by it; these monies shall be reimbursed by the Grantors on demand and, until they have been repaid in full, such monies and interest thereon shall be secured by the present Hypothec and be paid in priority of any other sums secured hereby;
- 11.2.1.8** ensure the maintenance or repair, restore or renovate the Charged Property, the whole at the Grantors' costs;

11.2.2 the Lender may, directly or indirectly, purchase or otherwise acquire the Charged Property;

11.2.3 the Lender, where reasonably required in the exercise of its rights, may waive any right of any Grantor, with or without consideration therefor;

11.2.4 the Lender shall have no obligation to make an inventory of the Charged Property, to take out any kind of insurance with respect thereof or to grant any security whatsoever;

11.2.5 the Lender shall not be bound to continue to carry on the Grantors' enterprise or to make any productive use of the Charged Property or to maintain such property in operating condition;

11.2.6 each Grantor shall, upon request of the Lender, move the Charged Property and render it available to the Lender unto premises designated by the Lender and which, in its opinion, shall be more suitable in the circumstances.

11.3 Grantor Remedies

If the Grantors remedy the default mentioned in the prior notice of exercise of hypothecary right, the Grantors shall pay all reasonable fees and expenses incurred by the Lender by reason of the default; these fees shall include without limitation the administrative fees of the Lender, the reasonable legal fees of its legal advisors and reasonable fees paid to experts.

11.4 Taking in Payment

If the Lender elects to exercise its right to take in payment the Charged Property and the relevant Grantor requires that the Lender instead sell by itself or under judicial authority the Charged Property on which such right is exercised, each Grantor hereby acknowledges that the Lender shall not be bound to abandon its recourse of taking in payment unless, prior to the expiry of the time period allocated for surrender, the Lender (i) has been granted a security satisfactory to it, to ensure that the proceeds of the sale of the Charged Property will be sufficient to pay the Obligations in full, (ii) has been reimbursed for all reasonable costs and expenses incurred in connection to this Agreement, including all reasonable fees of consultants and legal counsel and (iii) has been advanced the necessary sums for the sale of said Charged Property; each Grantor further acknowledges that the Lender alone is entitled to select the type of sale it may wish to conduct or have conducted and shall have no liability for any loss as a result of selection of any particular type of sale.

11.5 Surrender of Charged Property

Each Grantor will be deemed to have surrendered the Charged Property which is in the possession of the Lender, or of a third party on its behalf, if the Lender has not, within the delays determined by law or by a tribunal to surrender, received written notice from the relevant Grantor to the effect that it intends to contest the exercise of the hypothecary recourse set forth in the prior notice.

11.6 Evaluation

Where the Lender sells the Charged Property itself or by its agent, it shall not be required to obtain any prior assessment by a third party.

11.7 Sale of Charged Property

The Lender may elect to sell the Charged Property after giving such prior notices as may be required by law; the sale may be made with legal warranty given by the relevant Grantor or with complete or partial exclusion of such warranty; the sale may also be made cash or with a term or under such reasonable conditions determined by the Lender; upon failure of payment of the purchase price, the Lender may resiliate or resolve such sale and such Charged Property may then be resold.

11.8 Use of Premises

In order to exercise any of its rights, the Lender may use the premises located at any place of business of the Grantors.

11.9 Liability of Grantors

Subject to applicable law, each Grantor shall remain liable to the Lender for any deficiency remaining after the application of the proceeds of any sale, lease or disposition of the Charged Property by the Lender.

11.10 Recourse Against Hypothecated Securities

Upon the occurrence of an Event of Default which is continuing, the Lender shall be entitled to sell, transfer or otherwise dispose of the whole or part of the Hypothecated Securities constituting securities or security entitlements within the meaning of the *Act respecting the transfer of securities and the establishment of security entitlements* (Québec) without having to give the Grantors prior notice of the exercise of its rights, obtain the surrender of the Hypothecated Securities or observe the time limits prescribed by the Civil Code of Québec provided that, in each case, they are, or are of a type, dealt with or traded on securities exchanges or financial markets or the Lender has control over them.

12. GENERAL PROVISIONS**12.1 Additional Security**

The Hypothec created hereby is in addition to and not in substitution of or in replacement for any other hypothec or security held by the Lender and shall not impair the Lender's rights of compensation and set-off.

12.2 Investments

The Lender may invest any monies or instruments received or held by it pursuant to this Agreement or deposit same in an account without having to comply with any legal provisions concerning the investment of property of others.

12.3 Delays

The Lender may grant delays, take any security or renounce thereto, accept compromises, grant acquittances and releases and generally deal with any matters related to the Charged Property, the whole without limiting the rights of the Lender and without reducing the liability of the Grantors.

12.4 Continuing Security

The Hypothec shall be a continuing security and shall remain in full force and effect despite the repayment from time to time, of the whole or of any part of the Obligations; it shall remain in full force until the execution of a final release by the Lender.

12.5 Time of Essence

Each Grantor shall be deemed "*en demeure*" by the mere lapse of time provided for the Grantor to perform its obligations or the expiry of any term therefor, without the Lender being obliged to serve any notice or prior notice upon the Grantors.

12.6 Cumulative Rights

The rights and recourses of the Lender hereunder are cumulative and do not exclude any other rights and recourses which the Lender might have. No omission or delay on the part of the Lender in the exercise of any right shall have the effect of operating as a waiver of such right. The partial or sole exercise of a right or power will not prevent the Lender from exercising thereafter any other right or power. The Lender may exercise its right hereunder without any obligation to exercise any right against any other person liable for payment of the Obligations and without having to enforce any other security granted with respect to the Obligations.

12.7 Irrevocable Power of Attorney

Effective following the occurrence of an Event of Default, the Lender is hereby designated as the irrevocable attorney of each Grantor with full powers of substitution for the purposes hereof or for the purpose of carrying out any and all acts and executing any and all deeds, proxies or other documents which the Lender may deem useful in order to exercise its rights or which the Grantors neglect or refuse to execute or to carry out.

12.8 Delegation

The Lender may appoint such agents and employ or retain such counsel, accountants, engineers, appraisers or other experts or advisers as it may reasonably require for the purpose of discharging its duties hereunder and shall not be responsible for any misconduct on the part of any of them, other than gross negligence or wilful misconduct of any counsel, solicitor or Lender.

The Lender may act and rely and shall be protected in acting in good faith on the opinion or advice of or information obtained from any agent, counsel, accountant, engineer, appraiser or other expert or adviser, whether retained or employed by the Grantors or the Lender, in relation to any matter arising in the performance of its duties under this Agreement.

12.9 Solidary Liability

Where several grantors have signed the present Agreement or further become liable for the obligations of the Grantors, each such person shall be solidarily (jointly and severally) liable toward the Lender for the performance of all the Obligations. "Solidary" means that each such person is liable individually for the whole amount due.

12.10 Liability

The Lender shall not be liable for material injuries or damages resulting from its fault, or the fault of its agents, directors, employees, representatives, officers, consultants, unless such fault is gross or intentional.

12.11 Successors

The rights hereby conferred upon the Lender shall benefit all its successors, including any entity resulting from the merger of the Lender with any other person or persons. The rights hereby conferred upon the Grantors shall benefit their permitted successors.

12.12 Notices

Any notice to the parties hereto shall be delivered in writing to their respective addresses set out in the Credit Agreement, and in the case of RCR International, to the address of RCR Acquisition set out in the Credit Agreement, and in the manner set out therein.

12.13 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Quebec and the federal laws of Canada applicable therein.

12.14 Language

The parties hereto confirm that they have requested that this Agreement and all related documents be drafted in English. *Les parties aux présentes ont exigé que la présente convention et tous les documents connexes soient rédigés en anglais.*

[signature page follows]

EXECUTED THIS 11th DAY OF JUNE, 2014

RCR ACQUISITION CORP.

Per: _____

Steve Martinez

RCR INTERNATIONAL INC.

Per: _____

Steve Martinez

BANK OF MONTREAL

Per: _____

Peter Clair, Managing Director

Per: _____

Martin Bazinet, Director

[signature page to the Hypothec]