TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM549438

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	COURT ORDER

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Meryl Squires Cannon		07/01/2011	INDIVIDUAL: UNITED STATES

RECEIVING PARTY DATA

Name:	Meritus Corporation
Street Address:	8 Copthall
City:	Roseau Valley
State/Country:	DOMINICA
Postal Code:	00152
Entity Type:	Corporation: DOMINICA

PROPERTY NUMBERS Total: 28

Property Type	Number	Word Mark
Registration Number:	3295904	1 DAY COLD SORE TREATMENT
Registration Number:	3174749	BIOMEDX
Registration Number:	2585895	DERMA-EEZE
Registration Number:	2191029	DESTINY VIRAMEDX
Registration Number:	2976581	EQUIMEDX
Registration Number:	2663930	EYE-MEDX
Registration Number:	2502763	FLU-EEZE
Registration Number:	3478179	MERIX
Registration Number:	2676044	MERIX PHARMACEUTICAL
Registration Number:	3541070	PROGINICIN
Registration Number:	3350105	RELEEV
Registration Number:	3331286	RELEEV 1 DAY COLD SORE TREATMENT
Registration Number:	2505458	SHINGLE-EEZE
Registration Number:	3350106	SHING-RELEEV
Registration Number:	2125135	VIRACEA
Registration Number:	3350152	VIRACEA
Registration Number:	2946761	VIRAMEDX
Registration Number:	3169721	VIRAMEDX RELEEV
Registration Number:	2574205	WART-EEZE

OP $715.00 3295904

Property Type	Number	Word Mark
Registration Number:	0094865	
Registration Number:	0085770	
Registration Number:	0079035	
Registration Number:	0081116	
Registration Number:	0084412	
Registration Number:	0094867	
Registration Number:	0094866	
Registration Number:	0078962	
Registration Number:	0078961	

CORRESPONDENCE DATA

Fax Number:

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.

Phone: 847-277-1111
Email: merylsquires@merixcorp.com
Correspondent Name: Meryl Squires Cannon
Address Line 1: 18 E. Dundee Road
Address Line 2: Building 3, Suite 204
Address Line 4: Barrington, ILLINOIS 60010

NAME OF SUBMITTER:	MERYL SQUIRES CANNON
SIGNATURE:	/Meryl Squires Cannon/
DATE SIGNED:	11/13/2019

Total Attachments: 9
source=2019-11-01-19 ORDER#page1.tif
source=2019-11-01-19 ORDER#page2.tif
source=2019-11-01-19 ORDER#page3.tif
source=2019-11-01-19 ORDER#page4.tif
source=2019-11-01-19 ORDER#page5.tif
source=2019-11-01-19 ORDER#page6.tif
source=2019-11-01-19 ORDER#page7.tif
source=2019-11-01-19 ORDER#page8.tif
source=2019-11-01-19 ORDER#page9.tif

IN THE CIRCUIT COURT OF THE COOK COUNTY, ILLINOIS
FIRST DISTRICT, LAW DIVISION

McGINLEY PARTNERS, LLC, an Illinois limited liability company,	)	
Plaintiff/Judgment Creditor,	)	
v.	)	No. 14 L 005231
ROYALTY PROPERTIES, LLC, a Florida limited liability company; RICHARD KIRK CANNON, an individual, & MERYL SQUIRES CANNON, an individual,	)	Judge Daniel J. Kubasiak Commercial Calendar T
Defendants/Judgment Debtors.	)	

OPINION SETTING ASIDE FRAUDULENT TRANSFERS

This cause coming to be heard on Judgment Creditor McGinley Partners, LLC's ("McGinley Partners") Motion to Set Aside Fraudulent Transfers. An evidentiary hearing commenced and concluded on June 18, 2019. Defendants subsequently filed a Motion to Stay or Dismiss for Lack of Jurisdiction. The Court having heard and considered the testimony, having received and reviewed the evidence, and considered Defendants' motion, makes the following findings of fact and conclusions of law.

FINDINGS OF FACT

This Court's findings of fact are based on the evidence and the reasonable inferences drawn from that evidence. In evaluating the credibility of the witnesses, the Court took into consideration the witness' memory, manner, interest, bias, qualifications, experience, and any previous inconsistent statement or act by the witness.

Merix Pharmaceutical

Judgment Debtor Meryl Squires Cannon ("Cannon") is the founder and CEO of privately held Merix Pharmaceutical Corp. ("Merix") and at one point and time owned the entirety of Merix. That ownership percentage later decreased to 85%.

Merix maintains an exclusive license to manufacture and distribute Releev pursuant to a 1999 licensing agreement between Cannon and Merix (the "Licensing Agreement"). Releev is an anti-viral formula that treats the herpes virus and at all relevant times Releev has been the only source of revenue for Merix. Releev is sold in Walgreens, CVS, Rite Aid, and other retailers across the country. The formula for Releev was patented by Cannon and Cannon acquired a

trademark for Releev and various other marks associated with the brand. Releev cannot legally be made and sold without infringing patents and trademarks granted Cannon.

The Licensing Agreement requires royalties be paid to Cannon on a quarterly basis at a rate of ten percent (10%) of the gross revenue of Merix. Merix had gross revenue between 2011 and 2019 as follows:

2011	$5,043,377.23
2012	$5,037,772.42
2013	$4,655,295.48
2014	$4,828,656.62
2015	$3,697,430.02
2016	$3,284,029.45
2017	$3,610,658.09
2018	$3,737,206.50
2019	$1,199,830.91 (thru 4/30/2019)

Over the years, Merix has not always paid Cannon all of the royalties due her under the Licensing Agreement. For example, Merix reported to tax authorities that Cannon was paid approximately $314,000 in royalties in 2014, which is less than the $482,000 plus called for under the Agreement. Merix did, however, fund expenditures of Cannon and entities owned by her which far exceeded amounts otherwise owed as royalties. For example, between October 2017 and mid-March 2019, Merix paid more than $900,000 in expenses owed by Cannon and two (2) entities owned by her, which is more than the royalties called for under the Licensing Agreement for the same time period.

The Lawsuit

On May 15, 2014, McGinley Partners filed its collection lawsuit against Cannon seeking recovery on a 1.5 Millon Dollar promissory note guaranteed by Cannon in connection with a 2006 real estate purchase of the 400-acre property commonly known as Horizon Farms. On June 10, 2014, Cannon entered her appearance in the lawsuit. Cannon initially moved to have the case dismissed but that motion was denied by Judge Griffin on December 30, 2014. Subsequently, on March 20, 2015, Judge Griffin further denied Cannon's motion to reconsider the December 30, 2014 Order. That lawsuit resulted in the February 2, 2017 judgment now sought to be collected pursuant to a properly served citation.

The Assignments

On July 10, 2015, Cannon recorded patent and trademark assignments[1] with the United States Patent and Trademark Office ("USPTO"). Those filings purport to reflect assignments to Meritus Corp. ("Meritus") of Cannon's ownership interest in all trademarks she registered with the USPTO and all patents granted her by the USPTO, including those related to Releev, in

[1] The USPTO assigns reel and frame numbers to recorded documents. The Patent Assignment at issue is identified as Reel: 036062, Frame: 0001. The Trademark Assignment at issue is identified as Reel: 005580, Frame: 0128.

exchange for $10. The assignments included language that Cannon "shall retain the right to negotiate and grant a license of the [patents and trademarks] to third parties." The assignments also reflected that Cannon should continue to receive royalties under the Licensing Agreement for four (4) years as if the assignments "had not been made."

On December 8, 2015, a patent application assignment was also recorded with the USPTO which purports to reflect an assignment to Meritus of Cannon's interest in a December 7, 2015 patent application, also in exchange for only $10.[2] A patent was issued on the application on May 30, 2017 with patent number 9,662,360.

Finally, Cannon purports to have executed an assignment of shares on July 1, 2011, assigning her 85% ownership interest in Merix to Meritus for, once again, only $10. That assignment was contingent on royalties under the Licensing Agreement being paid to Cannon for four (4) years and made clear that ownership of the shares would not vest until July 2015. Without further explanation, Cannon subsequently sought to have admitted into evidence corporate records of Meritus that clearly disclosed that Meritus was incorporated in the Commonwealth of Dominica on October 1, 2014. There is no explanation of this purported assignment three years before the incorporation of Meritus. Since the purported assignment of Merix shares, Merix has continued to be controlled by Cannon. Indeed, Cannon "makes all of the final decisions of the company." By way of this control, Cannon has routinely caused Merix to pay her expenses as well as the expenses of companies owned by her.[3]

In July 2015 and December 2015 when the aforementioned assignments occurred, Cannon did not have funds to pay the 1.5 Million Dollar promissory note owed to McGinley Partners or any substantial portion thereof. Cannon similarly did not possess any valuable assets in July 2015 or December 2015 which she could have used to pay the debt, apart from the patents, trademarks, application and shares which were the subject of the aforementioned assignments. The absence of any valuable assets is due to Cannon and her husband having purportedly sold all other valuable assets – including all vehicles, jewelry, and art – to Cannon's mother in law in June 2014.

Meritus

Cannon incorporated Meritus in Dominica in 2014 to hold title to her patents, trademarks and Merix shares. The original incorporation records were sent to Cannon's home address in Florida. No share registers or other corporate records were ever admitted into evidence to support that anyone apart from Cannon has owned Meritus since its incorporation. Thus, this Court finds that at all relevant times, Cannon has been the sole and exclusive owner of Meritus with full access to Meritus corporate records. While Cannon contends that the shares in Meritus

[2] The Patent Application Assignment at issue is identified as Reel: 037236, Frame: 0650.

[3] Most recently it appears Merix has been gifting Royalty Properties, LLC (which is wholly owned by Cannon and her husband) substantial sums as reflected in Royalty Properties, LLC's Chapter 11 Bankruptcy Proceedings. *See In re Royalty Properties, LLC*, N.D. Ill. Bk. Case No. 19-07692, Dkt. #104 at p. 2, Summary of Cash Receipts (8/8/2019) (reflecting "non-repayable gift from Merix" in June 2019 totaling $21,500.00).

have been held for many years by her nominee Alex James rather than her personally, even if this Court were to accept that as true that does not negate that Cannon is in fact the beneficial owner of the company.[4] Similarly, the "Global Expansion Assignment Agreement" tendered into evidence does not support that Cannon's daughters own the shares of the company as the agreement predates the incorporation of Meritus and, as explained *supra*, no share register was ever presented or admitted confirming the transfer.[5] Moreover, the records recently tendered to this Court by Cannon and denied admission into evidence, even if considered, reflect that Cannon's nominee continues to hold the shares in trust to do with them as directed by Cannon.[6] Cannon's daughter, Dori Squires Hough, also testified that she does not know who owns Meritus, further confirming that she is not herself an owner of the company.[7] Consequently, there is no basis to conclude that anyone apart from Cannon is the 100% beneficial owner of the company with full authority to control its actions.

---

[4] Cannon initially admitted that she was the sole and exclusive owner of Meritus on July 10, 2015 when the aforementioned patent and trademark assignments were recorded, but later testified that by 2015 a nominee held the shares so that she was not shown "as an owner of Meritus" which might otherwise require her to report assets under the Foreign Account Tax Compliance Act (FATCA). No share registers or other corporate records were ever admitted into evidence to support that anyone apart from Cannon has owned Meritus since its incorporation, however. Moreover, pursuant to this Court's March 20, 2019 Order, Cannon is barred from admitting evidence that she was not the sole and exclusive owner of Meritus at the time of the assignments. Regardless, even the purported corporate records tendered by Cannon to this Court (but denied admission into evidence) demonstrate that at all relevant times the Meritus shares have been held by Cannon herself or a nominee for her benefit and that Meritus was incorporated in 2014.

[5] The Agreement even states that the "percentage ownership of Meritus assigned to Daughters shall be held by [Cannon] in escrow until otherwise directed by her in her sole discretion" and envisions that Cannon may remain the shareholder given the requirement for annual distributions to Meritus' "shareholders (including [Cannon] or her nominee." The Agreement is also premised on numerous contingencies, none of which are evidenced to have occurred and sets forth numerous duties on the part of Cannon's daughters, with no evidence they ever agreed to same. Moreover, the Agreement allows Cannon to maintain substantial control over Meritus and Merix and their respective business operations notwithstanding the purported assignment, thereby suggesting the assignment is nothing more than a sham. *See e.g.*, Agreement at ¶7 ("Meritus shall not incur any debt, or otherwise encumber or assign or license any of its assets (including but not limited to the IP and Merix shares), and shall not cause Merix to provide any payments or other consideration to Meritus or its affiliates or other shareholders, *without the advance written approval of [Cannon].*") (emphasis added); *id.* at ¶5 (requiring Cannon's prior written approval in her sole discretion before shares in Meritus can be sold or diluted).

[6] Indeed, Cannon testified that the shares could only be transferred by the nominee if directed by her to do so. By that testimony it becomes clear that even if the shares were held by a nominee Cannon could direct the nominee to surrender the shares back to her or transfer them to any other person at any time. As Cannon testified "everything can change in a day."

[7] Even if this Court were to find that there was a transfer to her daughters, the consideration-free transfer would be equally subject to being set aside as fraudulent. While Cannon claims the transfer was done for financial planning purposes to allow her daughter to have the shares in the event something happened to her, Cannon could have accomplished the same outcome by a will or estate plan, she did not have to assign the shares as she did.

In fact, since the aforementioned patent and trademark assignments, Cannon has actively sought to sell the Releev brand and even created a company, Merix Consumer Products, Inc., to vest the Releev brand as an asset into the company in the event she found a buyer and the buyer wanted to take the brand over as a corporation. Unless Cannon controls Meritus (the purported assignee of the intellectual property), there would be no way for her to do so. Thus, the only reasonable conclusion is that Cannon "has the right to try to sell Releev" as she contends and thus has control of the underlying trademarks and patents.

CONCLUSIONS OF LAW

I. The Transfers Were Fraudulent.

This Court finds that the assignments of trademarks, patents, patent application and Merix shares were fraudulent within the meaning of the Illinois Uniform Fraudulent Transfer Act (UFTA) 740 ILCS 106/5(a)(1) ("fraud in fact") and 740 ILCS 160/5(a)(2) ("fraud in law"). The UFTA provides that the transfer of an interest in property must be set aside as fraudulent if: (1) the transfer was made with actual intent to hinder or defeat a creditor ("fraud in fact") or (2) the transfer was made for less than reasonably equivalent value, leaving a debtor unable to meet his or her obligations ("fraud in law"). *See* 735 ILCS 160/6(a); *Regan v. Ivanelli*, 246 Ill. App. 3d 798, 803-804 (2nd Dist. 1993). The transferor's actual intent is irrelevant to establish that a conveyance is fraudulent at law. *Regan*, 256 Ill. App. 3d at 804. On the other hand, in determining actual intent for purposes of establishing that a conveyance is fraudulent in fact, consideration may be given, among other factors to whether: (1) the transfer was to an insider;[8] (2) the debtor retained possession or control of the property transferred after the transfer; (3) before the transfer was made, the debtor had been sued or threatened with suit; and (4) the transfer was of substantially all of the debtor's assets. *See* 735 ILCS 160/5(b); *Steel Co. v. Morgan Marshall Indus.*, 278 Ill. App. 241, 251 (1st Dist. 1996) (the factors set for in Section 5 "are merely considerations" and need not all be present, but when present in sufficient number "give rise to an inference or presumption of fraud").

Fraud in Fact

The record includes sufficient evidence to reach a conclusion of fraud. As the sole and exclusive owner of Meritus, there can be no dispute that the subject transfers were to an insider. There can also be no dispute that Cannon retained possession and control of the patents, trademarks, and shares after the transfers as evidenced by her ability to sell and vest Releev assets and continued control of Merix following the transfers. Moreover, the record reflects that before the transfers were made, Cannon had not only been sued, but was unsuccessful in her efforts to get the lawsuit dismissed.[9] Finally, the transfers were of substantially all of Cannon's

[8] "Insider" is defined to include "a corporation of which the debtor is a director, officer, or person in control." 740 ILCS 160/2(g).

[9] Cannon continues to claim the transfers occurred in 2011, but as this Court previously concluded, the dates of transfer under the UFTA were not until 2015. *See* April 25, 2019 Order.

assets, having purportedly transferred all other valuable assets the year prior to her mother-in-law.

Cannon in turn contends that the transfers were not made with any actual intent to hinder or defeat creditors, but rather were part of a 2011 global expansion effort. Specifically, Cannon claims it was her understanding that a global expansion deal was dependent on having the patents, trademarks and shares in an offshore entity and that is why Meritus was created. There is no evidence apart from Cannon's self-serving and unconvincing testimony to support that contention, however. Moreover, the record reflects that any such deal failed long before Meritus was incorporated in 2014, as reflected by the dates of communications Cannon purports to have had with a global investment group.[10]

The evidence in the record also supports a finding that Meritus was a participant in the fraud rather than a *bona fide* purchaser. To constitute a *bona fide* purchaser Meritus must have taken the property in good faith and for a reasonably equivalent value. *See* 740 ILCS 160/9. As explained in more detail below, reasonable equivalent value was not provided for the property. Moreover, the record reflects that Cannon was the sole shareholder of Meritus at the time of transfers and incorporated the company solely to hold title to the property. Thus, Meritus cannot be said to have taken the property in good faith and without knowledge of Cannon's intentions.

Fraud in Law

Given the substantial revenue generated by Merix as a result of the sale of Releev, it is the opinion of this Court that the patents, trademarks, and shares were worth substantially more than the $10 consideration purportedly transferred for them. To defend against such a conclusion, Cannon makes two (2) arguments. First, Cannon contends that good and valuable consideration for the patent and trademark assignments was provided because the assignments also required that she continue receiving royalties under the Licensing Agreement for four (4) years as if the assignments had never been made. Cannon was already lawfully entitled to receive those payments under the Licensing Agreement, however, thus no additional benefit was conferred.[11]

Cannon next contends that Merix was basically insolvent when the assignment of her shares was made such that $10 constituted reasonable equivalent value for the shares. The record simply does not support such a proposition, however. Between 2011 and 2015, Merix made substantially more in revenue from Releev than it did between 2017 and 2019. Yet Merix still had sufficient cash (i.e. assets) between 2017 and 2019 to fund Cannon's expenses as well as the expenses of entities owned by her to the tune of almost One Million Dollars. Moreover, while Cannon submitted corporate financials from 2010-2011 showing a negative net worth for Merix, those financials are wholly unhelpful in determining the financial status of the company in 2015,

[10] Cannon submitted various communications she had with persons she purports were members of a global expansion group, however, this Court found those communications to be wholly unhelpful to unraveling what took place and found most of those communications to be some form of mutual flattery between the parties. Regardless, those communications came to an end in April 2013 – well before the incorporation of Meritus.

[11] Moreover, as Cannon agrees, she did not receive all of the royalties required to be paid.

when the transfers are deemed to have occurred. Even if the 2010-2011 financials were relevant to that determination those financials reflect that the sale of Releev generated *profits* for the company of over half a Million Dollars.[12] Moreover, this Court finds that Cannon has historically treated Merix as her personal pocket-book, going so far to incur a debt of Two Million Dollars on behalf of the company to help fund her private purchase of Horizon Farms.[13] Such personal use of corporate funds artificially deflated the value of the company and Cannon should not be found to benefit from her own mismanagement.

That Merix was insolvent is also contradicted by the Global Expansion Assignment Agreement, which demanded Cannon's daughters through their pretextual future control of Meritus to cause Merix to pay Cannon Twenty Million Dollars. If Cannon truly believed that Merix was insolvent and incapable of generating substantial profits, then the payment provision makes no sense. The payment provision undercuts Cannon's argument of insolvency. While Cannon's position is that without the assignment there would be no potential for Twenty Million in payments, that contention is not supported by any other testimony or evidence. Simply speaking, if her daughters could force Merix to pay Cannon Twenty Million Dollars by way of their 85% ownership interest (via Meritus)[14] by that same token Cannon could have forced the payment through her original 85% ownership of Merix or via her later 100% ownership of Meritus.

As for the ability of Cannon to pay her debts as they became due, there can be no dispute that Cannon failed to retain sufficient property to pay the indebtedness owed McGinley Partners. Thus, even if Cannon made the assignments with the most upright intention, because the transfer was made for less than reasonably equivalent value, leaving Cannon unable to meet her obligations, the transfers are deemed and presumed to be fraudulent. *See Apollo Real Estate Inv. Fund IV, LP v. Gelber*, 403 Ill. App. 3d 179, 193-94 (1st Dist. 2010).

II. Meritus' Joinder Is Not Necessary Under the Doctrine of Representation

Cannon contends that Meritus is an indispensable party to these proceedings as the transferee and thus the transfers cannot be set aside without first joining Meritus. "The rule requiring joinder of indispensable parties is not applied when a party, though not before the court in person, is so represented by others that his interest receives actual and efficient protection."

---

[12] And that is after paying over a Million Dollars in royalties and salaries each year (the bulk of which would have been paid to Cannon directly). As Cannon's daughter testified, there are only three (3) full time Merix employees and one (1) part-time Merix employee in addition to Cannon. Salaries for these few employees totaled $728,900 in 2010 and $900,600 in 2011, with royalties totaling $639,700 also being paid to Cannon over the course of just those two (2) years. If the company was truly in financial trouble, one would have expected salaries to remain stagnant or decrease, rather than increase by almost 24%. Moreover, Cannon has taken the position before this Court that she foregoes a salary and royalties when the company is financially stressed. Yet, pursuant to the very financial statements submitted by her, she did neither in 2010 or 2011.

[13] Specifically, Cannon testified that she incurred the substantial debt on behalf of Merix without shareholder permission, thereby subjecting herself to lawsuits.

[14] As Richard Cannon testified "Meritus because of its ownership in Merix had the ability to require those payments."

Estate of Rosta, 111 Ill. App. 3d 786, 789 (1st Dist. 1982); *Moore v. McDaniel*, 48 Ill. App. 3d 152, 158 (5th Dist. 1977); *see also State Farm Fire & Cas. Co. v. John J. Rickhoff Sheet Metal Co.*, 394 Ill. App. 3d 548, 563 (1st Dist. 2009) ("Illinois law excuses the presence of a necessary party where that party is represented by others in the suit that give the absent party's interest 'actual and efficient protection.'"). "This so-called 'doctrine of representation' applies where persons are before the court who have the same interests and will be equally certain to bring them forward and protect them, as those persons not before the court." *Moore*, 48 Ill. App. 3d at 158. In the instant case, the interests of Cannon and Meritus are identical -- both desire a ruling that the asset transfers not be deemed fraudulent. Moreover, Cannon and Meritus are in privity given Cannon's sole ownership of Meritus. *See Purmal v. Robert N. Wadington & Assocs.*, 354 Ill. App. 3d 715, 722 (1st Dist. 2004) (finding the sole shareholder of a company to be in privity with that company); *Travelers Cas. & Sur. Co. v. Madden*, 346 Ill. App. 3d 859, 865 (5th Dist. 2004) (same). Cannon has also vigorously defended against McGinley Partners' Motion to Set Aside Fraudulent Transfers. Considering all that has been presented to the court, it is clear that Meritus and Cannon are aligned. Cannon is much more than an adequate representative of Meritus' interests. Thus, joinder is not necessary.

CONCLUSION

The UFTA provides that in an action against a transfer under its provisions, a creditor may obtain, among other remedies, "avoidance of the transfer or obligation to the extent necessary to satisfy the creditor's claim." 740 ILCS 160/8(a)(1). In accordance with the UFTA, this Court hereby sets aside the transfers of patents, trademarks, patent application and Merix shares to Meritus as fraudulent. A receiver shall be appointed to take charge of the patents, trademarks, and Merix shares until such time as the property shall be delivered up for sale. *See* 740 ICS 160/8(a)(3)(B). Because the property is of such a nature that it cannot be readily delivered up to the sheriff for public sale and other methods of sale are more likely to enhance the value of the property at sale, this Court may appoint a selling agent other than the sheriff upon such terms as are just and equitable. *See* 735 ILCS 5/2-1402(e)

ORDERED:

1. Royalty Properties, LLC, Richard Kirk Cannon, and Meryl Squires Cannon's Motion to Stay or Dismiss for Lack of Jurisdiction Plaintiff's Motion to Set Aside Fraudulent Transfers is denied;

2. McGinley Partners' Motion to Set Aside Fraudulent Transfers is granted.

3. This matter is set for a status conference on November 15, 2019 at 10:00 a.m. regarding the appointment of a receiver and other matters. All parties may submit recommendation for receiver prior to that date.

4. Cannon, Meritus and Merix and their respective successors, assigns and agents are enjoined from making or allowing any transfer or other disposition of, or interference with, the patents, trademarks and shares. *See* 735 ILCS 5/2-1402(f)(2). This injunction

order shall remain in effect until vacated by the Court or until these supplementary proceedings are terminated, whichever first occurs.

5. Required royalty payments under the Licensing Agreement shall be turned over to McGinley Partners c/o its attorneys and applied to the balance due on the judgment pending the appointment of a receiver.

6. On or before November 14, 2019, Cannon, via her attorneys, shall cause this Order to be filed with the USPTO for each of the trademarks and patents at issue thereby putting the public on notice that the subject assignments have been set aside.

7. The status set for November 6, 2019, at 10:00 a.m. is hereby stricken.

Judge Daniel J. Kubasiak

NOV - 1 2019

Circuit Court - 2072

ENTERED,

Judge Daniel J. Kubasiak, No. 2072