

**RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY**

Asst. Commissioner for Trademarks  
2900 Crystal Drive  
Arlington, Virginia 22202

RE: Our File: T- TF61.2

1. Name (and address) of conveying party(ies)  
Solen Inc.  
1160 Route 133,  
St-Jean-sur-Richelieu  
  
Quebec, J2X 4J5

2. Name and Address of receiving party(ies)  
**BUSINESS DEVELOPMENT  
BANK OF CANADA**  
5 Place Ville-Marie  
MONTREAL, QUEBEC  
H3B 5E7

- Individual
- Association
- General Partnership
- Limited Partnership
- Corporation- Canada
- Other-

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-
- Other-Financial Institution- Canada

If assignee is not domiciled in the United States, a domestic representative designation is attached:  Yes  No

3. Nature of conveyance:

- Assignment;
- Security Agreement;
- Deed of Security Interest
- Merger
- Change of Name
- Change of Address

Execution Date: March 19, 2002

4. Application number(s) or registration number(s):5

A. Trademark Application No. (s)  
No. (s)  
75/563,043

B. Trademark Reg.  
2,528,826  
2,058,596  
2,002,282  
2,511,442

Additional numbers attached ( ) Yes (X) No

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

COLLEN IP, Intellectual Property Law, P.C.  
The Holyoke-Manhattan Building  
80 South Highland Avenue  
Town of Ossining, Westchester County, New York 10562

6. Total number of applications and registrations involved: 5

7. Total fee (37 CFR 3.41) \$140.00

- ( ) Enclosed
- (X) Authorized to be charged to deposit account
- ( ) Already submitted

8. Deposit account number:  
03-2465

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Jess M. Collen	<i>Jess M. Collen</i>	May 2, 2002
Name of person signing	Signature	Date

Total number of pages comprising cover sheet, attachments and documents: 6

JMC/MC  
TF61.2.1

NOTE: IF THERE IS ANY FEE DUE AT THIS TIME, PLEASE CHARGE IT TO OUR DEPOSIT ACCOUNT NO. 03-2465 AND ADVISE.

**NOTE: THIS IS AN EXTRACT OF THE RELEVANT PORTIONS OF THE HYPOTHEC SIGNED IN THE FRENCH LANGUAGE WHICH CONTAINS 11 PAGES.**

**HYPOTHEC**

On this month of March nineteen, two thousand and two at Saint-Jean-sur-Richelieu, Quebec, Canada.

**A P P E A R E D:**

**BUSINESS DEVELOPMENT BANK OF CANADA**, a Bank corporation continuing as a body corporate: the Federal Business Development Bank under an Act of the Parliament of Canada, 42-43-44 Elizabeth II, (1994-1995), sanctioned on the 13th day of July one thousand nine hundred and ninety-five (1995), having its head office in the city of Montreal, 5 Place Ville-Marie , (H3B 5E7), Province of Quebec, herein acting and represented by Jean Grimard hereunto duly authorized by resolution passed on April 6, 1995, himself represented by Me Paul Paradis under a power of attorney under private signature, on January 30, 2002, the said resolution and the said power of attorney are annexed to the original.

(hereinafter called the "**Bank**")

**A N D:**

**SOLENO INC.**, a body corporate having its head office at 1160, Route 133, St-Jean-sur-Richelieu, Québec, J2X 4J5, duly represented hereto by Alain Poirier, its president, duly authorized for the purposes hereof by a resolution of its Board of Directors copies of which remain attached hereto,

(hereinafter called the "**Debtor**")

**WHO HAVE DECLARED AND AGREED AS FOLLOWS:**

**I. THE INDEBTEDNESS**

The Bank has granted to the Debtor a loan in the amount of one million five hundred thousand Canadian dollars ( \$ 1,500,000 ) under the terms of a loan agreement as of March 19, 2002 (the Loan Agreement).

This loan bears interest and is repayable at the interest rate and in accordance with the terms set forth in the Loan Agreement and its schedule. The Loan Agreement and all future modifications or amendments thereto are hereafter referred to as the "Loan Agreement". The terms owing and to be owed by the Debtor as a result of the Loan, in principal interest and otherwise, are hereinafter referred to as the "Indebtedness".

TRADEMARK  
REEL 002458 FRAME 0712

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## **II. HYPOTHEC**

1. To secure the payment of the Indebtedness and the performance of its obligations under the present hypothec as well as under the Loan, the Debtor hypothecates and creates a security interest in the property hereinafter described for the sum of one million five hundred thousand Canadian dollars ( \$ 1,500,000 ) with interest at the rate of ( 25 % ) per annum from the date hereof.

### **DESCRIPTION**

1. All Debtor's intangible assets, present and future, wherever situated and controlled, including without limitation, all copyright, trade-marks, domain name, source codes, patents, know how, recipes, all owned by Debtor as well as all other intellectual property rights of Debtor, present and future, including all intellectual property rights described in schedule A hereof, with the exception of any patent and trade-marks more fully disclosed to a Deed of joint venture dated December 27, 1996 between Debtor and Main Street Marketing L.P., the present hypothec on said intangibles being an hypothec without delivery. The intellectual property rights existing at the date hereof are all mentioned in schedule A hereof.
2. ...
3. ...

~~111~~

WHEREOF ACT, the parties have signed this deed on the date and at the place indicated at the first page hereof.

**BANQUE DE DÉVELOPPEMENT DU CANADA**

per: (S) Paul Paradis, Attorney

**SOLENO INC.**

per: (S) Mr. Alain Poirier, President

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### Schedule A

#### List of existing intellectual property rights at the date hereof

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**1. Canadian trademarks**

Erosol (dessin), au registre canadien sous le numéro TMA 518305, échéance le 20 octobre 2014.

Flooret's (dessin), inscrite au registre canadien sous le numéro TMA 447145, échéance le 1<sup>er</sup> septembre 2010.

L.T.B. (dessin), inscrite au registre canadien sous le numéro 551070, échéance le 19 septembre 2016.

Soleno et dessin, inscrite au registre canadien sous le numéro TMA 523937, échéance le 28 février 2015.

Sol-flo, inscrite au registre canadien sous le numéro TMA 448386, échéance le 29 septembre 2010.

Solarc (& dessin), inscrite au registre canadien sous le numéro TMA 509923, échéance le 24 mars 2014.

Tuyaux vert (dessin), demande en instance sous le numéro 1040987.

**2. Marques de commerce américaines / mark registered or applied for in the United States of America (U.S.A.)**

Erosol (Design), applied for in the U.S.A. under number 75-563042.

Flooret's (Design), registered in the U.S.A. under number 2058596.

Sol-flo, registered in the U.S.A. under number 2002282.

Soleno and design, applied for in the U.S.A. under application number 75-638448.

Solarc and design, applied for in the U.S.A. under application number 75-563-043.