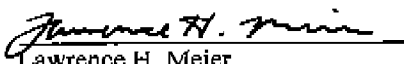


RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

U.S. Department of Commerce
Patent and Trademark Office

Attorney Docket No. 05727-00010

To the Assistant Commissioner for Patents and Trademarks: Please record the attached original documents or copy thereof.

<p>1. Name of conveying party(ies):</p> <p>Clothing For Modern Times Ltd., dba Urban Behaviour and Costa Blanca</p> <p>Additional names of conveyed party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>2. Name and address of receiving party(ies):</p> <p>Name: RoyNat Capital Inc. Street Address: Suite 1000, 5160 Yonge Street City: Toronto State: Ontario Zip: M2N 6L9</p> <p>Additional name(s) & address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>3. Nature of Conveyance</p> <p><input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input checked="" type="checkbox"/> Other: Security Interest</p> <p>Execution Date: April 8, 2004</p>	<p>4. Application number(s) or registration number(s):</p> <p>If this document is being filed together with a new application, the execution date of the application is _____</p> <p>A. Trademark Application No(s). 78/216,658 B. Trademark Registration No(s). 78/216,670</p> <p>Additional numbers attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>5. Name and address of party to whom correspondence concerning document should be mailed:</p> <p>Lawrence H. Meier Downs Rachlin & Martin PLLC 199 Main Street P.O. Box 190 Burlington, Vermont 05402-0190 (802)863-2375</p>	<p>6. Total number of applications involved: <u>2</u></p> <p>7. Total fee (37 CFR 3.41): \$ <u>65.00</u></p> <p><input type="checkbox"/> Enclosed <input checked="" type="checkbox"/> Authorized to be charged to deposit account <input type="checkbox"/> Authorized to charge any deficiencies in the enclosed fees to deposit account</p> <p>8. Deposit account number: <u>04-1588</u></p> <p>(Attach duplicate copy of this page if paying by deposit account)</p>
<p>DO NOT USE THIS SPACE</p>	
<p>9. Statement and signature:</p> <p>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.</p> <p> Lawrence H. Meier</p> <p style="text-align: right;">Date <u>4/27/04</u></p> <p style="text-align: right;">Total number of pages, including cover sheet <u>3</u></p>	

CH \$65.00 041588 78216658

T147 - 10/00

BTV.263264.2

700081001

TRADEMARK
REEL: 002842 FRAME: 0242

SECURITY INTEREST IN INTELLECTUAL PROPERTY

WHEREAS, Clothing for Modern Times Ltd., doing business as Urban Behaviour and as Costa Blanca (the "Debtor"), a corporation incorporated under the laws of Ontario with offices at 300 Supertest Road, Toronto, Ontario, M3J 2M2 is the owner of the trademark applications set forth in Exhibit 1, as well as the underlying goodwill of said trademarks (collectively, the "Trademarks");

WHEREAS, RoyNat Capital Inc. (the "Creditor"), a corporation incorporated under the laws of Canada with offices at Suite 1000, 5160 Yonge Street, Toronto, Ontario, M2N 6L9 entered into a debenture with Debtor, as reflected by a separate document entitled "Debenture" and accompanying related documents (the "Debenture Documents") dated March 5, 2004 by which Debtor agreed to grant to Creditor a secured interest in certain property, in consideration for a commercial loan;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and in accordance with the terms and obligations set forth in the Debenture Documents, Debtor hereby confirms the granting of a secured interest in the Trademarks to the Creditor.

CLOTHING FOR MODERN TIMES LTD.

Dated: April 8, 2004

By: 

Name:

Title:

- 2 -

EXHIBIT 1 - TRADEMARKS

Trademark Name	Application Serial No.	Date of Application Filing
Urban Behavior	78/216,658	February 19, 2003
Costa Blanca	78/216,670	February 19, 2003