

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
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NATURE OF CONVEYANCE:	Articles of Amalgamation
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CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Kraus Carpet Mills Limited		01/01/2008	CORPORATION: CANADA

RECEIVING PARTY DATA	
Name:	Kraus Inc.
Street Address:	65 Northfield Drive West
City:	Waterloo
State/Country:	CANADA
Postal Code:	N2J 4J4
Entity Type:	CORPORATION: CANADA

PROPERTY NUMBERS Total: 2		
Property Type	Number	Word Mark
Registration Number:	3049197	KRAUS
Registration Number:	3133792	ZIPPERLOCK

CORRESPONDENCE DATA	
Fax Number:	(519)822-1583
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	519.780.4650
Email:	lgraham@millerthomson.com
Correspondent Name:	Lorelei G. Graham
Address Line 1:	Ontario AgriCentre, 100 Stone Road West
Address Line 2:	Suite 301
Address Line 4:	Guelph, CANADA N1G 5L3

ATTORNEY DOCKET NUMBER:	058581.0023
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DOMESTIC REPRESENTATIVE	
Name:	

OP \$65.00 3049197

Address Line 1:

Address Line 2:

Address Line 3:

Address Line 4:

NAME OF SUBMITTER:	Lorelei G. Graham
Signature:	/Lorelei G. Graham/
Date:	08/20/2008

Total Attachments: 17

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First name, middle names and surname <i>Prénom, autres prénoms et nom de famille</i>	Address for service, giving Street & No. or R.R. No., Municipality, Province, Country and Postal Code <i>Domicile élu, y compris la rue et le numéro ou le numéro de la R.R., le nom de la municipalité, la province, le pays et le code postal</i>	Resident Canadian State 'Yes' or 'No' <i>Résident canadien. Oui/Non</i>
Ryan Eckhardt	305 Deer Ridge Drive Kitchener, Ontario N2P 2K6	Yes
Michael Eckhardt	560 Kiwanis Park Drive Waterloo, Ontario N2K 3N8	Yes

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using *Fast Company*, by
Do Process Software Ltd.,
Toronto, Ontario
(416) 322-8111

07121 (03/2003)

5. Method of amalgamation, check A or B
Méthode choisie pour la fusion – Cocher A ou B :

A - Amalgamation Agreement / *Convention de fusion :*

The amalgamation agreement has been duly adopted by the shareholders of each of the amalgamating corporations as required by subsection 176 (4) of the *Business Corporations Act* on the date set out below.
Les actionnaires de chaque société qui fusionne ont dûment adopté la convention de fusion conformément au paragraphe 176(4) de la Loi sur les sociétés par actions à la date mentionnée ci-dessous.

or
ou

B - Amalgamation of a holding corporation and one or more of its subsidiaries or amalgamation of subsidiaries / *Fusion d'une société mère avec une ou plusieurs de ses filiales ou fusion de filiales :*

The amalgamation has been approved by the directors of each amalgamating corporation by a resolution as required by section 177 of the *Business Corporations Act* on the date set out below.
Les administrateurs de chaque société qui fusionne ont approuvé la fusion par voie de résolution conformément à l'article 177 de la Loi sur les sociétés par actions à la date mentionnée ci-dessous.

The articles of amalgamation in substance contain the provisions of the articles of incorporation of
Les statuts de fusion reprennent essentiellement les dispositions des statuts constitutifs de

KRAUS CARPET MILLS LIMITED

and are more particularly set out in these articles.
et sont énoncés textuellement aux présents statuts.

Names of amalgamating corporations <i>Dénomination sociale des sociétés qui fusionnent</i>	Ontario Corporation Number <i>Numéro de la société en Ontario</i>	Date of Adoption/Approval <i>Date d'adoption ou d'approbation</i>		
		Year <i>année</i>	Month <i>mois</i>	Day <i>jour</i>
KRAUS CARPET MILLS LIMITED	95949	2008	01	01
1029011 ONTARIO INC.	1029011	2008	01	01
KRAUS OF CANADA LIMITED	363601	2008	01	01

6. Restrictions, if any, on business the corporation may carry on or on powers the corporation may exercise.
Limites, s'il y a lieu, imposées aux activités commerciales ou aux pouvoirs de la société.

None.

7. The classes and any maximum number of shares that the corporation is authorized to issue:
Catégories et nombre maximal, s'il y a lieu, d'actions que la société est autorisée à émettre :

The Corporate is authorized to issue:

- (i) 1,000 Class A Shares;
- (ii) 1,000 Class B Shares;
- (iii) 1,000 Class C Shares; and
- (iv) 500 Common Shares.

8. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series:

Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions qui peut être émise en série :

Please see following pages.

A. Subject to paragraph "B" below the Class A shares, the Class B shares, the Class C shares and the common shares shall participate equally as to dividends and all dividends which the directors may determine to declare and pay in any fiscal year of the Corporation shall be declared and paid in equal or equivalent amounts per share on all the Class A, all the Class B, all the Class C and all the common shares at the time issued and outstanding without preference or distinction. The directors may in declaring any or all such dividends on the Class A shares, Class B shares, Class C shares and the common shares provide for payment thereof in whole or in part in the manner set out in paragraph "B" below.

B. Subject to the provisions of the *Business Corporations Act (Ontario)* in declaring dividends the directors may provide (without making any such provision in respect of payment of dividends on the Class A shares, Class C shares or the common shares) for payment in whole or in part of dividends on the Class B shares by way of a cash dividend out of Tax Paid Undistributed Surplus on hand or out of 1971 Capital Surplus on hand as defined in the Income Tax Act (Canada) as from time to time in force, or as defined in any successor Canadian Federal Income Tax Statute; provided however, that no such provision for payment may be made by the directors in respect of any such dividend on the Class B shares unless, contemporaneously with the making of such provision, the directors declare a cash dividend payable at the same time as the said dividend on the Class B shares on each Class A share, each Class C share and each common share then issued and outstanding equal to the sum of

- (i) The cash dividend payable at the time on each Class B share then issued and outstanding plus
- (ii) In the case of a dividend on the Class B shares payable out of Tax Paid Undistributed Surplus on hand, an amount (to the nearest one-tenth of one cent) equal to the tax paid or to be paid by the Corporation under the said Income Tax Act or predecessor statutes to create Tax Paid Undistributed Surplus on hand in an amount equal to the dividend payable at that time on each Class B share then outstanding.

C. Each issued and fully paid Class A share may at any time at the option of the holder, be converted into one Class B share. The conversion privilege herein provided for may be exercised by notice in writing given to the Corporation at its head office accompanied by a certificate or certificates representing the Class A shares in respect of which the holder thereof desires to exercise such right of conversion and such notice shall be signed by the person registered on the books of the Corporation as the holder of Class A shares in respect of which such right is being exercised or by his duly authorized attorney and shall specify the number of Class A shares which the holder desires to have converted. The holder shall also pay any governmental or other tax imposed in respect of such transaction. Upon receipt of such notice the Corporation shall issue certificates representing fully paid Class B shares upon the basis above prescribed and in accordance with the provisions hereof to the holder of the Class A shares represented by the certificate or certificates accompanying such notice; if less than all the Class A shares represented by any certificate are to be converted, the holder shall be entitled to receive a new certificate for the Class A shares representing the shares comprised in the original certificate which are not to be converted.

D. Each issued and fully paid Class B share may at any time at the option of the holder, be converted into one Class A share. The conversion privilege herein provided for may be exercised in the same manner as the conversion privilege provided for in paragraph "C" above and the provisions thereof shall mutatis mutandis apply.

E. All shares resulting from any conversion of issued and fully paid Class A shares into Class B shares or any conversion of Class B shares into Class A shares as aforesaid shall be deemed to be fully paid and non-assessable.

F. None of the Class A shares, the Class B shares, the Class C shares and the common shares shall be subdivided, consolidated, reclassified or otherwise changed unless contemporaneously therewith the other classes of shares are subdivided, consolidated, reclassified or otherwise changed in the same proportion and in the same manner.

G. Any amendment to the Articles of the Corporation to delete or vary any preference, right, condition, restriction, limitation or prohibition attaching to the Class A, Class B or Class C shares respectively, or to create special shares ranking in priority to, or pari passu with the Class A, Class B or Class C shares, in addition to the authorization by special resolution, may be authorized by at least two-thirds of the votes cast at meetings of the holders of the Class A, Class B and/or Class C shares respectively, which may be held concurrently, duly called for that purpose, the formalities to be observed with respect to the giving of notice of any meeting of the Class A and/or Class B and/or Class C shareholders and the conduct thereof and the quorum therefor shall be mutatis mutandis by those from time to time prescribed in the by-laws of the Corporation with respect to meetings of shareholders.

H. In the event of the liquidation, dissolution or winding up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, all the property and assets of the Corporation available for distribution to the holders of the Class A shares, Class B shares, Class C shares and common shares shall be paid or distributed equally share for share to the holders of the Class A shares, Class B shares, Class C shares and common shares respectively without preference or distinction.

I. Save as aforesaid each Class A share, each Class B share, each Class C share and each common share shall have the same rights and attributes and be the same in all respects and shall entitle the holder thereof to receive notice of and to attend and to one vote in respect of each Class A share, Class B share, Class C share and each common share held at all annual and general meetings of shareholders of the Corporation.

9. The issue, transfer or ownership of shares is ~~is not~~ restricted and the restrictions (if any) are as follows:
L'émission, le transfert ou la propriété d'actions est ~~est pas~~ restreint. Les restrictions, s'il y a lieu, sont les suivantes :

No share of the Corporation shall be transferred without the express consent of a majority of the directors to be signified by a resolution passed by the board.

10. Other provisions, (if any):
Autres dispositions, s'il y a lieu:

1. The outstanding securities, excluding non-convertible debt securities, of the Corporation may be beneficially owned, directly or indirectly, by not more than 50 persons, exclusive of employees and former employees of the Corporation or its affiliates,

provided that:

A. each person is counted as one beneficial owner unless the person is created or used solely to purchase or hold securities of the Corporation in which case each beneficial owner or each beneficiary of the person, as the case may be, must be counted as a separate beneficial owner;

B. the Corporation may not distribute securities to a person unless such person purchases the securities as principal and is:

(a) a director, officer, employee, founder or control person of the Corporation,

(b) a spouse, parent, grandparent, brother, sister or child of a director, executive officer, founder or control person of the Corporation,

(c) a parent, grandparent, brother, sister or child of the spouse of a director, executive officer, founder or control person of the Corporation,

(d) a close personal friend of a director, executive officer, founder or

11. The statements required by subsection 178(2) of the *Business Corporations Act* are attached as Schedule "A".
Les déclarations exigées aux termes du paragraphe 178(2) de la Loi sur les sociétés par actions constituent l'annexe A.

12. A copy of the amalgamation agreement or directors' resolutions (as the case may be) is/are attached as Schedule "B".
Une copie de la convention de fusion ou les résolutions des administrateurs (selon le cas) constitue(nt) l'annexe B.

10. continued

control person of the Corporation,

(e) a close business associate of a director, executive officer, founder or control person of the Corporation,

(f) a spouse, parent, grandparent, brother, sister or child of the selling security holder or of the selling security holder's spouse,

(g) a security holder of the Corporation,

(h) an accredited investor,

(i) a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, persons described in paragraphs (a) to (h),

(j) a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons described in paragraphs (a) to (h), or

(k) a person that is not the public

as those terms may be defined, from time to time, in National Instrument 45-106 *Prospectus and Registration Exemptions*.

2. The Corporation has a lien on a share registered in the name of a shareholder or his legal representative for a debt of that shareholder to the Corporation.

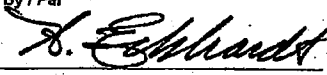
These articles are signed in duplicate.
 Les présents statuts sont signés en double exemplaire.

Name and original signature of a director or authorized signing officer of each of the amalgamating corporations. Include the name of each corporation, the signatories name and description of office (e.g. president, secretary). Only a director or authorized signing officer can sign on behalf of the corporation. / Nom et signature originale d'un administrateur ou d'un signataire autorisé de chaque société qui fusionne. Indiquer la dénomination sociale de chaque société, le nom du signataire et sa fonction (p. ex. : président, secrétaire). Seul un administrateur ou un dirigeant habilité peut signer au nom de la société.

KRAUS CARPET MILLS LIMITED

Names of Corporations / Dénomination sociale des sociétés

By / Par

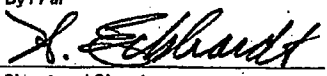
 HAROLD ECKHARDT CHAIRMAN

Signature / Signature Print name of signatory / Nom du signataire en lettres moulées Description of Office / Fonction

1029011 ONTARIO INC.

Names of Corporations / Dénomination sociale des sociétés

By / Par

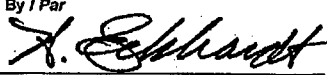
 HAROLD ECKHARDT CHAIRMAN

Signature / Signature Print name of signatory / Nom du signataire en lettres moulées Description of Office / Fonction

KRAUS OF CANADA LIMITED

Names of Corporations / Dénomination sociale des sociétés

By / Par

 HAROLD ECKHARDT Vice-President

Signature / Signature Print name of signatory / Nom du signataire en lettres moulées Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature Print name of signatory / Nom du signataire en lettres moulées Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature Print name of signatory / Nom du signataire en lettres moulées Description of Office / Fonction

SCHEDULE A TO THE ARTICLES OF AMALGAMATION

OF

KRAUS INC.

STATEMENT OF DIRECTOR OR OFFICER

OF

KRAUS CARPET MILLS LIMITED

AND

1029011 ONTARIO INC.

AND

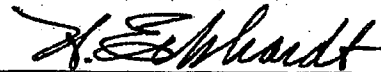
KRAUS OF CANADA LIMITED

Pursuant to section 178(2) of the Business Corporations Act (Ontario)

I, Harold Eckhardt, state that:

1. I am a director of each of Kraus Carpet Mills Limited, and 1029011 Ontario Inc. and am Vice-President of Kraus of Canada Limited, each of which is an amalgamating corporation referred to in the attached Articles of Amalgamation (the "Amalgamating Corporations").
2. I have conducted such examinations of the books and records of each of the Amalgamating Corporations and have made such enquiries and investigations as are necessary to enable me to make this statement.
3. I have satisfied myself that there are reasonable grounds for believing that:
 - (a) Each of the Amalgamating Corporations is, and the corporation formed by the amalgamation will be, able to pay its liabilities as they become due;
 - (b) The realizable value of the assets of the corporation formed by the amalgamation will not be less than the aggregate of its liabilities and stated capital of all classes of shares; and
 - (c) No creditor will be prejudiced by the amalgamation.

DATED the 1st day of January, 2008.



Harold Eckhardt

SCHEDULE B(1) OF ARTICLES OF AMALGAMATION

CERTIFIED COPY OF

RESOLUTION OF THE BOARD OF DIRECTORS

OF

KRAUS CARPET MILLS LIMITED

(the "Corporation")

"AMALGAMATION

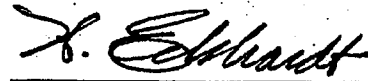
WHEREAS the Corporation is the holding corporation of and has agreed to amalgamate with its subsidiaries 1029011 Ontario Inc. and Kraus of Canada Limited (the "Subsidiaries") pursuant to subsection 177(1) of the *Business Corporations Act* (Ontario) (the "Act") effective January 1, 2008;

NOW THEREFORE BE IT RESOLVED that:

1. The amalgamation of the Corporation and the Subsidiaries under the Act pursuant to subsection 177(1) thereof, is approved;
2. The Corporation amalgamate with the Subsidiaries effective January 1, 2008;
3. Effective upon the issuance of a certificate of amalgamation pursuant to subsection 178(4) of the Act, all shares of the authorized capital of the Subsidiaries, including all shares which have been issued and are outstanding at the date hereof, shall be cancelled without any repayment of capital in respect thereof;
4. The articles of amalgamation of the amalgamated corporation shall be substantially the same as the articles of the Corporation;
5. The by-laws of the amalgamated corporation shall be substantially in the form submitted to the directors of the Corporation for approval;
6. No securities shall be issued and no assets shall be distributed by the amalgamated corporation in connection with the amalgamation; and
7. Any officer or director of the Corporation is authorized and directed to do all things and execute and deliver all instruments and documents necessary or desirable to carry out and give effect to the foregoing."

I hereby certify that the above is a true and complete copy of a resolution duly passed by the directors of Kraus Carpet Mills Limited on January 1, 2008 and that the resolution remains in full force and effect unamended at the date hereof.

DATED this 1st day of January, 2008



Harold Eckhardt – Chairman
Kraus Carpet Mills Limited

SCHEDULE B(2) OF ARTICLES OF AMALGAMATION

CERTIFIED COPY OF

RESOLUTION OF THE BOARD OF DIRECTORS

OF

1029011 ONTARIO INC.
(the "Corporation")

"AMALGAMATION

WHEREAS the Corporation and Kraus of Canada Limited are subsidiaries of and have agreed to amalgamate with Kraus Carpet Mills Limited (the "Holding Corporation") pursuant to subsection 177(1) of the *Business Corporations Act* (Ontario) (the "Act") effective January 1, 2008;

NOW THEREFORE BE IT RESOLVED that:

1. The amalgamation of the Corporation, Kraus of Canada Limited and the Holding Corporation under the Act pursuant to subsection 177(1) thereof, is approved;
2. The Corporation amalgamate with Kraus of Canada Limited and the Holding Corporation effective January 1, 2008;
3. Effective upon the issuance of a certificate of amalgamation pursuant to subsection 178(4) of the Act, all shares of the authorized capital of the Corporation and of Kraus of Canada Limited, including all shares which have been issued and are outstanding at the date hereof, shall be cancelled without any repayment of capital in respect thereof;
4. The articles of amalgamation of the amalgamated corporation shall be substantially the same as the articles of the Holding Corporation;
5. The by-laws of the amalgamated corporation shall be substantially in the form submitted to the directors of the Holding Corporation for approval;
6. No securities shall be issued and no assets shall be distributed by the amalgamated corporation in connection with the amalgamation; and
7. Any officer or director of the Corporation is authorized and directed to do all things and execute and deliver all instruments and documents necessary or desirable to carry out and give effect to the foregoing."

I hereby certify that the above is a true and complete copy of a resolution duly passed by the directors of 1029011 Ontario Inc. on January 1, 2008 and that the resolution remains in full force and effect unamended at the date hereof.

DATED this 1st day of January, 2008.



Harold Eckhardt – Chairman
1029011 Ontario Inc.

SCHEDULE B(3) OF ARTICLES OF AMALGAMATION

CERTIFIED COPY OF

RESOLUTION OF THE BOARD OF DIRECTORS

OF

KRAUS OF CANANDA LIMITED

(the "Corporation")

"AMALGAMATION

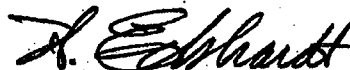
WHEREAS 1029011 Ontario Inc. and the Corporation are subsidiaries of and have agreed to amalgamate with Kraus Carpet Mills Limited (the "Holding Corporation") pursuant to subsection 177(1) of the *Business Corporations Act* (Ontario) (the "Act") effective January 1, 2008;

NOW THEREFORE BE IT RESOLVED that:

1. The amalgamation of the Corporation, 1029011 Ontario Inc. and the Holding Corporation under the Act pursuant to subsection 177(1) thereof, is approved;
2. The Corporation amalgamate with the Holding Corporation and 1029011 Ontario Inc. effective January 1, 2008;
3. Effective upon the issuance of a certificate of amalgamation pursuant to subsection 178(4) of the Act, all shares of the authorized capital of the Corporation and 1029011 Ontario Inc., including all shares which have been issued and are outstanding at the date hereof, shall be cancelled without any repayment of capital in respect thereof;
4. The articles of amalgamation of the amalgamated corporation shall be substantially the same as the articles of the Holding Corporation;
5. The by-laws of the amalgamated corporation shall be substantially in the form submitted to the directors of the Holding Corporation for approval;
6. No securities shall be issued and no assets shall be distributed by the amalgamated corporation in connection with the amalgamation;
7. Any officer or director of the Corporation is authorized and directed to do all things and execute and deliver all instruments and documents necessary or desirable to carry out and give effect to the foregoing; and
8. This resolution may be executed in several counterparts and by facsimile or electronic signatures, each of which so executed shall be deemed to be an original and such counterparts together shall constitute but one and the same instrument."

I hereby certify that the above is a true and complete copy of a resolution duly passed by the directors of Kraus of Canada Limited on January 1, 2008 and that the resolution remains in full force and effect unamended at the date hereof.

DATED the 1st day of January, 2008.



Harold Eckhardt - Vice President
Kraus of Canada Limited

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