

Form PTO-1595 (Rev. 07/03)
OMB No. 0651-0027 (exp. 8/30/2008)

Docket # 2980-1A

U.S. DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

RECORDATION FORM COVER SHEET PATENTS 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)

SAWQUIP INTERNATIONAL INC.

Additional name(s) of conveying party(ies) attached? ☐ Yes ☐ No

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

Execution Date(s) May 30, 2007

- ☐ Assignment ☐ Merger
☐ Security Agreement ☐ Change of Name
☐ Joint Research Agreement
☐ Government Interest Assignment
☐ Executive Order 9424, Confirmatory License
☒ Other ASSETS DISTRIBUTION AGREEMENT

2. Name and address of receiving party(ies)

Name: SAVICO LTEE

Internal Address:

Street Address: 780, Gilles-Villeneuve avenue

City: Berthierville, Joliette

State: Quebec

Country: CANADA Zip: J0K 1A0

Additional name(s) & address(es) attached? ☐ Yes ☒ No

4. Application or patent number(s):

A. Patent Application No (s)

☐ This document is being filed together with a new application.

B. Patent No.(s)

6,896,019 dated May 24, 2005

Additional numbers attached? ☐ Yes ☒ No

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

Name: CUSTOMER NUMBER: 23863

Internal Address

Street Address

City

State: Zip:

Phone Number

Fax Number

Email Address

6. Total number of applications and patents involved: 1

7. Total fee (37 CFR 1.21(h) & 3.41) \$ 40.00

- ☐ Authorized to be charged by credit card
☒ Authorized to be charged to deposit account
☐ Enclosed
☐ None required (government interest not affecting title)

8. Payment Information

a. Credit Card Last 4 Numbers
Expiration Date

b. Deposit Account Number 12 1110

Authorized User Name 43676 Ls Martineau

9. Signature:

Louis Martineau
Signature

November 16, 2007
Date

LOUIS MARTINEAU N° 43676
Name of Person Signing

Total number of pages including cover sheet, attachments, and documents: 11

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

CH \$40.00 121110 6896019

ASSETS DISTRIBUTION AGREEMENT entered into in the City of Berthierville judicial district of Joliette, Province of Quebec, Canada, J0K 1A0.

BETWEEN: SAWQUIP INTERNATIONAL INC., a company duly incorporated under the *Canada Business Corporation Act*, having its head office at 780 Gilles-Villeneuve avenue, in the City of Berthierville, judicial district of Joliette, Province of Quebec, J0K 1A0, represented by Georges C. Forest, its president, duly authorized for the purposes hereof as he so declares;

HEREINAFTER REFERRED TO AS THE "COMPANY";

AND: SAVICO LTÉE, a company duly incorporated under the *Companies Act* (Quebec), having its head office at 780 Gilles-Villeneuve avenue, in the City of Berthierville, judicial district of Joliette, Province of Quebec, J0K 1A0, represented by Georges C. Forest, its president, duly authorized for the purposes hereof as he so declares;

HEREINAFTER REFERRED TO AS THE "SHAREHOLDER";



HEREINAFTER COLLECTIVELY REFERRED TO AS THE "PARTIES".

RECITALS

THE PARTIES DECLARE AS FOLLOWS:

- (A) The COMPANY is wholly-owned by the SHAREHOLDER;
- (B) The COMPANY wishes to distribute all its assets and pay its liabilities in connection with its voluntary liquidation, for the purpose of its dissolution;
- (C) The SHAREHOLDER agrees, in consideration for the vesting in its favour of all the assets of the COMPANY, to take over and be liable for the payment of all the assets of the COMPANY;
- (D) The PARTIES wish to set out the terms of their agreement regarding such a purpose in writing.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

COMPAN	SHAREHOLDER
	
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0.00

INTERPRETATION

0.01

Definitions

The following capitalized terms or expressions shall have the meaning indicated below throughout the Agreement:

0.01.01

Agreement

means this agreement including its recitals and schedules, any related or ancillary agreement or document identified therein, as well as any amendment made thereto from time to time by the PARTIES in compliance with Section 7.04;

0.01.02

Assets

refers to the assets listed in Schedule 0.01.02

0.01.03

Legal Representatives

means, in respect of each Person who is, directly or pursuant to an authorized assignment, a PARTY to the Agreement, as the case may be, the executors or administrators of its estate, its legal heirs, legatees, devisees or successors and authorized assigns and its directors, officers, partners, members, employees, representatives or agents.

1.00

PURPOSE

1.01

Distribution of Assets

The COMPANY hereby irrevocably assigns, transfers and remits to the SHAREHOLDER, who accepts, receives and acquires them in the same manner, all its property, rights, privileges, title, interest and other assets (the "Assets"), wheresoever situate and in the state in which they are found, on the effective date and time of the voluntary liquidation of the COMPANY determined in Part 8.00 including, but without limiting the generality of the foregoing, all the movable and immovable, tangible and intangible property of the COMPANY as well as all the rights, privileges, title and interests of the COMPANY under all contracts to which it is a party or which were entered into on its behalf, it being understood that the COMPANY assigns, transfers and remits to the SHAREHOLDER in the same manner all revenue and assets it may, where applicable, acquire until its complete dissolution as well as all revenue and assets which it may earn by completing all such ongoing contracts and businesses. Where applicable, the SHAREHOLDER specifically agrees that such ongoing contracts and businesses be completed by the COMPANY or on its behalf before proceeding with its dissolution. The assets are more specifically, but without limitation, described in Schedule 0.01.02 hereof.

COMPAN	SHAREHOLDER
	
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1.02 Payment of Liabilities

In consideration for the irrevocable acceptance, receipt and acquisition of the assets and in order to allow the subsequent dissolution of the COMPANY, the SHAREHOLDER expressly and irrevocably agrees to assume and be liable for the payment of all the debts, obligations, undertakings and other liabilities of the COMPANY (the "Liabilities"), to the complete exoneration of the COMPANY, making all the Liabilities of the COMPANY its own. In addition, the SHAREHOLDER gives full, final and irrevocable release to the COMPANY of all the COMPANY's Liabilities toward the SHAREHOLDER.

1.03 State of Assets and Liabilities

The SHAREHOLDER declares that it has examined and is perfectly aware of the financial situation of the COMPANY as well as the current state of the Assets and Liabilities of the COMPANY and that it is satisfied therewith.

2.00**MUTUAL REPRESENTATIONS AND WARRANTIES**

To induce the other PARTIES to enter into the Agreement, each PARTY hereby represents and warrants the following:

2.01 Status

It is duly incorporated under the Laws of Quebec and Canada and is in compliance with all of the regulatory filing duties and obligations incumbent upon it under applicable Laws to maintain its good standing.

2.02 Authority

It has full right, power and authority to enter into the Agreement and to perform all of its duties and obligations hereunder and there are no contractual or legal restrictions prohibiting it from carrying out the Agreement.

2.03 Binding Agreement

The Agreement represents a legal, valid and binding agreement enforceable against it and authorized assigns unless such enforcement is limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other laws affecting creditors' rights generally.

2.04 Canadian Resident

COMPANY	SHAREHOLDER
<i>[Signature]</i>	<i>[Signature]</i>
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It is a resident of Canada as defined in the *Income Tax Act* (Canada), R.S.C. 1985, c.1. (1st supp.)

2.05 Canadian Status

It is not a non-Canadian within the meaning of the *Investment Canada Act*, R.S.C. 1985 c.28. (1st supp.)

2.06 Disclosure

The information provided by it to the other PARTIES prior to or simultaneously with the signing of the Agreement is true, accurate and complete; it has not failed to disclose any information about its legal and financial status or its Activities which would deter the other PARTIES, acting reasonably, from entering into the Agreement or which would vary the terms and conditions thereof.

3.00 REPRESENTATIONS AND WARRANTIES OF THE COMPANY

To induce the SHAREHOLDER to enter into the Agreement, the COMPANY represents and warrants the following:

3.01 Status



The COMPANY is a company duly incorporated under the Laws of Canada and is in compliance with all of the regulatory corporate filing duties and obligations incumbent upon it under applicable Laws to maintain its good standing.

3.02 Authority

The SHAREHOLDER has full right, power and authority to enter into the Agreement and to perform all of its duties and obligations hereunder and there are no contractual or legal restrictions prohibiting it from carrying out the Agreement.

3.03 Binding Agreement

The Agreement represents a legal, valid and binding Agreement enforceable against the COMPANY and its authorized assigns unless such enforcement is limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other Laws affecting creditors' rights generally.

COMPANY	SHAREHOLDER
	
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3.04 Disclosure

The COMPANY has not failed to disclose any information about its legal and financial status or its Activities which would deter the SHAREHOLDER, acting reasonably, from entering into the Agreement.

3.05 Title

The COMPANY is the sole and beneficial owner of the Assets under good, valid and merchantable title allowing it to dispose of them at its option, sell them, transfer them and deliver them to the SHAREHOLDER in accordance with the terms of this Contract, free and clear of any undertaking, right of first refusal, option, redemption right, right which could become a contract for the acquisition of assets or any other similar right; no person has a contract or holds an option or a right allowing it to purchase any of the Assets and there is no contract affecting the Assets in any manner whatsoever.

4.00**REPRESENTATIONS OF THE SHAREHOLDER**

To induce the COMPANY to enter into the Agreement, the SHAREHOLDER represents and warrants the following:

4.01 Status

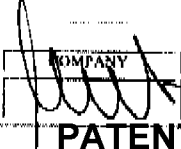
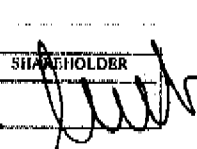
The SHAREHOLDER is a company duly incorporated under the laws of Quebec and is in compliance with all of the regulatory corporate filing duties and obligations incumbent upon it under applicable laws to maintain its good standing.

4.02 Authority

The SHAREHOLDER has full right, power and authority to enter into the Agreement and to perform all of its duties and obligations hereunder and there are no contractual or legal restrictions prohibiting it from carrying out the Agreement.

4.03 Binding Agreement

The Agreement represents a legal, valid and binding Agreement, enforceable against the SHAREHOLDER and its authorized assigns, unless such enforcement is limited by applicable bankruptcy, insolvency, reorganization, fraudulent conveyance, moratorium or other laws affecting creditors' rights generally.

COMPANY	SHAREHOLDER
	
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4.04 Disclosure

The SHAREHOLDER has not failed to disclose any information about its legal and financial status or its Activities which would deter the SHAREHOLDER, acting reasonably, from entering into the Agreement.

5.00 SUBSEQUENT COLLECTION BY THE COMPANY

Any property, right, privilege, title, interest and other asset received by the COMPANY after the effective date and time of the voluntary liquidation of the COMPANY determined in section 8.00 below relating to all rights, privileges, title, interests and other assets of the COMPANY existing prior to the said effective date and time shall be received and held by the COMPANY in trust on behalf of the SHAREHOLDER and as its mandatary. In such a case, the COMPANY hereby agrees to hand over to the SHAREHOLDER forthwith any such property, right, privilege, title, interest and other asset without notice or further formality.

6.00 SPECIAL DISPOSITIONS**6.01 Assignment****6.01.01 Prohibition**

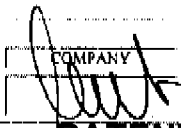

A PARTY may not assign or Encumber any of its rights, duties or obligations hereunder in favour of a Person without the prior written consent of the other PARTY.

6.01.02 Effect of Breach

Any assignment or Encumbrance of the rights, duties or obligations which does not comply with this Section shall be null and void as between the PARTIES, subject, however, to valid claims recognized by Law under such circumstances.

6.01.03 Exception

Notwithstanding the foregoing, a PARTY may, after giving notice to the other PARTY to such effect, assign all its rights, duties and obligations pursuant to the Agreement to a company which it shall at all times control, but the assigning PARTY shall continue to be liable towards the other PARTY for the full performance of its duties and obligations pursuant to the Agreement.

COMPANY	SHAREHOLDER
	
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6.02 Force Majeure**6.02.01 No Default**

A PARTY shall not be considered in default of its duties or obligations hereunder or liable for any damages or delay, if such default, damages or delay is the result of Force Majeure.

6.02.02 Duty

Should such a cause of delay occur, the PARTY unable to perform its obligations hereunder shall, whenever possible, take the necessary steps to put an end to such a cause of delay or, if unable to do so, to lessen the impact thereof on the other PARTY.

6.02.03 Rights of Other PARTY

The PARTY to whom the duty or obligation in respect of which a cause of delay has occurred is owed may, in its sole discretion, either terminate the Agreement or suspend it in whole or in part for the duration of the cause of delay.

6.03 Further Assurances

The PARTIES shall, with reasonable dispatch, upon receipt of a written and reasonable request to such effect, do all such things, sign any document and provide all such reasonable assurances as may be required to ensure the full performance of the Agreement.

6.04 Limitations on Actions

No legal action, regardless of form, arising from the Agreement, may be brought by any PARTY hereto more than THREE (3) years after the facts giving rise to the cause of action [became known to such PARTY] or [occurred, regardless of whether such facts are known to or reasonably ought to have been discovered by such PARTY by such time].

7.00 GENERAL DISPOSITION**7.01 Notices**

Except as otherwise provided in certain sections of the Agreement, any notice required herein shall be sufficient if it is in writing and sent by a means of communication enabling the sender to prove that the notice was in fact delivered to the recipient at the address set out herein for such PARTY or at any other address which such PARTY may provide in accordance with this Section.

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7.02 Choice of Venue

The PARTIES agree, in respect of any claim or legal proceedings for any purpose whatsoever, in connection with the Agreement, to elect the judicial district of Joliette, Province of Quebec, Canada, as the proper forum for the hearing of said claims or said legal proceedings to the exclusion of any other judicial district which may have jurisdiction to hear such dispute according to the appropriate laws.

7.03 Counterparts

The Agreement may be signed in several counterparts, each of which, when so signed, shall be deemed to be an original. Such counterparts shall, however, represent but one and the same document.

7.04 Amendment

The Agreement may be amended from time to time by mutual consent of the PARTIES. All amendments shall be set forth in writing and signed by each of the PARTIES to the Agreement. No variation or amendment so made shall be effective prior to the day of its recording in a written instrument duly signed by the PARTIES and attached to the Agreement.

7.05 Waiver of Rights

The silence, failure or delay by a PARTY in exercising any right hereunder shall under no circumstances be interpreted or construed as a waiver of such right by said PARTY and such right and any of the available remedies required to enforce it shall remain valid until such time as they contractually or legally expire.

7.06 Electronic Transmission

The PARTIES agree that the Agreement may be transmitted by facsimile, e-mail or similar forms of communication. The PARTIES also agree that signatures duplicated by facsimile, electronic signatures or similar authentication modes shall be treated as originals and each PARTY proceeding in such a manner undertakes to provide the other PARTY with a copy of the Agreement bearing its original signature forthwith, upon demand.

8.00**EFFECTIVE DATE**

The Agreement and the assignment referred to herein shall take effect between the PARTIES as of *May 30th, 2007*.

COMPANY	SHAREHOLDER
	
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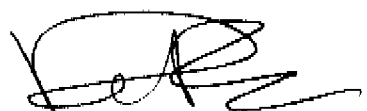
9.00

SCOPE

This Agreement shall be binding upon and ensure to the benefit of the PARTIES as well as their Legal Representatives.

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THE AGREEMENT IN THREE (3) COUNTERPARTS IN THE CITY OF BERTHIERVILLE, PROVINCE OF QUEBEC, THIS 30TH DAY OF MAY 2007.

IN THE PRESENCE OF:



Witness



Witness

COMPANY

Per:


GEORGES C. FOREST**SHAREHOLDER**

Per:


GEORGES C. FOREST

COMPANY	SHAREHOLDER

PATENT**REEL: 020134 FRAME: 0236**

SCHEDULE 0.01.02 - LIST OF DISTRIBUTED ASSETS

- UNITED STATES PATENT: APPLIANCE NO 10/426,868 FILED: MAY 1ST, 2003
 - Log positioning and convening apparatus
- CANADA PATENT: APPLIANCE NO 2,426,378 FILED APRIL 30, 2003
 - Log positioning and convening apparatus
- CANADA PATENT CA 2111893: chipping canter
- CASH
- RECEIVABLES
- DEPOSITS
- PREPAID EXPENSES
- STOCK
- EQUIPMENT
- CUSTOMERS

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