

PATENT ASSIGNMENT

Electronic Version v1.1
Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
Nelson Environmental Inc.	12/20/2010
RECEIVING PARTY DATA	
Name:	Naturally Wallace, LLC
Street Address:	4276 Greenhaven Court
City:	Vadnais Heights
State/Country:	MINNESOTA
Postal Code:	55127
PROPERTY NUMBERS Total: 3	
Property Type	Number
Patent Number:	6200469
Patent Number:	6406627
Patent Number:	6652743
CORRESPONDENCE DATA	
Fax Number:	(204)944-2593
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Email:	kdesjardine@tappercuddy.com
Correspondent Name:	Kelsey L. Desjardine
Address Line 1:	1000-330 St. Mary Avenue
Address Line 4:	Winnipeg, CANADA R3C 3Z5
NAME OF SUBMITTER:	Kelsey L. Desjardine
Total Attachments: 5 source=Confirmatory Patent Security Agreement - Executed B and W#page1.tif source=Confirmatory Patent Security Agreement - Executed B and W#page2.tif source=Confirmatory Patent Security Agreement - Executed B and W#page3.tif source=Confirmatory Patent Security Agreement - Executed B and W#page4.tif source=Confirmatory Patent Security Agreement - Executed B and W#page5.tif	

PATENT

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REEL: 025576 FRAME: 0859

OP \$120.00 6200469

CONFIRMATORY PATENT SECURITY AGREEMENT

This CONFIRMATORY PATENT SECURITY AGREEMENT ("Agreement") is made effective as of 1st day of January, 2011, by and between Nelson Environmental, Inc., a Canadian corporation, having its principal office at 94 Durand Road, Winnipeg, MB Canada R2J 3T2 ("Grantor"), and Naturally Wallace, LLC, a Minnesota limited liability company, having its principal office at 4276 Greenhaven Court, Vadnais Heights, Minnesota 55127 ("Grantee").

WHEREAS, Grantor has purchased the patents listed on the attached Schedule A (collectively the "Patents") from the Grantee pursuant to that certain Option Agreement (the "Option Agreement") dated effective as of December 9, 2010 and in conjunction therewith executed that certain Promissory Note dated of even date herewith, as the same may be amended, restated or otherwise modified from time to time (together with any and all amendments, modifications, restatements, substitutions or extensions thereof or thereto, collectively referred to herein as the "Note") and that certain Addendum to Option Agreement dated effective as of December 9, 2010 (the "Addendum");

WHEREAS, under a Security Agreement dated the date hereof ("Security Agreement") between Grantor and Grantee, Grantor has granted to Grantee a security interest in certain of its assets (including the Patents) to secure the performance of the obligations of Grantor under the the Note and the Addendum; and

WHEREAS, Grantor and Grantee by this instrument seek to confirm and make a record of the grant of a security interest in the Patents.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Grantor does hereby acknowledge that it has granted to Grantee a security interest in all of Grantor's right, title and interest in, to, and under the Patents. Grantor also acknowledges and confirms that the rights and remedies of Grantee with respect to the security interests in the Patents granted hereby are more fully set forth in the Note, the Addendum and the Security Agreement, the terms and provisions of which are incorporated herein by reference.

NELSON ENVIRONMENTAL, INC.

NATURALLY WALLACE, LLC

By: _____

By:  _____

Name: _____

Name: Scott Wallace

Title: _____

Title: President

STATE OF _____)

)

COUNTY OF _____)

On this _____ day of _____, 201_ before me personally appeared _____, to me known and known to me to be the person described in and who executed the foregoing instrument, and he/she duly acknowledged to me that he/she executed the same for the uses and purposes therein set forth.

[SEAL]

Notary Public

STATE OF Minnesota)

)

COUNTY OF Ramsey)

Scott Wallace On this 20 day of December, 2010 before me personally appeared _____, to me known and known to me to be the person described in and who executed the foregoing instrument, and he/she duly acknowledged to me that he/she executed the same for the uses and purposes therein set forth.

[SEAL]


Notary Public

CONFIRMATORY PATENT SECURITY AGREEMENT

This CONFIRMATORY PATENT SECURITY AGREEMENT ("Agreement") is made effective as of 1st day of January, 2011, by and between Nelson Environmental, Inc., a Canadian corporation, having its principal office at 94 Durand Road, Winnipeg, MB Canada R2J 3T2 ("Grantor"), and Naturally Wallace, LLC, a Minnesota limited liability company, having its principal office at 4276 Greenhaven Court, Vadnais Heights, Minnesota 55127 ("Grantee").

WHEREAS, Grantor has purchased the patents listed on the attached Schedule A (collectively the "Patents") from the Grantee pursuant to that certain Option Agreement (the "Option Agreement") dated effective as of December 9, 2010 and in conjunction therewith executed that certain Promissory Note dated of even date herewith, as the same may be amended, restated or otherwise modified from time to time (together with any and all amendments, modifications, restatements, substitutions or extensions thereof or thereto, collectively referred to herein as the "Note") and that certain Addendum to Option Agreement dated effective as of December 9, 2010 (the "Addendum");

WHEREAS, under a Security Agreement dated the date hereof ("Security Agreement") between Grantor and Grantee, Grantor has granted to Grantee a security interest in certain of its assets (including the Patents) to secure the performance of the obligations of Grantor under the the Note and the Addendum; and

WHEREAS, Grantor and Grantee by this instrument seek to confirm and make a record of the grant of a security interest in the Patents.

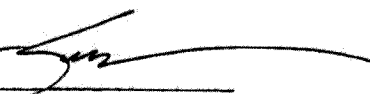
NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Grantor does hereby acknowledge that it has granted to Grantee a security interest in all of Grantor's right, title and interest in, to, and under the Patents. Grantor also acknowledges and confirms that the rights and remedies of Grantee with respect to the security interests in the Patents granted hereby are more fully set forth in the Note, the Addendum and the Security Agreement, the terms and provisions of which are incorporated herein by reference.

NELSON ENVIRONMENTAL, INC.

By: 

Name: MARTIN HILDEBRAND
Title: PRESIDENT

NATURALLY WALLACE, LLC

By: 

Name: Scott Wallace
Title: President

PROVINCE

STATE OF MANITOBA)

COUNTY OF CANADA)

On this 8th day of DECEMBER, 2010 before me personally appeared MARTIN HILDEBRAND, to me known and known to me to be the person described in and who executed the foregoing instrument, and he/she duly acknowledged to me that he/she executed the same for the uses and purposes therein set forth. ON BEHALF OF NELSON ENVIRONMENTAL F.N.C.

[SEAL]



Notary Public

DANIEL J. SHERBO
A NOTARY PUBLIC
FOR THE PROVINCE OF MANITOBA
1000 - 330 ST. MARY AVENUE
WINNIPEG, MANITOBA R3C 3Z1

STATE OF _____)

COUNTY OF _____)

On this _____ day of _____, 201_ before me personally appeared _____, to me known and known to me to be the person described in and who executed the foregoing instrument, and he/she duly acknowledged to me that he/she executed the same for the uses and purposes therein set forth.

[SEAL]

Notary Public

SCHEDULE A

Patent No. -----	Title -----	Issue Date -----
US 6,200,469	System for removing pollutants from water	March 13, 2001
US 6,406,627	Method for removing pollutants from water	June 18, 2002
US 6,652,743	System and method for removing pollutants from water	November 25, 2003
CA 2,372,331	System and method for removing pollutants from water	January 4, 2005