

PATENT ASSIGNMENT COVER SHEET

Electronic Version v1.1
 Stylesheet Version v1.2

EPAS ID: PAT5699018

SUBMISSION TYPE:	NEW ASSIGNMENT	
NATURE OF CONVEYANCE:	NOTICE OF DEFAULT OF SECURITY AGREEMENT	
CONVEYING PARTY DATA		
	Name	Execution Date
	DAIRYVATIVE TECHNOLOGIES, INC.	08/10/2019
RECEIVING PARTY DATA		
Name:	DAVID F. PAOLELLA	
Street Address:	93 LAKESHORE	
City:	WAYLAND	
State/Country:	MASSACHUSETTS	
Postal Code:	01778	
PROPERTY NUMBERS Total: 1		
	Property Type	Number
	Application Number:	14513069
CORRESPONDENCE DATA		
Fax Number:	(617)350-6878	
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>		
Phone:	617-350-6800	
Email:	fay.guarino@gesmer.com	
Correspondent Name:	GESMER UPDEGROVE LLP	
Address Line 1:	40 BROAD STREET	
Address Line 4:	BOSTON, MASSACHUSETTS 02109	
NAME OF SUBMITTER:	FAY GUARINO	
SIGNATURE:	/Fay Guarino/	
DATE SIGNED:	09/03/2019	
Total Attachments: 8		
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DAVID F. PAOLELLA
93 Lakeshore
Wayland, Massachusetts 01778

**NOTIFICATION OF PROPOSAL TO ACCEPT COLLATERAL
IN STRICT FORECLOSURE**

August 10, 2019

Dairyvative Technologies, Inc.
N4311 Lakewood Circle
Markesan, Wisconsin 53946

Re: Debtor: Dairyvative Technologies, Inc. ("Debtor")
Secured Party: David F. Paoella ("Secured Party")
Collateral: All collateral set forth in Exhibit A, attached hereto and incorporated herein
by reference ("Collateral")

To: Dairyvative Technologies, Inc.

The Debtor is in default under that certain (i) Loan and Security Agreement, dated December 18, 2018, ("Loan Agreement"), by and between the Debtor and Secured Party, (ii) Settlement Agreement, dated January 2, 2019 ("Settlement Agreement"), by and between the Debtor and Secured Party, (iii) Security Agreement, dated January 2, 2019, ("Security Agreement"), by and between the Debtor and Secured Party, (iv) the UCC-1/Financing Statement, dated December 19, 2018, filed with the Delaware Secretary of State, Filing Number 20188819068 ("First Financing Statement"), and (v) the UCC-1/Financing Statement, dated January 2, 2019, filed with the Delaware Secretary of State, Filing Number 20190021662 ("Second Financing Statement"), and together with the Loan Agreement, Settlement Agreement, Security Agreement and First Financing Statement, collectively the "Loan Documents").

Pursuant to the Loan Documents the Debtor granted the Secured Party security interests on all of the Collateral (collectively the "Security Interest"). The outstanding principal balance due from the Debtor to the Secured Party, as of the date hereof, and secured by the Security Interest on the Collateral is Three Hundred and Twelve Thousand, Five Hundred and One Dollars and 54/100 (\$312,501.54), together with accrued and unpaid interest, default interest, fees, legal fees, costs of collection and other expenses chargeable to the Debtor (collectively the "Obligations").

Pursuant to Del. Code Title 6, §§9-620 through 9-622 (2018), the Secured Party has proposed to accept the Collateral in satisfaction of the Obligations.

If you have any objection to the Secured Party's proposal to accept the Collateral in satisfaction of the Obligations, the Secured Party must receive from the Debtor an authenticated notification of its objection within twenty (20) days from the date of this letter. If the Secured Party does not receive an authenticated notification of objection within that time period, the Debtor

will have no further right to object to the Secured Party accepting the Collateral in satisfaction of the Obligations, as described in this Letter.

SECURED PARTY



David F. Paorella

EXHIBIT A

(Collateral)

All personal property of Dairyvative Technologies, Inc. (herein referred to as “Dairyvative” or “Debtor”) whether presently existing or hereafter created or acquired, and wherever located, including, but not limited to:

(a) all accounts (including health-care-insurance receivables), chattel paper (including tangible and electronic chattel paper), deposit accounts, documents (including negotiable documents), equipment (including all accessions and additions thereto), machinery (including all accessions and additions thereto), general intangibles (including payment intangibles and software), goods (including fixtures), instruments (including promissory notes), inventory (including all goods held for sale or lease or to be furnished under a contract of service, and including returns and reposessions), investment property (including securities and securities entitlements), letter of credit rights, money, and all of Debtor’s books and records with respect to any of the foregoing, and the computers and equipment containing said books and records;

(b) any and all cash proceeds and/or noncash proceeds of any of the foregoing, including, without limitation, insurance proceeds, and all supporting obligations and the security therefor or for any right to payment. All terms above have the meanings given to them in the Delaware Uniform Commercial Code, as amended or supplemented from time to time;

(c) any and all any copyrights, patents, trademarks, service marks and applications therefor, now owned or hereafter acquired, or any claims for damages by way of any past, present and future infringement of any of the foregoing, and all accounts and general intangibles that consist of rights to payment and proceeds from the sale, licensing or disposition of all or any part, or rights in, the foregoing.

Patents

INVENTOR	ASSIGNEE	PATENT NO.	DATE ISSUED	DESCRIPTION
Charles E. Sizer	Dairyvative Technologies, LLC	7,481,974	1/27/09	Method/Apparatus to Sterilize Containers
Charles E. Sizer	Dairyvative Technologies, LLC	9,265,269	2/23/16	Method to Make Shelf Stable Milk Concentrate

(continued on the following page)

Charles E.Sizer	Dairyvative Technologies, LLC	App. No. 12/488,591	12/24/09	Process to Make Shelf Stable Milk Concentrate
Charles E.Sizer	Dairyvative Technologies, LLC	App. No. 15/264,538	1/5/17	Process to Make Shelf Stable Milk Concentrate
Charles E.Sizer	Dairyvative Technologies, LLC	App. No. 15/507,862	10/12/17	Gas Infused Milk Product, Method to Make Same

Trademarks

<u>Owner</u>	<u>Number</u>	<u>Date Filed</u>	<u>Registration Date</u>	<u>Trademark</u>
Dairyvative Technologies, LLC	4,976,373	May 13, 205	June 14, 2015	DAIRYVATIVE

DAVID M. PAOLELLA
93 Lakeshore
Wayland, Massachusetts 01778

July 29, 2019

Via Telefacsimile, Email and First Class Mail

Mr. Bengt Sjogren
Chairman of the Board
Dairyvative Technologies, Inc.
141 Old Country Road
Lincoln, Massachusetts 01773

Re: Notice of Default, Acceleration of Amounts Due and Demand for Turnover of All Collateral

Dear Mr. Sjogren:

Reference is made to that certain Settlement Agreement, dated January 2, 2019 (the "Settlement Agreement"), by and between Dairyvative Technologies, Inc. (the "Company") and me, David M. Paoella (the "Mr. Paoella"), and that certain Security Agreement, dated January 2, 2019, (the "Security Agreement"), by and between the Company and Mr. Paoella. All terms not defined herein shall have the same definition attributed to such terms in the Security Agreement.

The Company has failed to pay amounts due Mr. Paoella under the Settlement Agreement and the Security Agreement, including without limitation the payment of \$303,192.52, calculated through July 16, 2019.

The Company's failure to pay any amount to Mr. Paoella constitutes a default under the Settlement Agreement, as well as an Event of Default under the Security Agreement.

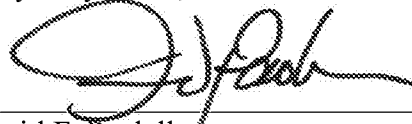
Based upon the Company's default under the Settlement Agreement and Event of Default under the Security Agreement all amounts due, including without limitation the Settlement Amount, all accrued and unpaid interest, all accrued and unpaid default interest, all late charges, all fees, and all costs of collection (including attorney's fees), are immediately due and payable in full.

Pursuant to the Settlement Agreement, the Security Agreement, and Mass. Gen. Laws. ch 106, § 9-101 et seq., the Company is directed to assemble all of the Collateral, and turn it over to Mr. Paoella on or before August 8, 2019, at 5:00 p.m. (CST) at 141 Old Country Road, Lincoln, Massachusetts. If the Collateral is not timely turned over, Mr. Paoella shall exercise its rights under the Settlement Agreement, the Security Agreement and applicable law, including without limitation entering the Company's premises and seizing the Collateral.

Mr. Paoella reserves all of its rights under the Security Agreement and applicable law, including without limitation the right to foreclose its liens on the Collateral, sell the Collateral at a public sale and/or private sale, or retain some or all of the Collateral in full or partial satisfaction of amounts due under the Settlement Agreement, Security Agreement and all documents related to the Settlement Agreement and Security Agreement.

Nothing herein waives, releases or modifies any right, lien, security interest or encumbrance held and/or owned by Mr. Paoella, or Mr. Paoella's rights under the Settlement Agreement, Security Agreement, the other documents and agreements related to the Settlement Agreement and Security Agreement, and applicable law.

Very truly yours,



David F. Paoella

cc: Mrs. Collette Sizer, Secretary of the Corporation (via telefacsimile, email and first class mail)
Sean W. Gilligan, Esq. (via email)

DAVID M. PAOLELLA
93 Lakeshore
Wayland, Massachusetts 01778

July 29, 2019

Via Telefacsimile, Email and First Class Mail

Mr. Bengt Sjogren
Chairman of the Board
Dairyvative Technologies, Inc.
141 Old Country Road
Lincoln, Massachusetts 01773

Re: Notice of Default, Acceleration of Amounts Due and Demand for Turnover of All Collateral

Dear Mr. Sjogren:

Reference is made to that certain Loan and Security Agreement, dated December 18, 2018, (the "Loan Agreement") by and between Dairyvative Technologies, Inc. as borrower (the "Borrower") and me, David M. Paoella as lender (the "Lender"). All terms not defined herein shall have the same definition attributed to such terms in the Loan Agreement.

Borrower has failed to timely pay amounts due the Lender under the Loan Agreement, including without limitation the payment of \$19,038.60 due on the Maturity Date, January 31, 2019.

Under Section 5.1 of the Loan Agreement Borrower's failure to pay any amount to the Lender constitutes an Event of Default.

Based upon the Borrower's default under the Loan Agreement, all amounts due under the Loan Documents, including without limitation the Principal Balance, all accrued and unpaid interest, all accrued and unpaid default interest, all late charges, all fees, and all costs of collection (including attorney's fees), are immediately due and payable in full.

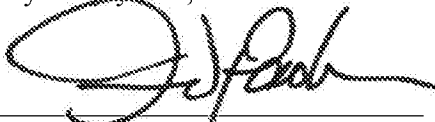
Pursuant to the Loan Documents, and Mass. Gen. Laws. ch. 106, § 9-101 et seq., the Borrower is directed to assemble all of the Collateral, and turn it over to the Lender on or before August 8, 2019, at 5:00 p.m. (CST) at 141 Old Country Road, Lincoln, Massachusetts 01773. If the Collateral is not timely turned over, the Lender shall exercise its rights under the Loan Agreement and applicable law, including without limitation entering the Borrower's premises and seizing the Collateral.

The Lender reserves all of its rights under the Loan Agreement and applicable law, including without limitation the right to foreclose its liens on the Collateral, sell the Collateral at

a public sale and/or private sale, or retain some or all of the Collateral in full or partial satisfaction of amounts due under the Loan Documents.

Nothing herein waives, releases or modifies any right, lien, security interest or encumbrance held and/or owned by the Lender, or the Lender's rights under the Loan Agreement, the other Loan Documents and applicable law.

Very truly yours,



David F. Paoella

cc: Mrs. Collette Sizer, Secretary of the Corporation (via telefacsimile, email and first class mail)
Sean W. Gilligan, Esq. (via email)