

02-22-2002



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Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings

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

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

1. Name of conveying party(ies): Omega Sewmac Inc. 1-31-02 Individual(s) Association General Partnership Limited Partnership Corporation-State Canada Other Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies) Name: Bank of Montreal Internal Address: Attn: Mario Tranquille Street Address: 1205 Ste-Catherine Street West City: Montreal, Quebec State: CAN Zip: H3B 1K7 Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Other body corporate If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance: Assignment Merger Security Agreement Change of Name Other Execution Date: 1/17/02

4. Application number(s) or registration number(s): A. Trademark Application No.(s) See attached Exhibit A B. Trademark Registration No.(s) See attached Exhibit A Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Sharon Patterson Internal Address: Goldberg Kohn et al Street Address: 55 E. Monroe Street, Ste. 3700 City: Chicago State: IL Zip: 60603

6. Total number of applications and registrations involved: 21 7. Total fee (37 CFR 3.41): \$ 540.00 Enclosed Authorized to be charged to deposit account 8. Deposit account number:

DO NOT USE THIS SPACE

9. Signature: Sharon S. Patterson Name of Person Signing Sharon A. Patterson Signature 1/30/02 Date

Total number of pages including cover sheet, attachments, and document: 13

02/21/2002 6TOM11 00000049 2383821

FC:481 40.00 DP OR FC:482 500.00 DP

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

TRADEMARK REEL: 002447 FRAME: 0424

EXHIBIT A

TRADEMARKS

Trademark	Registration No.
BRAVETTI	2,383,821
EURO-PRO	1,906,387
EURO-PRO	2,053,143
EURO-PRO	2,373,148
EURO-PRO	2,390,249
EURO-PRO BY MERKSOHN	2,373,159
EURO-PRO IRONING SOLUTION	1,899,467
IRONING SOLUTION	1,896,709
MERKSOHN	2,373,195
OMEGA	1,896,708

TRADEMARK APPLICATIONS

MARK	APPLICATION NO.
BRAVETTI	76-013364
BRAVETTI	76-221679
EURO-PRO	76-001656
EURO-PRO	76-221680
EURO-PRO CLAD	76-283188
EURO-PRO KITCHEN	75-169138
EURO-PRO KITCHEN ELECTRICS	75-154534
EUROPA	75-618183
GRAND CHEF	75-257645
MERKSOHN EURO-PRO FOR THE WAY YOU LIVE	75-365341
OMEGA	76-114088

TRADEMARK SECURITY AGREEMENT

Montreal, Quebec

THIS TRADEMARK SECURITY AGREEMENT ("**Trademark Security Agreement**") is made and entered into as of the 17th day of January, 2002 between OMEGA SEWMAC INC., a Canada corporation ("**Guarantor**"), having a mailing address at 800 Square Victoria, Suite 4700, Montreal, Quebec, Canada H4Z 1H6, Attention: Aviva Rosenzweig, and BANK OF MONTREAL, a body corporate ("**Lender**"), having a mailing address at 1205 Ste-Catherine Street West, Montreal, Quebec, Canada H3B 1K7, Attention: Mario Tranquille.

BACKGROUND. Lender has agreed to provide in favour of EURO-PRO CORPORATION (the "**Borrower**") a demand credit facility in the amount of four million five hundred thousand Canadian dollars (Cdn\$4,500,000) (the "**Loan**"), and as evidence of the Loan, Lender has issued in favour of Lender a promissory note dated January 17, 2002 in the amount of four million five hundred thousand Canadian dollars (Cdn\$4,500,000), plus interest (the "**Note**") (the Loan, the Note and all present and future obligations, liabilities and indebtedness of Borrower towards Lender collectively, the "**Obligations of Borrower**"). Guarantor has agreed to guarantee the Obligations of Borrower pursuant to a guarantee dated November 23, 2001 by Guarantor in favour of Lender in an amount of one million five hundred thousand Canadian dollars (Cdn\$1,500,000) (the "**Guarantee**"; all obligations, liabilities and indebtedness of the Guarantor pursuant to the Guarantee and under this Agreement are hereinafter called the "**Obligations**"). For greater certainty, the Guarantor declares that any and all future value which Lender may in its discretion make or extend to or for the account of the Borrower and guaranteed by the Guarantee shall be secured by this Agreement.

NOW, THEREFORE, in consideration of the premises, Guarantor hereby agrees with the Lender as follows:

1. To secure the complete and timely satisfaction of all Obligations, Guarantor hereby grants, assigns and conveys to the Lender a continuing security interest with respect to the entire right, title and interest in and to all present and future trademarks of Guarantor, now owned or hereafter acquired by Guarantor, including without limitation all trademark applications and trademarks listed in Schedule A hereto (as the same may be amended pursuant hereto from time to time), including without limitation all renewals thereof, all proceeds of infringement suits, the right to sue for past, present and future infringements and all rights corresponding thereto throughout the world (all of the foregoing are collectively called the "**Trademarks**"), and the good will of the business to which each of the Trademarks relates. Notwithstanding the foregoing provisions of this Section 1, the Lender acquires no security interest or other rights in the United States for any Trademark that is the subject of an intent-to-use application before the U.S. Patent and Trademark office until such time as a verified amendment to allege use or statement of use is filed for such application or the Lender arranges for an assignment of such Trademarks from the Lender to a purchaser that would satisfy the requirements of Section 9 of the Lanham Act, 15 U.S.C. Section 1060. Guarantor at its expense shall execute and deliver, or cause to be executed and delivered, to Lender any and all further documents and instruments, in form and substance reasonably satisfactory to Lender, and

take any and all actions, which Lender may reasonably request from time to time, to perfect and continue perfected, maintain the priority of or provide notice of Lender's security interest in the Trademarks and to accomplish the purposes of this Trademark Security Agreement.

2. In addition to the abovementioned assignment, Guarantor hereby grants to Lender, as security for the Obligations, a first ranking movable hypothec under the *Civil Code of Québec* in the principal amount of five million four hundred thousand Canadian dollars (Cdn\$5,400,000) with interest thereon at the rate of twenty percent (20%) per annum affecting the universality of all present and future rights, title and interest Guarantor may hold, now or in the future, in the Trademarks. If, for the purpose of obtaining a judgment in any court, it is necessary to convert the sum due to the Lender in any currency into Canadian currency, Guarantor and Lender agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which, in accordance with normal banking procedure, such Lender could purchase the original currency with the Canadian currency on the business day preceding the day on which final judgment is given or if permitted by applicable law, on the day on which the judgment is paid or satisfied.
3. Guarantor covenants and warrants that:
 - (a) The Trademarks are subsisting and have not been adjudged invalid or unenforceable;
 - (b) To the best of Guarantor's knowledge, each of the Trademarks is valid and enforceable;
 - (c) No written claim has been made to Guarantor that the use of any of the Trademarks violates or may violate the rights of any third person;
 - (d) Guarantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, free and clear of any liens, charges and encumbrances, including without limitation pledges, assignments, licenses, registered user agreements and covenants by Guarantor not to sue third persons unless Guarantor has entered into a commercially reasonable arrangement for co-existence of potentially conflicting marks;
 - (e) Guarantor has marked with an asterisk each U.S. intent-to-use trademark application listed on Schedule A for which a verified amendment to allege use or statement of use has not been filed;
 - (f) Guarantor has the unqualified right to enter into this Trademark Security Agreement and perform its terms;
 - (g) Guarantor has not used, and will not use for the duration of this Trademark Security Agreement, improper statutory notice in connection with its use of the Trademarks; and

- (h) Guarantor has used, and will continue to use for the duration of this Trademark Security Agreement, commercially reasonable standards of quality in its manufacture of products sold under the Trademarks.
4. Guarantor hereby grants to the Lender and its employees and agents the right to visit Guarantor's plants and facilities which manufacture, inspect or store products sold under any of the Trademarks, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours. Guarantor shall do any and all acts reasonably required by Lender to ensure Guarantor's compliance with Section 2(h).
 5. Guarantor agrees not to sell, assign its interest in or grant any sublicense in any of the Trademarks without the prior written consent of Lender.
 6. Guarantor agrees that, until all of the Obligations shall have been satisfied in full and all credit facilities provided by Lender in favour of Borrower have been terminated, it will not enter into any agreement (for example, an exclusive license agreement) which is inconsistent with Guarantor's obligations under this Trademark Security Agreement, without the Lender's prior written consent, which consent shall not be unreasonably withheld or delayed. Guarantor may grant non-exclusive licenses of the Trademarks (subject to the security interest of Lender therein) in the ordinary course of business consistent with past practice. Guarantor shall ensure that Lender, or any third party to which Lender may transfer the Trademarks pursuant to the terms of this Trademark Security Agreement, may be substituted under such licenses as the licensor following and during the continuation of an Event of Default (as hereinafter defined).
 7. If, before the Obligations shall have been satisfied in full and all credit facilities provided by Lender in favour of Borrower have been terminated, Guarantor shall obtain rights to any new registered trademarks or applications for the registrations of any new trademark, the provisions of Section 1 shall automatically apply thereto and Guarantor shall give the Lender prompt written notice thereof.
 8. Guarantor authorizes the Lender to modify this Trademark Security Agreement by amending Schedule A to include any future trademarks and trademark applications covered by Section 1 and Section 2 hereof.
 9. Guarantor will be in default under this Trademark Security Agreement in each of the following cases (an "**Event of Default**"):
 - (a) if any of the Obligations is not paid when due; or
 - (b) if any of the representations or warranties made in this Trademark Security Agreement or in any other declaration or certificate by Guarantor delivered to Lender is untrue or incorrect in a material respect; or
 - (c) if Guarantor does not perform or observe any of its covenants or undertakings contained in this Trademark Security Agreement or any obligation of Guarantor required by law; or

- (d) if Guarantor is in default under the Guarantee or any other agreement, undertaking or evidence of indebtedness in favour of Lender, or under any other hypothec or security interest affecting the Trademarks; or
 - (e) if Guarantor ceases to carry on its enterprise, or gives a notice of intention to make a proposal to or makes a proposal to its creditors or makes an assignment for the benefit of its creditors, or becomes insolvent or bankrupt or if any action is commenced or notice given with a view to rendering or declaring Guarantor insolvent or bankrupt; or
 - (f) if any action is taken or notice given by or against Guarantor with a view to the winding up, liquidation, reorganization or relief or protection from creditors of Guarantor; or Guarantor amalgamates with any other person; or
 - (g) if any creditor of Guarantor commences any action or gives any notice with a view to exercising any rights or remedies on or with respect to the Trademarks, including by way of seizure, prior notice, notice of crystallization, taking possession or otherwise, or if a sequestrator is appointed; or
 - (h) if any guarantor of the Obligations, or any part thereof, dies (if an individual) or is dissolved or wound-up (if a corporation) or gives notice to Lender of the termination of a guarantee, or if a default occurs under any other security interest or hypothec in favour of Lender securing all or any part of the Obligations.
10. In the event Lender elects to realize on the Trademarks following an Event of Default, the Lender grants to Guarantor the exclusive, nontransferable right, and license to use the Trademarks on and in connection with products sold by Guarantor, for Guarantor's own benefit and account and for none other which license shall be terminable immediately upon written notice to Guarantor, as set forth in Section 11. Guarantor agrees not to sell or assign its interest in, or grant any sublicense under, the license granted to Guarantor in this Section 11, without the prior written consent of Lender.
11. If any Event of Default shall have occurred and be continuing, Lender shall have the right to terminate Guarantor's license under the Trademarks, as set forth in Section 10, upon giving notice to Guarantor, and following such license termination, the Lender shall have, in addition to all other rights and remedies given it by this Trademark Security Agreement, those allowed by law and the rights and remedies of a secured party under the *Personal Property Security Act* (Ontario), the *Uniform Commercial Code* as enacted in any jurisdiction in which the Trademarks may be located or any other applicable personal property jurisdiction, and, without limiting the generality of the foregoing, the Lender may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to Guarantor, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, in the City of Toronto, Province of Ontario, Canada, or elsewhere, all or from time to time any of the Trademarks, or any interest which the Guarantor may have therein, and after deducting from the proceeds of sale or other disposition of the Trademarks all expenses (including all reasonable expenses for

broker's fees and legal services), shall apply the residue of such proceeds after payment of the Obligations. Any remainder of the proceeds after payment in full of the Obligations and payment of any other amounts required by law shall be paid over to Guarantor. Notice of any sale or other disposition of the Trademarks shall be given to Guarantor at least fifteen (15) days before the time of any intended public or private sale or other disposition of the Trademarks is to be made, which Guarantor hereby agrees shall be reasonable notice of such sale or other disposition, and during which time Guarantor may cure such Event of Default, in which event Lender's rights to dispose of the Trademarks because of such Event of Default shall terminate. At any such sale or other disposition, Lender may, to the extent permissible under applicable law, purchase the whole or any part of the Trademarks sold, free from any right of redemption on the part of Guarantor, which right is hereby waived and released. In addition to the foregoing, upon the occurrence of an Event of Default, (i) Lender shall be entitled to use the Trademarks on a worldwide or other basis, and without any liability for royalties or other related charges from Lender to the Guarantor, (ii) Lender shall also have the right, but shall in now way be obligated, to bring suit in its own name to enforce the Trademarks and, if Lender shall commence any such suit, the Guarantor shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents required by Lender in aid of such enforcement and the Guarantor shall promptly, upon demand, reimburse and indemnify Lender for all costs and expenses incurred by Lender in the exercise of its rights under this Section 11, and (iii) Guarantor agrees that Lender, or a conservator appointed by Lender, shall have the right to establish such additional product quality controls as Lender, or said conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Guarantor under the Trademarks.

12. At such time as Guarantor shall completely satisfy all of the Obligations and all credit facilities provided by Lender in favour of Borrower have been terminated and upon Borrower's request, this Trademark Security Agreement shall terminate and the Lender shall execute and deliver to Guarantor all deeds, assignments and other instruments as may be necessary or proper to re-vest in Guarantor full title to the Trademarks, subject to any disposition thereof which may have been made by Lender pursuant hereto.
13. Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorney's fees and legal expenses incurred by Lender in connection with the preparation of this Trademark Security Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks, shall be borne and paid by Guarantor on demand by the Lender and if not so paid shall be added to the principal amount of the Obligations and shall bear interest at the rate effective under the Note. The legal fees related to the execution and publication of or in respect of this Trademark Security Agreement, of the movable hypothec and of the other trademark security agreement shall be of fifteen thousand Canadian dollars (Cdn\$15,000), plus all disbursements and applicable taxes.

14. Guarantor shall have the duty, through counsel reasonably acceptable to the Lender, to prosecute diligently any trademark applications of the Trademarks pending as of the date of this Trademark Security Agreement or thereafter, which Guarantor reasonably determines are necessary or desirable for the conduct of business, until the Obligations shall have been paid in full and all credit facilities provided by Lender in favour of Borrower have been terminated, to file and prosecute opposition and cancellation proceedings and to do any and all acts which in Guarantor's reasonable determination are necessary or desirable to preserve and maintain all rights in the Trademarks. Any expenses incurred in connection with the Trademarks shall be borne by Guarantor. Guarantor shall not abandon any material Trademark without the consent of the Lender, which consent shall not be unreasonably withheld, but in all instances Guarantor shall give the Lender not less than ten (10) days prior written notice of its intent to abandon any Trademark.
15. Guarantor shall have the right, with the prior written consent of the Lender, which will not be unreasonably withheld or delayed, to bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect the Trademarks, in which event the Lender may, if necessary, be joined as a nominal party to such suit if the Lender shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder. Guarantor shall promptly, upon demand, reimburse and indemnify the Lender for all damages, costs and expenses, including reasonable attorneys' fees and costs, incurred by the Lender in the fulfillment of the provisions of this Section 15.
16. In the event of the occurrence and during the continuation of an Event of Default, Guarantor hereby authorizes and empowers Lender to make, constitute and appoint any officer or agent of Lender as Lender may select, in its exclusive discretion, as Guarantor's true and lawful attorney-in-fact, with the power to endorse Guarantor's name on all applications, documents, papers and instruments necessary for Lender to use the Trademarks, or to grant or issue any exclusive or nonexclusive license under the Trademarks to anyone else, subject to any license to Guarantor which has not been terminated by the Lender, or reasonably necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else. Guarantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Trademark Security Agreement.
17. If Guarantor fails to comply with any of its obligations hereunder, Lender may do so in Guarantor's name or in Lender's name, but at Guarantor's expense, and Guarantor hereby agrees to reimburse Lender in full for all reasonable expenses, including reasonable attorney's fees, incurred by the Lender in protecting, defending and maintaining the Trademarks.
18. No course of dealing between Guarantor and Lender, nor any failure to exercise, nor any delay in exercising, on the part of the Lender, any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right,

power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

19. All of the Lender's rights and remedies with respect to the Trademarks, whether established hereby, or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. The security interests created or provided for by this Trademark and Security Agreement are intended to attach to the Trademarks existing when this Trademark and Security Agreement is signed by the Guarantor and delivered to Lender (or in case of Trademarks acquired subsequent thereto, immediately upon the Guarantor acquiring any rights in such Trademarks). The Guarantor acknowledges that it has received value and has (or in the case of after acquired Trademarks, will have) rights in the Trademarks. The parties do not intend to postpone the attachment of any security interest created hereby.
20. The provisions of this Trademark Security Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Trademark Security Agreement in any jurisdiction.
21. This Trademark Security Agreement is subject to modification only by a writing signed by the parties, except as provided in Section 8.
22. The benefits and burdens of this Trademark Security Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.
23. WITH THE EXCEPTION OF THE MOVABLE HYPOTHEC GRANTED BY GUARANTOR PURSUANT TO SECTION 2 HEREOF AND THE HYPOTHECARY RECOURSES ARISING THEREFROM WHICH SHALL BE GOVERNED BY AND CONSTRUED ACCORDING TO THE LAWS OF THE PROVINCE OF QUEBEC, THIS TRADEMARK SECURITY AGREEMENT SHALL BE INTERPRETED AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE PROVINCE OF ONTARIO, CANADA.

SAVE AND EXCEPT FOR ANY HYPOTHECARY RECOURSE IN THE PROVINCE OF QUEBEC AGAINST GUARANTOR WHICH SHALL BE UNDER THE JURISDICTION OF THE COURTS OF THE PROVINCE OF QUEBEC, ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS TRADEMARK SECURITY AGREEMENT MAY BE BROUGHT IN THE COURTS OF THE CITY OF TORONTO, PROVINCE OF ONTARIO, CANADA, AND BY EXECUTION AND DELIVERY OF THIS TRADEMARK SECURITY AGREEMENT, EACH OF THE GUARANTOR AND THE LENDER CONSENTS, FOR ITSELF AND IN RESPECT OF ITS PROPERTY, TO THE NON-EXCLUSIVE JURISDICTION OF THOSE COURTS. EACH OF THE GUARANTOR AND THE LENDER IRREVOCABLY WAIVE ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF

VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, WHICH IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY ACTION OR PROCEEDING IN SUCH COURTS IN RESPECT OF THIS TRADEMARK SECURITY AGREEMENT OR ANY DOCUMENT RELATED HERETO. NOTWITHSTANDING THE FOREGOING: (1) THE LENDER SHALL HAVE THE RIGHT TO BRING ANY ACTION OR PROCEEDING AGAINST THE GUARANTOR OR ITS PROPERTY IN THE COURTS OF ANY OTHER JURISDICTION THE LENDER DEEMS NECESSARY OR APPROPRIATE IN ORDER TO REALIZE ON THE TRADEMARKS OR OTHER SECURITY FOR THE OBLIGATIONS AND (2) EACH OF THE PARTIES HERETO ACKNOWLEDGES THAT ANY APPEALS FROM THE COURTS DESCRIBED IN THE IMMEDIATELY PRECEDING SENTENCE MAY HAVE TO BE HEARD BY A COURT LOCATED OUTSIDE THOSE JURISDICTIONS.

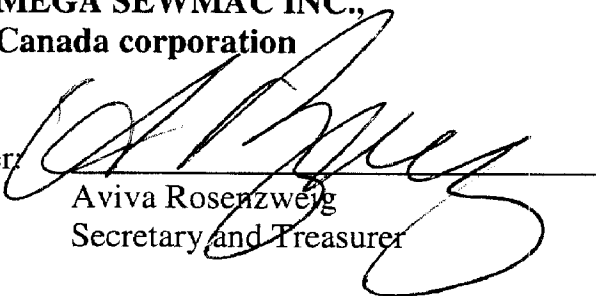
24. GUARANTOR AND LENDER EACH IRREVOCABLY WAIVE THEIR RESPECTIVE RIGHTS TO A TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF OR RELATED TO THIS TRADEMARK SECURITY AGREEMENT, OR THE TRANSACTIONS CONTEMPLATED HEREBY, IN ANY ACTION, PROCEEDING OR OTHER LITIGATION OF ANY TYPE BROUGHT BY ANY OF THE PARTIES AGAINST ANY OTHER PARTY OR ANY LENDER-RELATED PERSON OR PARTICIPANT, WHETHER WITH RESPECT TO CONTRACT CLAIMS, TORT CLAIMS, OR OTHERWISE. GUARANTOR AND LENDER EACH AGREE THAT ANY SUCH CLAIM OR CAUSE OF ACTION SHALL BE TRIED BY A COURT TRIAL WITHOUT A JURY. WITHOUT LIMITING THE FOREGOING, THE PARTIES FURTHER AGREE THAT THEIR RESPECTIVE RIGHT TO A TRIAL BY JURY IS WAIVED BY OPERATION OF THIS SECTION AS TO ANY ACTION, COUNTERCLAIM OR OTHER PROCEEDING WHICH SEEKS, IN WHOLE OR IN PART, TO CHALLENGE THE VALIDITY OR ENFORCEABILITY OF THIS TRADEMARK SECURITY AGREEMENT OR ANY PROVISION HEREOF. THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS TRADEMARK SECURITY AGREEMENT.

IN WITNESS WHEREOF, each of the parties hereto has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

GUARANTOR:

**OMEGA SEWMAC INC.,
a Canada corporation**

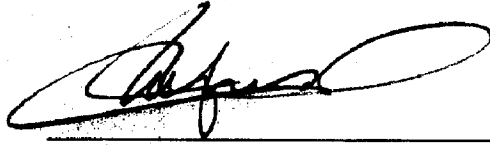
Per


Aviva Rosenzweig
Secretary and Treasurer

LENDER:

**BANK OF MONTREAL,
a body corporate**

Per: _____



Mario Tranquille
Relationship Manager

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SCHEDULE "A"**TRADEMARKS****CANADIAN TRADEMARKS**

Trademark	Application No.	Registration No.
DELUXE DENIM MACHINE	1,042,493	N/A
DENIM & SILK MACHINE	1,051,117	N/A
DENIM MACHINE	1,042,494	N/A
EURO-PRO	N/A	TMA439,325
EURO-PRO	N/A	TMA439,325
EURO-PRO IRONING SOLUTION	N/A	TMA426,336
NECCHI	638,379	N/A
RICCAR	638,380	N/A
SIMPLE COUTURE	N/A	TMA553,177
SOLID METAL CONSTRUCTION	1,042,491	N/A

U.S. TRADEMARKS

Trademark	Application No.	Registration No.
BRAVETTI	N/A	2,383,821
BRAVETTI	76-013,364	N/A
BRAVETTI	76-221,679	N/A
EURO-PRO	N/A	1,906,387

Trademark	Application No.	Registration No.
EURO-PRO	N/A	2,053,143
EURO-PRO	N/A	2,373,148
EURO-PRO	N/A	2,390,249
EURO-PRO	76-001,656	N/A
EURO-PRO	76-221,680	N/A
EURO-PRO BY MERKSOHN	N/A	2,373,159
EURO-PRO CLAD	76-283,188	N/A
EURO-PRO IRONING SOLUTION	N/A	1,899,467
EURO-PRO KITCHEN	75-169,138	N/A
EURO-PRO KITCHEN ELECTRICS	75-154,534	N/A
EUROPA	75-618,183	N/A
GRAND CHEF	75-257,645	N/A
IRONING SOLUTION	N/A	1,896,709
MERKSOHN	N/A	2,373,195
MERKSOHN EURO-PRO FOR THE WAY YOU LIVE	75-365,341	N/A
OMEGA	N/A	1,896,708
OMEGA	76-114,088	N/A