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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91185360
Party	Defendant Grewal, Amarjeet S.
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Submission	Motion for Summary Judgment
Filer's Name	Michael R. Kutas
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Signature	/Michael R. Kutas/
Date	12/18/2008
Attachments	Motion for Summary Judgment with Exhibits.pdf (16 pages)(75746 bytes) Exhibit A.pdf (1 page)(1876330 bytes) Exhibit B pg 1.pdf (1 page)(7035256 bytes) Exhibit B pg 2.pdf (1 page)(11268813 bytes) Exhibit C pg 1.pdf (1 page)(9048541 bytes) Exhibit C pg 2.pdf (1 page)(10674219 bytes)

IN THE UNITED STATE PATENT AND TRADEMARK OFFICE

BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Repellex USA, Inc.,

Opposer,

v.

Amarjeet S. Grewal,

Applicant.

Opposition No. 91185360

APPLICANT'S MOTION FOR SUMMARY JUDGEMENT

MOTION FOR SUMMARY JUDGEMENT PURSUANT TO FRCP 56

Now comes Applicant, Amarjeet S. Grewal, through counsel, and pursuant to Rule 56 of the Federal Rules of Civil Procedure, request this Board grant its Motion for Summary Judgment and dismiss Repellex USA, Inc.'s Opposition claims, as there exists no genuine issue of fact and Applicant is entitled to relief as a matter of law. Applicant's basis for such relief is further set forth in the following Brief, with supporting documentation appended thereto.

December 18, 2008

Respectfully submitted,

/Michael R. Kutas/
Michael R. Kutas
Attorney for Applicant/Defendant
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Charlotte, MI 48813
517.256.6422
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CERTIFICATE OF SERVICE

I hereby certify that a true and complete copy of the foregoing Motion for Summary Judgment has been served on Jason Romaro by mailing said copy on 12.18.08 via First Class Mail, postage prepaid to: Jason Romaro, Osborn Maledon, P.A., 2929 N. Central Ave., Suite 2100, Phoenix, AZ 85012.

Date: 12.18.08 /Michael R. Kutas/

STATEMENT OF FACTS

Relationship Between the Parties

Repellex USA, Inc. (hereinafter, Repellex USA), the Opposer in the subject Opposition proceeding, has requested that this Board deny trademark protection on pending applications 77/348544 (Natura) and 77/364657 (Repellex.com) to Applicant. Opposer's basis for opposition is a claimed ownership in the registered trademark REPELLEX and in common law rights to the unregistered trademark NATURA. The REPELLEX trademark was registered by Repellex Lawn & Garden Products, Inc., a Canadian corporation (hereinafter Repellex Lawn & Garden) owned by Mrs. Kalwinder Grewal, wife of your Applicant. The trademark NATURA has been used continuously in commerce, although unregistered, by Natura Products, Inc., a Canadian entity (hereinafter Natura Products) owned by your Applicant.

Mrs. Grewal, as President of Repellex Lawn & Garden, and your Applicant, as President of Natural Products, sought to sell their businesses (along with ASG Consultants, Inc., another business owned by Applicant) to Opposer/Repellex USA.

The sale was never agreed upon, although substantial steps were taken by both sides toward this goal. As a result of these discussions, Repellex USA makes the claim that they purchased the intellectual property rights of Repellex Lawn & Garden and Natural Products. It is this ownership claim that Repellex USA bases its Opposition, asserting that, as owner of the REPELLEX and NATURA marks, Repellex USA would be harmed by issuance of the pending applications for Repellex.com and Natura to Applicant.

The Registered REPELLEX and Unregistered NATURA Trademarks

On or about March 21, 2005, Repellex Lawn & Garden Products, Inc., whose owner and President is Mrs. Kalwinder Grewal, wife of your Applicant, filed for and was subsequently granted trademark protection by the Unites States Patent and Trademark Office over the trademark "Repellex" (3,082,198).

Additionally, your Applicant, as owner and President of Natura Products, Inc., and ASG Consultants, Inc., has been utilizing the trademark "Natura" in commerce since at least as early as April 1, 2002, in connections with herbicides, insecticides, and fungicides.

Negotiations Between the Parties

On or before May 15, 2007, Mrs. Kalwinder Grewal and your Applicant entered into discussions with the principal officers and owners of Repellex, USA, a Michigan Corporation, for the purchase of the assets of Repellex Lawn & Garden, Inc., Natura Products, Inc., and ASG Consultants, Inc., (hereinafter, the companies) via the proposed execution of a "Share Purchase Agreement," such assets including both registered and unregistered intellectual property assets.

In anticipation of the execution of a Share Purchase Agreement detailing the transfer of assets between the parties, Mrs. Kalwinder Grewal, in her capacity of President of Repellex Lawn & Garden, and Mrs. Elizabeth Summa, in her capacity as President of Repellex, USA, executed an agreement entitled Assignment of the "Repellex" Trademark (attached hereto as Exhibit A, and originally submitted into the record in this matter as Exhibit A to Applicant's Answer). In this document, assignment of the REPELLEX trademark is expressly conditioned

upon three requirements to be fulfilled by Repellex, USA, with the stipulation that "[f]ailure to complete any of these three requirements will result in the immediate default of this Assignment." Central for purposes of this motion is the condition that payment of $125,000 be made from Repellex, USA, to Repellex Lawn & Garden, as partial payment toward a yet to be executed Share Purchase Agreement.

Repellex, USA, fulfilled its contingent obligation by making a $125,000 payment to Repellex Lawn & Garden, Inc., and an Assignment was executed on or about May 16, 2007, and recorded on July 22, 2007.

Thereafter, negotiations between the parties deteriorated. Numerous proposals and counterproposals were made between the parties all to no avail, as the negotiations for an agreement reached a stalemate. A letter from the President of Opposer dated October 16, 2007, states "Repellex USA is writing this letter to inform you that we are withdrawing our offer (the "Purchase Offer") to acquire the issued and outstanding shares in the capital of ASG, Natura and Repellex." (Attached hereto as Exhibit B)

Further, in a subsequent letter dated November 27, 2007, from Opposer's attorney to counsel for Applicant, it is clearly established that "[a]t this time, we would like to confirm that no definitive Purchase Agreement has been reached and that the proposed terms and conditions for settlement as set forth in the October 16 Letter (sic) are withdrawn and are no longer available to Vendors." (Attached hereto as Exhibit C)

Ultimately, Mrs. Grewal and Applicant filed suit in Michigan state court seeking damages for assets transferred to Opposer. Opposer filed a counter suit claiming its own damages.

As such, it is undisputed that, although the parties contemplated a sale of assets, including intellectual property assets, from Applicant's companies and that of his wife's to Opposer, that no meeting of the minds ever took place.

Pursuant to its own explicit terms, this failure of the parties to reach an agreement for the purchase of the companies resulted in the immediate default of the Assignment of the REPELLEX trademark. (Exhibit A) Any interest that Opposer/Repellex USA may have had in the REPELLEX trademark was extinguished, with ownership in the REPELLEX trademark being restored to Repellex Lawn & Garden.

Being that no agreement had been reached for the sale of assets between these parties, Mrs. Kalwinder Grewal and Applicant sought to re-establish their businesses in the market. To this end, and having retained ownership of the respective intellectual property assets due to the failure to reach an agreement for the sale of shares and transfer of assets, on or about December 10, 2007, Applicant applied for protection with the United States Patent and Trademark Office for the trademark "Natura" (Serial Number 77348544), and on or about January 4, 2008, did apply for protection with the United States Patent and Trademark Office for the trademark "Repellex.com" (Serial Number 77364657).

Based upon an alleged ownership interest in the REPELLEX registered trademark and common law rights to the NATURA unregistered mark, Repellex, USA filed the subject Opposition.

STATEMENT OF ISSUE

One issue is presented for the Board to address: Being that there exists no issue of genuine fact, is Applicant entitled to Summary Judgment as a matter of law?

Applicant asserts that there is no genuine issue as to any material fact, that he is the owner of the NATURA trademark, and that Repellex Lawn & Garden is the owner of the REPELLEX trademark. As such, Opposer cannot assert a reasonable belief that it would be harmed by the issuance of these applications, and therefore Applicant is entitled to Summary Judgment and the present Opposition should be dismissed.

EVIDENCE TO SUPPORT THIS MOTION

Applicant wishes to point out that it will be relying upon his Exhibit A appended to his Answer to Combined Opposition Proceeding and to Exhibit 2 appended to Opposer's Motion to Stay Proceedings. This document is Opposer's Answer and Counterclaim in the state court proceeding. In that document, Opposer references numerous documents that were not included with the document when submitted as Exhibit 2. To clarify issues germane to this Motion for Summary Judgment, Applicant has appended as Exhibits B and C, documents referenced as exhibits in Opposer's Exhibit 2 to its Motion to Stay Proceedings. Applicant will direct the

Board to specific instances where these documents now provided by Applicant are referenced by Opposer.

IMPACT ON STATE COURT PROCEEDINGS

The basis of the State Court action is for breach of contract and claim and delivery of items provided by Applicant and his wife to Opposer. Opposer counter sued, and, among other claims, seeks damages for trademark infringement.

Resolution of the issue before this Board will clarify the parties' positions with regard to ownership of the REPELLEX and NATURA trademarks, and eliminate any potential claim to mounting trademark infringement damages asserted in the state court action. A finding that Repellex Lawn & Garden is the rightful owner of the REPELLEX trademark, and that your Applicant is the rightful owner of common law rights to the trademark NATURA, renders Opposer unable to establish that it would suffer damages by issuance of the subject trademark application, and therefore justifying the entry of Summary Judgment in favor of Applicant. By so clarifying this issue, trademark infringement damages will not continue to mount during the pendency of the state court action.

Further, Applicant asserts that resolution of the state court matter will not impact the pending Opposition. No matter the resolution of the state court issues between the parties arising out of the failure of the parties to reach an agreement on the sale of assets, the fact that there exists no genuine issue of a material fact before this Board and that Applicant is entitled to Summary Judgment cannot be altered. Upon such a finding, the Board must dismiss the pending Opposition proceeding.

LAW AND ARGUMENT

I. Introduction

Due to the parties' long history with each other, the parties to this action have thus far limited the discovery necessary to resolve this Opposition. Applicant asserts that his reliance upon documents entered into the record in this matter, or referenced in those submitted document furthers the position that there are no genuine issues of fact in dispute in this matter.

Through Exhibits A, B, and C, and via its own pleadings submitted as Exhibit 2 to Opposer's Motion to Stay Proceedings, it is established that Opposer, Mrs. Grewal, and Applicant failed to execute a valid and binding contract for the sale of the companies and their assets to Opposer. As such, and pursuant to the terms of the parties' agreement memorialized in Exhibit A, there exists no transfer of rights to Natura Products and Repellex Lawn & Garden's intellectual property assets. Further, without an agreement to sell, and clearly based upon the nature of the pending civil litigation, the goodwill of the businesses in question were never transferred to Opposer. Therefore Opposer never became the rightful owner of the REPELLEX and NATURA trademarks, notwithstanding an executed Assignment of the REPELLEX registered mark. As such, Opposer's allegations in its Combined Notice of Opposition, namely that it would suffer damage by issuance of the subject trademark applications, necessarily fails, entitling Applicant to Summary Judgment.

To clarify, the record is devoid of any transfer of an interest in the NATURA trademark from Applicant to Opposer. Opposer makes a broad-based and wholly unsupportable claim to ownership of the NATURA trademark in its Combined Notice of Opposition.

Applicant acknowledges a contingent transfer of the registered trademark REPELLEX from Repellex Lawn & Garden to Opposer, which subsequently became null and void, by its own express terms, when a share purchase agreement was not reached between the parties.

With this being the case, Natura Products retained ownership in the NATURA unregistered trademark, while Repellex Lawn & Garden, retained ownership of the REPELLEX registered trademark.

II. BASIS FOR OPOSITION PROCEEDING

Pursuant to 15 USC §1063, any person who believes that he would be damaged by the registration of a trademark may file an opposition to the registration of that mark. In addition, an opposer must have a "real interest" in the proceeding (i.e., beyond that of the public at large) and have a "reasonable" basis for his belief of damages. *Ritchie v. Simpson, 170 F3d 1092, 1095 (CAFC 1999).* Opposer's Combined Notice of Opposition is replete with conclusory allegations of ownership of both the NATURA and REPELLEX trademarks.

While, in the context of a Motion for Summary Judgment, the Board must give the non-moving party the benefit of all reasonable doubt as to the existence of a genuine issue of material fact, *Capital Speakers, Inc. v. Capital Speakers Club of Washington D.C., Inc.,* 41 USPQ2d 1030, 1034 (TTAB 1996), and the moving party has the burden of demonstrating the absence of

any genuine fact, *Corporate Document Services, Inc. v. I.C.E.E. Management, Inc*., 48 USPQ2d 1477 (TTAB 1998), if met, the non-moving party must proffer evidence establishing the existence of a genuine issue of a material fact pursuant to Rule 56(e)(2).

In its Combined Notice of Opposition, Opposer makes numerous false and misleading statements regarding the ownership of the REPELLEX and NATURA trademarks. Further, these assertions are directly contradicted by Opposer's own evidence submitted in support of its Motion to Stay Proceedings. For example, in paragraph 3 of its Combined Notice of Opposition, Repellex USA asserts that Applicant was at all relevant times the principal of Repellex Lawn & Garden. However, in Exhibit 2 to its Motion to Stay at page 10, numbered paragraph 2, Opposer, in the pending state court matter, Opposer admits that Mrs. Kalwinder Grewal, wife of your Applicant, is the President of Repellex Lawn & Garden. This point is significant as it is Mrs. Grewal alone, not your Applicant, who can transfer assets of Repellex Lawn & Garden.

In paragraph 5 of its Combined Notice of Opposition, Opposer asserts that it negotiated the sale of intellectual property assets with Applicant, and that Applicant consummated the sale of such assets. These assertions are patently false as evidenced by Exhibit A attached hereto. (This document is referenced by Opposer in Exhibit 2 to its Motion to Stay at page 19, numbered paragraphs 56-58, but not appended thereto.) Applicant was at no time the principal of Repellex Lawn & Garden, and by a simple review of Exhibit A, it is clear that Mrs. Grewal, as President and Owner of Repellex Lawn & Garden negotiated and consummated a contingent assignment of only the REPELLEX trademark.

The most egregiously misleading statements in Opposer's Combined Notice of Opposition, however, are found in paragraphs 4, 7, 8, 10, and 14, where Opposer makes

sweeping and wholly unsustainable allegations of ownership of the REPELLEX and NATURA trademarks. Opposer, by making these statements to this Board has attempted to frustrate Mrs. Grewal's and Applicant's ability to re-establish their respective companies in the marketplace by interjecting these baseless claims of trademark ownership.

As can clearly be established by looking at the agreement between the parties and Opposer's own comments to Applicant in Exhibits B and C appended hereto (and referenced in Exhibit 2 to Opposer's Motion to Stay Proceedings at page 24 numbered paragraphs 84 and 85, and page 26 numbered paragraph 92 respectively) Repellex USA never executed a Share Purchase Agreement for the purchase of the three companies. As such, it is undisputed that Repellex USA never became the owner of either the REPELLEX or NATURA trademarks. There can be no genuine issue of material fact with regard to the failure of the parties to consummate a deal for the sale of the companies, and the subsequent failure of the contingent assignment of the REPELLEX trademark.

II. NATURA MARK SUBJECT TO NO AGREEMENT FOR TRANSFER OF RIGHTS

Opposer asserts in its Combined Notice of Opposition at paragraph 4, that on May 17, 2007, Opposer purchased "all of the intellectual property assets of Repellex Lawn & Garden." Applicant asserts that a review of Exhibit A memorializing that transaction is wholly without reference to the transfer of any other intellectual property asset other than the REPELLEX trademark. Further, there exists no document evidencing a transfer of any rights to the

NATURA trademark to Opposer. Under no circumstances can Opposer, in good faith, rely upon this document or any other document, to support its claim in paragraph 4 of its Combined Notice of Opposition.

As this is the only document executed between the parties before the relationship between the parties deteriorated, there can be no genuine issue of fact regarding this transaction and the failure of the parties to effectuate a valid transfer of intellectual property assets.

It is this transaction whereby Opposer alleges that it acquired ownership rights in the NAUTRA and REPELLEX trademarks, and therefore asserts that it would be damaged by issuance of the subject applications. As there is no genuine issue of fact surrounding ownership of the NATURA and REPELLEX trademarks, Opposer cannot sustain a claim that it would be damaged by issuance of the pending trademark application for the mark Natura as is mandated by 15 USC § 1063. Applicant is thereby entitled to Summary Judgment as a matter of law.

III. OFFICER OF ONE BUSINESS ENTITY CANNOT ASSIGN RIGHTS IN INTELLECTUAL PROPERTY OF ANOTHER ENTITY

In furtherance of its argument that Repellex USA has no colorable claim to ownership of any rights in the unregistered NATURA trademark, in the document entitled "Assignment of REPELLEX Trademark" dated May 15, 2007, (Exhibit A) Mrs. Kalwinder Grewal is clearly acting in her official capacity as President of Repellex Lawn & Garden. Further, the document specifically recites that the transaction is between Repellex Lawn & Garden and Repellex USA.

Yet it is on the existence of this document that somehow Repellex USA asserts that it obtained ownership rights in an intellectual property asset, namely the NATURA trademark, owned by Nature Products, Inc. Mrs. Grewal, in her capacity as an officer in Repellex Lawn & Garden, had no legal authority to bind Natura Products, Inc., to any transfer of the NATURA trademark, and clearly Mrs. Grewal was not intending to act in this capacity. It is only through Opposer's attempts to hinder Applicant from moving forward with his business that this basis is fabricated to claim the acquiring of ownership rights in the NATURA trademark through this document. Clearly Opposer has no claim to ownership of the NATURA trademark. Without such ownership claim, Applicant remains the true owner of this mark. With no issue as to any material fact, Applicant is entitled to Summary Judgment with relation to the Natura trademark application, as Opposer cannot establish that it has a reasonable belief that it would suffer damages if the application were to issue.

IV. CONTINGENT ASSIGNMENT OF REPELLEX TRADEMARK FAILS BY INVOCATION OF ITS OWN EXPRESS TERMS

Following this line of argument set forth in Section II above, this time with regard to the registered trademark REPELLEX, the document entitled "Assignment of REPELLEX Trademark" dated May 15, 2007, (Exhibit A) clearly sets forth that Mrs. Kalwinder Grewal, in her capacity as President of Repellex Lawn & Garden, seeks to conditionally assign rights in the REPELLEX trademark to Repellex USA, expressly contingent upon execution of a Share Purchase Agreement. The agreement between the parties could not be clearer when the document states "[f]ailure to comply with any of these three requirements will result in the

immediate default of this Assignment." The document is then signed by representatives of both Repellex Lawn & Garden, and Repellex USA.

Again, as clearly set forth above and by Opposer's own letters and submitted evidence, there is no issue as to the material fact that no contract for the purchase of these businesses was ever consummated. As such, the contingent Assignment, by its own express terms, immediately failed with ownership of the REPELLEX trademark remaining with Repellex Lawn & Garden. Taken further, Applicant is therefore entitled to Summary Judgment with relationship to the Repellex.com application, as there is no genuine issue of material fact regarding ownership of the REPELLEX trademark, and Opposer cannot assert a reasonable belief that it would be damaged by issuance of the Repellex.com trademark to Applicant.

IV. REGISTERED ASSIGNMENT OF REPELLEX TRADEMARK NOT CONTROLLING IN LIGHT OF FAILURE OF AGREEMENT TO SELL BUSINESS

In this case, a conditional agreement was reached to assign the REPELLEX trademark from Repellex Lawn & Garden to Repellex USA, specifically contingent upon several factors, the critical one being the subsequent execution of a Share Purchase Agreement. This, as demonstrated, has never occurred.

It is a standard of trademark assignments that, to be a valid assignment of a trademark the goodwill of the business must be assigned along with the trademark. The goodwill of the

assignor's business must be transferred to assignee in order to avoid consumer confusion. *Money Store v Harriscorp, Fin., Inc. 689 F2d 666, 678 (7th Cir 1982).*

In this matter, when the parties failed to consummate an agreement for the sale of these businesses, any goodwill associated with the products was not transferred from their original owners to Opposer. Without a completed sale agreement and the associated transfer of goodwill associated with these products, Opposer is left without a valid assignment of the REPELLEX trademark, and therefore, cannot maintain an action in Opposition to registration of the Repellex.com application, as Opposer cannot establish that it will be harmed by such registration.

CONCLUSION

For the above stated reasons, Applicant respectfully requests that this Board grant his Motion for Summary Disposition with regard to the Natura trademark application, that this Board grant his Motion for Summary Disposition with regard to the Repellex.com trademark application, or in the alternative, to grant his Motion for Summary Disposition with regard to the Combined Notice of Opposition.

December 18, 2008

Respectfully submitted,

/Michael R. Kutas/
Michael R. Kutas
Attorney for Applicant/Defendant
Michael R. Kutas, Attorney, PLLC
2088 Flanders Road
Charlotte, MI 48813
517.256.6422
mike@mkutaslaw.com

May 15,2007

Repellex USA
P.O. Box 396
Niles, Michigan, USA 49120

RE: Assignment of the "Repellex" Trademark

Attention: Mr. Eric Summa / Mrs. Elizabeth Summa

This letter is to acknowledge the assignment of the US registered trademark, REPELLEX, from the Canadian Corporation, " *Repellex Lawn & Garden Products, Inc*," owned wholly by Mrs. Kalwinder Grewal, to the US Corporation "*Repellex USA*", whose controlling shareholders are Mr. Eric Summa and Mrs. Elizabeth Summa.

In lieu of this assignment, Repellex USA agrees to fulfill the following 3 requirements:

1. Provide a $ 125,000 USD payment to Mrs. Kalwinder Grewal, within 24 hours of faxing the signed copy of the trademark recordation form to the USPTO. This amount is to be treated as a deposit against the current share purchase agreement by Summa Innovations of Repellex , Natura and ASG Consultants Inc..
2. Provide Mr. Amarjeet Grewal, Mrs. Kalwinder Grewal or any heirs or designated assignees, the right to manufacture, market and sell animal and insect repellent products, organic herbicides, insecticides or fertilizers within Canada, Australia or New Zealand for a minimum period of 50 years, without any royalty, commission or monetary payment, during that period.
3. Provide Mr. Amarjeet Grewal, Mrs. Kalwinder Grewal or any heirs or designated assignees, (herein referred to as Repellex Canada), the right to use the Repellex and Natura trademarks, and their accompanying EPA 25B formulations within Canada, New Zealand and Australia. Repellex Canada will have an appropriate grace period following government approvals, to cover product registration costs, without the payment of any commissions, royalty or fees. All terms of this licensing agreement including length of this grace period and rules and restrictions to protect the trademarks, will be finalized in the final share agreement.

Failure to complete any of these three requirements will result in the immediate default of this Assignment. This is mutually agreed upon once signed by all parties below:

Mrs. Kalwinder K. Grewal, President
Repellex Lawn & Garden Products Inc

Mr. Amarjeet S. Grewal
Witness

Mrs. Elizabeth Summa, President
Repellex USA

Mr. Eric Summa
Witness

FROM : REPELLEX PROTECTION SYSTEMS PHONE NO. : 1 604 461 5787 May. 17 2007 10:42AM P1

October 16, 2007

To: Amar Grewal and Kalwinder Grewal (together, the "Vendors")
11559 Wood Street
Maple Ridge, British Columbia V2R 4A7

Dear Sir / Madame:

Re: Acquisition of all of the issued and outstanding shares in the capital of ASG Consultants Inc. ("ASG"), Natura Products Inc. ("Natura") and Repellex Lawn & Garden Products Inc. ("Repellex") by Repellex USA Inc. ("Repellex USA")

Dear Sirs,

Repellex USA is writing this letter to inform you that we are withdrawing our offer (the "Purchase Offer") to acquire the issued and outstanding shares in the capital of ASG, Natura and Repellex (together, the 'Companies'). The withdrawal of the Purchase Offer stems from our inability, despite numerous attempts, to reach a fair and reasonable settlement for the Companies and the failure to reach a definitive Purchase Agreement. During the last 11 months, we have:

(a) extended our Purchase Offer from the originally contemplated timeline so that the Vendors could comply with various conditions for completing the transaction, including the provision of workable formulations for certain of the products of the Companies;

(b) made extraordinary concessions for their benefit including the advancement of funds to Mr. Grewal; and

(c) not yet received satisfactory responses to certain of our due diligence requests.

At this juncture, we must conclude that the Vendors are not willing or able to sell the Companies to us under fair and reasonable circumstances. It would be severely detrimental to Repellex USA, Inc. to extend these negotiations any longer so we refuse to extend the Purchase Offer any further.

Repellex USA is prepared to offer the Vendors payment for the physical assets in our possession. At this time we will not challenge the value of US$101,638.25 submitted to us on 03/07/07. However, we feel this is a gross exaggeration of the marketable value. We will offer the Vendors this sum plus US$50,000 as a gesture of Good Will on the following conditions:

1. This payment absorbs any and all outstanding payables that the Vendors believe Repellex USA owes them now or in the future. We have debated these details for almost two years with no resolution. This offer far exceeds the amounts in

question. Acceptance of this payment satisfies any further obligation of Repellex USA to them.

2. Each of the Vendors and the Companies will sign a release addressed to each of Repellex USA, Eric Summa and Elizabeth Summa with respect to any and all future claims, actions, debts of any kind whatsoever.

3. The Vendors will execute a bill of sale with respect to these assets, where such bill of sale will take into account the US$50,234.57 which has already been paid to date for the assets.

4. The Vendors will transfer to Repellex USA the phone number, (1-877-REPELIT).

This offer is a good faith effort to resolve this transaction in a respectful and professional manner. We trust that the Vendors will oblige.

Therefore, the final amount that we are prepared to offer the Vendors is US$101,403.68. This money is free and clear of any holdbacks or contingencies, other than those set out above. Should the Vendors agree to the terms of this transaction, they will have no further obligation to Repellex USA.

Should the Vendors choose not to accept this offer; Repellex USA will cooperate by returning the remaining physical assets in our possession to them if they so desire. They must arrange shipment and notify us of the pick-up date at least 7 days in advance. We will release the goods to the Vendors upon receipt of the US$50,234.57 that Repellex USA has paid to date for the assets.

Due to the unfavorable events of the last 11 months, this is the final offer that Repellex USA will make to resolve this transaction privately. We have offered the Vendors our best price for the assets. It is a fair and generous offer that more than reflects their fair market value. Therefore, we will not entertain any counter offers. Repellex USA has provided a detailed account of our position to Miller Thomson, LLP. Should the Vendors seek further explanation of this action, they may request it via counsel.

Sincerely,

Repellex USA , Inc.

"Eric Summa" and *"Elizabeth Summa"*

MILLER THOMSON LLP
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Patent & Trade-Mark Agents

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File: 085161.0001

November 27, 2007

Without Prejudice

Sent via Fax and E-mail

Gould Goodwin & Co.
400 - 628 Sixth Avenue
New Westminster, BC V3M 6Z1

Attention: Geoff Gould

Dear Sir/Madam:

Re: Repellex USA Inc. ("Repellex USA") and ASG Consultants Inc. ("ASG"), Natura Products Inc. ("Natura") and Repellex Lawn & Garden Products Inc. ("Repellex")

We write to you in response to your letter of October 31, 2007 (the "October 31 Letter") and further to Repellex USA's letter of October 16, 2007 (the "October 16 Letter") regarding the purchase of all the issued and outstanding shares of each of ASG, Natura and Repellex (together, the "Companies") from Amar Grewal and Kalwinder Grewal (together, the "Vendors"). Our client does not, and will not, accept the terms and conditions for settlement set out in the October 31 Letter. At this time, we would also like to confirm that no definitive Purchase Agreement has been reached and that the proposed terms and conditions for settlement set out in the October 16 Letter are withdrawn and are no longer available to the Vendors.

Our client is willing to resolve the matter on the following terms and conditions:

1. Repellex USA will return the remaining physical assets (the "Assets") in its possession to the Vendors against delivery of the following:

   (a) a certified cheque in the amount of $50,340.95, which amount represents the amount which Repellex USA has advanced to the Vendors for the Assets;

   (b) executed releases from each of the Company and the Vendors, addressed to Repellex USA, Eric Summa and Elizabeth Summa with respect to any and all claims, actions and debts of any kind whatsoever;

   (c) an executed receipt acknowledging receipt of the Assets;

2. The Vendors will transfer to Repellex USA, the phone number, 1-877-REPELIT.

In addition, we are writing to you because it has come to our client's attention that the Vendors and/or the Companies are shipping products to parties in the United States under the name "Repellex". As you are aware, Repellex USA is the registered owner of the "Repellex" trademark in the United States. Accordingly, we are writing you to place you on formal, legal notice of our client's objections to the Vendors' and/or the Companies' use of the trademark in the manner set forth above and in any manner whatsoever. We request that the Vendors and the Companies' cease and desist from using "Repellex" and "Natura" in any manner which violates our client's intellectual property rights. Failure to do so will result in our client taking legal action against the Vendors and the Companies.

Additionally, our client advises that the Vendors and/or the Companies are shipping products to parties in the United States and are using Repellex USA's address as a return address. We request that the Vendors and the Companies' cease and desist from such activity. Failure to do so will result in our client taking legal action against the Vendors and the Companies.

Finally, our client advises that the Vendors and/or the Companies are processing payments from parties in the United States for "Repellex" products. We request that the Vendors and the Companies cease and desist from such activity. Failure to do so will result in our client taking legal action against the Vendors and the Companies.

We look forward to your response regarding the above.

Yours truly,

MILLER THOMSON LLP

Per:

Kevin J. Sorochan
Associate
KJS/

c. Client