

EX-10.63 34 aquatic_ex1063.txt EXHIBIT 10.63 Exhibit 10.63 AJW PARTNERS, LLC NEW MILLENNIUM CAPITAL PARTNERS II, LLC AJW OFFSHORE, LTD. AJW QUALIFIED PARTNERS, LLC 1044 NORTHERN BOULEVARD, SUITE 302 ROSLYN, NEW YORK 11576 NOTICE OF DEFAULT ----- APRIL 24, 2007 Via Facsimile and Certified Mail/ Return Receipt Requested Mr. Sheridan Westgarde Aquatic Cellulose International 3704 32Nd Street, Suite 301 Vernon, Bc Canada V1t5n6a Re: Aquatic Cellulose International Promissory Notes Issued to AJW Partners, LLC, New Millennium Capital Partners II, LLC, AJW Qualified Partners, LLC and AJQ Offshore, LLC (The "Notes"). Dear Mr. Westgarde: The undersigned, as holders of a majority of the above-referenced notes, hereby notify Aquatic Cellulose International (the "Company") that it is in default of certain obligations under the Notes, and hereby declare an Event of Default under notes, exercising all rights to which they are entitled under the Notes, including immediate payment of all amounts due under Section 2(a) of the Notes, including the additional 15% set forth in Section 2(g) of the Notes, plus all other sums due under the Notes. Notwithstanding anything contained herein to the contrary, the undersigned holder expressly reserves any and all claims, rights and remedies which may be available at law or equity. Furthermore, failure to include in this notice any other existing defaults which may exist with regard to the notes shall in no way be construed as a waiver of such defaults. Very truly yours, AJW PARTNERS, LLC By: SMS GROUP LLC /s/ Corey S. Ribotsky ----- Corey S. Ribotsky, Manager NEW MILLENNIUM CAPITAL PARTNERS II, LLC By: FIRST STREET MANAGER II, LLC /s/ Corey S. Ribotsky ----- Corey S. Ribotsky, Manager AJW QUALIFIED PARTNERS, LLC By: AJW MANAGER, LLC /s/ Corey S. Ribotsky ----- Corey S. Ribotsky, Manager AJW PARTNERS, LLC NEW MILLENNIUM CAPITAL PARTNERS II, LLC AJW OFFSHORE, LTD. AJW QUALIFIED PARTNERS, LLC 1044 NORTHERN BOULEVARD, SUITE 302 ROSLYN, NEW YORK 11576 CANCELTION OF NOTICE OF DEFAULT APRIL 30, 2007 Mr. Sheridan Westgarde President Aquatic Cellulose International Corporation 331 4Th Street Ne, Salmon Arm, B.c. Canada V1e 2X0 Re: Aquatic Cellulose International Corporation ('the Company') Convertible Debentures Notes Issued to AJW Partners, LLC, New Millennium Capital Partners II, LLC, AJW Qualified Partners, LLC and AJW Offshore, LLC (The Notes). Ladies and Gentlemen: On April 24, 2007, a letter was sent to the Company announcing an Event of Default on the Notes. This letter is to confirm that such Event of Default has been cured and the Company is no longer in default. AJW PARTNERS, LLC By: SMS GROUP, LLC /s/ Corey S. Ribotsky ----- Corey S. Ribotsky, Manager NEW MILLENNIUM CAPITAL PARTNERS II, LLC By: FIRST STREET MANAGER II, LLC /s/ Corey S. Ribotsky ----- Corey S. Ribotsky, Manager CANCELTION OF EVENT OF DEFAULT - APRIL 30, 2007 1 AJW OFFSHORT, LTD. By: FIRST STREET MANAGER II, LLC /s/ Corey S. Ribotsky ----- Corey S. Ribotsky, Manager CANCELTION OF EVENT OF DEFAULT - APRIL 30, 2007 2