

06-29-1998



OVER SHEET U.S. Department of Commerce  
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JUN 24 1998

To the Honorable Comm

100749113

record the attached original document or copy thereof.

MRP 6-24-98

1. Name of conveying party(ies):  
Nothing But Net, Inc.  
 Individual(s)       Association  
 General Partnership       Limited  
 Corporation-State California Partnership  
 Other:  
 Additional name(s) of conveying party(ies) attached?  
 Yes     No

3. Nature of conveyance:  
 Assignment       Merger  
 Security Agreement       Change of Name  
 Other Grant of Security Interest

Execution Date: 08/27/97

2. Name and address of receiving party(ies):  
 Name: Nancy Kahn Designs, Inc.  
 Internal Address:  
 Street Address: 507 Hampton Hill  
 City: Franklin Lake State: NJ Zip: 07417  
 Individual(s) citizenship  
 Association  
 General Partnership  
 Limited Partnership  
 Corporation-State New Jersey  
 Other

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 names(s) & address(es) attached?  
 Yes  No

4. Application number(s) or registration number(s).  
 A. Trademark Application No.(s)  
  
 Additional numbers

B. Trademark registration No.(s)  
  
1,951,627  
 attached?  Yes  No

5. Name and address of party to whom correspondence concerning document should be mailed:  
 Name: Richard S. Marcus  
Godfrey & Kahn, S.C.  
 Internal Address:  
  
 Street Address: 780 North Water Street  
  
 City: Milwaukee State:      Zip:

6. Total number of applications and registrations involved.....  2  1

7. Total fee (37 CFR 3.41) ..... ~~40.00~~  
 Enclosed  
 Authorized to be charged to deposit account for any deficiencies

8. Deposit account number: 07-1509

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

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9. Statement and signature.  
*To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.*

Richard S. Marcus      [Signature]      08/27/98  
 Name of Person Signing      Signature      Date

Total Number of pages comprising cover sheet:  1  2

## GRANT OF SECURITY INTEREST

THIS GRANT OF SECURITY INTEREST (the "GRANT") is made effective this 21 day of AUGUST, 1997 (the "Effective Date"), and entered into by and between NOTHING BUT NET, INC. ("NBN"), a California corporation of 2075 Bering Drive, Unit A, San Jose, California 95131, and NANCY KAHN DESIGNS, INC. ("Kahn"), a New Jersey Corporation of 507 Hampton Hill, Franklin Lake, New Jersey 07417.

### BACKGROUND

A. NBN and Kahn (collectively the "Parties") have executed a Trademark Settlement Agreement (the "Agreement") and a Trademark Assignment (the "Assignment") pursuant to which Kahn has agreed to assign in favor of NBN all its right, title, and interest to the trademark "NOTHING BUT NET" (the "Mark"), and including, but not limited to, U.S. Registration No. 1,951,627 (the "Registration").

B. In order to secure the full and timely payment and performance of the payments as set forth in the Agreement (the "Obligations"), NBN has agreed to grant Kahn a security interest in the Collateral, as hereinafter defined, in accordance with the terms of this Grant.

### TERMS

NOW THEREFORE, in consideration of the foregoing and intending to be legally bound hereby, the Parties agree as follows:

1. **Grant of Security Interest.** In order to secure the full and timely payment and performance of the Obligations, NBN hereby grants to Kahn a security interest (the "Security Interest") in the following assets and property (collectively, the "Collateral"):

(a) the assigned Registration; and

(b) any other future United States registrations of the Mark held or obtained by NBN, including presently pending U.S. Application Ser. No. 74/729.819.

2. **Covenants of NBN.**

(a) NBN will perform all acts and execute all documents necessary to maintain the existence of the Collateral as valid and subsisting.

(b) In the event that any Collateral is believed infringed, misappropriated or diluted by a third party, NBN shall notify Kahn with fifteen (15) days after it learns thereof and take such other actions as are appropriate under the circumstances to protect such Collateral.

(c) NBN shall not make or permit to be made any assignment for security, pledge or hypothecation of the Collateral, or grant any other security interest in such Collateral. But,

provided that no event of failure to perform the Obligations shall have occurred, NBN may transfer, license and dispose of the Collateral owned by it in any lawful manner in the ordinary course of its business not inconsistent with the provisions of this Grant and the Agreement.

3. **Rights and Remedies Upon Failure to Perform Obligations.** Upon the occurrence and during the continuance of any failure to perform the Obligations, Kahn shall have those rights accompanying a concurrently executed Trademark Assignment (the "Assignment Back"), including all rights of full ownership and including, but not limited to, the right to transfer, license and dispose of the Collateral.

4. **Termination of Security Interest.** The Security Interest shall terminate on a date thirty-seven (37) months after the Effective Date hereon. The Security Interest shall earlier terminate at such time as NBN has paid the Obligations in full. At the expense of NBN, Kahn will execute and deliver to NBN such written evidence of termination and take such other actions as NBN may reasonably request in relation thereto.

**WHEREFORE**, NBN and Kahn have executed this Agreement effective as of the date first above written through the signature below of their duly authorized representatives.

**NOTHING BUT NET, INC.**

**NANCY KAHN DESIGNS, INC.**

By: *Steven J. Nunes*  
Name: STEVEN J. NUNES  
Title: OWNER  
Date: 27 AUG 97

By: *Nancy K. Burkhead* PRESIDENT  
Name: NANCY BURKHEAD  
Title: NANCY PRESIDENT  
Date: AUG 4, 1997

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RECORDED: 06/24/1998

TRADEMARK  
REEL: 1746 FRAME: 0242