

12-18-1998



100924218

11/24/98

### RECORDATION FORM COVER SHEET TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

<b>Submission Type</b>		<b>Conveyance Type</b>	
<input checked="" type="checkbox"/> New		<input type="checkbox"/> Assignment	<input type="checkbox"/> License
<input type="checkbox"/> Resubmission (Non-Recordation) Document ID # _____		<input checked="" type="checkbox"/> Security Agreement	<input type="checkbox"/> Nunc Pro Tunc Assignment
<input type="checkbox"/> Correction of PTO Error Reel # _____ Frame # _____		<input type="checkbox"/> Merger	Effective Date Month Day Year _____
<input type="checkbox"/> Corrective Document Reel # _____ Frame # _____		<input type="checkbox"/> Change of Name	
		<input type="checkbox"/> Other _____	

**Conveying Party**  Mark if additional names of conveying parties attached

Name: COSMI CORPORATION

Formerly: \_\_\_\_\_

Individual  General Partnership  Limited Partnership  Corporation  Association

Other: \_\_\_\_\_

Citizenship/State of Incorporation/Organization: California

Execution Date: 11 16 1998

U.S. PATENT & TRADEMARK OFFICE

NOV 16 9 33 AM '98

TRADEMARK PROCESSING

**Receiving Party**  Mark if additional names of receiving parties attached

Name: IMPERIAL BANK

DBA/AKA/TA: \_\_\_\_\_

Composed of: \_\_\_\_\_

Address (line 1): 9920 S. La Cienega Blvd

Address (line 2): Suite 206

Address (line 3): Inglewood CA 90301-4423

Individual  General Partnership  Limited Partnership  Corporation  Association

Other: California chartered bank

Citizenship/State of Incorporation/Organization: California

11-24-1998  
U.S. Patent & TMO's/TM Mail Rpt Dt. # 70

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

FOR OFFICE USE ONLY

0651-0021 00052 1328750  
40 194

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:  
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231  
TRADEMARK

REEL: 1827 FRAME: 0219

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Correspondent Name and Address**

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Pages** Enter the total number of pages of the attached conveyance document including any attachments.

#

**Trademark Application Number(s) or Registration Number(s)**

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1328730"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

**Number of Properties**

Enter the total number of properties involved.

#

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

**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. Charges to deposit account are authorized, as indicated herein.

*Shari Pond*

*Shari Pond*

*11/23/98*

Shari Pond

November 20, 1998

Name of Person Signing

Signature

Date Signed

**MORTGAGE, ASSIGNMENT AND GRANT OF SECURITY INTEREST  
WITH RESPECT TO TRADEMARKS**

KNOW ALL MEN BY THESE PRESENTS, that for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the undersigned, COSMI CORPORATION, a California corporation (the "Debtor" or "Borrower"), having an office located at 2600 Homestead Place, Rancho Dominguez, California 90220-5610, does hereby irrevocably mortgage, pledge, assign and grant a continuing security interest to IMPERIAL BANK, a California chartered bank (the "Secured Party" or "Bank") having an office located at 9920 S. La Cienega Boulevard, Suite 206, Inglewood, California 90301-4423, and to the Secured Party's successors and assigns, in all right, title and interest of the Debtor, now owned or hereafter acquired throughout the universe, in and to all of the trade names, trademarks and/or service marks listed on Schedule A attached hereto, all applications pending with respect thereto, and all renewals and extensions thereof, and the goodwill associated with such marks and names (collectively, the "Trademarks"), as security for the payment and performance (whether presently existing or hereafter arising) of any and all indebtedness and obligations of the Debtor to the Bank (collectively, the "Obligations") pursuant to the terms of (i) that certain Credit Terms and Conditions dated March 12, 1998, by and between the Debtor and Secured Party, (ii) that certain Commercial Security Agreement dated March 9, 1998, by and between the Debtor and Secured Party, (iii) all promissory notes of Debtor in favor of Secured Party (including, without limitation, that certain Promissory Note dated March 9, 1998, in the original principal amount of \$3,000,000.00 made by the Debtor in favor of Secured Party), (iv) that certain Warrant to Purchase Stock dated March 12, 1998, by and between the Debtor and the Secured Party, and (v) all other agreements and documents between the Debtor and Secured Party now existing or hereafter entered into, as any of the foregoing may be amended, modified, and/or restated from time to time (collectively, the "Loan Documents"). The repayment of the Obligations are also secured by all other personal property of the Debtor.

This Mortgage, Assignment and Grant of Security Interest With Respect to Trademarks is subject to all of the applicable terms and conditions in the Loan Documents. Upon the occurrence of a default or breach by Debtor under any of the Loan Documents, the Bank may exercise any and all rights and remedies of the Bank under the Loan Documents, and the laws of State of California and of the United States of America and any other relevant jurisdictions.

The Debtor does hereby irrevocably appoint the Bank as the Debtor's attorney in fact to do all acts and things permitted or contemplated by the terms hereof and/or any of the Loan Documents. This power of attorney is coupled with an interest and is irrevocable.

The Debtor agrees that if any person, corporation, partnership, trust, limited liability company or other entity shall do or perform any acts which the Bank in its good-faith judgment believes infringes any right of the Debtor or any right of the Bank in the Trademarks to the extent herein provided, then the Bank may and shall have the right to take such steps and institute such suits

or proceedings as the Bank may in its good-faith judgment deem advisable or necessary to prevent such acts and conduct and to secure damages and other relief by reason thereof and to generally take such steps as may be advisable or necessary or proper in the Bank's good-faith judgment for the full protection of the rights of the parties, but the Bank shall not be obligated to do any of the foregoing. The Bank may take such steps or institute such suits or proceedings in its own name or in the name of the Debtor or in the names of the parties jointly.

This Mortgage, Assignment and Grant of Security Interest With Respect to Trademarks shall in all respects be subject to, construed in accordance with and governed by, the laws of the State of California without giving effect to that State's choice of law rules.

IN WITNESS WHEREOF, the undersigned has executed this instrument as of the 16 day of Nov, 1998.

COSMI CORPORATION,  
a California corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

# ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Los Angeles

On November 16, 1998 before me, Sandra Padilla

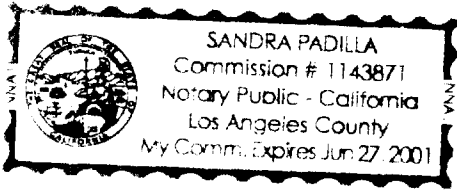
DATE

personally appeared Jeff Fryer  
NAME(S) OF SIGNER(S)

personally known to me **-OR-**  
 proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.

Sandra Padilla  
SIGNATURE OF NOTARY



## CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL(S)
- CORPORATE OFFICER(S) CEO  
TITLE(S)
- PARTNER(S)
- ATTORNEY-IN-FACT
- TRUSTEE(S)
- SUBSCRIBING WITNESS
- GUARDIAN/CONSERVATOR
- OTHER: \_\_\_\_\_

**SIGNER IS REPRESENTING:**  
NAME OF PERSON(S) OR ENTITY(IES)

## OPTIONAL SECTION

THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AT RIGHT:

TITLE OR TYPE OF DOCUMENT: Mortgage, Assignment and Grant of Security Interest With Respect to Trademarks

NUMBER OF PAGES 4 DATE OF DOCUMENT 11/16/98

Though the data requested here is not required by law, it could prevent fraudulent reattachment of this form.

SIGNER(S) OTHER THAN NAMED ABOVE xxx

DEBTOR: COSMI CORPORATION, a California corporation

SECURED PARTY: IMPERIAL BANK, a California chartered bank

SCHEDULE A

<u>Name of Trademark</u>	<u>Date of Registration or Filing</u>	<u>Registration/Serial Number</u>
1. Cosmi	4/2/85	1,328,730
2. Cosmi	3/7/86	312,063 (Canadian Registration)