

07-20-1999



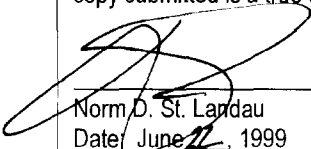
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U.S. Patent & TMOtc/TM Mail Rcpt Dt. #54


101094317  
TUCKER FLYER

1615 L Street, N.W.  
Washington, D.C. 20036  
(202) 452-8600

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<p>1. NAME OF CONVEYING PARTY:</p> <p>DuFFS International, Inc. 1281 Liberty Way Vista, California 92081</p> <p><i>mlp 7-8-99</i></p>	<p>2. NAME AND ADDRESS OF RECEIVING PARTY:</p> <p>STATE STREET BANK AND TRUST COMPANY 225 Franklin Street Boston, Massachusetts 02110</p>
<p>3. NATURE OF CONVEYANCE:</p> <p><input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other</p> <p>3A. EXECUTION DATE: September 17, 1998 3B. EFFECTIVE DATE: September 17, 1998</p>	<p>2A. ASSIGNEE A FOREIGN ENTITY: Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/></p> <p>2B. DOMESTIC REPRESENTATIVE DESIGNATED: Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/></p>
<p>4A. TRADEMARK APPLICATION NOS.:</p> <p>Additional numbers attached?</p>	<p>4B. TRADEMARK REGISTRATION NO(S).:</p> <p><b>Reg. No. 1,907,434 - DuFFS</b></p> <p>Additional numbers attached? <b>NO</b></p>
<p>Norm D. St. Landau, Esq. Tucker Flyer Suite 400 1615 L Street, N.W. Washington, D.C. 20036</p>	
<p>6. TOTAL NUMBER OF TITLES: 1</p> <p>7. TOTAL FEE: \$40.00 - Check Enclosed</p> <p>8. CHARGE ADDITIONAL FEES TO: DEPOSIT ACCOUNT NO. 20-1582</p> <p>Our Ref: 58590.300</p>	<p>9. The undersigned declares to the best of his knowledge and belief that the information on this cover sheet is true and correct and any copy submitted is a true copy of the original document.</p> <p> _____ Norm D. St. Landau Date June 12, 1999</p> <p>Page 1 of 3</p>

I hereby certify that the foregoing assignment was deposited with the U.S. Postal Services, by First Class Mail, postage prepaid, addressed to Box: Assignments/Fee, The Assistant Commissioner of Trademarks, U.S. Patent and Trademark Office, 2900 Crystal Drive, Arlington, VA 22202-3513, this 6th day of July 1999.

  
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SECURITY AGREEMENT (TRADEMARKS)

This Security Agreement (Trademarks) is made by DuFFS International, Inc. ("Assignor") having a place of business at 1281 Liberty Way, Vista, California 92081 in favor of State Street Bank and Trust Company ("Assignee") having a place of business at 225 Franklin Street, Boston, MA 02110.

1. Recitals. Assignor is the owner of all right, title and interest, in and to the trademarks and the trade names, and the registrations and applications for registration of the trademarks listed and described in Schedule A attached hereto ("Trademarks"). Assignee, for the benefit of itself, its successors and assigns, subject to the terms and agreements contained herein, wishes to acquire a security interest in the Trademarks together with all of the good will of the business in connection with which the Trademarks are used as security for advances made by the Assignee to the Assignor pursuant to a joint and several promissory note of Assignor, Genfoot America, Inc. and The Chase Company, Inc., as well as all other obligations of Assignor to Assignee, whether direct or indirect, absolute or contingent, secured or unsecured and whether now existing or hereafter arising (the "Obligations")

2. Security Interest. The Assignor hereby grants to the Assignee a security interest in the Trademarks, together with all of the goodwill of the business in connection with which the Trademarks are used, and in and to any divisionals, renewals and continuations thereof, including: (i) all priority rights arising therefrom, (ii) all claims for damage by reason of infringement of any the Trademarks, and (iii) any and all proceeds of the Trademarks, including personal property purchased with cash proceeds. The security interest hereby granted shall secure the Obligations.

3. Further Assurances. Assignor hereby agrees to execute and sign, without further consideration, any other document, and to do all other acts that may be appropriate and may be deemed necessary by the Assignee fully to secure to the Assignee its interests as aforesaid in and to said applications or any part thereof and in and to the Trademarks or any of them. Assignor further covenants and agrees that it will at any time upon request communicate to the Assignee, its successors, assigns or other legal representatives, any facts known to it relating to the Trademarks or Trade Names and any applications therefor, and will testify as to the same in any interference or litigation when requested to do so. Assignor further covenants and agrees that the Commissioner of Patents and Trademarks of the United States and the appropriate officer of all other jurisdictions are hereby authorized and requested to issue any certificate of registration which may be granted on any application for registration of the Trademarks to the Assignee in accordance with the terms of this instrument.

4. Encumbrances. Assignor does hereby covenant for itself and its legal representatives that it has not previously granted any security interest in the Trademarks or permitted any lien or encumbrance to exist with respect to any Trademark except for security interests in favor of Okewood Limited and Goldstar Limited, nor has it granted any license to use the same except for licenses granted to resellers in the ordinary course of business, and that in connection therewith, Assignor will not henceforth assign, license, encumber or execute any instrument to that effect without the prior written consent of Assignee.

5. Use of Collateral. Until Assignor shall be in default under Section 6 hereof, Assignor may use the Trademarks in its business and may execute any and all rights with respect to the Trademarks, including the right to pursue and enforce any and all claims for damage by reason of infringement of the Trademarks.

6. Default. Assignor shall be in default hereunder upon the occurrence and during the continuance of any default with respect to the Obligations, or upon default by the Assignor in the performance of any covenant or condition contained herein. Notice of the time and place of any public sale, or of the date after which a private sale of the Collateral shall take place, shall be deemed reasonable if given at least five days before any such date. Assignee may deduct from the proceeds of any such sale its costs and expenses of taking, holding and selling the Collateral, including reasonable attorneys' fees.

7. Release. Notwithstanding any terms herein to the contrary, it is understood that this Assignment is given to secure the payment of the Obligations. It is further understood that upon payment in full of the Obligations, the Assignee shall execute and deliver to Assignor such instruments as may be necessary in order to fully release the security interests granted hereby.

IN WITNESS WHEREOF, the Assignor acting through its duly-authorized officer has hereunto set his or her hand and seal this 17<sup>th</sup> day of September, 1998.

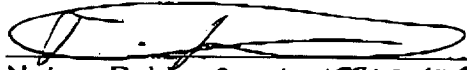
DUFFS INTERNATIONAL, INC.

By 

\_\_\_\_\_ County, ss.

September 17, 1998

Then personally appeared the above-named Richard Cook, a Secretary-Treasurer of the Assignor named in the foregoing Assignment and acknowledged such Assignment to be the free act and deed of such Assignor.

  
Notary Public **COMMISSIONER FOR OATHS**  
My commission expires \_\_\_\_\_



Schedule A

Registered Trademarks

<u>Trademark</u>	<u>Serial or Registration Number</u>	<u>Date of Registration or Filing</u>
"DuFFS"	1907434	July 25, 1995
<del>"KCK"</del>	<del>SN 75 198,584</del>	<del>November 14, 1996</del>
<del>"Section 88 Project"</del>	<del>SN 75 196,108</del>	<del>November 12, 1996</del>

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