

09-07-1999



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MRK  
9-3-99

### RECORDATION FORM COVER SHEET TRADEMARKS ONLY

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

#### Submission Type

New

Resubmission (Non-Recordation)  
Document ID #

Correction of PTO Error  
Reel #  Frame #

Corrective Document  
Reel #  Frame #

#### Conveyance Type

Assignment  License

Security Agreement  Nunc Pro Tunc Assignment

Merger

Change of Name

Other

Effective Date  
Month Day Year  
 08  13 1999

#### Conveying Party

Mark if additional names of conveying parties attached

Name

Execution Date  
Month Day Year  
 08  13 1999

Formerly

Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship/State of Incorporation/Organization

#### Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship/State of Incorporation/Organization

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.)

09/03/1999 MTHAII 00000172 75688865

FOR OFFICE USE ONLY

01 FC:481 40.00 OP  
02 FC:482 50.00 OP

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

REEL: 001953 FRAME: 0529

**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" value="75/688865"/> | <input type="text" value="75/688866"/> | <input type="text" value="75/688867"/> |
| <input type="text"/>                   | <input type="text"/>                   | <input type="text"/>                   |
| <input type="text"/>                   | <input type="text"/>                   | <input type="text"/>                   |

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| <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.

Joel Kabakoff

Name of Person Signing



Signature

8/31/99

Date Signed

# GRANT OF SECURITY INTEREST

## TRADEMARKS

THIS GRANT OF SECURITY INTEREST, dated as of August 13, 1999, is executed by Central Coast Surfboards, Inc., a California corporation ("Borrower"), in favor of Fleet Capital Corporation, as Agent for the Lenders party to the Loan Agreement described below (in such capacity, "Agent").

A. Pursuant to a Loan and Security Agreement dated as of the date hereof ("Loan Agreement") among Borrower, certain of its affiliates, Agent and Lenders, Agent has agreed to extend certain credit facilities to Borrower and its affiliates upon the terms and subject to the conditions set forth therein.

B. Borrower has adopted, used and is using the trademarks, more particularly described on Schedules 1-A and 1-B annexed hereto as part hereof, which trademarks are registered or subject to an application for registration in the United States Patent and Trademark Office (collectively, the "Trademarks");

C. Borrower has entered into a Security Agreement (Intellectual Property) dated the date hereof (the "Security Agreement") in favor of Agent; and

D. Pursuant to the Security Agreement, Borrower has granted to Agent a security interest in all right, title and interest of Borrower in and to the Trademarks, together with the goodwill of the business symbolized by the Trademarks and the customer lists and records related to the Trademarks and the applications and registrations thereof, and all proceeds thereof, including any and all causes of action which may exist by reason of infringement thereof (the "Collateral"), to secure the payment, performance and observance of the Liabilities, as defined in the Security Agreement;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Borrower does hereby further grant to Agent a security interest in the Collateral to secure the prompt payment, performance and observance of the Liabilities.

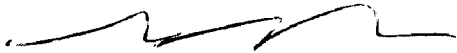
Borrower does hereby further acknowledge and affirm that the rights and remedies of Agent with respect to the security interest in the Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein.

Agent's address is:

Fleet Capital Corporation  
15260 Ventura Boulevard, Suite 400  
Sherman Oaks, California 91403  
Attn: Manager  
Telecopier: (818) 382-4291

IN WITNESS WHEREOF, Borrower has caused this Assignment to be executed as of the day and year first above written.

CENTRAL COAST SURFBOARDS, INC.

By:   
Name: Mike Adamski  
Title: CEO

ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA )  
COUNTY OF SANTA CLARA ) ss.

On August 9, 1999, before me, CHRISTIAN LIDYARD, NOTARY PUBLIC  
(Name and Title of Officer)

personally appeared \_\_\_\_\_

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.

Christian Lydyard

Signature Of Notary



OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- Individual
- Corporate Officer

\_\_\_\_\_  
Title(s)

- Partner(s)  Limited
- Attorney-In-Fact  General
- Trustee(s)
- Guardian/Conservator
- Other: \_\_\_\_\_

Signer is representing:

Name Of Person(s) Or Entity(ies)  
\_\_\_\_\_  
\_\_\_\_\_

DESCRIPTION OF ATTACHED DOCUMENT

\_\_\_\_\_  
Title Or Type Of Document

\_\_\_\_\_  
Number Of Pages

\_\_\_\_\_  
Date Of Document

\_\_\_\_\_  
Signer(s) Other Than Named Above

SCHEDULE 1-A TO GRANT OF SECURITY INTEREST

TRADEMARKS

None.

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6884-151 SGG

TRADEMARK  
REEL: 001953 FRAME: 0534

SCHEDULE 1-B TO GRANT OF SECURITY INTEREST

TRADEMARK APPLICATIONS

| <u>Mark</u>   | <u>Jurisdiction</u> | <u>Application Date</u> | <u>Application No.</u> |
|---------------|---------------------|-------------------------|------------------------|
| CCS KIDS      | United States       | 4/22/99                 | 75/688865              |
| CCS MAILORDER | United States       | 4/22/99                 | 75/688866              |
| CCS           | United States       | 4/22/99                 | 75/688867              |