

03/17/00

04-14-2000

FORM PTO-1594
1-31-92

RECORDATION FORM FOR
TRADEMARKS ONLY



33A-008700US
OF COMMERCE
Trademark Office

To the Honorable Commissioner of Patents and Trademarks, Please record the attached

101320684

1. Name of conveying party(ies): Renald E. Dembs

Individual(s) Association

General Partnership Limited Partnership

Corporation-State

Other

Additional name(s) of conveying parties attached? Yes No

2. Name and address of receiving party(ies)

Name: Cigarettes Cheaper!

Internal Address:

Street Address: 605 Industrial Way

City: Bannockburn State: CA ZIP: 94510

Individual(s) citizenship

Association

General Partnership

Limited Partnership

Corporation-State: California

Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designation must be a separate document from Assignment)

Additional names and addresses attached? Yes No

3. Nature of conveyance:

Assignment Merger

Security Agreement Change of Name

Other:

Execution Date: February 23, 2000

4. Application Number(s) or Registration Number(s).

A. Trademark Application No(s):

B. Trademark Registration No(s): 2,137,382

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Dirks B. Foster, Esq.
Townsend and Townsend and Crew LLP
Two Embarcadero Center, 8th Flr.
San Francisco, CA 94111-3834

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41): \$40.00

Enclosed Charge Fees to Deposit Account

Charge any additional fees associated with this paper or during the pendency of this application, or credit any overpayment, to deposit account.

8. Deposit account number: 20-1430

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

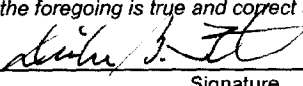
04/13/2000 JSHABAZZ 00000243 201430 2137362

01 FC:481 (40.00 CH)

DO NOT USE THIS SPACE

9. Statement and signature.

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

Dirks B. Foster  March 17, 2000

Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments and document: 4

10. Change Correspondence Address to that of Part 5? Yes

OMB No. 0651-0011 (exp. 4/94)

Do not detach this portion

Mail documents to be recorded with required cover to:

Asst. Commissioner for Trademarks
Box: Assignments
Washington, D.C. 20231

TRADEMARK ASSIGNMENT

This ASSIGNMENT is made from Dembs. Renald E., an individual, whose principal place of business is Casa de Campo, Dominican Republic (hereinafter "Assignor"), to Cigarettes Cheaper!, a California corporation, whose principal place of business is 605 Industrial Way, Benicia, California (hereinafter "Assignee").

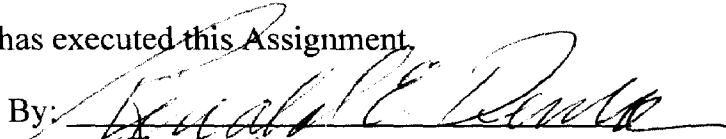
WHEREAS, Assignor claims and warrants that it owns all rights, title and interest of every kind, nature or description in and to the trademark "DESPERADO," (hereinafter "the Mark"), including the U.S. Trademark Registration therefor, issued February 17, 1998, Reg. No. 2,137,382, and all goodwill of the business pertaining thereto, all rights to use or register the Mark or collect royalties for the licensing thereof, and all claims for infringement thereof (hereinafter "All Rights in the Mark"); and,

WHEREAS, Assignor and Assignee wish for Assignee to acquire All Rights in the Mark (including the above-referenced trademark registration and all good will of the business pertaining thereto).

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Assignor does hereby sell, assign, set over and transfer to Assignee All Rights in the Mark, including the entire right, title and interest it may hold in an to the Mark, and all past, present and future registrations and applications therefor, including but not limited to above-identified U.S. Trademark Registration, together with the whole of the good will of the business pertaining thereto. The rights of Assignee at common law and/or to the end of the term or terms of which registration of the Mark may be granted or renewed are to be held and enjoyed by Assignee for Assignee's own use and enjoyment, and for the use and enjoyment of its successors, assigns and other legal representatives, as fully and entirely as the same would have been held and enjoyed by Assignor if this Assignment and sale had not been made; including all claims for royalties for licensing of the Mark and damages by reason of past infringement(s) of the Mark, with the right to sue for and collect the same for its own use and benefit, for the use, benefit and on behalf of its successors, assigns and other legal representatives.

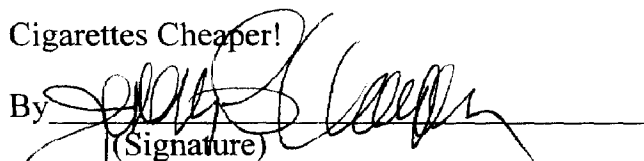
In Witness Hereof, Assignor has executed this Assignment.

Dated: 2/23/00

By: 
(Signature)
Renald E. Dembs

Assignee is hereby granted a license to dispose of all the inventory of DESPERADO cigars in its and its distributors' possession at the time of execution hereof.

Dated: 2/3/00

Cigarettes Cheaper!
By: 
(Signature)
Jeremy S. Chapman, Vice President

SF 1038038 v1