

09-28-2000



101474530

9-25-08

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		Conveyance Type	
<input type="checkbox"/> New	<input checked="" type="checkbox"/> Resubmission (Non-Recordation) Document ID # 101394162	<input type="checkbox"/> Assignment	<input checked="" type="checkbox"/> License
<input type="checkbox"/> Correction of PTO Error Reel # [] Frame # []	<input type="checkbox"/> Corrective Document Reel # [] Frame # []	<input type="checkbox"/> Security Agreement	<input type="checkbox"/> Nunc Pro Tunc Assignment Effective Date Month Day Year []
		<input type="checkbox"/> Merger	
		<input type="checkbox"/> Change of Name	
		<input type="checkbox"/> Other []	

Conveying Party Mark if additional names of conveying parties attached

Name Execution Date
Month Day Year

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

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.)

FOR OFFICE USE ONLY

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: 002149 FRAME: 0940

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)

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.

Lowell Anderson

Name of Person Signing

Lowell Anderson

Signature

9/20/00

Date Signed

07-03-2000

03 MAY 06 PM 12:26



101394162

CFR/FRAISE

**RECORDATION FORM COVER SHEET
TRADEMARKS ONLY**

5.26.00

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
Effective Date
Month Day Year _____
- Merger
- Change of Name
- Other _____

Conveying Party

Mark if additional names of conveying parties attached

Name Cabo Breving Company, Inc. Execution Date
Month Day Year 08 28 00

Formerly _____

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other _____
- Citizenship/State of Incorporation/Organization California

Receiving Party

Mark if additional names of receiving parties attached

Name Cerverzaria Mexicana S.A. De C.V.

DBA/AKA/TA _____

Composed of _____

Address (line 1) Boulevard Morelos No. 750

Address (line 2) _____

Address (line 3) Tecate City B.C. Mexico State/Country 21430 Zip Code

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other _____
- Citizenship/State of Incorporation/Organization Mexico

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.)

06/30/2000 ABCOTT 00000171 7551353

FOR OFFICE USE ONLY

01 FC:161
02 FC:162

40.00 OP
50.00 OP

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Address (line 4)

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Area Code and Telephone Number

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Address (line 1)

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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)

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.) #

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.

Lowell Anderson
Name of Person Signing

Lowell Anderson
Signature

5/25/00
Date Signed

PRODUCTION AGREEMENT

This production agreement ("Agreement"), made this 28th day of August 1998, between Cerveceria Mexicana S.A. de C.V. a Mexican corporation (hereinafter "PRODUCER"), and Cabo Brewing Company, Inc., a California Corporation, (hereinafter "CABO BREWING"), (collectively the "Parties").

RECITALS

A. PRODUCER is a brewer and marketer of beer, ale and other malt beverage products and holds such regulatory licenses and permits as are necessary to conduct its business.

B. CABO BREWING is in the business of distributing and marketing beer products and owns and/or holds the rights to TRADENAMES, logos and artwork for alcohol beverage products.

C. PRODUCER and CABO BREWING desire to enter into an agreement whereby PRODUCER will produce and CABO BREWING will purchase beer products under the trade names listed in Exhibit "A" attached hereto (hereinafter "PRODUCTS").

1. TERM OF AGREEMENT.

Unless otherwise terminated earlier as provided hereinafter, the term of this Agreement shall be 20 years from the date set forth above.

2. OWNERSHIP RIGHTS.

a. CABO BREWING warrants that it is the owner of all rights, title and interest in the trade name of "PRODUCTS" and all trademarks, logos and artwork associated with PRODUCTS (hereinafter "TRADENAMES"). CABO BREWING hereby grants PRODUCER the non-exclusive right to use the TRADENAMES for the term of this agreement in connection with the Production and packaging of PRODUCTS, except for PRODUCER'S right to sell the PRODUCTS pursuant to paragraph 3f. of this Agreement, solely and exclusively for sale to CABO BREWING.

3. ORDERING AND PRODUCTION OF PRODUCTS.

a. PRODUCER shall use certain formulas as agreed upon from time to time between the Parties (the "FORMULAS") to produce PRODUCTS for CABO BREWING. All PRODUCTS shall conform to the FORMULAS and shall be produced in accordance with generally accepted brewing practices and quality standards.

b. CABO BREWING shall place orders at such location as shall be designated for the taking of orders in written notice given by PRODUCER to CABO BREWING from time to time during the term of this Agreement. CABO BREWING shall issue and deliver to the location designated by PRODUCER a written purchase order to confirm each order placed.

c. Each purchase order shall provide at least 5 weeks of lead time for the completion of the order. Each order shall consist of a minimum quantity of 100 barrels. Within 5 working days of receipt of each purchase order, PRODUCER shall provide written notification to CABO BREWING of the projected date upon which the PRODUCTS ordered will be ready for pickup. Verification of the actual date on which PRODUCTS will be ready for pickup will be provided to CABO BREWING one week prior to such date.

d. Until such time that CABO BREWING has established credit terms with PRODUCER, CABO BREWING will pay 50% of the purchase price before the production of PRODUCTS

commences, and will pay the remaining 50% of the purchase price at the time CABO BREWING takes possession of the PRODUCTS. Once credit terms have been established, CABO BREWING will pay invoices within 30 days of the invoice issuing date.

e. Upon completion of PRODUCTS ordered by CABO BREWING, PRODUCER shall notify CABO BREWING that the PRODUCTS is completed and ready for pickup. An invoice shall be issued by PRODUCER to cover the order. On the date issued, the invoice shall be mailed to CABO BREWING and a copy shall be sent by telefacsimile to CABO BREWING.

f. Completed PRODUCTS shall be picked up by CABO BREWING within five (5) days of the date of notification that the PRODUCTS is ready for pickup. The date on which the invoice is sent to CABO BREWING by telefacsimile shall be deemed the date of notification. In the event CABO BREWING either fails to pick up and/or pay for PRODUCTS for more than 20 days after pick up and/or payment terms are expired, PRODUCER shall obtain the full one-time rights, title and interest to sell PRODUCTS to any third party and recoup any moneys due PRODUCER.

g. Title and all risk of loss shall pass to CABO BREWING upon taking possession of the PRODUCTS, whether directly or through its agent. CABO BREWING shall be deemed to have taken possession when the PRODUCTS has been loaded onto or in the vehicle used by CABO BREWING or its agent to pick-up the PRODUCTS. CABO BREWING shall thereafter be liable for and bear all risk of loss or damage to PRODUCTS in transit or after transit.

h. CABO BREWING shall exchange a standard 40 by 48 inch wood pallet for each pallet picked up. CABO BREWING shall pay to the producing facility the sum of \$7.00 for each pallet picked up for which an empty pallet is not left in exchange. The charges for pallets shall appear on the invoices issued by the producing facility.

4. PACKAGING

a. CABO BREWING shall supply all dry goods and gasses and all packaging materials, including glass, kegs, crowns, six pack carriers, cartons and labels.

b. Except as otherwise provided herein, CABO BREWING shall be responsible for ensuring that the design and wording of labels, six pack carriers and cartons conform to the requirements of any applicable Federal, State and local statutes, ordinances and regulations. To the extent that any governmental or regulatory agency requires the participation of the PRODUCER in obtaining approval of labels, PRODUCER will cooperate with CABO BREWING and provide all necessary information and documentation, and will process application documents.

5. PRICING

a. Prices shall be effective for the term of this Agreement. PRODUCER shall charge CABO BREWING the cost of utilities and manpower plus \$0.50 per case equivalent.

6. TAXES AND LICENSES

a. CABO BREWING, at its own expense, shall obtain and maintain current any and all licenses and permits required by any governmental or regulatory agency or under any statute, ordinance or regulation for the right to import, sell, distribute, or transport alcoholic beverages. PRODUCER shall cooperate and provide any information and documentation needed by CABO BREWING to obtain or renew any licenses or permits to the extent such information is not otherwise in the possession of or equally available to CABO BREWING. CABO BREWING shall, upon reasonable request by PRODUCER, provide copies of or other satisfactory evidence of any such license or permit required in any jurisdiction

within which CABO BREWING sells, distributes or transports alcoholic beverages.

b. PRODUCER shall process and pay all applicable manufacturer's taxes (if applicable), and all manufacturer's processing fees (if applicable).

7. TERMINATION OF AGREEMENT.

a. Upon the failure of either party to this Agreement to fulfill any material obligations hereunder, the party aggrieved by the default may give to the other party written notice, by certified mail, of the default. Notice shall state specifically the aggrieved party's intention to terminate this Agreement in the event of continued default. If, after 30 days from the date of such notice, the defaulting party has failed or refuses to remedy a default capable of being remedied, or has failed or refuses to pay reasonable compensation for a default not capable of being remedied, this Agreement may be terminated immediately by written notice given to the defaulting party by certified mail, not later than 60 days after the date of the original notice of default. Such termination shall be without prejudice to any other rights or claims the aggrieved party may have against the defaulting party.

b. Either party shall have the right, at its option, to terminate this Agreement by giving notice to the other party at least five business days before the termination is to be effective, if:

i. The other party shall be adjudicated or become a bankrupt (as that term is defined in 11 USC Section 101(32));

ii. The other party shall file a voluntary petition under any bankruptcy, reorganization or insolvency law;

iii. The other party shall apply for or consent to appointment of a trustee or receiver to take possession of all or substantially all its assets;

iv. The other party shall consent to, or shall file an answer admitting the jurisdiction of the court and the material allegations of, an involuntary petition filed under any bankruptcy, reorganization, or insolvency law;

v. Any proceedings of bankruptcy, reorganization, or insolvency shall be commenced against the other party and not be dismissed within 60 calendar days after commencement;

vi. The other party shall make any assignment for the benefit of creditors, other arrangement or composition under any laws for the benefit of insolvents;

vii. Any order shall be entered under any bankruptcy, reorganization, or insolvency law of any jurisdiction, and shall not be dismissed or stayed within 60 calendar days after its entry (a) approving an involuntary petition seeking an arrangement with the creditors of the other party, (b) approving an involuntary petition seeking reorganization, or (c) appointing any receiver or trustee of all or a substantial part of the property of the other party;

viii. A trustee or receiver shall be appointed to take possession of all or substantially all assets of the other party and shall not be dismissed within 60 calendar days after appointment; or

ix. Any writ of attachment, garnishment, or execution shall be levied against all or substantially all assets of the other party, or all or substantially all assets of the other party shall be subject to any attachment, garnishment, execution, or other judicial seizure, and shall not be removed, released, or bonded within 60 calendar days after the date of the attachment, garnishment, execution or

other judicial seizure.

c. In the event of termination of this Agreement for any reason whatsoever, all future and continuing rights and obligations under it shall terminate, except:

i. CABO BREWING shall remain obligated to pay all sums due at the time of termination of the Agreement;

ii. CABO BREWING shall pay for all PRODUCTS adhering to the standards described in 3.a. ordered prior to the date of termination of the Agreement; and

iii. CABO BREWING shall pay the cost incurred by PRODUCER for all packaging, including that which PRODUCER has in its inventory or has ordered prior to the date notification of termination is given, that bears the TRADENAMES or for any other reason cannot be utilized by PRODUCER to package other PRODUCTS. Such packaging shall become the property of CABO BREWING.

8. RELATIONSHIP OF THE PARTIES.

CABO BREWING and PRODUCER are independent contractors under this Purchase Agreement and no agency, joint venture or partnership is created between the parties. Neither party has the right to incur any liabilities on behalf of or binding upon the other party.

9. INDEMNIFICATION.

a. CABO BREWING shall indemnify, defend and hold harmless PRODUCER, and its officers, directors, shareholders, employees, agents and representatives, against all liability, demands, claims, costs, losses, damages, recoveries, settlements, and expenses, (including interest, penalties, attorney fees, accounting fees, expert witness fees, costs, and other related expenses) directly or indirectly arising from or related to the acts or omissions of CABO BREWING, its agents, employees, subcontractors or other persons or entities acting under the direction or control of CABO BREWING, its agents, employees, or subcontractors, including, but not limited to, any claims against PRODUCER for actual or alleged infringement of any trade rights, title and interest in the trade name.

b. PRODUCER shall indemnify, defend and hold harmless CABO BREWING and its officers, directors, shareholders, employees, agents and representatives, against all liability, demands, claims, costs, losses, damages, recoveries, settlements, and expenses, (including interest, penalties, attorney fees, accounting fees, expert witness fees, costs, and other related expenses) directly or indirectly arising from or related to the acts or omissions of PRODUCER, its agents, employees, subcontractors or other persons or entities acting under the direction or control of PRODUCER, its agents, employees, or subcontractors.

10. INSURANCE.

a. CABO BREWING shall obtain and maintain at all times during the term of this Agreement a comprehensive general liability insurance policy providing for coverage of at least \$1,000,000 for each occurrence. CABO BREWING shall furnish to PRODUCER a certificate evidencing the fact that the insurance described in this paragraph has been obtained and is in full force and effect, that the premiums thereon have been paid and that such insurance cannot be canceled without prior written notice to PRODUCER.

b. PRODUCER shall obtain and maintain at all times during the term of this Agreement a PRODUCTS liability insurance policy providing for coverage of at least \$1,000,000 for each occurrence. CABO BREWING shall be included as an additional insured under such policy of insurance. PRODUCER

other judicial seizure.

c. In the event of termination of this Agreement for any reason whatsoever, all future and continuing rights and obligations under it shall terminate, except:

i. CABO BREWING shall remain obligated to pay all sums due at the time of termination of the Agreement;

ii. CABO BREWING shall pay for all PRODUCTS adhering to the standards described in 3.a. ordered prior to the date of termination of the Agreement; and

iii. CABO BREWING shall pay the cost incurred by PRODUCER for all packaging, including that which PRODUCER has in its inventory or has ordered prior to the date notification of termination is given, that bears the TRADENAMES or for any other reason cannot be utilized by PRODUCER to package other PRODUCTS. Such packaging shall become the property of CABO BREWING.

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9. INDEMNIFICATION.

a. CABO BREWING shall indemnify, defend and hold harmless PRODUCER, and its officers, directors, shareholders, employees, agents and representatives, against all liability, demands, claims, costs, losses, damages, recoveries, settlements, and expenses, (including interest, penalties, attorney fees, accounting fees, expert witness fees, costs, and other related expenses) directly or indirectly arising from or related to the acts or omissions of CABO BREWING, its agents, employees, subcontractors or other persons or entities acting under the direction or control of CABO BREWING, its agents, employees, or subcontractors, including, but not limited to, any claims against PRODUCER for actual or alleged infringement of any trade rights, title and interest in the trade name.

b. PRODUCER shall indemnify, defend and hold harmless CABO BREWING and its officers, directors, shareholders, employees, agents and representatives, against all liability, demands, claims, costs, losses, damages, recoveries, settlements, and expenses, (including interest, penalties, attorney fees, accounting fees, expert witness fees, costs, and other related expenses) directly or indirectly arising from or related to the acts or omissions of PRODUCER, its agents, employees, subcontractors or other persons or entities acting under the direction or control of PRODUCER, its agents, employees, or subcontractors.

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b. PRODUCER shall obtain and maintain at all times during the term of this Agreement a PRODUCTS liability insurance policy providing for coverage of at least \$1,000,000 for each occurrence. CABO BREWING shall be included as an additional insured under such policy of insurance. PRODUCER

shall furnish to CABO BREWING a certificate evidencing the fact that the insurance described in this paragraph has been obtained and is in full force and effect, that CABO BREWING has been named as an additional insured, that the premiums thereon have been paid and that such insurance cannot be canceled without prior written notice to CABO BREWING.

11. FORCE MAJEURE.

If PRODUCER fails to perform its obligations because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental action, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes, except financial, beyond the reasonable control of PRODUCER, then PRODUCER's performance shall be excused for a period equal to the period of such cause for failure to perform as long as PRODUCER gives CABO BREWING notice, in writing by certified mail, within three (3) business days after the event causing the failure.

12. ARBITRATION.

Any controversy, claim or dispute arising out of this Agreement or the breach of any provision herein shall be settled in arbitration in accordance with the rules of the American Arbitration Association. Notwithstanding the foregoing, the parties hereby agree that in the event of arbitration, each party may conduct discovery and the provisions of Code of Civil Procedure, Section 1283.05 shall apply. The prevailing party to such arbitration shall be entitled, in addition to such other relief as may be granted, to reasonable attorney's fees. The award rendered by the arbitrator shall be final and binding. The arbitration proceedings shall be conducted in the County of Orange, State of California.

13. NOTICES.

All notices and other communications under this Agreement shall be in writing and shall be delivered personally, telegraphed, telexed, sent by facsimile transmission or sent by certified, registered or express mail, postage prepaid. Any such notice or other communication shall be deemed given: (a) upon actual delivery if presented personally or sent by prepaid telegram or telex or by facsimile transmission and (b) three (3) business days following deposit it in the United States mail, if sent by certified, registered or express mail, postage prepaid, in each case to the following address:

If to PRODUCER: Joel Lopez Corona
President
Cerveceria Mexicana S.A. de C.V.
Boulevard Morelos #750
Tecate B.C. Mexico 21430

If to CABO BREWING: Federico G. Cabo
President
9657 E. Rush Street
South El Monte CA 91733

Notice of any change in any such address shall also be given in the manner set forth above. Whenever the giving of notice is required, the giving of such notice may be waived by the party entitled to receive such notice.

14. ASSIGNMENT

n/a

15. AMENDMENTS AND WAIVERS.

Except as specifically provided for herein, this Agreement may be amended, superseded, canceled, renewed or extended, and the terms hereof may be waived, only by a written instrument signed by the parties hereto or, in the case of a waiver, by the party waiving compliance. No delay on the part of any party hereto in exercising any right, power or privilege hereunder shall operate as a waiver thereof. Nor shall any waiver on the part of any party hereto of any such right, power or privilege, nor any single or partial exercise of any such right, power or privilege, preclude any further exercise thereof or the exercise of any other such right, power or privilege.

16. SEVERABILITY; HEADINGS; GOVERNING LAW; COMPLIANCE

In the event one or more of the provisions contained herein are found to be illegal or unenforceable in any respect, the legality and enforceability of the remaining provisions of this Agreement, shall not be affected. The headings of this Agreement are provided for reference only. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Both parties mutually agree to do all things reasonably necessary in order to comply with all laws and regulations.

In witness whereof, the parties have caused this Agreement to be signed by their duly authorized and empowered officers or representatives as of the date first above written.

Cabo Brewing Company, Inc.
9657 E. Rush Street
South El Monte, CA 91733

BY:



Federico G.. Cabo
President

Cerveceria Mexicana S.A. de C.V.
Boulevard Morelos #750
Tecate B.C., Mexico 21430

BY:



Joel Lopez Corona
President

EXHIBIT "A"
PRODUCTS

Cerveza Mexicana
Bandido