FORM PTO-1618A Expires 06/30/99 OMB 0651-0027 11-16-2000



U.S. Department of Commerce Patent and Trademark Office TRADEMARK

11-16-80

101517775

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 **Assignment** License lx l New (Non-Recordation) Resubmission Security Agreement **Nunc Pro Tunc Assignment** Document ID # Effective Date Month Day Year Merger Correction of PTO Error Reel# Frame # Change of Name **Corrective Document** Ree!# Frame # Conveying Party Mark if additional names of conveying parties attached **Execution Date** Month Day Year 02092000 Name HLH Entertainment, Inc. Formerly | Monarch Records and Sugo Music and Design Individual General Partnership Limited Partnership X **Association** Other Citizenship/State of Incorporation/Organization Receiving Party Mark if additional names of receiving parties attached Name Pasero, Stevan DBA/AKA/TA N/A Composed of Isabella Road Address (line 1) Address (line 2) Address (line 3) E1Granada CA 94018 State/Country Zip Code If document to be recorded is an Individual General Partnership Limited Partnership assignment and the receiving party is not domiciled in the United States, an Corporation **Association** appointment of a domestic representative should be attached. (Designation must be a separate Other document from Assignment.) USA Citizenship/State of Incorporation/Organization 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

FORM PTO- Expires 06/30/99 OM8 0651-0027	-1618B	Page 2	U.S. Department of Commerce Patent and Trademark Office TRADEMARK	
Domestic R	Representative Name a	nd Address Enter for the first R	eceiving Party only.	
Name	Edward R. Hearn,	Esq.		
Address (line 1)	Law Offices of E	Edward R. Hearn		
Address (line 2)	84 West Santa Cl	Lara Street, Suite 660		
Address (line 3)	San Jose, CA 951	13		
Address (line 4)				
Correspond	dent Name and Addres	S Area Code and Telephone Number (408) 998-3400	
Name	Edward R. Hearn,	Esq.		
Address (line 1)	Law Offices of E	dward R. Hearn		
Address (line 2)	84 West Santa Cl	ara Street, Suite 660		
Address (line 3)	San Jose, CA 951	.13		
Address (line 4)				
Pages	Enter the total number of including any attachment	pages of the attached conveyance do	pcument # 3	
Trademark Application Number(s) or Registration Number(s) Mark if additional numbers attached				
Enter either th	e Trademark Application Number g	or the Registration Number (DO NOT ENTER BO		
Tra 75542960	demark Application Number 75608802	er(s) Regis 1836626 [tration Number(s)	
75608801	75528702	2028371		
75785739				
Number of	Properties Enter the to	otal number of properties involved.	# 7	
Fee Amour	nt Fee Amount	t for Properties Listed (37 CFR 3.41):	\$ 190.00	
		closed X Deposit Account	, ,	
Deposit A (Enter for p	Account (Prepayment by deposit account or if a	eviously Paid) dditional fees can be charged to the account.) Deposit Account Number:	#	
		Authorization to charge additional fees:		
Statement a	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.				
Edward	R. Hearn	Mul Chan	- 1115 200 ,	
Nama	of Person Signing	Signature	Date Signed	

Name of Person Signing

TRADEMARK REEL: 002174 FRAME: 0969

Date Signed

FORM PTO-1618C Expires 06/30/99 OMB 0651-0027

RECORDATION FORM COVER SHEET CONTINUATION TRADEMARKS ONLY

U.S. Department of Commerce Patent and Trademark Office TRADEMARK

OMB 0651-0027	I RADEMARKS UNLY	CADEMAKK
Conveying Enter Additional	Party Mark if additional names of conveying parties attach	ed Execution Date Month Day Year
Name		
Formerly [
Individua	al General Partnership Limited Partnership Corporation	Association
Other		
	hip State of Incorporation/Organization	
Receiving Enter Additional	Party I Receiving Party Mark if additional names of receiving parties attached	
Name	Hale, Jeramy	
DBA/AKA/TA	N/A	
Composed of		
Address (line 1)	2015 Menalto Avenue	
Address (line 2)	,	
Address (line 3)	Menlo Park CA State/Country	04025 Zip Gode
X Individu	ual General Partnership Limited Partnership If document to be assignment and to not domiciled in appointment of a	recorded is an he receiving party is the United States, an domestic tould be attached to be a separate
	ship/State of Incorporation/Organization USA	
Trademark	Application Number(s) or Registration Number(s) Mark if additio	nal numbers attached
	he Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the s	ame property).
Trac	demark Application Number(s) Registration Number	(s)

FORM PTO-1618C Expires 06/30/99 OMB 0651-0027

RECORDATION FORM COVER SHEET CONTINUATION TRADEMARKS ONLY

U.S. Department of Commerce Patent and Trademark Office TRADEMARK

OMB 0651-0027	TRADEMARKS ONE!
Conveying Enter Additional	Party Conveying Party Mark if additional names of conveying parties attached Execution Date Month Day Year
Name _	
Formerly [
Individua	General Partnership Limited Partnership Corporation Association
Other	
	ip State of Incorporation/Organization
Receiving I Enter Additional	Party Receiving Party Mark if additional names of receiving parties attached
Name	Pasero, Digeann
DBA/AKA/TA	N/A
Composed of	
Address (line 1)	634 Isabella Road
Address (line 2)	
Address (line 3)	74010
X Individu	
Corporat	assignment and the receiving party is not domiciled in the United States, an ion Association appointment of a domestic
	representative should be attached (Designation must be a separate
Other _	document from the Assignment.)
X Citizensi	hip/State of Incorporation/Organization USA
	Application Number(s) or Registration Number(s) Mark if additional numbers attached
	e Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).
Irac	lemark Application Number(s) Registration Number(s)

FORM PTO-1618C Expires 06/30/99

RECORDATION FORM COVER SHEET CONTINUATION TRADEMARKS ONLY

U.S. Department of Commerce Patent and Trademark Office TRADEMARK

Expires 06/30/99 OMB 0651-0027	TRA	DEMARKS ONLY	TRADEMARK
Conveying Enter Additiona	Party Il Conveying Party	Mark if additional names of co	onveying parties attached Execution Date Month Day Year
Name [
Formerly [
Individu	aal General Partnership	Limited Partnership C	orporation Association
Other			
Citizens	ship State of Incorporation/Organi	zation	
Receiving Enter Additiona	Party al Receiving Party	X Mark if additional names of receiving	g parties attached
Name	Kellner, Scott		
DBA/AKA/TA	N/A		
Composed o	f		
Address (line	925 Trifone Drive		
Address (line	2)		
Address (line		CA	95117
X Individ		State/Country Dip Limited Partnership	If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an
Corpor	ation Association		appointment of a domestic representative should be attached (Designation must be a separate
Other			document from the Assignment.)
X Citizen	ship/State of Incorporation/Organ	ization USA	
	Application Number(s) o	r Registration Number(s) he Registration Number (DO NOT ENTER B	Mark if additional numbers attached OTH numbers for the same property).
Tra	ademark Application Number(s) Reg	gistration Number(s)
	·		

FORM PTO-1618C Expires 06/30/99

RECORDATION FORM COVER SHEET CONTINUATION TRADEMARKS ONLY

U.S. Department of Commerce Patent and Trademark Office TRADEMARK

Formerly Individual General Partnership Limited Partnership Corporation Association Other Citizenship State of Incorporation/Organization Receiving Party Enter Additional Receiving Party Name Peters, Ken	Year
Formerly Individual General Partnership Limited Partnership Corporation Association Other Citizenship State of Incorporation/Organization Receiving Party Enter Additional Receiving Party Name Peters, Ken	<u> </u>
Individual General Partnership Limited Partnership Corporation Association Other Citizenship State of Incorporation/Organization Receiving Party Enter Additional Receiving Party Name Peters, Ken	<u>]</u>
Citizenship State of Incorporation/Organization Receiving Party Enter Additional Receiving Party Name Peters, Ken	<u></u>
Citizenship State of Incorporation/Organization Receiving Party Enter Additional Receiving Party Name Peters, Ken	<u>] </u>
Receiving Party Enter Additional Receiving Party Name Peters, Ken	
Name Peters, Ken	
DBA/AKA/TA N/A	
Composed of	
Address (line 1) 421 Ynigo Way	
Address (line 2)	
Address (line 3) Palo Alto CA 94306 City State/Country Zip Code	
X Individual General Partnership Limited Partnership If document to be recorded is an assignment and the receiving part not domiciled in the United States appointment of a domestic representative should be attached (Designation must be a separate	s, an
Other document from the Assignment.)	
X Citizenship/State of Incorporation/Organization USA	
Trademark Application Number(s) or Registration Number(s) Mark if additional numbers atta Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).	ched
Trademark Application Number(s) Registration Number(s)	

FORM PTO-1618C CO	N FORM COVER SHEET INTINUATION EMARKS ONLY	U.S. Department of Commerce Patent and Trademark Office TRADEMARK
Conveying Party Enter Additional Conveying Party	Mark if additional names of conveying p	arties attached Execution Date Month Day Year
Name		
Formerly		
Individual General Partnership	Limited Partnership Corporation	n Association
Other		
Citizenship State of Incorporation/Organizati	on	
Receiving Party Enter Additional Receiving Party	Mark if additional names of receiving parties at	ttached
Name Tinawi, George		
DBA/AKA/TA N/A		
Composed of		
Address(line 1) 2485 Hospital Drive	e, #240	
Address (line 2)		
Address(line 3) Mountain View	CA State/Country	94040 Zip Code
X Individual General Partnership		cument to be recorded is an gnment and the receiving party is
Corporation Association	арро	lomiciled in the United States, an intment of a domestic esentative should be attached
Other	(Des	ignation must be a separate iment from the Assignment.)
X Citizenship/State of Incorporation/Organizat	ion USA	
Trademark Application Number(s) or R Enter either the Trademark Application Number or the Re	• , , , , , , , , , , , , , , , , , , ,	ark if additional numbers attached pers for the same property).
Trademark Application Number(s)	Registration	Number(s)
, ,		

FORM PTO-1618C Expires 06/30/99

RECORDATION FORM COVER SHEET CONTINUATION TRADEMARKS ONLY

U.S. Department of Commerce Patent and Trademark Office TRADEMARK

OMB 0651-0027	TRADEMARKS ONLY	INADEMARK
Conveying Enter Additional	Party Conveying Party Mark if additional names of conveying parties atta	ched Execution Date Month Day Year
Name		
Formerly		
Individua	General Partnership Limited Partnership Corporation	Association
Other		
	nip State of Incorporation/Organization	
Receiving Enter Additional	Party Receiving Party Mark if additional names of receiving parties attached	
Name	Hubbard, Glen	
DBA/AKA/TA	N/A	
Composed of		
Address (line 1)	25 Heron Drive	
Address (line 2)		
Address (line 3)	Mill Valley CA State/Country	94941 Zip Code
X Individu	General Partnership Limited Partnership If document to assignment an not domiciled is appointment or representative (Designation in	be recorded is an d the receiving party is in the United States, an
	hip/State of Incorporation/Organization USA	
Trademark	Application Number(s) or Registration Number(s) Mark if addition	tional numbers attached
Enter either th	e Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for th	e same property).
Tra	demark Application Number(s) Registration Numb	er(s)

FORM PTO-1618C Expires 06/30/99 OMB 0651-0027

RECORDATION FORM COVER SHEET CONTINUATION TRADEMARKS ONLY

U.S. Department of Commerce Patent and Trademark Office TRADEMARK

Conveying Party Mark if additional names of conveying parties attached	
Enter Additional Conveying Party	Execution Date
Name	
Formerly	
Individual General Partnership Limited Partnership Corporation As	sociation
Other	
Citizenship State of Incorporation/Organization	
Receiving Party Enter Additional Receiving Party Mark if additional names of receiving parties attached	
Name Tinawi, Raphaell	
DBA/AKA/TA N/A	
Composed of	
Address(line 1) 1711 Cherry Tree Lane	
Address (line 2)	
Address(line 3) Mountain View CA State/Country	Zip Code
X Individual General Partnership Limited Partnership If document to be reconsisted in the Unique appointment of a domiciled in the Unique appointment of a domic	orded is an iceiving party is nited States, an lestic be attached
Other (Designation must be a document from the As	
X Citizenship/State of Incorporation/Organization USA	
Trademark Application Number(s) or Registration Number(s) Mark if additional number Mark if addi	
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)	



06-06-2000

U.S. Patent & TMOfc/TM Mail Rcpt. Dt. #40

!ICE OF SECURITY INTEREST IN TRADEMARKS

WHEREAS, HLH Entertainment, Inc., a California corporation, with its principal place of business at 77 Federal Street, Second Floor, San Francisco, California 94107, and its whollyowned subsidiary, Sugo Music and Design, Inc. (individually and collectively "Purchaser"), has adopted, used, and is using the marks as shown on attached Schedule "1", which are or will be registered, on the Principal Register in the United States Patent and Trademark Office together with any trademarks in which only common law rights exist or will exist (collectively, the "Trademarks"); and

WHEREAS, Stevan Pasero. Jeramy Hale, Digeann Pasero, Scott Kellner (each of whom are hereafter referred to as "Principal Shareholders"), Glen Hubbard, Ken Peters, George Tinawi, and Raphaell Tinawi (with all eight (8) named persons individually and collectively referred to herein as "Seller"), pursuant to and subject to the terms and conditions of: (a) that certain Agreement and Plan of Merger dated as of December 28, 1999 (the "Merger Agreement") by and among the Principal Shareholders of Sugo Music and Design, Inc., a California corporation, Purchaser, and Coastland Merger Corp., a California corporation and a wholly-owned subsidiary of Purchaser; and (b) that certain Security Agreement dated as of January 6, 2000 ("Security Agreement") by and between Purchaser and Seller, have acquired a security interest in and to said Trademarks and the registrations thereof, all related goodwill, together with any and all related certificates of or applications for registration, as well as the right to sue for any past infringement of the Trademarks;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Purchaser does hereby grant unto Seller and its successors and assigns, free and clear of all other liens, claims, or encumbrances, a lien on and security interest in all rights, title, and interest in and to the said Trademarks, together with the goodwill of the business symbolized by the Trademarks, as well as any and all related certificates of or applications for registration and any and all causes of action for past infringements thereof, and the above-identified registrations thereof, and the right, if any, to renew the same.

The Commissioner of Patents and Trademarks is requested to file this Notice of Security Interest in Trademarks on the Principal Register or otherwise as appropriate.

1

HLH ENTERTAINMENT, INC. and SUGO MUSIC AND DESIGN, INC.

Cinistopher 1. Long

Title: President

Date: Feblumy 9, 2000

05/1/20/00 (HLH/Sugo - Notice of Security Interest in Tdmks.)

State of California)
) ss
County of San Francisco)

On February 9, 2000, before me personally appeared Christopher P. Long, the President of HLH Entertainment, Inc. and its wholly-owned subsidiary, Sugo Music and Design, Inc., personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that such person executed the same in such person's authorized capacity, and that by such person's signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Signature of Notary Public)

(Notarial Seal)

SCHEDULE 1

TO NOTICE OF SECURITY INTEREST IN TRADEMARKS

- 1. List of Sugo trademarks: "Sugo Music", Registration No. 2,028,371.
- 2. List of HLH trademarks:

	<u>Trademark</u>	<u>Status</u>	<u>Date</u>
(a)	Monarch	Registered (No. 1,836,626)	5/17/94 (Sections 8 & 15 filed & accepted 2/10/00)
(b)	Citylights Music	Pending	
(c)	Left Boot	Published	11/2/99
(d)	Mstyle.com	Pending	
(e)	Napa Valley Records	Published	11/9/99
(f)	The Crown Project	Published	11/23/99

3. All future trademarks of Sugo and HLH acquired or otherwise obtained from the date of this Notice of Security Interest in Trademarks until the Promissory Note from Purchaser to Seller secured by the Security Agreement is paid in full and discharged.

05/1/20/00 (HLH/Sugo - Notice of Security Interest in Tdmks.)

NOTICE OF SECURITY INTEREST IN TRADEMARKS

WHEREAS, HLH Entertainment, Inc., a California corporation, with its principal place of business at 77 Federal Street, Second Floor, San Francisco, California 94107, and its whollyowned subsidiary, Sugo Music and Design, Inc. (individually and collectively "Purchaser"), has adopted, used, and is using the marks as shown on attached Schedule "1", which are or will be registered, on the Principal Register in the United States Patent and Trademark Office together with any trademarks in which only common law rights exist or will exist (collectively, the "Trademarks"); and

WHEREAS, Stevan Pasero, Jeramy Hale, Digeann Pasero, Scott Kellner (each of whom are hereafter referred to as "Principal Shareholders"), Glen Hubbard, Ken Peters, George Tinawi, and Raphaell Tinawi (with all eight (8) named persons individually and collectively referred to herein as "Seller"), pursuant to and subject to the terms and conditions of: (a) that certain Agreement and Plan of Merger dated as of December 28, 1999 (the "Merger Agreement") by and among the Principal Shareholders of Sugo Music and Design, Inc., a California corporation, Purchaser, and Coastland Merger Corp., a California corporation and a wholly-owned subsidiary of Purchaser; and (b) that certain Security Agreement dated as of January 6, 2000 ("Security Agreement") by and between Purchaser and Seller, have acquired a security interest in and to said Trademarks and the registrations thereof, all related goodwill, together with any and all related certificates of or applications for registration, as well as the right to sue for any past infringement of the Trademarks;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Purchaser does hereby grant unto Seller and its successors and assigns, free and clear of all other liens, claims, or encumbrances, a lien on and security interest in all rights, title, and interest in and to the said Trademarks, together with the goodwill of the business symbolized by the Trademarks, as well as any and all related certificates of or applications for registration and any and all causes of action for past infringements thereof, and the above-identified registrations thereof, and the right, if any, to renew the same.

The Commissioner of Patents and Trademarks is requested to file this Notice of Security Interest in Trademarks on the Principal Register or otherwise as appropriate.

1

HLH ENTERTAINMENT, INC. and SUGO MUSIC AND DESIGN, INC.

Christopher P. Long

Title: President

Date: Feblumy 9, 2000

05/1/20/00 (HLH/Sugo - Notice of Security Interest in Tdmks.)

State of California)
) ss.
County of San Francisco)

On February 9, 2000, before me personally appeared Christopher P. Long, the President of HLH Entertainment, Inc. and its wholly-owned subsidiary, Sugo Music and Design, Inc., personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that such person executed the same in such person's authorized capacity, and that by such person's signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



(Signature of Notary Public)

(Notarial Seal)

SCHEDULE 1

TO NOTICE OF SECURITY INTEREST IN TRADEMARKS

- 1. List of Sugo trademarks: "Sugo Music", Registration No. 2,028,371.
- 2. List of HLH trademarks:

	<u>Trademark</u>	Status	Date
(a)	Monarch	Registered (No. 1,836,626)	5/17/94 (Sections 8 & 15 filed & accepted 2/10/00)
(b)	Citylights Music	Pending	
(c)	Left Boot	Published	11/2/99
(d)	Mstyle.com	Pending	
(e)	Napa Valley Records	Published	11/9/99
(f)	The Crown Project	Published	11/23/99

3. All future trademarks of Sugo and HLH acquired or otherwise obtained from the date of this Notice of Security Interest in Trademarks until the Promissory Note from Purchaser to Seller secured by the Security Agreement is paid in full and discharged.

05/1/20/00 (HLH/Sugo – Notice of Security Interest in Tdmss.)

RECORDED: 11/16/2000