

10-19-2001



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Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002)

U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

Tab settings

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Half + Half, Inc.

10-1/01

- Individual(s), Association, General Partnership, Limited Partnership, Corporation-State NC, Other

Additional name(s) of conveying party(ies) attached? Yes No

3. Nature of conveyance:

- Assignment, Merger, Security Agreement, Change of Name, Other Asset Purchase

Execution Date: MARCH 31, 2000

2. Name and address of receiving party(ies)

Name: Coffeedirect.com

Internal

Address:

Street Address: 6001-110 Chapel Hill Road

City: Raleigh State: NC Zip: 27607

- Individual(s) citizenship, Association, General Partnership, Limited Partnership, Corporation-State Delaware, Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

75-132, 875

B. Trademark Registration No.(s)

2,119,171

Additional number(s) attached Yes No

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

Name: Claude E. Pope, Jr.

Internal Address: P.O. Box 33672

Raleigh NC 27636-3672

Street Address: 6001-110 Chapel Hill Road

Rat

City: Raleigh State: NC Zip: 27607

6. Total number of applications and registrations involved:

1

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

- Enclosed, Authorized to be charged to deposit account

8. Deposit account number:

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

DO NOT USE THIS SPACE

9. 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.

Claude E. Pope, Jr. Name of Person Signing

[Signature] Signature

10/5/01 Date

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

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made this 31st March day of ~~February~~, 2000, by and between Coffeedirect.com, Inc., a Delaware corporation ("Purchaser") and Half & Half, Inc., a North Carolina corporation ("Seller").

RECITALS

WHEREAS, Seller is engaged in the development and marketing of an interactive web-based provider of coffee and related products to both the business-to-business and business-to-consumer marketplaces via the internet, and

WHEREAS, Seller wishes to sell all of its internet-related assets in any way pertaining to its engagement in the development and marketing of an interactive web-based provider of coffee and related products to both the business-to-business and consumer-to-business marketplaces (the "Coffee Direct Business") to Purchaser; and

WHEREAS, Purchaser wishes to acquire those certain assets from Seller;

NOW THEREFORE, in consideration of the premises and mutual covenants, representations and warranties contained in this Agreement and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Upon the terms and subject to the conditions set forth in this Agreement, Seller shall sell, Seller hereby sells to Purchaser, and Purchaser hereby purchases from Seller, the following assets of the Seller:

(i) all accounts receivable, promissory notes and other debts or obligations owing to Seller relating to the Coffee Direct Business;

(ii) Seller's entire inventory of raw materials, work in process and finished goods (the "Inventory") relating to the Coffee Direct Business;

(iii) all of Sellers' right, title and interest under license agreements, service agreements, equipment leases, and existing contracts, or orders for the sale of goods or the purchase of equipment, raw materials, or other goods relating to the Coffee Direct Business, to the extent that any of the foregoing are assignable by Seller, including, without limitation, those contracts listed on Schedule 1 hereto;

(iv) all of Sellers' right, title, and interest in any trademarks, service marks, trade names, domain names, and franchises relating to the Coffee Direct Business, including, without limitation, those trademarks listed on Schedule 2 hereto, and the domain registrations listed on Schedule 3 hereto, and all goodwill and going concern

value associated therewith;

(v) all of Sellers' right, title, and interest in any copyrights relating to the Coffee Direct Business; and

(vi) all other intangible assets of Seller, whether registered or unregistered, relating to the Coffee Direct Business, including, without limitation, designs, unpatented inventions, customer lists and records, inventory and equipment records, the names "COFFEE DIRECT" and "COFFEEDIRECT.COM," goodwill and going concern value.

The assets of Seller being sold and purchased hereunder shall be referred to herein as the "Purchased Assets." The purchased Assets shall be conveyed free and clear of all liabilities, obligations, liens and encumbrances other than those liens and encumbrances securing the same which are specifically disclosed herein or expressly permitted by the terms hereof. At closing, Seller shall deliver or cause to be delivered to Purchaser good and sufficient instruments of conveyance, assignment and transfer, including, without limitation, a bill of sale in the form attached hereto as Exhibit A, and all other transfer documents which may be necessary, including, without limitation, any necessary trademark assignments and/or necessary domain name assignments.

2. The purchase price ("Purchase Price") shall be twelve thousand five hundred dollars (\$12,500). Purchaser shall execute a demand promissory note ("Demand Note") bearing interest at a rate of 10 %, in the form attached hereto as Exhibit B, to Seller contemporaneous with the execution of this Agreement. Purchaser shall assume the duties and obligations of Seller under the contracts set forth on Schedule 1 pursuant to an Assignment and Assumption Agreement in the form attached hereto as Exhibit C.

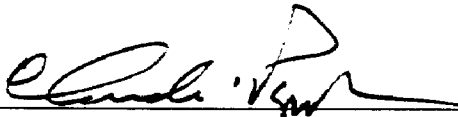
3. Seller represents and warrants to Purchaser that Seller is the lawful owner of the Assets, that such Assets are free and clear of all liens and encumbrances of any kind, and that Seller has good right to sell the Assets as aforesaid.

4. This Agreement shall be governed by and interpreted in accordance with the laws of North Carolina.

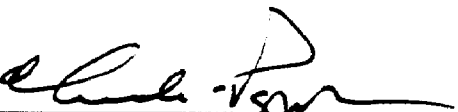
5. Seller and Purchaser each agree to indemnify, defend and hold harmless the other party, and their successors and assigns from, against and with respect to any claim, liability, obligation, loss damage, expense of any kind or character, arising out of, incident to, or attributable to any breach of a representation of warranty contained in this Agreement.

IN WITNESS WHEREOF, the parties hereto have cause this Agreement to be made and entered into by their duly authorized officers as of the 31st day of ~~February~~ March, 2000.

HALF & HALF, INC.

By: 
Claude E. Pope, Jr., President

COFFEEDIRECT.COM, INC.

By: 
Claude E. Pope, Jr., President

SCHEDULE 1

EXISTING CONTRACTS

1. Contract with Linkshare Corporation (130 Madison Avenue, New York, New York 10016), for "affiliate" services for Coffee Direct®.

SCHEDULE 2

TRADEMARKS

1. United States Registration No. 2,119,171 (registered December 9, 1997) and App. Ser. No. 75-132,875, for the mark COFFEEE DIRECT.

SCHEDULE 3

DOMAIN REGISTRATIONS

1. Domain Registration for www.coffeedirec.com, registered with Network Solutions Inc.

EXHIBIT A

BILL OF SALE

KNOW ALL PERSONS BY THESE PRESENTS that Half & Half, Inc. a North Carolina corporation ("Transferor"), for good and valuable consideration, the receipt of which is hereby acknowledged, hereby sells, transfers, assigns, conveys and delivers to Coffeedirect.com, Inc. a Delaware corporation ("Transferee"), all of the Transferor's right, title and interest in and to those assets described in Section 1 of the Asset Purchase Agreement of even date herewith among Transferor and Transferee (the "Agreement") wherever located and free and clear of all debts, liabilities, obligations, taxes, liens and encumbrances of any kind or description, except those assumed by Transferee or for which the Transferee is responsible under the terms of the Agreement or which are otherwise permitted by the terms of the Agreement.

TO HAVE AND TO HOLD the same unto Transferee and its successors and assigns forever.

IN WITNESS WHEREOF, the Transferor has caused these presents to be duly executed this 31st day of ~~February~~ March, 2000.

HALF & HALF, INC.

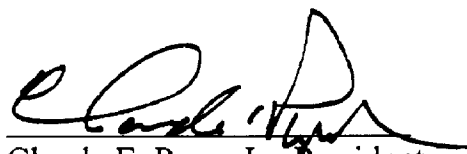
By: 
Claude E. Pope, Jr., President

EXHIBIT B

NORTH CAROLINA

PROMISSORY NOTE

WAKE COUNTY

\$12,500.00

Raleigh, N.C.

~~February~~ 31, 2000
March

FOR VALUE RECEIVED the undersigned promises to pay to Half & Half, Inc., a North Carolina corporation, or order, the principal sum of Twelve Thousand Five Hundred Dollars (\$12,500.00), with interest from date, at the rate of Ten percent (10%) per annum on the unpaid balance until paid or until default, both principal and interest payable in lawful money of the United States of America, at 6001 Chapel Hill Road, Suite 110, Raleigh, North Carolina 27607, or at such place as the legal holder hereof may designate in writing.

This is a demand note and all obligations of the undersigned hereunder shall become immediately due and payable upon demand by the holder. In addition, the obligations shall automatically become immediately due and payable if the undersigned commences or has commenced against it a bankruptcy or insolvency proceeding.

Unless otherwise provided, this Note may be prepaid in full or in part at any time without penalty or premium.

In the event of default under the terms of any instrument securing this Note, and such default is not cured within fifteen (15) days after written notice to maker, then in such event the holder may without further notice, declare the remainder of the principal sum, together with all interest accrued thereon and, the prepayment premium, if any, at once due and payable. Failure to exercise this option shall not constitute a waiver of the right to exercise the same at any other time. The unpaid principal of this Note and any part thereof, accrued interest and all other sums due under this Note shall bear interest at the rate of eighteen percent (18%) per annum after default until paid.

All parties to this Note, including maker and any sureties, endorsers, or guarantors hereby waive protest, presentment, notice of dishonor, and notice of acceleration of maturity and agree to continue to remain bound for the payment of principal, interest and all other sums due under this Note notwithstanding any change or changes by way of release, surrender, exchange, modification or substitution of any security for this Note or by way of any extension or extensions of time for the payment of principal and interest; and all such parties waive all and every kind of notice of change or changes and agree that the same may be made without notice or consent of any of them.

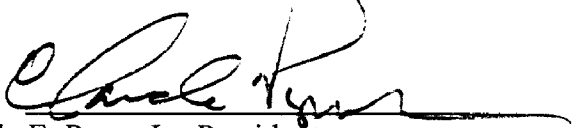
Upon default the holder of this Note may employ an attorney to enforce the holder's rights and remedies and the maker, principal, surety, guarantor and endorsers of this Note hereby agree to pay to the holder reasonable attorneys' fees not exceeding a sum equal to fifteen percent (15%) of the outstanding balance owing on said Note, plus all other reasonable expenses incurred by the holder in exercising any of the holder's rights and remedies upon default. The rights and remedies of the holder as provided in this Note and any instrument securing this Note shall be cumulative and may be pursued singly, successively, or together in the sole discretion

of the holder. The failure to exercise any such right or remedy shall not be a waiver or release of such rights or remedies or the right to exercise any of them at another time.

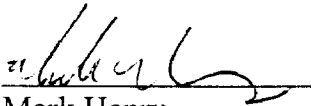
This Note is to be governed and construed in accordance with the laws of the State of North Carolina.

IN WITNESS WHEREOF, the undersigned on the day and year first written above, has caused this note to be executed under seal.

COFFEEDIRECT.COM, INC.

By: 
Claude E. Pope, Jr., President

ATTEST:


Mark Henry

Title: Secretary

[Corporate Seal]

EXHIBIT C

ASSIGNMENT AND ASSUMPTION AGREEMENT

ASSIGNMENT AND ASSUMPTION AGREEMENT dated as of ~~February~~ ^{March} 31, 2000 by and between Half & Half, Inc., a North Carolina corporation ("Assignor"), and Coffeedirect.com, Inc., a Delaware Corporation ("Assignee").

WHEREAS Assignor and Assignee have entered into an agreement (the "Asset Purchase Agreement") of even date herewith pursuant to which Assignor will sell all of its assets relating to the development and marketing of a web-based provider of coffee and related products in the business-to-business and consumer-to-business marketplaces via the internet (the "Coffee Direct Business"); and

WHEREAS Assignor is a party to the contracts (the "Contracts") which are important to the operation of Assignor's business as set forth in Annex 1 attached hereto and incorporated herein by reference; and

WHEREAS Assignor desires to assign all of its right, title and interest in and to the Contracts to Assignee, and Assignee desires to accept such assignment and relieve Assignor of any liabilities and obligations thereunder which accrue and are to be performed from and after the date hereof, except as otherwise provided in the Asset Purchase Agreement, all on the terms set forth herein; and

WHEREAS Assignor desires to assign all its right, title, and interest in certain other assets to Assignee, and Assignee desires to assume certain other obligations in connection with the transactions contemplated by the Asset Purchase Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto covenant and agree as follows:

1. Assignor hereby grants, transfers, sets over and assigns to Assignee the following:
 - (a) all of Assignor's right, title and interest in and to the Contracts as set forth in Annex 1 hereto;
 - (b) all rights under accounts receivable, promissory notes, and other debts and obligations owing to Assignor relating to the Coffee Direct Business;
 - (c) all of Assignor's right, title and interest in and to prepaid expenses relating to the Coffee Direct Business;
 - (d) all of Assignor's right, title and interest in and to trademarks, trade names, franchises, and copyrights relating to the Coffee Direct Business;

(e) all other intangible assets of Assignor relating to the Coffee Direct Business, whether registered or unregistered, including, without limitation, designs, unpatented inventions, customer lists and records, inventory and equipment records, the names "COFFEE DIRECT" and "COFFEEDIRECT.COM," goodwill and going concern value.

2. Assignee does hereby accept the foregoing assignment and does hereby covenant and agree with Assignor that Assignee shall pay, perform, observe and assume all of Assignor's obligations which accrue and are to be performed from and after the date hereof with respect to the Contracts listed at Schedule 1 above.

3. Assignor agrees that from time to time it will execute and deliver any and all instruments requested by Assignee in order to effectuate this Assignment and to accomplish any of the purposes that are necessary or appropriate in connection herewith.

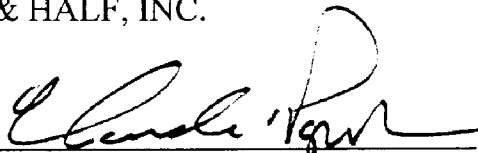
4. Assignor agrees that this Assignment shall inure to the benefit of Assignee, its successors and assigns and shall be binding upon Assignor, its successors and assigns.

5. Coffeedirect.com, Inc., by its execution of this agreement, hereby guarantees the performance by Assignee of its obligations hereunder and agrees to indemnify and hold harmless Assignor in respect of any breach by Assignee of its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as an instrument as of the date first above written.

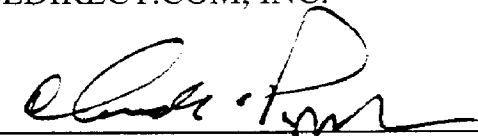
HALF & HALF, INC.

By:


Claude E. Pope, Jr., President

COFFEEDIRECT.COM, INC.

By:


Claude E. Pope, Jr. President