

10-30-2001

SHEET

Docket No.:

NLY



Tab settings

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Send the attached original documents or copy thereof.

1. Name of conveying party(ies):

MICRO GENERAL CORPORATION

10/03/01

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

Additional names(s) of conveying party(ies) Yes No

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: **August 30, 2001**

2. Name and address of receiving party(ies):

Name: **Imperial Bank**

Internal Address:

Street Address: **9920 South La Brea Boulevard**

City: **Inglewood**

State: **CA** ZIP: **90301**

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State
- Other **California Chartered Bank**

If assignee is not domiciled in the United States, a domestic designation is Yes N
(Designations must be a separate document from Additional name(s) & address(es) Yes N

TRADEMARK RECEIVED
US PATENT & TRADEMARK OFFICE
OCT -3 2001
A 58

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

A. Trademark Application No.(s)

76/207,003
76/207,002

Additional numbers

B. Trademark Registration No.(s)

1,903,900
1,917,197
1,298,624



10-03-2001

U.S. Patent & TMOs/TM Mail Rpt. Dt. #40

Yes No

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

Name: **Anthony Adler, Esq.**

Internal Address:

MITCHELL, SILBERBERG & KNUPP LLP

Street Address: **11377 West Olympic Boulevard**

City: **Los Angeles** State: **CA** ZIP: **90064**

6. Total number of applications and registrations involved: **5**

7. Total fee (37 CFR 3.41):.....\$ **140.00**

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

20-0052

10/29/2001 JJALLAH2 00000017 200052 76207003

DO NOT USE THIS SPACE

01 FC:481 40.00 CH
02 FC:482 100.00 CH

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.

Anthony A. Adler

Name of Person Signing

Christine E. Wilson

Anthony A. Adler

Signature

9/28/01

Date

Total number of pages including cover sheet, attachments, and **5**

TRADEMARK

REEL: 002391 FRAME: 0416

**MORTGAGE AND GRANT OF SECURITY INTEREST
WITH RESPECT TO TRADEMARKS**

KNOW ALL MEN BY THESE PRESENTS, that for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the undersigned, MICRO GENERAL CORPORATION, a Delaware corporation (the "Debtor" or "Borrower"), having an office located at 2510 Red Hill Avenue, Suite 200, Santa Ana, California, does hereby irrevocably mortgage, pledge and grant a continuing security interest to IMPERIAL BANK, a California chartered bank (the "Secured Party" or "Bank") having an office located at 9920 South La Cienega Boulevard, Inglewood, California 90301, and to the Secured Party's successors and assigns, in all right, title and interest of the Debtor, now owned or hereafter acquired throughout the universe, in and to all of its trade names, trademarks, trade dress and service marks, including, but not limited to, those listed on Schedule A attached hereto, together with all applications pending with respect thereto, and all renewals and extensions thereof, and the goodwill associated therewith (collectively, the "Trademarks"), as security for the payment and performance (whether presently existing or hereafter arising) of any and all indebtedness and obligations of the Debtor to the Bank pursuant to the terms of (i) that certain Credit Agreement dated December 22, 1999 between Debtor and Secured Party, (ii) that certain First Modification To Credit Agreement, dated July 23, 2001 between Debtor and Secured Party, (iii) all promissory notes of Debtor in favor of Secured Party and (iv) all other agreements and documents between Debtor and Secured Party now existing or hereafter entered into, as any of the foregoing may be amended, modified, restated or otherwise revised or superseded from time to time (collectively, the "Loan Documents").

This Mortgage and Grant of Security Interest With Respect to Trademarks is subject to all of the applicable terms and conditions in the Loan Documents. Upon the occurrence of a default or breach by Debtor under any of the Loan Documents, the Bank may exercise any and all rights and remedies of the Bank under the Loan Documents, and the laws of State of California and of the United States of America and any other relevant jurisdictions.

The Debtor does hereby irrevocably appoint the Bank as the Debtor's attorney in fact to do all acts and things permitted or contemplated by the terms hereof and/or any of the Loan Documents. This power of attorney is coupled with an interest and is irrevocable.

The Debtor shall have the duty (i) to file and prosecute applications for such trade names, trademarks, trade dress and/or service marks as commercially reasonable in the operation of the Debtor's business and, upon the making of any such applications, to promptly notify the Bank of same, (ii) to file and prosecute opposition and cancellation proceedings as commercially reasonable to protect all Trademarks, (iii) to execute any and all further documents requested by the Bank to further perfect the Bank's interests in all Trademarks, and (iv) where commercially reasonable, to otherwise preserve and maintain in full force, scope and effect all Trademarks.

The Debtor agrees that if any person, corporation, partnership, trust, limited liability company or other entity shall do or perform any acts which the Bank in its good-faith judgment believes infringes any right of the Debtor or any right of the Bank in the Trademarks to the extent herein provided, then the Bank shall have the right to require the Debtor to take such

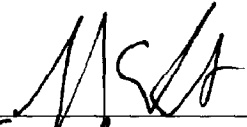
steps and institute such suits or proceedings as the Bank may in its good-faith judgment deem advisable or necessary to prevent such acts and conduct and to secure damages and other relief by reason thereof and to generally take such steps as may be advisable or necessary or proper in the Bank's good-faith judgment for the full protection of the rights of the parties.

To the extent that the Debtor fails to perform any of its obligations hereunder, the Bank shall have the right, but not the obligation, to perform same, including, but not limited to, the right to take such steps or to institute such suits or proceedings in its own name or in the name of the Debtor or in the names of the parties jointly.

This Mortgage and Grant of Security Interest With Respect to Trademarks shall in all respects be subject to, construed in accordance with and governed by, the laws of the State of California without giving effect to that State's choice of law rules.

IN WITNESS WHEREOF, the undersigned has executed this instrument as of the 30 day of August, 2001.

MICRO GENERAL CORPORATION
a Delaware corporation

By: 
Its: Secretary

ALL-PURPOSE ACKNOWLEDGMENT

State of California)
County of Orange)

On Sept. 19th, 2001 before me, S. Fuller

CAPACITY CLAIMED
BY SIGNER

INDIVIDUAL(S)
CORPORATE _____
OFFICER(S) _____
TITLE(S)
PARTNER(S)
ATTORNEY-IN-FACT
TRUSTEE(S)
SUBSCRIBING WITNESS
GUARDIAN/CONSERVATOR
OTHER: _____

DATE

personally appeared

Joseph E. Root

NAME(S) OF SIGNER(S)

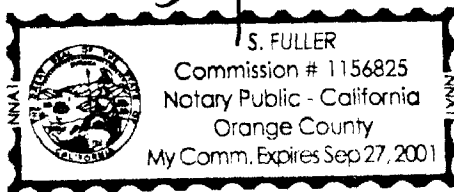
personally known to me -OR-

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.

S. Fuller

SIGNATURE OF NOTARY



SIGNER IS REPRESENTING:

NAME OF PERSON(S) OR ENTITY(IES)

OPTIONAL SECTION

THIS CERTIFICATE MUST BE
ATTACHED TO THE DOCUMENT
DESCRIBED AT RIGHT:

TITLE OR TYPE OF DOCUMENT: Mortgage, Assignment and Grant of Security Interest With Respect to Trademarks

NUMBER OF PAGES ___ DATE OF DOCUMENT _____

SIGNER(S) OTHER THAN NAMED ABOVE xxx

Though the data requested here is not required by law, it could prevent fraudulent reattachment of this form.

DEBTOR: MICRO GENERAL CORPORATION,
A DELAWARE CORPORATION

SECURED PARTY: IMPERIAL BANK, A CALIFORNIA CHARTERED BANK

SCHEDULE A

<u>Name of Trademark</u>	<u>Date of Registration Or Filing</u>	<u>Registration/ Serial Number</u>
MICRO GENERAL CORPORATION	Filed February 6, 2001 (pending)	Serial No. 76207003
MICRO GENERAL	Filed February 6, 2001 (pending)	Serial No. 76207002
FOLD-AWAY	Registered July 4, 1995	Reg. No. 1903900
SHIP-EASY	Registered September 5, 1995	Reg. No. 1917197
MAILMATE	Registered November 29, 1990	Reg. No. 1298624