

12-06-2001

Form PTO-1594
(Rev. 03/01)
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ET U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

101908870

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

1. Name of conveying party(ies):
Technical Marketing Associates, Inc.
 Individual(s) Association
 General Partnership Limited Partnership
 Corporation
 Other 11-28-01

2. Name and address of receiving party(ies)
Name: Kanematsu Corporation
Internal Address: _____
Street Address: 2-1 Shibu, 1-Chome, Minatu-ku
City: Tokyo State: Japan Zip: 105-8005
 Individual(s) citizen _____
 Association _____
 General Partners _____
 Limited Partners _____
 Corporation-Stat _____
 Other _____

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

1. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Corporation-State
 Other: Grant of Trademark Security Interest
Execution Date: November 2, 2001

Association _____
 General Partners _____
 Limited Partners _____
 Corporation-Stat _____
 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
U.S. Patent & TMO/TM Mail Rpt Dt. #01
11-28-2001


4. Application number(s) or registration number(s):
A. Trademark Application No.(s) None.
Additional number(s) attached Yes No

B. Trademark Registration No.(s) 980,043 and 2,475,452

5. Name and address of party to whom correspondence concerning document should be mailed:
Name: Melynda Bortnak
Internal Address: _____
Street Address: O'MELVENY & MYERS LLP
400 South Hope Street
City: Los Angeles State: CA Zip: 90071-2899

6. Total number of applications and registrations involved: 2
7. Total fee (37 CFR 3.41) \$.65.00
 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.
Melynda Bortnak  November 27, 2001
Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and document: 8

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

12/05/2001 6TOM11 00000127 980043

01 FC:481 40.00 DP
02 FC:482 25.00 DP

DOMESTIC REPRESENTATIVE DESIGNATION

Kanematsu Corporation designates the following as their Domestic Representative:

Mr. Akio Higaki
c/o Kanematsu USA Inc., Los Angeles
333 South Hope Street
Suite 1125
Los Angeles, California 90071

GRANT OF TRADEMARK SECURITY INTEREST

WHEREAS, Technical Marketing Associates, Inc., a California corporation ("**Grantor**"), owns and uses in its business, and will in the future adopt and so use, various intangible assets, including the Trademark Collateral (as defined below); and

WHEREAS, Grantor has issued a promissory note, dated as of September 27, 2001 (said promissory note as it may heretofore have been and as it may heretofore have been and as it may hereafter be amended, supplemented, restated or otherwise modified from time to time, being the "**Note**") to **Kanetmatsu Corporation**, a Japanese corporation ("**Secured Party**"); and

WHEREAS, pursuant to the terms of a Security Agreement dated as of September 27, 2001 (as amended, supplemented or otherwise modified from time to time, the "**Security Agreement**"), between Grantor, Pan Pacific Yarn, Inc., a California corporation and Secured Party, Grantor has agreed to create in favor of Secured Party a secured and protected interest in, and Secured Party has agreed to become a secured creditor with respect to, the Trademark Collateral;

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, subject to the terms and conditions of the Security Agreement, Grantor hereby grants to Secured Party a security interest in all of Grantor's right, title and interest in and to the following, in each case whether now or hereafter existing or in which Grantor now has or hereafter acquires an interest and wherever the same may be located (the "**Trademark Collateral**"):

(i) all rights, title and interest (including rights acquired pursuant to a license or otherwise but only to the extent permitted by agreements governing such license or other use) in and to all trademarks, service marks, designs, logos, indicia, tradenames, trade dress, corporate names, company names, business names, fictitious business names, trade styles and/or other source and/or business identifiers and applications pertaining thereto, owned by Grantor, or hereafter adopted and used, in its business (including, without limitation, the trademarks specifically identified in Schedule A) (collectively, the "**Trademarks**"), all registrations that have been or may hereafter be issued or applied for thereon in the United States and any state thereof and in foreign countries (including, without limitation, the registrations and applications specifically identified in Schedule A) (the "**Trademark Registrations**"), all common law and other rights (but in no event any of the obligations) in and to the Trademarks in the United States and any state thereof and in foreign countries (the "**Trademark Rights**"), and all goodwill of Grantor's business symbolized by the Trademarks and associated therewith (the "**Associated Goodwill**"); and

(ii) all proceeds, products, rents and profits of or from any and all of the foregoing Trademark Collateral and, to the extent not otherwise included, all payments under insurance (whether or not Secured Party is the loss payee

thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing Trademark Collateral. For purposes of this Grant of Trademark Security Interest, the term “**proceeds**” includes whatever is receivable or received when Trademark Collateral or proceeds are sold, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary.

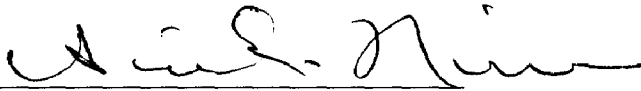
Notwithstanding anything herein to the contrary, in no event shall the Trademark Collateral include, and Grantor shall be not deemed to have granted a security interest in, any of Grantor’s rights or interests in any license, contract or agreement to which Grantor is a party or any of its rights or interests thereunder to the extent, but only to the extent, that such a grant would, under the terms of such license, contract or agreement or otherwise, result in a breach of the terms of, or constitute a default under any license, contract or agreement to which Grantor is a party; provided, that immediately upon the ineffectiveness, lapse or termination of any such provision, the Trademark Collateral shall include, and Grantor shall be deemed to have granted a security interest in, all such rights and interests as if such provision had never been in effect.

Grantor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

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IN WITNESS WHEREOF, Grantor has caused this Grant of Trademark Security Interest to be duly executed and delivered by its officer thereunto duly authorized as of the 2nd day of November, 2001

**TECHNICAL MARKETING ASSOCIATES,
INC.**

By: 
Name: Hiroshi Niwa
Title: President

**SCHEDULE A
TO
GRANT OF TRADEMARK SECURITY INTEREST**

<u>Registered Owner</u>	<u>United States Trademark Description</u>	<u>Registration Number</u>	<u>Registration Date</u>
Technical Marketing Associates, Inc.	POP'N	980,043	May 24, 1994
Technical Marketing Associates, Inc.	LOVE KNIT	2,475,452	August 7, 2001

Schedule A

TK1:109419.1

RECORDED: 11/28/2001

**TRADEMARK
REEL: 002403 FRAME: 0185**