



10-04-2002



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

RECORDATION FOR TRADEMARK

F COMMERCE rademark Office

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

1. Name of conveying party(ies): 6-17-02 Technology Manufacturers Group, Inc.

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

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

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other

Execution Date: June 17, 2000

2. Name and address of receiving party(ies)

Name: DRT Holdings, Inc. Internal Address:

Street Address: 1300 E. Wakeham Avenue City: Santa Ana State: CA Zip: 92705

- Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Nevada 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)

B. Trademark Registration No.(s)

2254252 and 2257795

Additional number(s) attached Yes No

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

Name: Lawrence W. Horwitz

Internal Address:

Horwitz & Cron

Street Address: 15615 Alton Parkway

Suite 175

City: Irvine State: CA Zip: 92618

6. Total number of applications and registrations involved:

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

- 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.

Lawrence W. Horwitz Name of Person Signing

Lawrence Horwitz Signature

May 24, 2002 Date

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

32

06/20/2002 BY: 00000032 2254252

40.00

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

01 FC:481

SECURITY AGREEMENT

THIS SECURITY AGREEMENT is executed as of January 2, 1999, by Technology Manufacturers Group, Inc., a Texas corporation ("Borrower"), for the benefit of MAG Technology Co., Ltd. ("Secured Party").

FOR VALUABLE CONSIDERATION, the receipt and adequacy of which are hereby acknowledged, Borrower hereby covenants and agrees with Secured Party as follows:

1. Certain Definitions. Unless otherwise defined herein or the context hereof otherwise requires, each term defined in the UCC is used in this security agreement with the same meaning; provided that if any definition given a term in Chapter 9 of the UCC conflicts with the definition given that term in any other chapter of the UCC, the Chapter 9 definition shall prevail. As used herein, the following terms have the meanings indicated:

Collateral has the meaning set forth in Paragraph 4 hereof.

Default means the failure of Borrower to pay the Obligation or any portion thereof when due, if such failure continues for five days after written notice to Borrower.

Obligation means (a) the trade accounts payable owed by Borrower to Secured Party that are listed and described on Exhibit A attached to this Security Agreement, including, but without limitation, the "Invoice Balance" for each such trade account payable listed and described on Exhibit A, less amounts paid and credits applied to such "Invoice Balance," whether such payments or credits are made to Secured Party or to its affiliates MAG Imovision or MAG Technology USA, Inc., and (b) any and all costs, expenses, and attorneys' fees incurred by Secured Party in connection with the enforcement of this Security Agreement or in connection with the collection of the Obligation or any portion thereof.

Obligor means any Person obligated with respect to any of the Collateral, whether as an account debtor, obligor on an instrument, issuer of securities, or otherwise.

Security Interest means the security interest granted and the pledge and assignment made under Paragraph 2 hereof.

Senior Indebtedness has the meaning set forth in Paragraph 3 hereof.

UCC means the Uniform Commercial Code as enacted in the State of Texas or other applicable jurisdiction, as amended at the time in question.

2. Security Interest. In order to secure the full and complete payment and performance of the Obligation when due, Borrower hereby grants to Secured Party a security interest in the Collateral and pledges and assigns the Collateral to Secured Party, all upon and subject to the terms and conditions of this security agreement. Such security interest is granted and pledge and assignment are made as security only and shall not subject Secured Party to, or

transfer or in any way affect or modify, any obligation of Borrower with respect to any of the Collateral or any transaction involving or giving rise thereto.

3. Ranking. The Security Interest granted by Borrower to Secured Party pursuant to this security agreement shall be a first and prior security interest, except that the Security Interest shall rank junior to, and shall in all respects be subordinated to, all security interests granted by Borrower as collateral security for Senior Indebtedness. As used herein, the term "Senior Indebtedness" means the principal of, interest on, and all other obligations with respect to all indebtedness of Borrower to (a) United World Chinese Commercial Bank, Los Angeles Agency ("UWCCB"), including, but without limitation, the principal of and interest on a certain Secured Promissory Note dated February 16, 1998, executed by Borrower, payable to the order of UWCCB, in the stated principal amount of \$5,000,000, and all renewals and extensions thereof, and (b) Citicrust Bank (U.S.A.).

4. Collateral. As used herein, the term "Collateral" means the following items and types of property:

- (a) any and all of Borrower's present and future accounts receivable;
- (b) all business equipment and fixtures now owned or hereafter acquired by Borrower, and all renewals and replacements of, substitutions for, and accessions and additions to such business equipment and fixtures, wherever located;
- (c) all inventory of Borrower, wherever located, including all raw materials, work in process, finished goods, and goods held for sale or lease or furnished under contracts of service in which Borrower now has or hereafter acquires a right; and
- (d) all present and future accounts, general intangibles, chattel paper, documents, instruments, cash and noncash proceeds, and other rights arising from or by virtue of, or from the voluntary or involuntary sale or other disposition of, or collections (including, without limitation, distributions) with respect to or claims against any Persons with respect to, all or any part of the Collateral otherwise described herein.

The description of Collateral contained in this Paragraph 4 shall not be deemed to permit any action prohibited by this security agreement or by terms incorporated in this security agreement.

5. Representations and Warranties. Borrower represents and warrants to Secured Party that:

- (a) Borrower's place of business and chief executive office is located at 13801 Sealac Drive, Dallas, Texas 75234; the present and foreseeable location of Borrower's books and records concerning any of the Collateral is at 13801 Sealac Drive, Dallas, Texas 75234; and the present and foreseeable location of Borrower's furniture, fixtures, equipment, and inventory is 13801 Sealac Drive, Dallas, Texas 75234.

(b) Borrower owns all presently existing Collateral, and will acquire all hereafter-acquired Collateral, free and clear of all liens or security interests other than security interests securing Senior Indebtedness.

The delivery at any time by Borrower to Secured Party of Collateral or of additional specific descriptions of certain Collateral shall constitute a representation and warranty by Borrower to Secured Party hereunder that the representations and warranties of this Paragraph 5 are true and correct with respect to each item of such Collateral.

6. Certain Covenants. Until the Obligation is paid and performed in full, unless Borrower receives a prior written notification from Secured Party that Secured Party does not object to a deviation, Borrower covenants and agrees with Secured Party that Borrower will:

(a) Fully perform all of Borrower's duties under and in connection with each transaction to which the Collateral, or any part thereof, relates, so that the amounts thereof shall actually become payable in their entirety to Secured Party.

(b) Promptly notify Secured Party of any change in any fact or circumstances represented or warranted by Borrower with respect to any of the Collateral.

(c) Promptly notify Secured Party of any claim, action, or proceeding affecting title to all or any of the Collateral or the Security Interest and, at the request of Secured Party, appear in and defend, at Borrower's expense, any such action or proceeding.

(d) Not create, incur, or suffer or permit to be created or incurred or to exist any lien or security interest upon or against any of the Collateral, except for the security interests securing the Senior Indebtedness.

(e) From time to time promptly execute and deliver to Secured Party all such other assignments, certificates, supplemental documents, and financing statements, and do all other acts or things as Secured Party may reasonably request in order to more fully create, evidence, perfect, continue, and preserve the priority of the Security Interest.

(f) Not relocate Borrower's principal place of business, chief executive office, or place where Borrower's books and records related to accounts are kept, unless prior thereto Borrower (i) gives Secured Party fifteen days prior written notice of such proposed relocation (such notice to include, without limitation, the name of the country or parish and state into which such relocation is to be made) and (ii) (unless the relocation is to a jurisdiction in which existing financing statements or other required filings have previously been made to perfect the Security Interest in such Collateral) executes and delivers all such additional documents and performs all additional acts as Secured Party, in its sole discretion, may request in order to continue or maintain the existence and priority of the Security Interest in such Collateral.

(g) Not change Borrower's name or address to which it is entitled to receive notices hereunder unless prior thereto Borrower gives Secured Party 15 days prior written notice of such proposed change and executes and delivers all such additional documents and performs

all additional acts as Secured Party, in its sole discretion, may request in order to continue or maintain the existence and priority of the Security Interest in all of the Collateral.

7. Default Remedies. Should a Default occur and be continuing, Secured Party may, at its election, exercise any and all rights and remedies available to a secured party under the UCC, in addition to any and all other rights and remedies afforded at law, in equity, or otherwise, including, without limitation, (a) requiring Borrower to assemble all or part of the Collateral and make it available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to Borrower and Secured Party, (b) surrendering any policies of insurance on all or part of the Collateral and receiving and applying the unearned premiums as a credit on the Obligation, (c) applying by appropriate judicial proceedings for appointment of a receiver for all or part of the Collateral (and Borrower hereby consents to any such appointment), and (d) applying to the Obligation any cash held by Secured Party under this agreement.

(a) Notice. Reasonable notification of the time and place of any public sale of the Collateral, or reasonable notification of the time after which any private sale or other intended disposition of the Collateral is to be made, shall be sent to Borrower and to any other person entitled to notice under the UCC; provided that if any of the Collateral threatens to decline speedily in value or is of the type customarily sold on a recognized market, Secured Party may sell or otherwise dispose of the Collateral without notification, advertisement, or other notice of any kind. It is agreed that notice sent or given not less than five calendar days prior to the taking of the action to which the notice relates is reasonable notification and notice for the purposes of this subparagraph.

(b) Application of Proceeds. Secured Party shall apply the proceeds of any sale or other disposition of the Collateral under this Paragraph 7 in the following order: first, to the payment of all its expenses incurred in reaking, holding, and preparing any of the Collateral for sale(s) or other disposition, in arranging for such sale(s) or other disposition, and in actually selling or disposing of the same (all of which are part of the Obligation); second, toward repayment of amounts expended by Secured Party under Paragraph 8; third, toward payment of the balance of the Obligation in such order and manner as Secured Party, in its discretion, may deem advisable. Any surplus remaining shall be delivered to Borrower or as a court of competent jurisdiction may direct. If the proceeds are insufficient to pay the Obligation in full, Borrower shall remain liable for any deficiency.

8. Other Rights of Secured Party.

(a) Performance. In the event Borrower shall fail to pay when due all taxes on any of the Collateral, or to preserve the priority of the Security Interest in any of the Collateral, or otherwise fail to perform any of its obligations under this security agreement with respect to the Collateral, then Secured Party may, at its option, but without being required to do so, make such repairs, pay such taxes, prosecute or defend any suits in relation to the Collateral, or insure and keep insured the Collateral in any amount deemed appropriate by Secured Party, or take all other action which Borrower is required, but has failed or refused, to take under the Security Agreement. Any sum which may be expended or paid by Secured Party under this subparagraph (including, without limitation, court costs and attorneys' fees) shall bear interest

herby, subrogated to all of the rights, titles, interests, and liens securing the indebtedness so renewed, extended or paid.

(c) Indemnification. Borrower hereby assumes all liability for the Collateral for the Security Interest, and including, without limitation, any taxes arising as a result of, or in connection with, the transactions contemplated herein, and agrees to assume liability for, and to indemnify and hold Secured Party harmless from and against, any and all claims, causes of action, or liability, for injuries to or deaths of Persons and damage to property, howsoever arising from or incident to such use, possession, maintenance, and management, whether such persons be agents or employees of Borrower or of third parties, or such damage be to property of Borrower or of others. Borrower agrees to indemnify, save, and hold Secured Party harmless from and against, and covenants to defend Secured Party against, any and all losses, damages, claims, costs, penalties, liabilities, and expenses, including, without limitation, court costs and attorneys' fees, howsoever arising or incurred because of incident to, or with respect to Collateral or any use, possession, maintenance, or management thereof, provided that Secured Party shall not have the right to be indemnified hereunder for its own gross negligence or willful misconduct.

9. Miscellaneous.

(a) Term. Upon full and final payment and performance of the Obligation, this security agreement shall thereafter terminate upon receipt by Secured Party of Borrower's written notice of such termination; provided that no Obligor, if any, on any of the Collateral shall ever be obligated to make inquiry as to the termination of this security agreement, but shall be fully protected in making payment directly to Secured Party.

(b) Actions Not Released. The Security Interest and Borrower's obligations and Secured Party's rights hereunder shall not be released, diminished, impaired, or adversely affected by the occurrence of any one or more of the following events: (i) the taking or accepting of any other security or assurance for any or all of the Obligation; (ii) any release, surrender, exchange, subordination, or loss of any security or assurance at any time existing in connection with any or all of the Obligation; (iii) the modification of, amendment to, or waiver of compliance with any terms of any of this Security Agreement without the notification or consent of Borrower, except as required therein (the right to such notification or consent being herein specifically waived by Borrower); (iv) the insolvency, bankruptcy, or lack of corporate or trust power of any party at any time liable for the payment of any or all of the Obligation, whether now existing or hereafter occurring; (v) any renewal, extension, or rearrangement of the payment of any or all of the Obligation, either with or without notice to or consent of Borrower, or any adjustment, indulgence, forbearance, or compromise that may be granted or given by Secured Party to Borrower; (vi) any neglect, delay, omission, failure, or refusal of Secured Party to take or prosecute any action in connection with any other agreement, document, guaranty, or instrument evidencing, securing, or assuring the payment of all or any of the Obligation; (vii) any failure of Secured Party to notify Borrower of any renewal, extension, or assignment of the Obligation or any part thereof, or the release of any security, or of any other action taken or refrained from being taken by Secured Party against Borrower or any new agreement between Secured Party and Borrower, it being understood that Secured Party shall not be required to give

from the dates of expenditure or payment at the highest lawful rate until paid and, together with such interest, shall be payable by Borrower to Secured Party upon demand and shall be part of the Obligation.

(b) Collection. Upon notice from Secured Party, each Obligor with respect to any payments on any of the Collateral (including, without limitation, insurance proceeds payable by reason of loss or damage to any of the Collateral) is hereby authorized and directed by Borrower to make payment directly to Secured Party, regardless of whether Borrower was previously making collections thereon. Subject to Subparagraph 8(b) hereof, until such notice is given, Borrower is authorized to retain and expend all payments made on Collateral. After the occurrence of a Default, Secured Party shall have the right in its own name or in the name of Borrower to compromise or extend time of payment with respect to all or any portion of the Collateral for such amounts and upon such terms as Secured Party may determine; to demand, collect, receive, receipt for, sue for, compound, and give acquittances for any and all amounts due or to become due with respect to Collateral; to take control of cash and other proceeds of any Collateral; to endorse the name of Borrower on any notes, acceptances, checks, drafts, money orders, or other evidences of payment on Collateral that may come into the possession of Secured Party; to sign the name of Borrower on any invoice or bill of lading relating to any Collateral, on any drafts against Obligors or other Persons making payment with respect to Collateral, on assignments and verifications of accounts or other Collateral and on notices to Obligors making payment with respect to Collateral; to send requests for verification of obligations to any Obligor, and to do all other acts and things necessary to carry out the intent of this security agreement. If any Obligor fails or refuses to make payment on any Collateral when due, Secured Party is authorized, in its sole discretion, either in its own name or in the name of Borrower, to take such action as Secured Party shall deem appropriate for the collection of any amounts owed with respect to Collateral or upon which a delinquency exists. Regardless of any other provision hereof, however, Secured Party shall never be liable for its failure to collect, or for its failure to exercise diligence in the collection of, any amounts owed with respect to Collateral, nor shall it be under any duty whatever to anyone except Borrower to account for funds that it shall actually receive hereunder. Without limiting the generality of the foregoing, Secured Party shall have no responsibility for ascertaining any maturities, calls, conversions, exchanges, offers, tenders, or similar matters relating to any Collateral, or for informing Borrower with respect to any of such matters (irrespective of whether Secured Party actually has, or may be deemed to have, knowledge thereof). The receipt of Secured Party to any Obligor shall be a full and complete release, discharge, and acquittance to such Obligor, to the extent of any amount so paid to Secured Party.

(c) Certain Proceeds. Any cash proceeds of Collateral which come into the possession of Secured Party may, at Secured Party's option following the occurrence of a Default, be applied in whole or in part to the Obligation (to the extent then due), be released in whole or in part to or on the written instructions of Borrower for any general or specific purpose, or be retained in whole or in part by Secured Party as additional Collateral.

(d) Subrogation. If any of the Obligation is given in renewal or extension or applied toward the payment of indebtedness secured by any lien, Secured Party shall be, and is

hereby, subrogated to all of the rights, titles, interests, and liens securing the indebtedness so renewed, extended, or paid.

(e) Indemnification. Borrower hereby assumes all liability for the Collateral, for the Security Interest, and including, without limitation, any taxes arising as a result of or in connection with, the transactions contemplated herein, and agrees to assume liability for, and to indemnify and hold Secured Party harmless from and against, any and all claims, causes of action, or liability, for injuries to or deaths of Persons and damage to property, howsoever arising from or incident to such use, possession, maintenance, and management, whether such persons be agents or employees of Borrower or of third parties, or such damage be to property of Borrower or of others. Borrower agrees to indemnify, save, and hold Secured Party harmless from and against, and covenants to defend Secured Party against, any and all losses, damages, claims, costs, penalties, liabilities, and expenses, including, without limitation, court costs and attorneys' fees, howsoever arising or incurred because of, incident to, or with respect to Collateral or any use, possession, maintenance, or management thereof; provided that Secured Party shall not have the right to be indemnified hereunder for its own gross negligence or willful misconduct.

9. Miscellaneous.

(a) Term. Upon full and final payment and performance of the Obligation, this security agreement shall thereafter terminate upon receipt by Secured Party of Borrower's written notice of such termination; provided that no Obligor, if any, on any of the Collateral shall ever be obligated to make inquiry as to the termination of this security agreement, but shall be fully protected in making payment directly to Secured Party.

(b) Actions Not Released. The Security Interest and Borrower's obligations and Secured Party's rights hereunder shall not be released, diminished, impaired, or adversely affected by the occurrence of any one or more of the following events: (i) the taking or accepting of any other security or assurance for any or all of the Obligation; (ii) any release, surrender, exchange, subordination, or loss of any security or assurance at any time existing in connection with any or all of the Obligation; (iii) the modification of, amendment to, or waiver of compliance with any terms of any of this Security Agreement without the notification or consent of Borrower, except as required therein (the right to such notification or consent being herein specifically waived by Borrower); (iv) the insolvency, bankruptcy, or lack of corporate or trust power of any party at any time liable for the payment of any or all of the Obligation, whether now existing or hereafter occurring; (v) any renewal, extension, or rearrangement of the payment of any or all of the Obligation, either with or without notice to or consent of Borrower, or any adjustment, indulgence, forbearance, or compromise that may be granted or given by Secured Party to Borrower; (vi) any neglect, delay, omission, failure, or refusal of Secured Party to take or prosecute any action in connection with any other agreement, document, guaranty, or instrument evidencing, securing, or assuring the payment of all or any of the Obligation; (vii) any failure of Secured Party to notify Borrower of any renewal, extension, or assignment of the Obligation or any part thereof, or the release of any security, or of any other action taken or refrained from being taken by Secured Party against Borrower or any new agreement between Secured Party and Borrower, it being understood that Secured Party shall not be required to give

Borrower any notice of any kind under any circumstances whatsoever with respect to or in connection with the Obligation, including, without limitation, notice of acceptance of this security agreement or any Collateral ever delivered to or for the account of Secured Party hereunder, (viii) the illegality, invalidity, or unenforceability of all or any part of the Obligation against any party obligated with respect thereto by reason of the fact that the Obligation, or the interest paid or payable with respect thereto, exceeds the amount permitted by law, the act of creating the Obligation, or any part thereof, is ultra vires of the officers, partners, or trustees creating same acted in excess of their authority, or for any other reason; or (ix) if any payment by any party obligated with respect thereto is held to constitute a preference under applicable laws or for any other reason Secured Party is required to refund such payment or pay the amount thereof to someone else.

(c) Waivers. To the extent provided by applicable law, Borrower waives (i) any right to require Secured Party to proceed against any other person, to exhaust its rights in Collateral, or to pursue any other right which Secured Party may have; (ii) with respect to the Obligation, presentment and demand for payment, protest, notice of protest and nonpayment, and notice of the intention to accelerate; and (iii) all rights of marshaling in respect of any and all of the Collateral.

(d) Financing Statement. Secured Party shall be entitled at any time to file this security agreement or a carbon, photographic, or other reproduction of this security agreement, as a financing statement, but the failure of Secured Party to do so shall not impair the validity or enforceability of this security agreement.

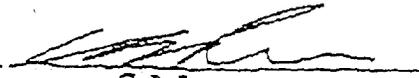
(e) Entirety and Amendments. THIS SECURITY AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS BY THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES. This instrument may be amended only by an instrument in writing executed jointly by Borrower and Secured Party, and supplemented only by documents delivered or to be delivered in accordance with the express terms hereof.

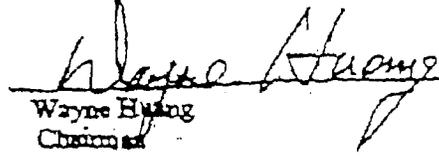
(f) Parties Bound; Assignment. This security agreement shall be binding on Borrower and Borrower's successors and assigns and shall inure to the benefit of Secured Party and Secured Party's successors and assigns. If there is more than one Borrower, their obligations and agreements hereunder are joint and several and shall be binding upon their respective heirs, personal representatives, successors, and assigns, and delivery or other accounting of Collateral to any one or more of them shall discharge Secured Party of all liability therefor. The provisions of this security agreement shall apply to each such Borrower, individually and collectively. Borrower may not, without the prior written consent of Secured Party, assign any rights, duties, or obligations hereunder. In the event of an assignment of all or part of the Obligation, the Security Interest and other rights and benefits hereunder, to the extent applicable to the part of the Obligation so assigned, may be transferred therewith.

EXECUTED as of the day and year first herein set forth.

Borrower
Technology Manufacturers Group, Inc.

Secured Party
MAG Technology Co., Ltd.

By: 
Name: C. P. Lee
Title: President

By: 
Name: Wayne Hwang
Title: Chairman

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SECURITY AGREEMENT

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ATTN.

Patty

ASSIGNMENT OF INDEBTEDNESS, LIENS AND SECURITY INTERESTS

THIS ASSIGNMENT OF INDEBTEDNESS, LIENS AND SECURITY INTERESTS (this "Assignment") is executed as of the 13th day of January, 2000, among MAG Technology Co., Ltd, a Republic of China corporation ("Assignor"), whose address is 11th Floor, No. 287, SEC. Nanking E. Road, Taipei, Taiwan, ROC, and DRT Holdings, Inc., a Nevada corporation ("Assignee"), whose address is 6B Autry, Irvine, CA 92618.

KNOW ALL MEN BY THESE PRESENTS THAT Assignor for 1.9 million shares of common stock of I/O Magic Corporation as provided for in the Conversion Agreement by and between Assignor and Assignee of even date herewith, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and full acquittance and discharge therefor granted, has TRANSFERRED, GRANTED, ASSIGNED, SOLD, CONVEYED and DELIVERED, and does by these presents TRANSFER, GRANT, ASSIGN, SELL, CONVEY and DELIVER unto Assignee, without any warranty or recourse (except as expressly set forth herein) against Assignor, the following:

1. The trade accounts payable owed by Technology Manufacturers Group, Inc. (the "Borrower") to Assignor, including the Obligations (as such term is defined in the Security Agreement described on Exhibit A attached hereto), in the principal amount of \$11,400,000 (collectively, the "Indebtedness"); and

2. All of Assignor's rights, titles and interests in and to those collateral documents (the "Collateral Documents" and, together with the Indebtedness, collectively the "Assigned Documents") described on Exhibit A attached hereto and incorporated herein for all purposes by this reference.

TO HAVE AND TO HOLD the Indebtedness and the other Assigned Documents together with all rights, titles, interests, liens, privileges, claims, priorities, demands and equities existing and to exist in connection therewith or as security therefor, unto Assignee, its successors and assigns forever.

Assignee represents and warrants to Assignor that (a) Assignee is a Nevada corporation, (b) Assignee has made diligent inquiry into the Indebtedness and the Assigned Documents (collectively the "Purchased Indebtedness"). It is Assignee's present intention to acquire the Purchased Indebtedness for its own account and not with a view to the distribution or resale thereof. Assignee has no contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participations to such person, or to any third person, with respect to any of the Purchased Indebtedness. Assignee is experienced in evaluating Indebtedness, and Assignee has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of Assignee's purchase, and has the ability to bear the economic risks of this purchase. Assignee has sufficient financial and other resources and experience to enable it to administer the Purchased Indebtedness in accordance with applicable law and regulations. Assignee agrees that Assignor shall have no obligations under the Indebtedness or any other Assigned Document after the date hereof.

Assignee shall provide all Internal Revenue Service forms and statements required to be furnished in connection with the Purchased Indebtedness for the calendar year 2000 and thereafter in accordance with Internal Revenue Service regulations.

Assignee acknowledges that the Purchased Indebtedness is in default and that there may be litigation pending or threatened with respect to the Purchased Indebtedness.

Assignee and its counsel shall cooperate with Assignor and Assignor's counsel in the defense of any claims or counterclaims made against Assignor, or any of Assignor's subsidiaries, affiliates, employees, officers, directors, shareholders, agents, representatives, attorneys, accountants or consultants, in any litigation, arbitration proceeding or other forum involving or relating to any Purchased Indebtedness.

Assignor represents and warrants that (i) Assignor is the owner and holder of the Indebtedness, (ii) Assignor has full right, power and authority to transfer the Indebtedness and liens and security interests securing same, and (iii) as of January 13, 2000, the unpaid principal balance of the Indebtedness is \$11,400,000.

Limitation on Warranties and Representations, No Recourse. THE SALE PROVIDED FOR IN THIS ASSIGNMENT IS EXPRESSLY MADE WITHOUT RECOURSE, AND ASSIGNOR MAKES NO WARRANTY OR REPRESENTATION OF ANY KIND (EXCEPT THOSE REPRESENTATIONS AND WARRANTIES OF ASSIGNOR EXPRESSLY SET FORTH ABOVE), EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, WITH RESPECT TO (a) ACCURACY OF ANY INFORMATION FURNISHED TO ASSIGNEE, (b) COLLECTABILITY, (c) THE EXISTENCE OF ANY DEFENSES TO, OR THE ENFORCEABILITY OF, ANY INDEBTEDNESS, ASSIGNED DOCUMENTS OR OTHER DOCUMENTS OR AGREEMENTS EVIDENCING, SECURING OR RELATING TO THE PURCHASED INDEBTEDNESS, OR (d) FINANCIAL CONDITION OF BORROWER; OR OTHERWISE WITH RESPECT TO THE PURCHASED INDEBTEDNESS OR THE TRANSACTIONS CONTEMPLATED BY THIS ASSIGNMENT. ASSIGNEE HAS MADE SUCH INDEPENDENT INVESTIGATION AS ASSIGNEE DEEMS TO BE NECESSARY OR APPROPRIATE AS TO THE NATURE, VALIDITY, ENFORCEABILITY, COLLECTABILITY, VALUE AND OTHERWISE WITH RESPECT TO THE PURCHASED INDEBTEDNESS AND ALL OTHER FACTS IT DEEMS MATERIAL TO THE PURCHASE, AND IS ENTERING INTO THE TRANSACTION HEREIN PROVIDED FOR SOLELY ON THE BASIS OF THAT INVESTIGATION AND ASSIGNEE'S OWN JUDGMENT. ASSIGNEE IS NOT ACTING IN RELIANCE ON ANY REPRESENTATION OF, OR INFORMATION FURNISHED BY, ASSIGNOR.

The representations, warranties, covenants and agreements of the parties in this Assignment shall survive the closing and the consummation of the transactions contemplated by this Assignment and shall continue and remain in full force and effect thereafter.

Indemnification. Assignee agrees to indemnify and hold harmless Assignor, its subsidiaries, affiliates, officers, directors, shareholders, employees, agents, representatives and attorneys, from and against any and all loss, liability, claim, damage and expense whatsoever (including without limitation attorneys' fees) directly or indirectly arising out of, based upon, resulting from or otherwise relating to (i) Assignee's purchase of or ownership of the Purchased Indebtedness, (ii) any actions taken or circumstances arising with respect to the Purchased Indebtedness after the date hereof, (iii) failure by Assignee to comply with any existing court order, rule or deadline existing as of the date hereof and relating to litigation involving any Purchased Indebtedness, (iv) any disposition of any Purchased Indebtedness by Assignee, whether in a single sale or a series of sales, or (v) any misrepresentation, breach of warranty or non-fulfillment of any covenant or agreement on the part of Assignee under the terms of this Assignment or any of the documents or instruments executed in connection herewith. Assignee agrees that in addition to any other rights and remedies available to Assignor under this Assignment or otherwise, injunctive relief is a proper remedy for enforcement of this Assignment.

Limitation of Liability. In no event shall Assignor be liable for any special, incidental, punitive, indirect or consequential damages.

GOVERNING LAW. THIS ASSIGNMENT SHALL BE GOVERNED BY, CONSTRUED AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA, EXCEPT TO THE EXTENT THAT THE FEDERAL LAWS OF THE UNITED STATES OF AMERICA MAY APPLY.

For the convenience of the parties, this instrument may be executed in multiple counterparts. For recording purposes, various counterparts have been executed and there may be attached to each such counterpart an Exhibit A containing only the description of the properties, or portions thereof, that are related to the particular counterpart being recorded. A complete, original counterpart of this instrument with complete Exhibits may be obtained from the Assignee. Each of the counterparts hereof so executed shall for all purposes be deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

EXECUTED this 13th day of January, 2000.

ASSIGNOR:

MAG TECHNOLOGY CO., LTD., a Republic of China corporation

By: Wayne Huang
Name: Wayne Huang
Title: Chairman

ACCEPTED AND AGREED TO AS OF THE 13TH DAY OF JANUARY, 2000:

ASSIGNEE:

DRT HOLDINGS, INC., a Nevada corporation

By: [Signature]
Name: Tony Sasner
Title: President / CEO

EXHIBIT A

OTHER ASSIGNED DOCUMENTS

1. Security Agreement dated as of January 2, 1999 from Technology Manufacturers Group, Inc. ("Borrower") to MAG Technology Co., Ltd. ("Secured Party").
2. UCC-1 Financing Statement from Borrower to Secured Party and filed in the following Records:

<u>Date</u>	<u>Records</u>	<u>File Number</u>
3/1/1999	Secretary of State of Texas	99-040385

UCC FINANCING STATEMENT AMENDMENT ADDENDUM

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

12. INITIAL FINANCING STATEMENT FILE # (same as item 1a on Amendment form)

9900040385

13. NAME OF SECURED PARTY OF RECORD (same as item 9 on Amendment form)

13a. ORGANIZATION'S NAME

MAG Technology Company, Ltd.

OR 13b. INDIVIDUAL'S LAST NAME FIRST NAME MIDDLE NAME, SUFFIX

14. Use this space for additional information

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

8. AMENDMENT – RESTATED COLLATERAL DESCRIPTION

- (a) any and all of Borrower's present and future accounts receivable;
- (b) all business equipment and fixtures now owned or hereafter acquired by Borrower, and all renewals and replacements of, substitutions for, and accessions and additions to such business equipment and fixtures, wherever located;
- (c) all inventory of Borrower, wherever located, including all raw materials, work in process, finished goods, and goods held for sale or lease or furnished under contracts of service in which Borrower now has or hereafter acquires a right; and
- (d) all present and future accounts, general intangibles, chattel paper, documents, instruments, cash and non-cash proceeds, and other rights arising from or by virtue of, or from the voluntary or involuntary sale or other disposition of, or collections (including, without limitation, distributions) with respect to or claims against any Persons with respect to, all or any part of the Collateral otherwise described herein.

FORWITZ & BEAM

Simon Yuan
17870 Castleton Street

June 21, 2000

Page 3

BSB Bank & Trust Co.
58-68 Exchange Street
P. O. Box 1056
Binghamton, NY 13902-1056

Maxine Cook
Raymond Leasing Corporation
Corporate Headquarters
20 South Canal Street
Greene, NY 13778

Chinatrust Bank (USA)
Loan Production Office
Factoring Dept.
366 Madison Ave., 11th Floor
New York, NY 10017

Chinatrust Bank (USA)
22939 Hawthorne Blvd.
Torrance, CA 90505

Mr. Tony Shahbaz
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Irvine, California 92618

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Houston, TX 77002

Simon Yuan
July 19, 2000
Page 3

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City of Industry, CA 91748
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September 19, 2000

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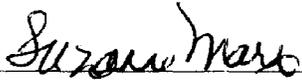
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1000 Louisiana Street, Suite 4300
Houston, TX 77002

October 2, 2002

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I hereby certify that this correspondence is addressed to the Commissioner of Patents and Trademarks, Box Assignments, Washington D.C. 2031, and is being deposited with the Federal Express service on October 2nd, 2002.



Suzanne Marx

October 2nd, 2002

RA 10-4-05

HORWITZ & CRON

15615 Alton Parkway,
Suite 175
Irvine, California 92618

Telephone: 949 . 450 . 4942
Facsimile: 949 . 453 . 8774

October 2, 2002

VIA FEDERAL EXPRESS

UNITED STATES PATENT AND TRADEMARK OFFICE
Attn: Jeffrey Olsen, Examiner
Assignment Division
Washington, D.C. 20231

RE: DRT HOLDINGS, INC. - Trademark Assignment

Dear Mr. Olsen:

In response to your letter of August 20, 2002, enclosed herewith please find the Cover Sheet and Requisite Documents necessary for assignment of the DRT trademarks to DRT Holdings, Inc.

I trust the enclosed meets with your satisfaction, however, should you have any questions or require additional information, please feel free to contact the undersigned.

Sincerely,

HORWITZ & CRON



Suzanne Marx
Legal Assistant to Lawrence W. Horwitz, Esq.
LWH:9/2/02