

FORM PTO-1584 (Rev. 6-93)

# RECORDATION FORM COVER SHEET TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office

OMB No. 0651-0011 (exp. 4/94)

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):

Gulbransen, Inc.

- Individual(s)
- Association
- General Partnership
- Limited Partnership
- Corporation-State: Nevada
- Other \_\_\_\_\_

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

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

Name: Church Services, Inc.

Internal Address:

Street Address: 2011 Seward Avenue

City: Naples State: FL ZIP: 34109

- Individual(s) citizenship \_\_\_\_\_
- Association \_\_\_\_\_
- General Partnership \_\_\_\_\_
- Limited Partnership \_\_\_\_\_
- Corporation State Utah
- 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) & addresses attached?  Yes  No

3. Nature of conveyance:

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

Execution Date: December 6, 2002

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

744,841

Additional numbers attached? ?  Yes  No

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

Name: Nancy O. Dix, Esq.

Street Address: Gray Cary Ware & Freidenrich LLP

4365 Executive Drive, Suite 1100

City: San Diego State: CA ZIP: 92121

Phone No.: 858-638-6921 Facsimile No.: 858-677-1477

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:

07-1895

(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.

Nancy O. Dix

Name of Person Signing

  
Signature

January 31, 2003

Date

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

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

**TRADEMARK**

700023534

REEL: 002604 FRAME: 0486

**ASSET PURCHASE AGREEMENT**

This Agreement is entered into on December 6<sup>th</sup>, 2002 by and between Church Services, Inc., a Utah corporation ("Buyer"), and Gulbransen, Inc., a Nevada corporation ("Seller"). BUYER and SELLER are referred to collectively herein as the "Parties."

This Agreement contemplates a transaction in which BUYER will purchase certain assets of SELLER. Such assets include any and all assets of SELLER required to prosecute the Digital Hymnal business. Compensation paid by BUYER to SELLER shall include cash, a royalty stream and shares of QRS Music Technologies, Inc. common stock.

Now, therefore, in consideration of these premises and the mutual promises herein made, and in consideration of the representations, warranties, and covenants herein contained, the Parties agree as follows.

1. Definitions.

"Accredited Investor" has the meaning set forth in Regulation D promulgated under the Securities Act.

"Acquired Assets" means all right, title, and interest in and to all of the assets owned or controlled by SELLER, (including all of SELLER's goodwill) which are used exclusively in the Hymnal Business, including, but not limited to (a) all tangible personal property (such as finished and partially finished inventory, inventories of raw materials and supplies, manufactured and purchased parts, goods in process and finished goods, tools, tooling, jigs, and dies, marketing materials, books, records of any kind including records of problems, warranty records and owners registration cards, (b) Intellectual Property, (including all rights to the Gulbransen name) and the goodwill associated therewith, licenses and sublicenses granted and obtained with respect thereto, and rights thereunder, remedies against infringements therein under the laws of all jurisdictions, (c) any and all agreements, and contracts related to the sale of the Hymnal product, (d) any and all deposits, prepayments, and outstanding orders, (e) any and all books, records, ledgers, files, documents, correspondence, lists, drawings and specifications, creative materials, advertising and promotional materials, mailing lists and customer prospect lists, studies, reports, and other printed or written materials, (f) any and all computer software programs which are not licensed from third party vendors, all trade secrets and processes relating to such programs, all existing current, previous, enhanced and developmental versions of the source and object codes and any variations thereof, and all documentation related thereto, all design specifications therefore, all maintenance and installation job control language, all copyrights pertaining to such programs, the programs' operators' manuals, the user documentation, the systems' documentation and manuals (including all flowcharts, systems' procedures and program component descriptions), all procedures for the modification and preparation

affairs of SELLER that is not already generally available to the public.

"Direct Labor Associated with a Bill of Material" means any labor necessary to assemble or manufacture any portion of the finished product but only to the extent fully documented.

"Disclosure Schedule" has the meaning set forth in Section 3 below.

"Financial Statement" has the meaning set forth in Section 3(w) below.

"GAAP" means United States generally accepted accounting principles as in effect from time to time.

"HYMNAL" means a digital hymn player preloaded with music from various religious hymnals.

"Intellectual Property" means (a) patents, patent applications, and patent disclosures, together with all reissues, continuations, continuations-in-part, revisions, extensions, and reexaminations thereof, (b) all trademarks (including without limitation the Gulbransen® mark), service marks, trade dress, logos, trade names, and the corporate name Gulbransen Inc, together with all translations, adaptations, derivations, and combinations thereof and including all goodwill associated therewith, and all applications, registrations, and renewals in connection therewith, (c) all copyrightable works, all copyrights, and all applications, registrations, and renewals in connection therewith, (d) all mask works and all applications, registrations, and renewals in connection therewith, (e) all trade secrets and confidential business information (including research and development, existing know-how, formulae, compositions, manufacturing and production processes and techniques, technical data, designs, drawings, specifications, customer (past, present and prospective) and supplier lists, pricing and cost information, and business and marketing plans and proposals), (f) all computer software (including data and related documentation), (g) all other proprietary rights including relationships with customers and licensors, (h) all copies and tangible embodiments thereof (in whatever form or medium) and, (i) SELLER'S rights pursuant to the Grant-Back License described below.

"Inventory" means all raw material, work in process and finished goods associated with the manufacture, assembly and distribution of the Hymnal. Buyer agrees to accept the Inventory in its "AS IS/Where is" condition.

"Knowledge" means to the best of the Party's knowledge and belief with no duty to investigate.

"Most Recent Balance Sheet" means the balance sheet contained within the Most Recent Financial Statements.

"Most Recent Financial Statements" has the meaning set forth in Section 3(w)

(n) **Employee Matters.** Prior to or after Closing, BUYER may, at its election and with out incurring any liability to SELLER or any other person, may make offers of employment to any employee or agent of SELLER. Who is engaged in the "business".

(o) **Guarantees and Setoff.** All obligations of BUYER hereunder will be guaranteed by QRS Music Technologies, Inc, a Delaware corporation pursuant to the QRS Guarantee attached hereto as Exhibit 9(b). Neither BUYER nor SELLER shall bring and action to enforce any term of this Agreement unless the claim asserted is in excess of \$10,000. The foregoing shall not, however, limit either party's right to bring an action seeking an equitable remedy.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on [as of] the date first above written,

BUYER:  
Church Services, Inc.  
By: *Richard A. Dole*  
Title: Chairman

SELLER  
Gulbransen, Inc.  
By: *[Signature]*  
Title: CEO