

12-24-2002

Form PTO-1594
(Rev. 10/02)
OMB No. 0651-0027 (exp. 6/30/2005)

RE



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

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

1. Name of conveying party(ies):

Big Smith Brands, Inc.

12-17-02

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

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

3. Nature of conveyance:

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

Execution Date: April 22, 1999

2. Name and address of receiving party(ies)

Name: Walls Industries, Inc., Cleburne, Texas

Internal

Address: _____

Street Address: PO Box 98

City: Cleburne State: TX Zip: 76033

- 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) _____

B. Trademark Registration No.(s) 1,989,407

Additional number(s) attached Yes No

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

Name: Steven M. Weinberg, Esq.

Internal Address: Greenberg Traurig, LLP
Suite 700

Street Address: 2375 E. Camelback Rd.

City: Phoenix State: AZ Zip: 85016

6. Total number of applications and registrations involved: 1

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

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

150184

RECORDS SECTION
DEC 27 11 01 37 AM '02

12/23/2002 DBYRNE 00000157 150184 1989407

DO NOT USE THIS SPACE

01 FC:8529. Signature 40.00 CH

Jeffrey C. Whitley
Name of Person Signing

Signature

12-10-02
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

TRADEMARK
REEL: 002638 FRAME: 0138

SCHEDULE 4.18(b)

Intellectual Property (Seller)

UNITED STATES TRADEMARKS

Mark	Registration No.
"REPRESENTATION OF COWBOY"	1435795
"PIKES PEAK"	1132744
"SMITTY'S"	1193655
"BEDROCK" (stylized)	1122458
"English Bulldog" and Design	1598702
"English Bulldog" Design	1676864
"NEVER*SAY*DIE*DENIM"	1124742
"BUCKAROO"	1117312
"BUCKAROO" Design	536357
"STUNTS"	1123357
"SMITH MOUNTAIN CLASSICS"	1773709
"SMITH MOUNTAIN CLASSICS"	1853181
"BIG SMITH" & SHIELD DESIGN	1171354
"BIG SMITH"	437038
"BIG SMITH" & DESIGN	164216
"ON THE JOB WEAR"	1026828
"ARROWHEAD BACK" Design	1989407

KL2:311842.5

ASSET PURCHASE AGREEMENT

AGREEMENT, dated February 26, 1999, by and between WALLS INDUSTRIES, INC., CLEBURNE, TEXAS, a Delaware corporation (the "Buyer"), and BIG SMITH BRANDS, INC., a Delaware corporation (the "Seller").

The Buyer wishes to purchase from the Seller, and the Seller wishes to sell to the Buyer, certain of the assets, properties, rights and business of the Seller upon the terms and subject to the conditions of this Agreement (the "Contemplated Transactions").

Certain terms used in this Agreement are defined in Section 13.1.

Accordingly, the parties agree as follows:

1. Transfer of Assets and Liabilities.

1.1. Assets to be Sold.

(a) At the Closing, the Seller shall sell to the Buyer and the Buyer shall purchase from the Seller, all of the intangible (except as set forth in Section 1.1(b)) and the specified tangible assets of the Seller relating to the Seller's workwear lines of business set forth on Schedule 1.1(a) (collectively, the "Assets"). The Assets shall include, without limitation, the inventory, property, plant, equipment, contracts and intellectual property rights set forth on Schedule 1.1(a).

(b) In addition, at the Closing, a subsidiary of the Seller (the "Licensor") and the Buyer shall enter into a trademark license agreement in the form of Exhibit A (the "Trademark License"). Under the Trademark License, the Licensor shall grant the Buyer a perpetual, royalty-free license for workwear (with rights to sublicense) in the name "Big Smith" and related trademarks, service marks and trade names (collectively, the "Marks").

1.2. Excluded Assets. The Buyer shall not purchase any of the assets of the Seller relating to its sportswear lines of business, including, without limitation, those assets set forth on Schedule 1.2 (collectively, the "Excluded Assets"). The Excluded Assets shall also include any of the Seller's cash or accounts receivable attributable to the sale of products in the workwear lines of business prior to the Closing.

1.3. Liabilities to be Assumed. The Buyer shall not assume any of the Seller's liabilities except such contracts and agreements as are specifically identified and set forth on Schedule 1.3 (collectively, the "Assumed Liabilities"). The Buyer's liability under any Assumed Liability shall be only for obligations arising from and after the Closing Date.

4.17. Tangible Property. The facilities, machinery, equipment, furniture, buildings and other improvements, fixtures, vehicles, structures, any related capitalized items and other tangible property included in the Assets (the "Tangible Property") are in all material respects in reasonable operating condition and repair, normal wear and tear excepted, subject to continued repair and replacement in accordance with past practice. During the past three years there has not been any significant interruption of the operations of the Seller due to inadequate maintenance of the Tangible Property.

4.18. Intellectual Property.

(a) The Seller is not infringing any Intellectual Property rights of others in the operation of its businesses, as currently conducted, nor to the Seller's knowledge is any other Person infringing the Intellectual Property rights of the Seller. The Seller has not received any claim or notice alleging any such infringement during the past 12 months (including any claim that the Seller must license or refrain from using any Intellectual Property rights of any third party).

(b) Schedule 4.18(b) identifies each patent or registered trademark owned by the Seller which has been issued to the Seller with respect to any of its Intellectual Property, identifies each pending patent or trademark application which the Seller has made with respect to any of its Intellectual Property, and identifies each license, sublicense, agreement or other permission which the Seller has granted to any third party with respect to any of its Intellectual Property (together with any exceptions). The Seller has delivered or made available to the Buyer correct and complete copies of all such patents, registered trademarks, registrations, applications, licenses, sublicenses, agreements and permissions (as amended to date). Schedule 4.18(b) also identifies each trade name or unregistered trademark presently used by the Seller in connection with its business. With respect to each item of Intellectual Property required to be identified in Schedule 4.18(b), except as set forth therein:

(i) to the knowledge of the Seller, the Seller possesses all right, title and interest in and to the item, free and clear of any Lien;

(ii) the item is not subject to any outstanding Order; and

(iii) no action, suit, proceeding, hearing, investigation, charge, complaint, claim or demand is pending or, to the knowledge of the Seller, is threatened which challenges the legality, validity, enforceability, use or ownership of the item.

With respect to each license, sublicense, agreement or other permission which the Seller has granted to any third party with respect to any of its Intellectual Property and which remains in full force and effect, the Seller has not agreed to indemnify any Person for or against any interference, infringement, misappropriation or other conflict with respect to the item of Intellectual Property subject to such license, sublicense, agreement or other permission.

(c) Schedule 4.18(c) identifies each material item of Intellectual Property that any third party owns and that the Seller uses pursuant to license, sublicense, agreement or permission. The Seller has delivered or made available to the Buyer correct and complete copies of all such licenses, sublicenses, agreements and permissions (as amended to date). With respect to each item of Intellectual Property required to be identified in Schedule 4.18(c), except as set forth therein:

(i) the license, sublicense, agreement or permission covering the item is legal, valid, binding, enforceable and in full force and effect;

(ii) the Seller is not, and to the knowledge of the Seller, the other parties to such license, sublicense, agreement or permission are not, in breach or default thereunder;

(iii) to the knowledge of the Seller, the underlying item of Intellectual Property is not subject to any outstanding Order;

(iv) to the knowledge of the Seller, no action, suit, proceeding, hearing, investigation, claim or demand is pending or threatened which challenges the legality, validity or enforceability of the underlying item of Intellectual Property; and

(v) the Seller has not granted any sublicense or similar right with respect to the license, sublicense, agreement or permission.

4.19. Title to the Assets. Except as set forth on Schedule 4.19, the Seller has good title to, or a valid leasehold interest in, all of the Assets, free and clear of any Liens, except for liens for taxes not yet due and payable and such imperfections of title and encumbrances, if any, which are not material in character or amount and which do not materially detract from the value or use of the assets subject thereto or affected thereby. Upon completion of the Contemplated Transactions, the Buyer will acquire good title to all of the Assets, free and clear of any Liens, except for Liens, if any, imposed by the Buyer.

SCHEDULE 4.18(b) (cont.)

Intellectual Property (Seller)

FOREIGN TRADEMARKS

JURISDICTION	MARK	REGIST. NO.
Argentina	"BIG SMITH" with device	Pending
Australia	"BIG SMITH" with device	676383
Austria	"BIG SMITH" with device	87728
Benelux	"BIG SMITH"	345073
Brazil	"BIG SMITH"	780378903
Canada	"BIG SMITH" with device	475,284
Chile	"BIG SMITH" with device	Lapsed
China	"BIG SMITH" with device	Pending
Denmark	"BIG SMITH"	VR04170.1977
Finland	"BIG SMITH"	200699
France	"BIG SMITH" with device	1377103
	"BIG SMITH"	1520216
Germany	"BIG SMITH"	999092
	"BIG SMITH" with device	980039
Greece	"BIG SMITH"	61228
Hong Kong	"BIG SMITH" with device	Pending
India	"BIG SMITH" with device	Pending
Ireland	"BIG SMITH"	168939
Israel	"BIG SMITH" with device	Pending
Italy	"BIG SMITH"	370075
	"BIG SMITH" with device	364226
	"BIG SMITH"	338509
Japan	"BIG SMITH"	Pending
Korea	"BIG SMITH" with device	Pending
Malaysia	"BIG SMITH" with device	Pending

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SCHEDULE 4.18(b) (cont.)

Intellectual Property (Seller)

New Zealand	"BIG SMITH" with device	Pending
Norway	"BIG SMITH"	174434
Portugal	"BIG SMITH"	306930
Singapore	"BIG SMITH" with device	Pending
Spain	"BIG SMITH"	Registered
South Africa	"BIG SMITH" with device	Pending
Sweden	"BIG SMITH"	160088
Switzerland	"BIG SMITH"	P-288496
Taiwan	"BIG SMITH" with device	743554
Turkey	"BIG SMITH" with device	Lapsed
UK	"BIG SMITH" with device	1550981
Venezuela	"BIG SMITH" with device	Pending

Trade Names:

Big Smith Brands, Inc.
 Big Smith
 Big Smith Mountain Classics
 Big Smith Vintage
 Big Smith Kids

License:

By letter agreement between Seller and Amita srl, an Italian corporation ("Amita"), dated December 18, 1998, Seller granted a license to Amita for a period ending December 31, 1999, with an obligation to negotiate in good faith for extension, throughout Italy to design, manufacture and distribute within Italy sweaters and jackets bearing the Big Smith trademark, label and/or brand which have been submitted to Seller for approval prior to the insertion of the products into any commercial distribution channel.

ASSET PURCHASE

WALLS INDUSTRIES, INC., CLEBURNE, TEXAS

and

BIG SMITH BRANDS, INC.

APRIL 22, 1999