

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Stargate Apparel, Inc.		12/16/2002	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	Baby Bunz, Inc.
Street Address:	PO Box 113
City:	Lynden
State/Country:	WASHINGTON
Postal Code:	98264
Entity Type:	CORPORATION: WASHINGTON

PROPERTY NUMBERS Total: 2

Property Type	Number
Serial Number:	76102641
Registration Number:	2047332

CORRESPONDENCE DATA

Fax Number: (206)682-0446  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
 Phone: 2066821496  
 Email: Jolley@strattonballew.com  
 Correspondent Name: Jennifer L. Jolley  
 Address Line 1: 1218 Third Ave, Suite 1522  
 Address Line 4: Seattle, WASHINGTON 98101

ATTORNEY DOCKET NUMBER:	BB 1.L01
NAME OF SUBMITTER:	Jennifer L. Jolley

OP \$65.00 76102641

Total Attachments: 3  
source=Assignment p1.tif  
source=Assignment p2.tif  
source=Assignment p sign.tif

## LICENSE AGREEMENT

AGREEMENT ("Agreement") dated as of 12/16/2002 between Baby Bunz, Inc., a Washington corporation, having a business address of P.O. Box 113, Lynden, Washington 98264 ("Licensor"), and Stargate Apparel, Inc., a Delaware corporation, having a place of business at 112 West 34<sup>th</sup> Street, Suite 1500, New York, New York 10120 ("Licensee").

### **I. Grant.**

1.1. Licensor hereby grants to Licensee the exclusive right and license to use the trademark "BABY BUNS" (the "Trademark") throughout the world during the Term (as defined in paragraph 1.2 below) in connection with the manufacture, distribution, sale, advertising and promotion of clothing and clothing-related accessories for infants, toddlers and 4/6Xs (excluding diapers, diapering accessories, and waterproof diaper covers) (the "Licensed Products"), including, without limitation, the right to register and use a domain name incorporating the Trademark. Licensor agrees that, during the Term, it shall not use or permit a third party to use the mark "BABY BUNZ" or other similar source identifier as a mark for clothing and/or clothing-related accessories for infants, toddlers and/or young adults (excluding diapers, diapering accessories, and waterproof diaper covers). Nothing in this Agreement shall be deemed to restrict Licensor's right to continue using the mark BABY BUNZ or marks containing BABY BUNZ, the domain name *babybuns.com* and *babybunz.com* for catalog, mail order and online retail services featuring products for infants and toddlers (i.e., diapers and diapering accessories, clothing made of organic or natural materials and fibers, blankets and bedding, bathtime accessories, baby care accessories, toys and books), which products Licensor acknowledges will not be sold or otherwise distributed under or otherwise associated with the "BABY BUNS" mark.

1.2. The term of this Agreement shall commence on January 1, 2003 and end on January 1, 2012 (the "Term"), unless earlier terminated in accordance herewith. Thereafter, the Term shall be renewed for successive one (1) year periods, unless one party gives the other party notice of its intent not to renew at least six (6) months prior to the end of the then-current year of the Term. Unless otherwise expressly indicated, all references to "Term" in this Agreement shall include any and all renewals thereof.

### **II. Assignment of Trademarks.**

2.1. Licensee hereby assigns its right, title and interest in and to the trademark "BABY BUNS," Registration No. 2,047,332, and the trademark "BABY BUNS INC.," Serial No. 76/102641 (collectively, the "Registrations"), and any and all goodwill associated with each of them, to Licensor, and agrees to execute any and all further assignments or instruments which Licensor deems necessary to carry out and effectuate the purpose of this paragraph II, at Licensor's sole cost and expense; provided, however, that Licensee shall reimburse Licensor for costs associated with the preparation of this Agreement, and the preparation and filing of such assignment document(s), up to two

thousand five hundred dollars (\$2,500) upon Licensee's receipt of appropriate supporting documentation, which is to be provided at the time of execution of this Agreement.

2.2 Within ten (10) business days after full execution of this Agreement and payment of costs provided for in paragraph 2.1 Licensor shall initiate all actions reasonably necessary terminate (i) the cancellation proceeding currently pending before the Trademark Trial and Appeal Board (the "TTAB") in connection with Registration No. 2, 047,332; and (ii) the opposition proceeding currently pending before the TTAB in connection with Serial No. 76/102641, and shall promptly provide Licensee with copies of all documentation submitted to, and received from, the Patent and Trademark Office in connection with the foregoing. Licensee shall promptly execute any and all documents provided by Licensor necessary terminate the TTAB proceedings and shall fully cooperate with Licensor to implement the requirements of this paragraph 2.2.

### III. Ownership.

3.1. Licensee acknowledges that Licensor is the owner of all right, title, and interest in the Trademark, and the goodwill associated therewith.

### IV. Quality Control and Use of Mark

4.1. **Quality Standards.** Licensee and Licensor agree that continuing use of the Trademark has been approved by Licensor. Licensee agrees that the goods offered under this License Agreement will be of the same nature and quality as the goods previously provided to Licensor for review and approval, and that Licensee may not materially change the quality or nature of the goods except with Licensor's express written approval, which shall not be unreasonably withheld.

4.2. **Quality Maintenance.** Licensee agrees to cooperate with Licensor in facilitating Licensor's control of the nature and quality of the goods sold by Licensee using the Trademark, to permit reasonable inspection of any goods incorporating or otherwise bearing the Trademark, to supply Licensor, at Licensee's expense, with up to five specimens of all uses of the Trademark upon request, and to grant Licensor the right to ensure the nature and continued quality of all products that use the Trademark. Licensee shall comply with all applicable laws and regulations and obtain all appropriate government approvals pertaining to the sale, distribution, and advertising of the goods covered by this License Agreement.

4.3. **Trademark Use and Marking.** Licensee must always use the Trademark in a manner that does not derogate Licensor's rights therein or in any manner detract from or damage the goodwill associated therewith. When the Trademark is used in text, it must always be distinguished from the surrounding text, for example, the Trademark must be set forth in all capital letters, surrounded by quotation marks, or with an initial capital letter on the word, or other similar method to distinguish the mark from

10.13. Each party shall use reasonable efforts to promptly refer any inquiries received by it about the other party's products or services to such other party. Neither Licensee nor Licensor will use the Trademark to imply sponsorship by or association with the other.

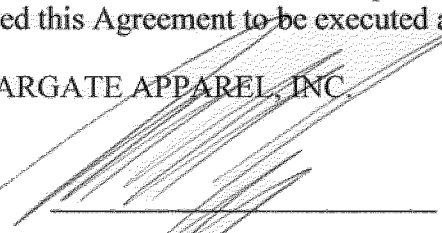
10.14. This Agreement has been drafted by the parties hereto and shall not be construed against one party or in favor of any other party by reason of any presumption concerning the draftsman.

**IN WITNESS WHEREOF**, the parties, by their duly authorized representatives, have caused this Agreement to be executed as of the date first written above.

STARGATE APPAREL, INC.

**BABY BUNZ, INC.**

By



Joseph Bailey  
President

By:



Karen Van Buren  
President

337639  
08204-102