

10-17-2003

10.14.03

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



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

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

1. Name of conveying party(ies):

CC Trademarks, 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: 10/01/03

2. Name and address of receiving party(ies)

Name: IPGI International, Inc.

Internal Address:

Address:

Street Address: 860 Via de la Paz, #D3A

City: Pacific Palisad State: CA Zip: 90272

- Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State 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) 76/143192

B. Trademark Registration No.(s) 1,861,878;

2,355,422; 2,674,413

Additional number(s) attached Yes No

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

Name: William J. Seiter

Internal Address:

Street Address: 860 Via de la Paz, Suite D3C

City: Pacific Palisades State: CA Zip: 90272

6. Total number of applications and registrations involved:

4

7. Total fee (37 CFR 3.41) \$ 115.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

10/16/2003 DRYNE Pac 0000761 76/143192 01 FC:852 40.00 DP 02 FC:852 75.00 DP

DO NOT USE THIS SPACE

9. Signature.

Bryan Friedman

Name of Person Signing

Signature

October 8, 2003

Date

Total number of pages including cover sheet, attachments, and document: 6

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

TRADEMARK REEL: 002844 FRAME: 0799

TRADEMARK SECURITY AGREEMENT

This Trademark Security Agreement (the "Agreement") is made and entered into as of October 1, 2003, by and between IPGI International, Inc., a California corporation ("Debtor"), and CC Trademarks, Inc., a California corporation ("Secured Party").

In consideration of the premises and the promises and covenants contained in this Agreement, and for other good and valuable consideration, Debtor and Secured Party hereby agree with each other as follows:

Section 1. Creation of Security Interest. Debtor hereby grants, transfers and assigns to Secured Party a present and continuing security interest in and to the collateral described in Section 2 of this Agreement. From time to time, as reasonably requested by Secured Party, Debtor shall execute and deliver to Secured Party such financing statements or additional documents and instruments as are necessary to perfect and maintain the security interest of Secured Party in the Collateral. This Agreement may be recorded with the United States Patent and Trademark Office and such other office or agency of the United States, any State thereof and/or any other office or agency in another jurisdiction as Secured Party may determine, in its sole and absolute discretion, to be reasonable or necessary.

Section 2. Collateral. The collateral to which the security interest granted pursuant to Section 1 above applies and attaches consists of all right, title and interest of Debtor in and to the trademarks listed on Exhibit A attached hereto, including all applications, registrations and recordings relating to the foregoing, and all reissues, renewals and extensions thereof, whether with the United States Patent and Trademark Office or any similar office or agency of the United States, any State thereof, or any other office or agency in another jurisdiction, together with the goodwill of the business symbolized by the trademarks and all proceeds of same to secure all of Debtor's obligations and indebtedness now or hereafter owing Secured Party under the Note. (hereinafter referred to as the "Collateral"). Subject to the foregoing security interest, nothing contained in this Agreement shall be construed to restrain or restrict Debtor's right, in its sole discretion, to license, sublicense, sell or transfer any of its rights in the Collateral, nor shall Secured Party's consent be required in order for Debtor to do so. Debtor will not, without prior written notice to Secured Party sent in accordance with Section 12.3 of the Asset Purchase Agreement, dated as of September 18, 2003, between Secured Party and Debtor and prior written notice to the relevant purchaser, assignee, grantee or transferee, sell, assign, grant a security interest in, or otherwise transfer the Collateral, or any rights therein; provided, however, that in the event of any such sale,

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assignment, grant of security interest or transfer, the purchaser, assignee, grantee or transferee shall either (i) prepay all amounts then owed by Debtor under the Note (as defined in Section 3 below), or (ii) expressly assume all of Debtor's obligations under this Agreement and under the Note.

Section 3. Obligations Secured. The Collateral is security for the payment of any amounts owed by Debtor to Secured Party under the Secured Promissory Note of even date herewith (the "Note") made by Debtor in favor of Secured Party

Section 4. Default; Remedies. In the event Debtor defaults on its obligations under the Note, Secured Party shall have all of the rights and remedies set forth in the Note and all of the rights and remedies of a secured party under the Uniform Commercial Code and any other applicable state or federal laws. In addition to the foregoing, and all other rights and remedies of Secured Party, upon the occurrence of an event of default, Secured Party shall have the immediate right to sell, assign and transfer to itself or to any other person all right, title and interest in and to the Collateral, in addition to the goodwill of the business symbolized thereby. Secured Party shall credit the proceeds of any such sale or transfer against Debtor's liabilities under the Note.

Section 5. Termination of Security Interest. Upon the payment in full of all obligations of Debtor under the Note, the security interest in the Collateral created by this Agreement shall be released. Secured Party agrees to promptly execute and deliver to Debtor any and all termination statements or other documents which Debtor may deem to be necessary or appropriate in order to adequately evidence the termination of such security interest.

Section 6. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by Debtor and Secured Party. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

Section 7. Governing Law; Arbitration. The validity, performance, construction and effect of this Agreement shall be governed by and construed in accordance with the internal laws of the State of California, without giving effect to any choice or conflict of law provision or rule that would cause the application of the domestic substantive laws of any other state. The parties hereto hereby consent to the jurisdiction of the courts of the State of California, and the United States courts located therein, in connection with any lawsuit, action or proceeding arising out of, or related to, the arbitration provisions set forth in this Agreement. Any litigation or arbitration between the parties shall occur exclusively in the County of Los Angeles, California. Any controversy or claim arising out of or relating to this Agreement, including any controversy or claim arising out of or relating to the coverage of this arbitration provision, shall be settled by final and binding arbitration pursuant to the Commercial Arbitration Rules of the American Arbitration Association. Discovery in

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accordance with the California Code of Civil Procedure shall be allowed to the extent the arbitral panel shall determine. If any legal action or other proceeding is brought for the enforcement or interpretation of this Agreement as a result of a breach, default or misrepresentation in connection with any of the provisions thereof, the successful or prevailing party shall be entitled to recover reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which that party may be entitled.

Section 9. Counterparts. This Agreement may be executed in more than one counterpart, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Debtor and Secured Party have executed this Trademark Security Agreement as of the date first above written.

IPGI INTERNATIONAL, INC.

CC TRADEMARKS, INC.

By: Kash Mokhber
Name: Kash Mokhber
Title: President and CEO

By: [Signature]
Name: PATRICK FRALEY
Title: PRESIDENT

[Signature] AK
KM


EXHIBIT A
TRADEMARKS

U.S. Trademark Registration No. 1,861,878
(COUNTER CULTURE, Class 25)

U.S. Trademark Registration No. 2,355,422
(CC (stylized), Classes 18 and 25)

U.S. Trademark Registration No. 2,674,413
(CC & Design), Classes 9, 18 and 25)

U.S. Trademark Application Serial No. 76/143192
(COUNTER CULTURE, Classes 18 and 25)

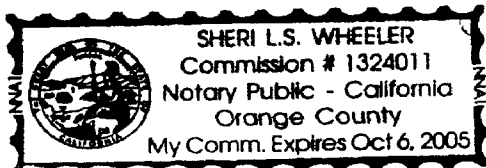
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CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California }
County of Orange } ss.

On October 1, 2003 before me, Sheri L.S. Wheeler, Notary Public
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")
personally appeared Patrick Fraley & Kash Mother
Name(s) of Signer(s)

- personally known to me
- proved to me on the basis of satisfactory evidence



to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Sheri L.S. Wheeler
Signature of Notary Public

Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Trademark Security Agreement

Document Date: October 1, 2003 Number of Pages: 4

Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer

Signer's Name: _____

- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____

Signer Is Representing: _____

