

TRADEMARK ASSIGNMENT

Electronic Version v1.1
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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Acknowledgment of Default, Surrender of Possession, Waiver and Agreement to Retention of Collateral in Partial Satisfaction of Indebtedness

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Teddi of California		07/22/2004	Gottlieb, David, Ch.7 Bankruptcy Trustee: CALIFORNIA

RECEIVING PARTY DATA

Name:	SunTrust Banks, Inc.
Street Address:	c/o BNFY 601 S Figueroa St
Internal Address:	Suite 2400
City:	Los Angeles
State/Country:	CALIFORNIA
Postal Code:	90017-5704
Entity Type:	CORPORATION: GEORGIA

PROPERTY NUMBERS Total: 9

Property Type	Number	Word Mark
Registration Number:	2785054	STRATEGY INC.
Registration Number:	1121903	TEDDI
Registration Number:	2216188	TEDDI
Registration Number:	2373768	TEDDI
Registration Number:	2830508	RELAXABLES
Registration Number:	2784801	SOCIAL CIRCLES
Registration Number:	2162914	PREMIERE BAY
Registration Number:	1978756	LOGIX
Registration Number:	1642124	NINA ST. CLAIRE

CORRESPONDENCE DATA

Fax Number: (213)630-5740

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

TRADEMARK

REEL: 002898 FRAME: 0695

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CH \$240.00 2785054

Phone: 213-891-0700
Email: akindred@buchalter.com
Correspondent Name: Alan M. Kindred
Address Line 1: 601 South Figueroa Street
Address Line 2: Suite 2400
Address Line 4: Los Angeles, CALIFORNIA 90017-5704

ATTORNEY DOCKET NUMBER:

S8264-0009

NAME OF SUBMITTER:

Alan M. Kindred

Total Attachments: 2

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ACKNOWLEDGEMENT OF DEFAULT,
SURRENDER OF POSSESSION,
WAIVER AND
AGREEMENT TO RETENTION OF COLLATERAL
IN PARTIAL SATISFACTION OF INDEBTEDNESS

July 19, 2004

TO: SunTrust Banks, Inc.
c/o Buchalter, Nemer, Fields & Younger
601 S. Figueroa St., Suite 2400
Los Angeles, CA 90017
Attn: Benjamin Seigel, Esq.

FROM: David Gottlieb, Bankruptcy Trustee
Teddi of California, Debtor
Chapter 7 Case No. LA 03-40849 ES
c/o Mark S. Horoupian, Esq.
SullmeyerKupetz
333 South Hope Street-35th Floor
Los Angeles, CA 90071

SunTrust Banks, Inc. ("SunTrust"), as successor to and assignee of SunTrust Bank, and Teddi of California ("Borrower") previously entered into that certain Factoring Agreement, dated as of April 9, 2001, as amended from time to time, and that certain Inventory and Accounts Security Agreement, dated as of May 15, 2003 (collectively, together with the other agreements existing between Borrower and SunTrust, the "Agreements"). Borrower is the subject of a chapter 7 bankruptcy proceeding in the U.S. Bankruptcy Court, Central District of California, Case No. LA 03-40849-ES (the "Bankruptcy Case"). David K. Gottlieb was appointed as the Chapter 7 Trustee (the "Trustee") in the Bankruptcy Case.

The Trustee is executing this document at the request of SunTrust, and by such execution, the Trustee makes no representation or warranty that (1) Bankruptcy Court approval of this document is not required; or (2) that the Trustee has the standing to make the waivers contained herein on the Debtor's behalf.

Without waiving any counterclaims, rights to setoff, or defenses, the Trustee acknowledges that Borrower is in default under the Agreements and that the indebtedness thereunder of Borrower to SunTrust (the "Indebtedness") is now due and owing in full. Pursuant to its motion for such relief, SunTrust obtained an order from such court granting relief from the bankruptcy automatic stay in the Bankruptcy Case on June 30, 2004.

In light of the foregoing defaults and the relief granted from the bankruptcy stay, and to facilitate the orderly disposition of certain of the collateral securing the Indebtedness, Trustee hereby agrees that SunTrust may take possession of and retain certain of the collateral pledged by Borrower to secure the Indebtedness, specifically the collateral consisting of general intangibles, including trademarks (the

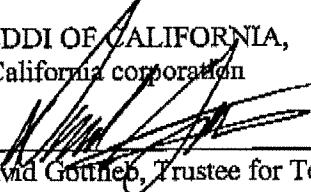
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"Collateral").

Trustee agrees that SunTrust may exercise, at SunTrust's discretion, its remedies as provided in the Agreements and in accordance with the applicable Uniform Commercial Code (the "UCC"). In specific, Trustee agrees that SunTrust may, in connection with such surrender of possession of the Collateral, accept the Collateral in partial satisfaction of the Indebtedness pursuant to UCC Section 9620. By execution below, SunTrust indicates its agreement to accept the Collateral in partial satisfaction of the Indebtedness, and SunTrust proposes that the partial satisfaction of Indebtedness effected hereby be Twenty-Five Thousand Dollars (\$25,000) (the "Preliminary Partial Satisfaction Amount"); provided that Trustee reserves all rights with respect to a determination of what adjustments, if any, are to be made to the Preliminary Partial Satisfaction Amount in order to finally determine the amount by which the Indebtedness is to be decreased. Trustee agrees to execute and deliver such instruments and documents of assignment, transfer and title as may reasonably be requested by SunTrust to effect the foregoing acceptance of the Collateral, including any transfer statements under UCC Section 9619.


Trustee, in light of Borrower's defaults under the Agreements as set forth above, hereby waives all rights that it and Borrower may have to demand disposition of the Collateral under UCC Section 9620 or to any notification of sale or disposition, which waiver is given in accordance with UCC Section 9624, provided that Trustee does not waive any right to notification of the ultimate consideration received by SunTrust with respect to the disposition of the Collateral. SunTrust agrees it shall provide to Trustee any information with respect thereto reasonably requested by Trustee.

TEDDI OF CALIFORNIA,
a California corporation

By 
David Gottlieb, Trustee for Teddi of California,
Debtor, Chapter 7 Case Number LA 03-40849 ES

ACCEPTED AND AGREED:
July 22, 2004

SUNTRUST BANKS, INC.

By 
Title: Group Vice President