

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
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NATURE OF CONVEYANCE:	SECURITY INTEREST
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CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Blue Stuff Inc.		09/17/2004	CORPORATION: OKLAHOMA

RECEIVING PARTY DATA	
Name:	International Bank of Commerce
Also Known As:	AKA/successor by merger to Local Oklahoma Bank, Oklahoma state banking association
Street Address:	3601 NW 63rd St.
City:	Oklahoma City
State/Country:	OKLAHOMA
Postal Code:	73116
Entity Type:	State Banking Association: TEXAS

PROPERTY NUMBERS Total: 10		
Property Type	Number	Word Mark
Registration Number:	2368579	BLUE STUFF
Registration Number:	2642830	YOU WILL LUV ME!
Registration Number:	2671837	PEACH STUFF
Registration Number:	2677390	ALOE STUFF
Registration Number:	2677391	SHAMPOO STUFF
Registration Number:	2677392	WHITE STUFF
Registration Number:	2697486	HAND STUFF
Registration Number:	2782783	SUPER STUFF
Registration Number:	2788086	ESSENTIAL STUFF
Registration Number:	2876278	

CORRESPONDENCE DATA	
Fax Number:	(405)552-2476
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	

CH \$265.00 2368579

Phone: 405-235-4100
Email: ip@phillipsmcfall.com
Correspondent Name: Phillips McFall McCaffrey McVay & Murrah
Address Line 1: 211 N. Robinson Ave.
Address Line 2: One Leadership Square, 12th Fl.
Address Line 4: Oklahoma City, OKLAHOMA 73102

ATTORNEY DOCKET NUMBER:	20000.19110
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NAME OF SUBMITTER:	Martin G. Ozinga
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Total Attachments: 6
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TRADEMARK COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT

THIS AGREEMENT is made effective as of May 20, 2003 and executed on September 11, 2004 by and between BLUE STUFF INC., an Oklahoma corporation ("Grantor"), 6301 Waterford Boulevard, Suite 404, Oklahoma City, Oklahoma 73118, and INTERNATIONAL BANK OF COMMERCE, a Texas state banking association, successor by merger to Local Oklahoma Bank, an Oklahoma state banking corporation ("Grantee"), 3601 N.W. 63rd Street, Oklahoma City, Oklahoma 73116.

WITNESSETH:

WHEREAS, Grantor, Grantee and other parties have entered into a First Amended and Restated Loan Agreement dated effective May 20, 2003 (together with any amendments and modifications thereof, the "Loan Agreement"), a Third Amended and Restated Revolving Promissory Note in the principal amount of \$5,000,000.00 of even date therewith (together with any amendments, modification, renewals or extensions thereof, the "Note"), and other Loan Documents, as such term is defined in the Loan Agreement, pursuant to which Grantee has extended credit to or for the benefit of Grantor in such amounts and in the manner provided for in the Loan Agreement and Note;

WHEREAS, one of the Loan Documents is a Security Agreement (the "Security Agreement") executed by Grantor in favor of Grantee that granted a security interest covering all personal property assets of Grantor, and this Agreement is executed by Grantor at the request of Grantee pursuant to Section 9 of the Security Agreement in order to perfect such security interest to the extent it covers the Trademark Collateral (as defined in this Agreement) by a filing a copy of this Agreement with the United States Trademark and Patent Office, and to collaterally assign the Trademark Collateral to Grantee pursuant to the terms and provisions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee agree as follows:

1. Grant of Security Interest; Collateral Assignment.

a. To secure the complete and timely satisfaction of all obligations of Grantor to Grantee under and provided for in the Loan Agreement, Note and other Loan Documents (the "Obligations"), Grantor hereby grants to Grantee a continuing security interest in all of its right, title and interest in and to the United States trademark(s), trade name(s) and service mark(s) listed on Schedule A hereto (as the same may be amended pursuant hereto from time to time) (collectively, the "Trademarks"), including, without limitation, all renewals thereof, all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements and all rights corresponding thereto throughout the world (all of the foregoing are collectively called the "Trademark Rights"), and the goodwill of the business to which the Trademarks relate (the "Associated Goodwill") (the Trademarks, the Trademark Rights, and the Associated Goodwill are collectively called the "Trademark Collateral").

b. In addition to the grant of security interest provided in paragraph 1(a), Grantor hereby agrees to assign and convey to Grantee all of its right, title and interest in and to the Trademark Collateral upon the occurrence of a Default, as defined in the Loan Agreement; provided, however, that such assignment and conveyance shall be and become of force and effect only, and shall immediately and automatically become of force and effect without further action, upon the occurrence of a Default.

2. Representations, Warranties and Covenants of Grantor. Grantor represents, covenants and warrants to Grantee that:

a. The United States registrations on the Trademarks are subsisting and have not been adjudged invalid or unenforceable;

b. It believes the United States Trademarks are valid and enforceable;

c. Grantor represents that to the best of its knowledge, no claim has been made that the use of the Trademarks does or may violate the rights of any third person;

d. Grantor, subject to the rights of Grantee granted herein, is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Trademarks, free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses, registered user agreements and covenants by Grantor not to sue third persons;

e. Grantor has the unqualified right to enter into this Agreement and to perform its terms;

f. Grantor shall use for the duration of this Agreement, the proper statutory notice in connection with its use of the Trademarks.

3. Inspection Rights. Grantor hereby grants to Grantee and its employees, agents and designees the right to visit Grantor's offices and facilities which provide services offered under the Trademarks, and to inspect the services and quality control records relating thereto.

4. Further Assurances. Grantor agrees that, until all of the Obligations shall have been satisfied in full, it will not enter into any agreement which is inconsistent with, Grantor's obligations under this Agreement, without the prior written consent of Holder, not to be unreasonably withheld. Grantor further agrees that at any time and from time to time, at the reasonable expense of Grantor, Grantor will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that Grantee may reasonably request, in order to perfect and protect the security interest and collateral assignment granted or purported to be granted hereby or to enable Grantee to exercise its rights and remedies hereunder.

5. Additional Trademarks. If, before the Obligations have been satisfied in full, Grantor shall obtain rights to any registrations of any new U.S. trademark(s), trade name(s) or service mark(s), or application(s) therefore, the provisions of paragraph 1 shall automatically apply thereto and Grantor shall give Grantee prompt written notice thereof.

6. Modification by Grantee. Grantor authorizes Grantee to modify this Agreement by amending Schedule A to include any future registrations of any U.S. trademark(s), trade name(s) or service mark(s), or future application(s) therefor, covered by paragraphs 1 and 5, without the signature of Grantor to the extent permitted by applicable law, but with prior written notice.

7. Rights of Grantor. Unless and until a Default has occurred and Grantee has elected to terminate Grantor's ownership and right in the Trademark Collateral pursuant to paragraph 8, Grantor shall own the title to the Trademark Collateral and shall have the exclusive, nontransferable right to use the Trademarks on and in connection with services offered by Grantor, for Grantor's own benefit and account and for none other. Grantor agrees not to sell or assign its interest in, or grant any license under the Trademarks or the other Trademark Collateral, other than the license to Grantee hereunder and franchise agreements with its franchisees without the prior written consent of Grantee, not to be unreasonably withheld.

8. Default. If any Default shall have occurred, Grantor's ownership and right in the Trademark Collateral shall terminate forthwith at the election of Grantee, and Grantee shall have in addition to all other rights and remedies granted it by this Agreement, those provided in the Loan Agreement, Note and other Loan Documents, and those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademark Collateral may be located.

9. Termination of Agreement. At such time as Grantor shall completely satisfy all of the Obligations, this Agreement shall terminate and Grantee shall execute and deliver to Grantor, at Grantor's expense, and without recourse, representation or warranty, all releases, deeds, assignments and other instruments as may be necessary or proper to re-vest in Grantor full title to the Trademark Collateral, subject to any disposition thereof which may have been made by Grantee pursuant hereto.

10. Preservation of Trademark Rights. Grantor shall undertake all reasonable business activities that are necessary or desirable to preserve and maintain all rights in the Trademarks. Any expenses incurred in connection with the foregoing shall be borne by Grantor. Grantor shall not abandon any Trademarks without the prior written consent of Grantee, not to be unreasonably withheld. Grantor shall have the right to bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect the Trademarks. Grantor shall promptly, upon demand, reimburse and indemnify Grantee for all damages, costs and expenses, including, without limitation, attorneys' fees, incurred by Grantee in the fulfillment of any provision of this paragraph 10.

11. Grantee Appointed Attorney-in-Fact. Grantor hereby authorizes and empowers Grantee to make, constitute and appoint any officer or agent of Grantee as Grantee may select, in its exclusive discretion, as Grantor's true and lawful attorney-in-fact following a Default, with the power to endorse Grantor's name on all applications, documents, papers and instruments necessary for Grantee to use the Trademarks or the other Trademark Collateral, or to grant or issue any exclusive or non-exclusive license under the Trademark Collateral to Grantee or anyone else, or necessary for Grantee to assign, pledge, convey or otherwise transfer title in or dispose of the Trademark Collateral to anyone else. Grantor hereby ratifies all that such attorney

shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Agreement.

12. Holder May Act. If Grantor fails to comply with any of its obligations hereunder and following a Default, Grantee may do so in Grantor's name or in the name of Grantee to the extent permitted by applicable law, but at Grantor's expense, and Grantor hereby agrees to reimburse Grantee in full for all expenses, including, without limitation, attorneys' fees, incurred by Grantee in protecting, defending or maintaining the Trademark Collateral or any part thereof.

13. No Waiver. No course of dealing between Grantor and Grantee, nor any failure to exercise, nor any delay in exercising on the part of Grantee, any right, power of privilege hereunder, under the Loan Agreement, Note or other Loan Documents, or under applicable law shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercises of any other right, power or privilege.

14. Rights Cumulative. All of Grantee's rights and remedies with respect to the Trademark Collateral, whether established hereby or by the other Loan Documents, or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently.

15. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

16. Modification. This Agreement is subject to modification only by a writing signed by the parties, except as provided in paragraph 6.

17. Inurement. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties; provided however, that the foregoing provision shall not invalidate or otherwise modify the restrictions imposed on Grantor hereunder with respect to transferring any part of or interest in the Trademark Collateral.

18. Governing Law. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the internal laws of the State of Oklahoma.

Executed as of the effective date set forth above.

"GRANTOR":


BLUE STUFF INC., an Oklahoma corporation

By: Jack M. Chung
Name: Jack M. Chung
Title: Chairman

Debra D. Murray
Debra D. Murray
President

"GRANTEE":

INTERNATIONAL BANK OF
COMMERCE

By: 
David G. Moore, Senior Vice
President

SCHEDULE A

U.S. REGISTERED TRADEMARKS FOR BLUE STUFF, INC.

REGISTRATION NO.	MARK	STATUS
2,368,579	BLUE STUFF	Registered 07/18/00
2,642,830	YOU WILL LUV ME! & Design	Registered 10/29/02
2,671,837	PEACH STUFF	Registered 01/07/03
2,677,390	ALOE STUFF	Registered 01/21/03
2,677,391	SHAMPOO STUFF	Registered 01/21/03
2,677,392	WHITE STUFF	Registered 01/21/03
2,697,486	HAND STUFF	Registered 03/18/03
2,782,783	SUPER STUFF	Registered 11/11/03
2,788,086	ESSENTIAL STUFF	Registered 12/02/03
2,876,278	Design	Registered 08/24/04