

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST
EFFECTIVE DATE:	03/29/2005

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
California Beach Restaurants, Inc.		03/29/2005	CORPORATION: CALIFORNIA

RECEIVING PARTY DATA

Name:	Los Angeles County
Street Address:	Department of Beaches & Harbors
Internal Address:	13837 Fiji Way
City:	Marina del Rey
State/Country:	CALIFORNIA
Postal Code:	90292
Entity Type:	Municipality: CALIFORNIA

PROPERTY NUMBERS Total: 5

Property Type	Number	Word Mark
Registration Number:	2506092	G GLADSTONE'S MALIBU
Registration Number:	2418549	G GLADSTONE'S MALIBU
Registration Number:	1337282	GLADSTONE'S
Registration Number:	1426956	G GLADSTONE'S 4 FISH
Registration Number:	1477188	G

CORRESPONDENCE DATA

Fax Number: (213)593-2924
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: (213) 593-5224
 Email: kate.cregor@mto.com
 Correspondent Name: Kate Cregor
 Address Line 1: c/o Munger Tolles & Olson LLP
 Address Line 2: 355 South Grand Avenue, 35th Floor

OP \$140.00 2506092

Address Line 4: Los Angeles, CALIFORNIA 90071

NAME OF SUBMITTER:

Gloria Molina

Signature:

/Gloria Molina/

Date:

04/15/2005

Total Attachments: 11

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SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this "Agreement") is made as of ~~February~~^{MARCH 29}, 2005, by and between CALIFORNIA BEACH RESTAURANTS, INC., a California corporation ("Parent"), and COUNTY OF LOS ANGELES ("County"), with reference to the following facts:

RECITALS

A. Parent is the sole owner of Sea View Restaurants, Inc., a California corporation ("Concessionaire").

B. Concessionaire and County are parties to that certain Concession Agreement for Will Rogers State Beach Park Restaurant dated as of November 1, 1997, as amended by that certain First Amendment to Concession Agreement for Will Rogers State Beach Park Restaurant dated as of February 9, 1999 (as so amended, the "Original Concession Agreement").

C. Concessionaire and County have agreed, subject to the satisfaction of certain conditions precedent for the benefit of County, to amend the Original Concession Agreement as provided in that certain Second Amendment to Concession Agreement for Will Rogers State Beach Park Restaurant dated as of even date herewith (the "Amendment"). Such conditions precedent include, among others, that Parent execute and deliver the following instruments to County: (i) a guaranty, pursuant which Parent guaranties the timely payment and performance of all of Concessionaire's obligations under the Original Concession Agreement, as amended by the Amendment (as so amended, the "Concession Agreement"); and (ii) a security agreement, pursuant to which Parent grants County a security interest in all of Parent's right, title and interest in and to the Name Rights and the Royalties (each as defined below) as collateral for its obligations under the Guaranty.

D. Parent desires that Concessionaire enter into the Amendment and that the same become effective, and Parent will realize a material and substantial benefit therefrom. Accordingly, to induce County to amend the Original Concession Agreement as provided in the Amendment, Parent has agreed to execute that certain Guaranty of even date herewith and this Agreement as security for its obligations under the Guaranty.

NOW, THEREFORE, with reference to the foregoing Recitals and the covenants contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereby agree as follows:

1. DEFINITIONS

1.1 Certain Terms. For purposes of this Agreement, the following words and terms shall have the meanings indicated in this Section 1.1.

"Collateral" means, collectively, all of Parent's right, title and interest in and to the Name Rights (including, without limitation, the Trademarks) and the Royalties and all substitutions therefor and proceeds thereof.

“Name Rights” means, collectively, (i) the name ‘Gladstone’s’ and all names including or incorporating the word ‘Gladstone’s’, (ii) the Trademarks, (iii) all existing and future registrations and recordings of the foregoing, including, without limitation, all applications, registrations and recordings in the United States Patent and Trademark Office (including, without limitation, those described on Exhibit A) or in any similar office or agency of the United States or any state, (iv) all goodwill associated with the foregoing, (v) all rights of Parent under all existing and future license and other agreements relating to the use of the name ‘Gladstone’s’ or the Trademarks, and (vi) all claims and rights to sue for past, present or future infringement or unconsented use of the name ‘Gladstone’s’ or the Trademarks.

“Obligations” means the Parent’s obligations to County under the Guaranty.

“Royalties” means all royalties, license fees and other payments of any kind now or hereafter payable or otherwise received under any license or other agreement (including, without limitation, the Master Agreement between Parent and Pendragon Partners, LLC dated as of January, 2003 (the “Master Agreement”)) now or hereafter entered into by Parent with respect to the Name Rights.

“Trademarks” means all trademarks, trade styles and service marks consisting of or incorporating the name ‘Gladstone’s’, and all designs and general intangibles of like nature, now existing and hereafter adopted or acquired, and all goodwill associated with the foregoing.

1.2 Other Definitions. Initially capitalized terms used but not defined in this Agreement have the meanings given such terms in the Concession Agreement.

2. TERMS

2.1 Grant of Security Interest. Parent hereby grants County a continuing security interest in the Collateral to secure the payment and performance of the Obligations.

2.2 Perfection of Security Interest. To perfect, maintain and enable the enforcement of the security interest granted in this Agreement, Parent (i) hereby authorizes County to file this Agreement, one or more financing statements and any related continuation statements and amendments with respect to the Collateral from time to time; (ii) shall, if requested by County, execute and file one or more financing or continuation statements and amendments thereto from time to time; and (iii) execute and deliver such other and further documents, take such other and further actions, and provide such further information as may be requested by County from time to time to perfect or continue the perfection of the security interest granted pursuant to this Agreement.

3. REPRESENTATIONS AND WARRANTIES

To induce the County to enter into the Amendment and accept the Guaranty, Parent hereby represents and warrants to County that each of the following statements is true and correct as of the date of this Agreement and will remain true and correct so long as the Guaranty is in effect:

3.1 Organization and Good Standing. Parent is a corporation, duly organized, validly existing and in good standing under the laws of the State of California.

3.2 Authority. The execution and delivery by Parent of this Agreement and the other documents described herein, and the payment and performance by Parent of its obligations hereunder and thereunder, have been duly authorized by, and are within the corporate power of, Parent.

3.3 Guarantor Information. Exhibit B sets forth (i) Parent's legal name as listed in its current organizational documents, (ii) the location of Parent's chief executive office, (iii) Parent's mailing address, and (iv) all names under which Parent has conducted its business.

3.4 Title. Parent owns and has full right to the Name Rights and the Royalties, and has the right to grant security interests in each of them.

3.5 No Other Liens or Interests. No other person or entity has received an assignment of, or been granted a security interest in, the Name Rights or the Royalties. Except as set forth on Exhibit C, no person or entity has been granted a license or other right to use the Name Rights.

3.6 Trademarks. The Trademarks are subsisting and are not invalid or unenforceable, in whole or in part. Exhibit A contains the name, place of registration, registration number and date of registration of each Trademark that has been registered. No claim has been made that the use of the Trademarks violates, infringes or otherwise conflicts or interferes with any trademark, service mark or other intellectual property or proprietary right of any other person or entity.

3.7 No Conflict. The granting of the security interests provided in this Agreement will not create a default or constitute an event that, with the giving of notice or the passage of time or both, would constitute a default under any material agreement to which Parent is a party.

4. COVENANTS

4.1 Matters Affecting Parent. Parent shall notify County in writing at least ten (10) days prior to changing any of the matters listed on Exhibit B.

4.2 Collateral. Parent shall not grant, create or permit any lien against or security interest in the Collateral, except for the security interests granted to the County in this Agreement, and Parent shall defend the Collateral against, and give the County prompt written notice of, all liens, attachments or claims asserted against or with respect to the Collateral.

4.3 Trademarks. Parent shall diligently prosecute any pending trademark application for the Trademarks, make federal application on registrable but unregistered Trademarks, file and prosecute opposition and cancellation proceedings, and do any and all things necessary or desirable to enforce, preserve and maintain all rights in the Trademarks, including, without limitation, instituting legal proceedings to enjoin any infringement or unauthorized use of the Trademarks that, if not enjoined, could result in Parent losing any of its material rights with respect to the Trademarks. Parent shall not abandon, transfer or license, except as permitted by

the Master Agreement, any Trademark without the prior written consent of County, which consent shall not be unreasonably withheld.

5. POWER OF ATTORNEY

Subject to the provisions of Section 6.2 hereof, upon the occurrence of an Event of Default, Parent hereby irrevocably appoints the County with full power of substitution as its attorney-in-fact for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instrument that the County may deem necessary or advisable to accomplish the purposes of this Agreement. The power of attorney granted and all authority by this Agreement conferred by this Agreement are granted and conferred solely to protect the County's interest in the Collateral and shall not impose any duty upon the County to exercise such powers. Such powers of attorney are coupled with an interest, shall be irrevocable prior to the full payment and performance of the Obligations and shall not be terminated prior thereto or affected by any act of Parent or by operation of law.

6. DEFAULT AND REMEDIES

6.1 Events of Default. The occurrence of any one or more of the following shall constitute an "Event of Default" under this Agreement:

- (1) the occurrence of the "Event of Default" under the Concession Agreement and Parent's failure to cure such Event of Default within an additional fifteen days after receipt of written notice thereof (such cure period shall be in addition to any cure period provided for in the Concession Agreement);
- (2) Parent fails to timely observe, perform or comply with any covenant contained in this Agreement and does not cure said failure within ten (10) days after its receipt of written notice thereof from the County;
- (3) the County's determination that any representation or warranty made or given by Parent in this Agreement was false or misleading in any material respect as of the date on which such representation or warranty was made or remade; or
- (4) the County ceases to have an enforceable first-priority security interest in the Collateral.

6.2 The County's Rights and Remedies Upon Default. Upon the occurrence of an Event of Default, the County shall have all of the rights and remedies of a secured party under the California Uniform Commercial Code or under any other applicable law or in equity in respect of the Collateral, all of which rights and remedies shall, to the full extent permitted by law, be cumulative; provided however that the County shall not foreclose or otherwise proceed against the Collateral unless the County shall have concurrently terminated the Concession Agreement pursuant to Section 14.3.1 of the Concession Agreement.

6.3 Application of Proceeds. The proceeds of any sale pursuant to Section 6.2 shall be applied to the Obligations in such manner, order and priority as the County may elect.

7. RELEASE

Upon the payment and satisfaction in full of the Obligations, (i) the Collateral (or so much thereof as remains, if any) shall be promptly released from the security interest created hereby, (ii) the County shall promptly execute such reassignments and other documentation as Parent may reasonably request to document such release, and (iii) this Agreement, and Parent's obligations hereunder, shall terminate.

8. MISCELLANEOUS

8.1 Notices. Any notice, demand, request, consent, approval or communication which either party hereto desires or is required or permitted to give or cause to be given to the other shall be in writing and shall be delivered or addressed to such other party at the address set forth below or to such other party as provided in the Guaranty.

8.2 Entire Agreement. This Agreement and the documents referenced herein set forth all of the agreements, conditions and understandings between the parties with respect to matters addressed herein, and there are no promises, agreements, conditions, understandings, warranties or representations, oral or written, expressed or implied, between the parties other than as set forth or referred to herein with respect to the matters addressed herein.

8.3 No Oral Modification. No statement, action or agreement hereafter made shall be effective to amend, waive, modify, discharge, terminate or effect an abandonment of this Agreement in whole or in part unless such agreement is in writing and signed by the party against whom such amendment, waiver, modification, discharge, termination or abandonment is sought to be enforced.

8.4 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and assigns.

8.5 Section Headings. The Section headings are inserted herein only for convenience and are in no way to be construed as part of this Agreement, or as indicative of the meaning of the provisions of this Agreement or the intention of the parties, or as a limitation in the scope of the particular Sections to which they refer.

8.6 Attorneys' Fees. In case suit shall be brought to enforce this Agreement or because of the breach by any party of any covenant or condition herein contained, the prevailing party shall be entitled to reasonable attorneys' fees in addition to court costs and any and all other costs recoverable in said action. Such attorneys' fees shall be deemed to have accrued on the commencement of such action and shall be paid whether or not such action is prosecuted to judgment. In any case where this Agreement provides that a party is entitled to recover its attorneys' fees from another party, the party so entitled shall be entitled to recover an amount equal to the fair market value of services provided by attorneys employed by it as well as any reasonable attorneys' fees actually paid by it to third parties. Any reference in this Agreement to attorneys' fees shall be deemed to include attorneys' disbursements as well.

8.7 Construction. Each party and its counsel have reviewed and participated in the preparation of this Agreement and any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendments or exhibits hereto. The singular of any word includes the plural, and vice-versa.

8.8 Governing Law. This Agreement shall be governed by the laws of the State of California without regard to its conflicts of law principles.

8.9 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and such counterparts shall constitute by one and the same instrument.

8.10 No Waiver. No failure by any party to insist upon the strict performance of any term hereof or to exercise any right, power or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach or of any such term. No waiver of any breach shall affect or alter this Agreement, which shall continue in full force and effect, or the respective rights of the parties with respect to any other then existing or subsequent breach.

8.11 Severability. If any term, provision or covenant in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, in whole or in part, all of the remaining terms, provisions and covenants shall continue in full force and effect and shall in no way be impaired or invalidated thereby.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

Parent: CALIFORNIA BEACH RESTAURANTS, INC.,
a California corporation

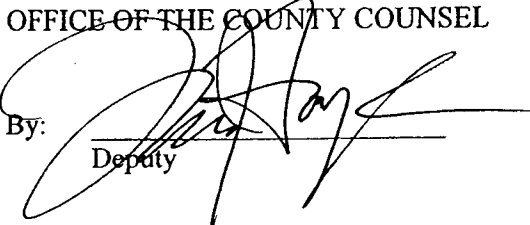
By: _____
Name: _____
Its: _____

County: COUNTY OF LOS ANGELES

By: _____
Name: _____
Its: _____

APPROVED AS TO FORM
BY COUNTY COUNSEL

OFFICE OF THE COUNTY COUNSEL

By: 
Deputy

* Note: Executed signature
page attached
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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

Parent:

CALIFORNIA BEACH RESTAURANTS, INC.,
a California corporation

By:

[Signature]
Name: RENARD L. POWELL
Its: PRESIDENT



County:

ATTEST: VIOLET VARONA-LUKENS
EXECUTIVE OFFICER -
CLERK OF THE BOARD OF SUPERVISORS

By: *[Signature]*, Deputy
COUNTY OF LOS ANGELES

By:

[Signature]
Name: GLORIA MOLINA
Its: CHAIR, BOARD OF SUPERVISORS

ORIGINAL
SIGNED

APPROVED AS TO FORM
BY COUNTY COUNSEL

OFFICE OF THE COUNTY COUNSEL

ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

30

MAR 29 2005

[Signature]
VIOLET VARONA-LUKENS
EXECUTIVE OFFICER

TRADEMARK

REEL: 003067 FRAME: 0126

EXHIBIT A

Trademark Registrations

Mark	Class(es)	Country/ State	Reg. No.	Reg. Date	Registered Owner
G GLADSTONE'S MALIBU & Design	42	USA	2506092	Nov. 13, 2001	California Beach Restaurants, Inc.
G GLADSTONE'S MALIBU & Design	21, 24, 25	USA	2418549	Jan. 9, 2001	California Beach Restaurants, Inc.
GLADSTONE'S (Stylized)	42	USA	1337282	May 21, 1985	California Beach Restaurants, Inc.
G GLADSTONE'S 4 Fish & Design	42	USA	1426956	Jan. 27, 1987	California Beach Restaurants, Inc.
G (Stylized)	42	USA	1477188	Feb. 16, 1988	California Beach Restaurants, Inc.
GLADSTONE'S (Stylized)	42	California	21915	Jan. 10, 1985	California Beach Restaurants, Inc.
GLADSTONE'S 4 FISH & Design	42	California	24923	Nov. 7, 1985	California Beach Restaurants, Inc.

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EXHIBIT B

Matters Regarding Parent

- (i) Parent's Legal Name: California Beach Restaurants, Inc., a California corporation
- (ii) Chief Executive Office: 17383 Sunset Boulevard, Suite 140, Pacific Palisades, California 90272
- (iii) Mailing Address: 17383 Sunset Boulevard, Suite 140, Pacific Palisades, California 90272
- (iv) Names Under Which Parent has Conducted its Business: California Beach Restaurants, Inc.

EXHIBIT C

Trademark Licenses

1. License Agreement between Sea View Restaurants, Inc. and MCA Development Venture Two, dated April 21, 1992, under which Sea View Restaurants, Inc. granted certain license rights to MCA Development Venture Two in the following registered marks: (i) GLADSTONE'S, Reg. Nos. 1,337,282, 1,514,059 and 21,915 (California State registration); (ii) GLADSTONE'S 4 FISH, Reg. Nos. 1,426,956 and 24,923 (California State registration); and (iii) G (Stylized), Reg. No. 1,477,188. (This License Agreement was subsequently assigned by Sea View Restaurants, Inc. to California Beach Restaurants, Inc.)
2. Non-Exclusive Royalty Free License Agreement between California Beach Restaurants, Inc. and Sea View Restaurants, Inc., dated October 30, 1997, under which California Beach Restaurants, Inc. (following an assignment from Sea View Restaurants, Inc. to California Beach Restaurants, Inc.) licensed back to Sea View Restaurants, Inc. certain license rights in the following registered marks: (i) G (stylized), Reg. No. 1,477,188; (ii) GLADSTONE'S 4 FISH, Reg. No. 1,426,956; (iii) GLADSTONE'S, Reg. No. 1,337,282; (iv) GLADSTONE'S, Reg. No. 21,915 (California State registration); and (v) GLADSTONE'S 4 FISH, Reg. No. 24,923 (California State registration).
3. License Agreement between California Beach Restaurants, Inc. and Gladstone's 4 Fish, LLC dated January, 2003.