

<b>TRADEMARK ASSIGNMENT</b>
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Electronic Version v1.1  
 Stylesheet Version v1.1

09/21/2005  
 900032447

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL		
<b>EFFECTIVE DATE:</b>	06/14/2005		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Figi, LLC	FORMERLY Figi Acquisition Company, LLC	06/14/2005	LTD LIAB JT ST CO: DELAWARE
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	The Encore Group, Inc.		
<b>Street Address:</b>	P.O Box 500780		
<b>City:</b>	San Diego		
<b>State/Country:</b>	CALIFORNIA		
<b>Postal Code:</b>	92150		
<b>Entity Type:</b>	CORPORATION: CALIFORNIA		
<b>PROPERTY NUMBERS Total: 6</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
<b>Registration Number:</b>	2675766	FIGI	
<b>Registration Number:</b>	2508331	FIGI	
<b>Registration Number:</b>	2566371	FIGI GRAPHICS	
<b>Registration Number:</b>	2508330	FIGI GRAPHICS	
<b>Registration Number:</b>	1748392	JW STANNARD	
<b>Serial Number:</b>	78468857	MICHEL & COMPANY	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(858)535-1616		
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>			
<b>Phone:</b>	858-535-9400		
<b>Email:</b>	rpolcyn@fisherthurber.com		
<b>Correspondent Name:</b>	Randall S. Polcyn		
<b>Address Line 1:</b>	4225 Executive Square, Suite 1600		

DP \$165.00 2675766

<b>Address Line 4:</b> La Jolla, CALIFORNIA 92037-1483	
<b>NAME OF SUBMITTER:</b>	Randall S. Polcyn
<b>Signature:</b>	/Randall S. Polcyn/
<b>Date:</b>	09/21/2005
<b>Total Attachments: 12</b> source=scan.temp#page1.tif source=scan.temp#page2.tif source=scan.temp#page3.tif source=scan.temp#page4.tif source=scan.temp#page5.tif source=scan.temp#page6.tif source=scan.temp#page7.tif source=scan.temp#page8.tif source=scan.temp#page9.tif source=scan.temp#page10.tif source=scan.temp#page11.tif source=scan.temp#page12.tif	

## PNC Bank, National Association

1600 Market Street, 31st Floor  
Philadelphia, PA 19103

June 14, 2005

The Encore Group, Inc.  
10740 Thornmint Road  
San Diego, California 92127-2700  
Attn: Richard Snow, President

**Re: Purchase of Certain Assets of FIGI, LLC**

Dear Mr. Snow:

This letter agreement sets forth the terms and conditions under which The Encore Group, Inc., a California corporation, (the "Buyer") would acquire certain assets of FIGI, LLC ("Debtor") from PNC Bank, National Association:

1. At the closing (the "Closing") on the transaction, PNC Bank, National Association, as the lender providing secured financing to the Debtor (in such capacity, the "Seller") shall execute and deliver to Buyer in exchange for remittance of the Purchase Price (as hereinafter defined) a Bill of Sale in the form attached hereto as Exhibit A ("Bill of Sale"), as a secured party, transferring the rights and interest of the Debtor to the Buyer pursuant to Section 9-617 of Article 9 of the Uniform Commercial Code as in effect in the Commonwealth of Pennsylvania ("UCC"). Seller represents and warrants that it is authorized to transfer title to the assets referenced on Exhibit A hereto as a secured creditor under Article 9 of the UCC, free and clear of Seller's security interest and all security interests subordinate thereto.

2. Except as set forth in paragraph 1 above, the Seller does not make any warranty or representation of any kind whatsoever concerning the assets being purchased, the Debtor, or any other matter. Without limiting the foregoing, no warranty or representation, express or implied, is made or opinion expressed regarding quantity, quality, condition, merchantability, fitness for any purpose, value, or location of any property being sold, the title of the Debtors to any property being sold, assignability or transferability of any license or license agreement, enforceability or validity of any intellectual property rights, or the compliance of the Debtor or its property with any federal, state or local statutes, rules or regulations (whether license, environmental or otherwise). The assets being purchased are being acquired "where is" and "as is."

3. It is and shall be the Buyer's responsibility to obtain possession of the assets being acquired and no warranty or guaranty of possession or access to any premises on which such property is located is made by the Seller.

4. The purchase price (the "Purchase Price") for the assets being purchased is \$250,000 which shall be paid, by wire transfer to the following account of Seller, as follows: (a) \$25,000 contemporaneously with the execution of this letter agreement and (b) \$225,000 on or before June 15, 2005 and prior to removal of any of the Purchased Assets as defined in the Bill of Sale:

Bank: PNC Bank, National Association

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REEL: 003202 FRAME: 0298

Jun 13 05 05:20p

PNC Business Credit

410-825-6257

p.2

June 14, 2005

ABA#: 031207607  
Credit: PNC Business Credit  
Acct #: 196039957830  
For Benefit of: FIGI, LLC

5. Buyer acknowledges and agrees that as of Closing, all risk of loss or damage with respect to the assets being purchased shall be solely with the Buyer.
6. Any and all transfer or other taxes arising as the result of the sale of the assets being purchased by Buyer shall be the sole responsibility of the Buyer. Buyer shall also pay all personal property taxes, if any, related to the assets being purchased which accrue following closing.
7. Nothing herein contained is intended to transfer or delegate to Buyer any liabilities or obligations of Debtor unless expressly assumed by Buyer.
8. Each party hereto shall bear all legal expenses and other costs which may be incurred by it in connection with the transaction described herein.
9. No rights are intended to be created hereunder for the benefit of the Debtor or any other party and no modification hereof shall be binding or enforceable unless in writing and signed by the party against whom enforcement is sought. This letter agreement supersedes all discussions, correspondence or other writings between the parties or their representatives in respect of the subject matter hereof.
10. The obligations of Buyer and Seller to consummate the transactions contemplated by this Agreement are subject to the satisfaction on or prior to the Closing of the following conditions precedent:
- (i) Each of the acts, agreements, commitments, and obligations of Seller and Buyer to be performed on or before the Closing pursuant to the terms hereof shall have been duly performed.
- (ii) There shall be no litigation, proceeding or investigation, pending or threatened (a) against Seller, Buyer or Debtor and involving the assets to be sold for the purpose of enjoining or preventing the consummation of this letter agreement and the transactions contemplated hereby or otherwise claiming that such consummation is improper, or (b) against Seller, Buyer or Debtor which, if decided adversely to Seller, Buyer or Debtor would adversely affect the right of Seller to sell or dispose of all of Debtor's right, title and interest in the assets to be sold as contemplated hereby which, in the sole judgment of Seller, would make the consummation of this letter agreement inadvisable.

Very truly yours,

PNC BANK, NATIONAL ASSOCIATION, as  
Agent

By:   
Name: James Sierakowski  
Title: Vice President

074658.01176/21395406v1

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REEL: 003202 FRAME: 0299

June 14, 2005

Acknowledged, agreed and intending to be legally bound:

THE ENCORE GROUP, INC.


By:   
Name: Richard Swan  
Title: CEO

EXHIBIT ABILL OF SALE

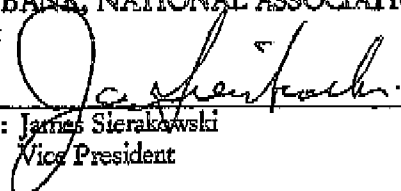
KNOW ALL PERSONS BY THESE PRESENTS THAT PNC BANK, NATIONAL ASSOCIATION, in its capacity as Agent for certain financial institutions ("PNC"), in consideration of the sum of \$250,000 and other good and sufficient consideration paid to it by THE ENCORE GROUP, INC. ("Buyer"), receipt of which is hereby acknowledged, as a secured party within the meaning of the Uniform Commercial Code as in effect in the Commonwealth of Pennsylvania ("UCC"), does hereby grant, bargain and sell to Buyer, its successors and assigns, all the right, title and interest of FIGL, LLC ("Debtor") in and to all personal property of the Debtor set forth on Schedule A attached hereto and made part hereof (the "Purchased Assets"), to have and to hold all and singular goods, chattels and other property to Buyer, its successors and assigns, to and for their own use forever.

PNC has and shall have no duty or obligation with respect to delivery of or Buyer's obtaining possession of the Purchased Assets, and Buyer assumes all risk of loss with respect to such Purchased Assets as of the date hereof. Buyer acknowledges that it is purchasing such Purchased Assets AS-IS and WHERE-IS.


PNC HAS NOT HERETOFORE AND DOES NOT HEREBY MAKE ANY REPRESENTATION OF WARRANTY OR EXPRESS ANY OPINION, EXPRESS OR IMPLIED, WITH RESPECT TO THE QUALITY, QUANTITY, CONDITION, MERCHANTABILITY, FITNESS FOR ANY PURPOSE, VALUE OR LOCATION OF ANY ITEM OF THE PURCHASED ASSETS, THE TITLE OF THE DEBTOR TO ANY OF THE PURCHASED ASSETS OR THE COMPLIANCE OF THE DEBTOR OR ANY OF ITS PROPERTY WITH ANY FEDERAL, STATE OR LOCAL STATUTE. NO REPRESENTATION OR WARRANTY OF ANY KIND OR NATURE IS MADE BY PNC WITH RESPECT TO THE PURCHASED ASSETS OR THE SALE EVIDENCED HEREBY EXCEPT AS EXPRESSLY SET FORTH IN A CERTAIN LETTER AGREEMENT OF EVEN DATE HEREWTH BETWEEN BUYER AND PNC.

IN WITNESS WHEREOF, BANK has caused these presents to be signed this \_\_\_ day of June, 2005.

PNC BANK, NATIONAL ASSOCIATION, as  
Agent

By:   
Name: James Sierakowski  
Title: Vice President

Approved:  
THE ENCORE GROUP, INC.

By:   
Name: Raymond Smer  
Title: CEO

SCHEDULE A TO BILL OF SALE

## Purchased Assets

1. The following assets of Debtor:
  - A.
    1. Customer List with sales by year
    2. Sales by Customer by SKU
      - 2004 Part 1
      - 2004 Part 2
      - 2004 Part 3
      - 2004 Part 4
      - 2004 Part 5
      - 2004 Part 6
      - 2005 Part 1
      - 2005 Part 2
    3. Vendor Contact List
    4. Vendor Purchase History
    5. Open Purchase Orders
    6. SKU List in Cost & Prices
    7. Independent Rep Roster
    8. Sales Roster - Reps & Employees
    9. Employee Listing for 2005
    10. Accounts Payable Aging as of 5/20/05
    11. Accounts Reimbursable Aging as of 5/16/05
    12. Open Sales Orders
    13. Product Planning Matrices
      - Cycle I, 06, Everyday
      - Cycle II, 05, Everyday
      - Cycle II, 05, Autumn - Halloween
      - Cycle II, 05, Garden
      - Cycle II, 06, Valentine
      - Cycle III, 05, Everyday
      - Cycle III, 05, Garden
      - Cycle IV, 05, Easter
      - Cycle IV, 05, Everyday
      - Cycle IV, 05, Garden
  - B.
    1. Apple Server containing backup of all computers from the Design Group.
    2. Various servers used in operations of FIGI, LLC business
  - C.
    1. Catalogs under the stairwell
    2. ~~Michael~~ <sup>MICHAEL P. CO.</sup> artwork is in four (4) four drawer file cabinets located to the left when entering the lobby.
    3. Product samples

D.



1. JWS laboratory development, in boxes
2. *Michael + Co* Michael products and artwork
3. Product Matrix notebooks
4. Samples of new products/prototypes and/or samples of current line not previously boxed.
5. Prototypes and samples of new products
6. Q/C original approved samples used for verification
7. Artwork, files, drawings, notebooks, paste-ups, and supplies

2. Debtor's intellectual property rights, arising under statutory or common law, contract, or otherwise, in connection with (i) all patents, reissues and reexamined patents and patent applications, whenever filed and whenever issues and all priority rights resulting from such applications, listed on Exhibit A attached hereto, (ii) all copyrights, copyright applications and copyright registrations listed on Exhibit A attached hereto, and (iii) all trademarks, service marks, trade names, logos, and symbols listed on Exhibit A attached hereto.



Exhibit A

## United States Patents:

Patent	Registration No.	Country	Filing Date
Wind Chime Having Paired Chime Members	5,275,080	USA	1/4/1994
Chime Device Having Quickly Releasable Chime Members	5,329,836	USA	7/19/1994
Golf Ball Windchime	Des. 362,819	USA	10/3/1995
Windchime	Des. 405,709	USA	2/16/1999
Windchime	Des. 404,672	USA	1/26/1999
Combined Birdhouse and Chime	Des. 345,828	USA	4/5/1994
Windchime	Des. 404,671	USA	1/26/1999
Wind Chime	Des. 341,789	USA	11/30/1993

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REEL: 003202 FRAME: 0304

## United States Copyrights:

Title	Registration No.	Country	Filing Date
Four Figures Dancing and Playing Musical Instruments	VAU 302-047	USA	7/8/1994
Motion Metal Sculpture - Frog (SCL-KGS-104)	VA 1-127-015	USA	10/25/2001
Lady Bug Motion Sculpture (SCL-KGS-105)	VA 1-108-097	USA	10/30/2001
Motion Metal Sculpture - Cow	VA 1-108-096	USA	10/30/2001
Cat W/Bird Garden Sculpture (SCL-KGS-101)	VA 1-108-095	USA	10/30/2001
Ho Ho Holders-Santa (GCH-XMS-53)	VA 1-184-399	USA	2/7/2003
Ho Ho Holders-Reindcor. (GCH-XMS-51)	VA 1-184-400	USA	2/7/2003
Ho Ho Holders-Snowman (GCH-XMS-52)	VA 1-184-398	USA	2/7/2003

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## United States Trademarks:

Trademark	Country	Date Filed	Serial No.	Status	Registration Number	Registration Date
CHARPENTE	USA	2/3/1987	73/642,839	Registered	1,522,644	1/31/1989
ENERGY	USA	2/3/1992	74/242,563	Registered	1,723,642	10/13/1992
CHIMES						
TRANQUILITY CHIMES	USA	1/13/1992	74/242,361	Registered	1,738,265	12/8/1992
JW STANNARD (Stylized)	USA	3/16/1992	74/256,154	Registered	1,748,392	1/26/1993
CHIMESCAPES	USA	6/15/1992	74/285,438	Registered	1,753,955	2/23/1993
MICHEL & COMPANY	USA	3/30/1993	74/373,258	Registered	1,851,441	8/30/1994
SYMPHONY	USA	12/6/1993	74/465,849	Registered	1,873,893	1/17/1995
RHAPSODY	USA	12/6/1993	74/465,818	Registered	1,895,143	5/23/1995
MINUET	USA	6/17/1994	74/538,855	Registered	1,911,446	8/15/1995
CARNIVALE	USA	10/11/1994	74/583,646	Registered	1,922,108	9/26/1995
ALLEGRO	USA	10/11/1994	74/583,861	Registered	1,922,109	9/26/1995
MINSTREL	USA	10/11/1994	74/583,862	Registered	1,922,110	9/26/1995
CELESTA	USA	10/11/1994	74/583,864	Registered	1,922,111	9/26/1995
LOTUS	USA	10/11/1994	74/583,865	Registered	1,922,112	9/26/1995
LARK	USA	10/11/1994	74/583,861	Registered	1,922,114	9/26/1995
DOVE	USA	10/11/1994	74/583,875	Registered	1,922,115	9/26/1995
FIXIE	USA	10/11/1994	74/584,282	Registered	1,922,116	9/26/1995
TKI	USA	10/11/1994	74/584,283	Registered	1,922,117	9/26/1995
CALYPSO	USA	10/11/1994	74/583,641	Registered	1,927,926	10/11/1995
CHIMESCAPES	USA	12/23/1994	74/615,781	Registered	1,939,903	12/5/1995
NILE	USA	2/6/1995	74/630,353	Registered	1,940,117	12/5/1995
DORIAN	USA	2/6/1995	74/630,354	Registered	1,940,118	12/5/1995
MANTRA	USA	2/6/1995	74/630,471	Registered	1,948,857	1/16/1996
AURA	USA	2/6/1995	74/630,638	Registered	1,948,862	1/16/1996
PRESTO	USA	10/11/1994	74/584,276	Registered	1,959,869	3/5/1996
OASIS	USA	2/6/1995	74/630,470	Registered	1,977,935	6/4/1996
LYDIAAN	USA	9/12/1995	74/734,420	Registered	1,998,302	9/3/1996
CHORD OF NATURE	USA	9/12/1995	74/727,893	Registered	2,002,867	9/24/1996
PAPILLON	USA	10/27/1995	75/022,254	Registered	2,023,619	12/17/1996
STARRY NIGHT	USA	12/14/1995	75/032,701	Registered	2,072,777	6/17/1997
CHIMECICLE	USA	8/27/1993	75/429,287	Registered	2,074,119	6/24/1997
OPUS	USA	3/5/1996	75/067,683	Registered	2,082,441	7/22/1997
LOVE NOTES	USA	12/14/1995	75/032,710	Registered	2,089,901	8/19/1997
LOVE SONGS	USA	12/14/1995	75/032,702	Registered	2,093,592	9/2/1997

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Trademark	Country	Date Filed	Serial No.	Status	Registration Number	Registration Date
FANTASIA	USA	12/14/1995	75/032,704	Registered	2,109,679	10/28/1997
SERENADE	USA	11/22/1996	75/202,963	Registered	2,114,181	11/18/1997
NOCTURNE	USA	11/22/1996	75/202,966	Registered	2,114,182	11/18/1997
SUNBIRD	USA	12/14/1995	75/032,705	Registered	2,126,098	12/30/1997
APPLETUNE	USA	3/21/1997	75/262,572	Registered	2,149,265	4/7/1998
ADAGIO	USA	12/14/1995	75/032,703	Registered	2,157,244	5/12/1998
GENIE	USA	5/12/1997	75/290,320	Registered	2,163,924	6/9/1998
XSE	USA	8/9/1996	75/148,012	Registered	2,164,570	6/9/1998
PRELUDE	USA	3/5/1996	75/067,684	Registered	2,171,642	7/7/1998
ANGEL	USA	12/14/1995	75/032,700	Registered	2,186,245	9/1/1998
CONCERTO	USA	7/22/1997	75/328,674	Registered	2,195,411	10/13/1998
OVERTURE	USA	3/14/1997	75/257/327	Registered	2,215,275	12/29/1998
ARX	USA	12/19/1997	75/408,334	Registered	2,218,854	1/19/1999
INFINITY	USA	2/9/1996	75/055,882	Registered	2,229,282	3/2/1999
MILLENNIUM	USA	2/9/1996	75/055,881	Registered	2,243,015	5/4/1999
WORLD ART	USA	10/8/1998	75/569,709	Registered	2,302,011	12/21/1999
FIGI GRAPHICS & Design	USA	1/7/1998	75/418,654	Registered	2,508,330	11/20/2001
FIGI & Design	USA	1/7/1998	75/418,704	Registered	2,508,331	11/20/2001
FIGI GRAPHICS	USA	1/7/1998	75/418,651	Registered	2,566,371	5/7/2002
FIGI	USA	1/7/1998	75/418,706	Registered	2,675,766	1/21/2003
FIGI	USA	1/7/98	75/418,706	Registered	2,675,766	1/21/2003
PRESENTABLES	USA	4/24/2003	78/241,621	Electronic application filed		
PATHWAYS & PROMISES	USA	6/21/2002	78/137,702	Application Pending: Filed 6/21/02; Amend. response filed 2/1/03		

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REEL: 003202 FRAME: 0307

Trademark	Country	Date Filed	Serial No.	Status	Registration Number	Registration Date
HOME PRESENTS ACCENTS, OPPORTUNITIES & FUN and Design	USA	1/22/2003	78/206,159	Electronic application filed		
HOME PRESENTS	USA	1/22/2003	78/206,157	Electronic application filed		
DESIGN WEST	USA	6/21/2002	78/137,726	Application pending: Filed 6/21/02; Amend. response filed 2/11/03		

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Foreign Trademarks:

Trademark	Country	Date Filed	Serial No.	Status	Registration Number	Registration Date
FIGI	CANADA	2/18/1999	869,604	Application Pending		

*RD*