

09-19-2008

Form PTO-1594 (Rev. 07/05)  
OMB Collection 0651-0027 (exp. 6/30/2008)

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



RECC  
TK

103525638

OPR/FINANCE

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies):

FILMFARE VIDEO LABS, Inc.  
156 401 NE Ravenna Blvd.  
SEATTLE, WA. 98115

- Individual(s)
- General Partnership
- Corporation- State: Delaware
- Other \_\_\_\_\_

Citizenship (see guidelines) USA

Additional names of conveying parties attached?  Yes  No

3. Nature of conveyance /Execution Date(s) :

Execution Date(s) \_\_\_\_\_

- Assignment
- Security Agreement
- Other SALE
- Merger
- Change of Name

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached?  Yes  No

Name: KB MEDIA SERVICES, Inc.

Internal Address: \_\_\_\_\_

Street Address: 2913 EL Camino Real #107

City: Tustin

State: CA

Country: USA Zip: 92782

- Association
- General Partnership
- Limited Partnership
- Corporation
- 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)

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

76274115

B. Trademark Registration No.(s)

2585087

Additional sheet(s) attached?  Yes  No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

1C009, US021 023 026 036 038 GFS. VIDEOTAPES featuring Adult Subject matter. Filed: June 20, 2001 Blue Vanities

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

Name: HOWARD KLEIN/President

Internal Address: KB MEDIA SERVICES, Inc.

Street Address: 2913 EL Camino Real #107

City: Tustin

State: CA Zip: 92782

Phone Number: 818-734-7337

Fax Number: \_\_\_\_\_

Email Address: peepshow@att.net

6. Total number of applications and registrations involved:

1

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 2000

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

- a. Credit Card Last 4 Numbers \_\_\_\_\_  
Expiration Date 09/18/2008 08/08/24 76274115
- b. Deposit Account Number \_\_\_\_\_  
Authorized User Name \_\_\_\_\_

9. Signature:

James D. Chastain  
Signature  
JAMES D CHASTAIN  
Name of Person Signing

6-17-08  
Date

Total number of pages including cover sheet, attachments, and document: 7

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to: Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

TRADEMARK  
REEL: 003857 FRAME: 0004

## Asset Purchase Agreement

THIS AGREEMENT (the "Agreement") is made as of the 19 day of July, 2007, by and between, KB Media Services, Inc. a California Corporation (the "Purchaser"), and Filmfare Video labs, Inc., dba Blue Vanities, a Delaware Corporation (the "Seller"), and collectively, the "Parties."

**WHEREAS**, Purchaser desires to purchase Seller's business assets, and Seller desires to sell Seller's business assets to Purchaser:

**NOW THEREFORE BE IT RESOLVED**, in consideration of the mutual covenants, promises, warranties and other good and valuable consideration set forth herein, the Parties agree as follows:

1. **Assets.** Upon the closing of this Agreement (the "Closing"), Seller shall sell, transfer, and convey, and Purchaser shall purchase, all of Seller's right, title and interest in the assets listed on Exhibit A attached hereto (the "Assets"), free and clear of any liens, encumbrances or liabilities.

The Assets shall consist of the following: All assets listed on attached Exhibit A including all 8mm films, Video Masters, DVD's, equipment, brochures, magazines, still pictures, customer lists, and all related matter relating to the operation of the Blue Vanities website, retail, and wholesale sales business, and the website [www.bluevanities.com](http://www.bluevanities.com) and it's related URL address and any other websites controlled or owned by Seller relating to the Blue Vanities website business.\_\_\_\_

2. **Excluded Assets.** The following items (the "Excluded Assets") will not be purchased by Purchaser or sold by Seller: Three pieces of equipment as follows: Elmo TRV-R8, TRV-S8, and TRV-16.

3. **Liabilities.** Purchaser shall not assume, nor shall it be responsible for the payment or discharge of any liabilities of Seller.

4. **Purchase Price.** The total amount to be paid for the purchase of the Assets shall be \$55,000.00 (fifty five thousand dollars) (the "Purchase Price"). The Purchase Price shall be paid in full to Seller at Closing.

5. **Condition of Assets.** The Assets are currently in the following condition: "As is" pursuant to physical inspection upon delivery. Seller warrants that the Assets shall be delivered to Purchaser pursuant to Section 10 below in substantially the same condition as set forth in this Section 5.

6. **Seller's Representations and Warranties.** Seller represents and warrants as follows:

- a. Seller has clear title to all of the Assets, and there are no liens, liabilities or encumbrances attached to or otherwise encumbering the Assets, nor will Seller take any action that will result in the encumbering of any Asset prior to closing.
- b. Seller has the legal authority and power to sell the Assets to Purchaser, and no consent is required from any other person or entity to authorize the sale of the Assets.
- c. Seller is not involved in any dispute with any taxing authority, nor is Seller deficient in any tax payments owed by Seller to any taxing authority.
- d. There is no litigation, arbitration, or other legal proceeding currently ongoing.

pending, or threatened against Seller or the assets listed on Exhibit A, nor does Seller have any reason to believe that any such proceeding will be brought or threatened in the future.

**7. Seller's Business Activities through Closing.** Seller promises and hereby agrees to maintain its current business activities, including all ongoing relationships with customers, clients, suppliers, contractors, or other related parties, until the Closing is completed. Seller further promises that it shall continue to operate its business in the ordinary course, and shall make no sale of assets prior to the completion of the Closing other than those within the ordinary course of business, save for the asset sale pursuant to this Agreement. Seller also agrees to maintain operation of the [www.bluevanities.com](http://www.bluevanities.com) website from June 30, 2007 to July 31, 2007 by posting an "under construction" message, the design and wording to be provided by Purchaser.

**8. Closing.** The Closing shall take place at 401 NE Ravenna Blvd. Seattle, Washington on or before July 31, 2007 (the "Closing Date"), unless the Parties agree to another location, date and/or time in writing.

**9. Conditions to Closing.** Prior to the Closing, the following conditions must be met: Seller agrees to provide a complete inventory of the assets to attach as Exhibit A to this Agreement.

**10. Delivery.** Purchaser shall take possession of the Assets according to the following terms: Purchaser will pick up all assets on or before July 31, 2007 upon closing.

**11. Indemnification.** Seller shall indemnify Purchaser and hold harmless Purchaser from any claim, damage, lawsuit, action, complaint, or other costs arising out of any breach of Seller's warranties set forth in Section 6 above, or of any other representation or warranty contained within this Agreement.

**12. Contracts.** Seller warrants that Seller is not a party to any contract, lease, agreement, or other commitment relating to Seller's business that encumbers the Assets in any way.

**13. Seller Disclosure Lists.** Seller shall attach to this Agreement the following lists as Schedule B:

- a. Seller shall provide a true, correct and complete list of all customers that have purchased goods and/or services from Seller during the 12 month time period prior to the closing.

**14. Risk of Loss or Damage.** Seller assumes the risk of any loss of or damage to the Assets from the date of this Agreement through the Closing Date. After the Closing, the risk of loss shall be borne by the Purchaser.

**15. Further Actions.** Seller agrees to execute any further documents and to perform any further actions necessary to perfect Purchaser's ownership of all right, title and interest to the Assets, including, but not limited to the Non Compete Agreement executed simultaneously with this Agreement.

**16. Assignment.** Neither Party may assign their respective rights or obligations under this Agreement without prior written consent from the other Party.

**17. Governing Law.** This Agreement shall be construed in accordance with, and governed in all respects by, the laws of the State of California, without regard to conflicts of law principles.

18. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one agreement.

19. **Severability.** If any part or parts of this Agreement shall be held unenforceable for any reason, the remainder of this Agreement shall continue in full force and effect. If any court of competent jurisdiction deems any provision of this Agreement invalid or unenforceable, and if limiting such provision would make the provision valid, then such provision shall be deemed to be construed as so limited.

20. **Notice.** Any notice required or otherwise given pursuant to this Agreement shall be in writing and mailed certified return receipt requested, postage prepaid, or delivered by overnight delivery service, addressed as follows:

If to Seller: James D. Chastain  
Filmfare Video Labs, Inc.

814

PMB 156, 401 NE Ravenna Blvd.  
Seattle, WA 98115

If to Purchaser: KB Media Services, Inc.  
2913 El Camino Real #

Tustin, CA 92782

21. **Headings.** The headings for section herein are for convenience only and shall not affect the meaning of the provisions of this Agreement.

22. **Entire Agreement.** This Agreement constitutes the entire agreement between Seller and Purchaser, and supersedes any prior understanding or representation of any kind preceding the date of this Agreement. There are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Agreement.

23. IN WITNESS WHEREOF, the parties have caused this Agreement to be executed the day and year first above written.

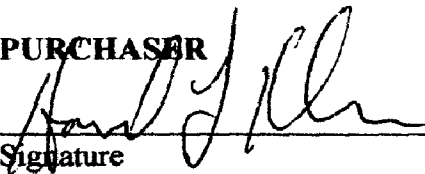
**SELLER**

  
Signature

JAMES D CHASTAIN  
Print Name

PRESIDENT  
Title

**PURCHASER**

  
Signature

HOWARD L. KLEIN  
Print Name

PRESIDENT KB MEDIA SERVICES INC  
Title

# The United States of America



## CERTIFICATE OF REGISTRATION PRINCIPAL REGISTER

*The Mark shown in this certificate has been registered in the United States Patent and Trademark Office to the named registrant.*

*The records of the United States Patent and Trademark Office show that an application for registration of the Mark shown in this Certificate was filed in the Office; that the application was examined and determined to be in compliance with the requirements of the law and with the regulations prescribed by the Director of the United States Patent and Trademark Office; and that the Applicant is entitled to registration of the Mark under the Trademark Act of 1946, as Amended.*

*A copy of the Mark and pertinent data from the application are part of this certificate.*

*This registration shall remain in force for TEN (10) years, unless terminated earlier as provided by law, and subject to compliance with the provisions of Section 8 of the Trademark Act of 1946, as Amended.*



A handwritten signature in cursive script, appearing to read 'James Profane'.

Director of the United States Patent and Trademark Office

**TRADEMARK**  
**REEL: 003857 FRAME: 0008**

## **Requirements for Maintaining a Federal Trademark Registration**

### **SECTION 8: AFFIDAVIT OF CONTINUED USE**

The registration shall remain in force for 10 years, except that the registration shall be canceled for failure to file an Affidavit of Continued Use under Section 8 of the Trademark Act, 15 U.S.C. §1058, upon the expiration of the following time periods:

- i) At the end of 6 years following the date of registration.
- ii) At the end of each successive 10-year period following the date of registration.

*Failure to file a proper Section 8 Affidavit at the appropriate time will result in the cancellation of the registration.*

### **SECTION 9: APPLICATION FOR RENEWAL**

The registration shall remain in force for 10 years, subject to the provisions of Section 8, except that the registration shall expire for failure to file an Application for Renewal under Section 9 of the Trademark Act, 15 U.S.C. §1059, at the end of each successive 10-year period following the date of registration.

*Failure to file a proper Application for Renewal at the appropriate time will result in the expiration of the registration.*

**No further notice or reminder of these requirements will be sent to the Registrant by the Patent and Trademark Office. It is recommended that the Registrant contact the Patent and Trademark Office approximately one year before the expiration of the time periods shown above to determine the requirements and fees for the filings required to maintain the registration.**



Int. Cl.: 9

Prior U.S. Cls.: 21, 23, 26, 36 and 38

**United States Patent and Trademark Office**

Reg. No. 2,585,087

Registered June 25, 2002

**TRADEMARK  
PRINCIPAL REGISTER**

**BLUE VANITIES**

FILMFARE VIDEO LABS, INC. (DELAWARE  
CORPORATION)  
PMB 156 401 NE RAVENNA BLVD  
SEATTLE, WA 98115

FIRST USE 1-1-1991; IN COMMERCE 1-1-1991.

SER. NO. 76-274,115, FILED 6-20-2001.

FOR: VIDEOTAPES FEATURING ADULT SUB-  
JECT MATTER, IN CLASS 9 (U.S. CLS. 21, 23, 26, 36  
AND 38).

GERARD TAYLOR, EXAMINING ATTORNEY