

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Handi Quilter, LLC		12/31/2008	LIMITED LIABILITY COMPANY: DELAWARE
RECEIVING PARTY DATA			
Name:	HQ Group, Inc.		
Street Address:	445 North 700 West		
City:	North Salt Lake		
State/Country:	UTAH		
Postal Code:	84054		
Entity Type:	CORPORATION: DELAWARE		
PROPERTY NUMBERS Total: 8			
Property Type	Number	Word Mark	
Registration Number:	2920821	HQ SIXTEEN	
Registration Number:	3280864	HANDI GADGETS	
Registration Number:	3559066	QUILTER'S HANDI LIBRARY	
Registration Number:	3321467	SIMPLY-SIXTEEN	
Registration Number:	3270574	DESIGNED BY A QUILTER FOR QUILTERS	
Registration Number:	3538211	HQ PRO-STITCHER	
Registration Number:	3758969	HQ FUSION	
Registration Number:	3758970	WHERE FUNCTION MEETS VISION	
CORRESPONDENCE DATA			
Fax Number:	(801)447-9146		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	(801)447-9099		
Email:	info@madsonip.com		
Correspondent Name:	Craig J. Madson		

OP \$215.00 2920821

Address Line 1: Old Shepard Commons, Suite 230
Address Line 2: 1466 North Highway 89
Address Line 4: Farmington, UTAH 84025

ATTORNEY DOCKET NUMBER:	3360
NAME OF SUBMITTER:	Craig J. Madson
Signature:	/Craig J. Madson/
Date:	06/23/2010

Total Attachments: 8

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ASSIGNMENT OF INTELLECTUAL PROPERTY AGREEMENT

RECITALS

This **ASSIGNMENT OF INTELLECTUAL PROPERTY AGREEMENT** (as amended, supplemented or otherwise modified from time to time, this "**Assignment**") is dated and entered into as of December 31, 2008, by and between HQ Group, Inc., a Delaware corporation ("**ASSIGNEE**"), and Handi Quilter, LLC, a Delaware limited liability company ("**ASSIGNOR**") (each, individually, referred to as a "**Party**," and collectively referred to as the "**Parties**").

A. WHEREAS, ASSIGNEE and ASSIGNOR are parties to that certain Asset Purchase Agreement (the "**Asset Purchase Agreement**") dated December 22, 2008 pursuant to which ASSIGNEE purchased certain of the assets of ASSIGNOR, including the Intellectual Property identified on Exhibit A hereto (the "**Assigned Intellectual Property**"). Capitalized terms defined in the Asset Purchase Agreement and not otherwise defined herein are used herein as so defined.

B. WHEREAS, ASSIGNOR is willing to assign such Assigned Intellectual Property to ASSIGNEE subject to the terms and conditions contained in this Assignment.

NOW, THEREFORE, in consideration of the premises, mutual promises and covenants contained in this Assignment, the Parties agree as follows:

1. DEFINITIONS

For purposes of this Assignment, the following terms shall have the meanings set forth below:

1.1 "**Copyrights**" means all copyrighted or copyrightable works, mask works, computer software (including both source and object code), data, data bases (including all expert or proprietary content incorporated therein) and documentation thereof, and copies and tangible embodiments thereof (in whatever form or medium) owned by ASSIGNOR and included in the Assigned Intellectual Property.

1.2 "**Intellectual Property**" means any of the following to the extent included in the Assigned Intellectual Property: any and all Inventions, Patents and Patent Applications, Copyrights, Trademarks, trade secrets and other confidential information (including ideas, formulas, compositions, inventions, whether patentable or unpatentable and whether or not reduced to practice, know-how, manufacturing and production processes and techniques, research and development information, drawings, specifications, designs, plans, proposals, technical data, financial and marketing plans and customer and supplier lists and information), and any and all rights under trade secret law, unfair competition law, publicity rights law, privacy rights law, and licenses and other conveyances and any and all similar proprietary rights, and any and all renewals, extensions, and restorations thereof, now or hereafter in force and effect, whether worldwide or in individual countries or regions.

1.3 "Inventions" means all inventions, whether or not patentable, that are included in the Assigned Intellectual Property.

1.4 "Patents and Patent Applications" means all patents and patent applications, foreign and domestic, owned by ASSIGNOR and included in the Assigned Intellectual Property, and any and all divisions, continuations, continuations-in-part, reissues, reexaminations, renewals or extensions thereof, now or hereafter in force and effect, whether worldwide or in individual countries or regions, and all rights of priority under International Conventions, and any letters patent that issue thereon, and any and all rights whether existing now or in the future under patent law (including patents or patent applications and any utility patent, design patent, patent of importation, patent of addition, certificate of addition, certificate or model of utility, whether domestic or foreign, and all divisions, continuations, continuations-in-part, reissues, reexaminations, renewals or extensions thereof, and any letters patent that issue thereon).

1.5 "Trademarks" means all internet domain names, trademarks, service marks, trade dress, trade names, logos and corporate names together with all of the goodwill associated therewith, any Trademark applications, and any and all rights existing now or in the future under trademark law (including trademark or service mark registrations and applications for registration thereof), and any and all similar proprietary rights, and any and all renewals, extensions, and restorations thereof, now or hereafter in force and effect, whether worldwide or in individual countries or regions, to the extent any of the same are included in the Assigned Intellectual Property.

2. ASSIGNMENT OF RIGHTS

For good and valuable consideration, ASSIGNOR hereby assigns, transfers and conveys to ASSIGNEE the entire right, title, and interest in the Assigned Intellectual Property described on Exhibit A hereto.

ASSIGNOR does hereby sell, assign, transfer, and convey to ASSIGNEE, its successors, legal representatives, and assigns all claims for damages and all remedies arising out of any violation of the Intellectual Property rights assigned hereby that may have accrued prior to the date of assignment to ASSIGNEE, or may accrue hereafter, including, but not limited to, the right to sue for, collect, and retain damages for past infringements of the Patents and Patent Applications, Trademarks (before of after issuance), and Copyrights.

ASSIGNOR hereby covenants and agrees that it will communicate to ASSIGNEE, its successors, legal representatives, and assigns any facts known to ASSIGNOR respecting the Patents and Patent Applications, Copyrights, and Trademarks promptly upon becoming aware of those facts, and that it will testify in any legal proceeding involving any of the Patents and Patent Applications, Copyrights, and Trademarks, will sign all lawful papers, execute all divisional, continuing, and reissue applications, make all rightful oaths, and will generally do everything reasonably possible to aid ASSIGNEE, its successors, legal representatives, and assigns to obtain and enforce the Patents and Patent Applications, Copyrights, and Trademarks in all countries.

IN WITNESS WHEREOF, the Parties hereto, intending to be legally bound thereby, have executed this Assignment as of the date first written above.

HANDI QUILTER, LLC

Date: 12-19-08

By: Marie D. Hayward

Name: MARIE D. HAYWARD

Title: CEO

Address:

HQ GROUP, INC.

Date: _____

By: _____

Name: Andrew N. Ford

Title: President

Address:

c/o Hanover Partners, Inc.
340 Oswego Pointe, Suite 100
Lake Oswego, OR 97034

EXECUTION VERSION

IN WITNESS WHEREOF, the Parties hereto, intending to be legally bound thereby, have executed this Assignment as of the date first written above.

HANDI QUILTER, LLC

Date: _____

By: _____

Name:

Title:

Address:

HQ GROUP, INC.

Date: 12/31/08

By: Andrew N. Ford

Name: Andrew N. Ford

Title: President

Address:
c/o Hanover Partners, Inc.
340 Oswego Pointe, Suite 100
Lake Oswego, OR 97034

Exhibit A

Assigned Intellectual Property

Patents

1. Adjustable, Lightweight, Collapsible Quilting Apparatus and Methods for Using Same

Type – Patent
Patent Number – US 6,615,756 B2
Date of Patent – September 9, 2003

2. Adjustable, Lightweight, Collapsible Quilting Apparatus and Methods for Using Same

Type – Patent
Patent Number – US 6,792,884 B1
Date of Patent – September 21, 2004

3. Quilting Machine Embellishing Device

Type – Provisional Patent
Application Number – 60/927, 192
Application Date – May 1, 2007

Trademarks

1. Designed by a Quilter for a Quilter

Type – Service Mark
Register Number – 3,270,574
Registered Date – July 24, 2007

2. Handi Gadgets

Type – Trademark
Register Number – 3,280,864
Registered Date – August 14, 2007

3. Handi Quilter

Type – Trademark and Design
Register Number – 2,710,981
Registered Date – April 29, 2003

4. HQ Pro-Stitcher
Type – Trademark
Serial Number – 77/278932
Publication Date – March 4, 2008
5. Quilter's Handi Library
Type – Trademark Extension
Serial Number – 78/816389
Extension Approval Date – January 23, 2008
6. Simply-Sixteen
Type – Trademark
Registered Number – 3,321,467
Publication Date – October 23, 2007
7. HQ Sixteen
Type – Trademark
Registered Number – 2,920,821
Publication Date – January 25, 2005
8. HQ Fusion
Type – Trademark
Serial Number – 77/635,632
Application filed with the US Patent & Trademark Office
9. Where Function Meets Vision
Type – Trademark
Serial Number – 77/635,643
Application filed with the US Patent & Trademark Office

Related Agreements

Non-Exclusive Patent License Agreement for U.S. Patent No. 6,615,756, dated January 1, 2004, between Laurel Barrus/Handi Quilter Company, Incorporated (licensor) and Horst Hoyer/To Be Quilting Inc. (licensee)

Non-Exclusive Patent License Agreement for U.S. Patent No. 6,615,756 and U.S. Patent No. 6,792,884, dated January 1, 2005, between Laurel Barrus/Handi Quilter Company, Incorporated (licensor) and CSM Ltd (licensee)

Non-Exclusive Patent License Agreement for U.S. Patent No. 6,615,756 and U.S. Patent No. 6,792,884, dated November 5, 2006, between Handi Quilter, LLC (licensor) and John Watts Quilting, Inc. (licensee)

License Agreement for the Handi Half Circle and Handi VersaTool, dated December 1, 2006, between Suzanne Michelle Hyland (licensor) and Handi Quilter, LLC (licensee), as amended.

Domain Names

1. www.handiquilter.com
2. www.hqcomputerizedquilting.com