

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
Backgate Designs, Inc.		03/30/2012	CORPORATION: CALIFORNIA
RECEIVING PARTY DATA			
Name:	USPA Accessories, LLC		
Street Address:	119 W. 40th St.		
Internal Address:	3rd Fl.		
City:	New York		
State/Country:	NEW YORK		
Postal Code:	10018		
Entity Type:	LIMITED LIABILITY COMPANY: NEW YORK		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Registration Number:	3289423		
Registration Number:	3289458	FLAIR HAIR	
CORRESPONDENCE DATA			
Fax Number: <i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>			
Email:		davidfaham@gmail.com	
Correspondent Name:		David Faham	
Address Line 1:		2049 West Street	
Address Line 4:		Brooklyn, NEW YORK 11223	
NAME OF SUBMITTER:	David Faham		
Signature:	/df/		
Date:	05/25/2012		

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Total Attachments: 38

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TRADEMARK ASSIGNMENT

THIS TRADEMARK ASSIGNMENT (the “**Assignment**”), effective as of the date of execution below, (the “**Effective Date**”), is hereby entered into by and between David M. Nance, an individual residing at 42 Central Avenue, #2, Los Gatos, California 95030 (“**Assignor**”) and Backgate Designs, Inc., a California corporation, having a principal place of business located at 16550 Railroad Ave., Ste. B, Morgan Hill, California 95037 (“**Assignee**”).

RECITALS

WHEREAS, prior to the Effective Date, Assignor owned, adopted, and used the trademarks listed in Schedule A in the United States of America, including all registrations therefore, and owned other transferable rights associated with this trademark, including, but not limited to, the goodwill of the business associated with said mark (the “**Trademark**”); and

WHEREAS, Assignee desires to acquire all right, title, and interest, and all goodwill associated therewith, in and to the Trademark, and all registrations, and common law rights therein;

NOW THEREFORE, in consideration of one dollar (\$1.00), the terms and conditions herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

1. **Assignment.** Assignor does hereby assign and transfer to Assignee, its successors and assigns, all of its right, title, and interest, in the United States of America, in, to and under said Trademark, including but not limited to the registration listed in Schedule A, all other rights associated with the Trademark, including but not limited to all goodwill associated therewith, and all past, present and future income, royalties, fees, damages, and payments now or hereafter due or payable in respect thereto, and in and to any and all past, present and future causes of action (either in law or in equity), and the right to enforce any rights and file any causes of action, including the right to recover damages, for any past, present, or future infringement or misappropriation of the Trademark.

2. **Miscellaneous.** Assignor hereby agrees to execute, acknowledge and deliver any and all documents as Assignee, in its reasonable discretion deems desirable or necessary to make a record with any and all government agencies, authorities, courts, tribunals, or third parties, of the fact that Assignee owns all right, title and interest in and to the Trademark, and any and all goodwill associated therewith, as well as all other rights associated with the portion of the business to which the Trademark pertains and that Assignor no longer has any right, title or interest, of any kind or nature, in or to the Trademark.

WHEREFORE, the parties have caused this Assignment to be duly executed below, on the date indicated, by their respective duly authorized officers.

DAVID M. NANCE

Date 3-17-09

By: 

Name: David M. Nance

Title: Individual

BACKGATE DESIGNS, INC.


Date 3-17-09

By: 

Name: DAVID M. NANCE

Title: PRESIDENT

Schedule A

Trademark	Serial No.	Reg. No.	Registration Date	Goods/Services
	76/668,574	3,289,423	September 11, 2007	Visors featuring fake hair behind the brims
FLAIR HAIR	76/670,596	3,289,458	September 11, 2007	Visors featuring fake hair behind the brims



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16550 RAILROAD AVE.

STE. B

MORGAN HILL, CALIFORNIA 95037

Correspondent: BRYAN CAVE LLP

211 N. BROADWAY

SUITE 3600

ST. LOUIS, MISSOURI 63102

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ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the "Agreement") is entered into effective as of March 30, 2012, by and between Backgate Designs, Inc., a California corporation doing business as Flair Hair ("Seller"), and USPA Accessories, LLC, a New York limited liability company doing business as Concept One Accessories ("Purchaser"). Purchaser, on the one hand, and Seller, on the other hand, shall individually be referred to as a "Party" and collectively be referred to as the "Parties."

RECITALS

WHEREAS, Seller is engaged in the business of marketing, selling, and distributing, on an online retail basis and on a wholesale basis, Flair Hair Visors and Flair Hair Bandanas (the "Business") as well as other products, including without limitation Wingbandits, ski caps, animal hats, gift baskets and the product described in the provisional patent application "CAP INCLUDING A HAIR ACCESSORY PIECE" as submitted to the United States Patent and Trademark office on August 18, 2011 and assigned Serial No. 61/524,835, which business shall be retained by Seller (the "Retained Business");

WHEREAS, Purchaser desires to purchase from Seller, and Seller desires to sell and transfer to Purchaser, substantially all of Seller's assets necessary for operation of the Business on the terms and subject to the conditions of this Agreement.

NOW, THEREFORE, in consideration of the premises, and the representations, warranties, covenants, and agreements contained in the Transaction Documents (as hereinafter defined), and for such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1 PURCHASE AND SALE OF ASSETS

1. Purchase and Sale of Assets

1.1 Purchase and Sale of Acquired Assets. On the Closing Date, as hereinafter defined, Seller shall sell, transfer, deliver, convey and assign to Purchaser, and Purchaser shall purchase, acquire, and accept from Seller, upon the terms and conditions stated herein, all of Seller's right, title and interest in and to the following (collectively, the "Acquired Assets"):

(a) All purchase orders placed by Seller to vendors and suppliers of the Business which have not been fulfilled by such vendors and/or suppliers and received by Seller as of the Closing, all of which shall be identified on a schedule to be provided by Seller to Purchaser prior to the Closing and attached hereto as Schedule 1.1(a) (the "Open Factory Orders")

(b) All orders placed by customers of the Business which have not been fulfilled by Seller as of the Closing, all of which shall be identified on a schedule to be provided by Seller to Purchaser prior to the Closing and attached hereto as Schedule 1.1(a) (the "Open Customer Orders");

(c) All right, title, and interest of Seller in and to the trademark, patent, provisional patent application, domain names; and certain other intellectual property as identified on Schedule 1.1(c) attached hereto (the "Intellectual Property");

(d) All right, title, and interest of Seller in and under the Assumed Contracts (as hereinafter defined) (the "Contract Rights");

(e) All right, title, and interest of Seller in and to the Business's inventories of raw materials, work-in-process, or finished goods, and other parts and packaging materials produced or acquired by Seller as part of the Business, solely as listed on the schedule mutually agreed upon by the Parties at or prior to the Closing (the "Inventory");

(f) All marketing, promotional, advertising, and tradeshow materials, including without limitation two (2) trade show booths and all brochures, used by Seller in connection with the Business (collectively, the "Marketing Materials");

(g) The list of vendor numbers used by Seller in connection with the Business (the "Vendor Numbers");

(h) The current customer list of the Business and any contact information maintained by Seller for such customers as identified on Schedule 1.1(h) attached hereto (the "Customer List");

(i) The list of factories used by Seller in connection with the Business and the contact information for such factories as identified on Schedule 1.1(i) attached hereto (the "Factory List");

(j) The designs and archives used by Seller in connection with the Business (the "Designs and Archives");

(k) The samples and displays in Seller's possession and used by Seller in connection with the Business (the "Samples");

(l) All phone numbers, facsimile numbers, and email addresses used by Seller in connection with the Business and identified on Schedule 1.1(l) attached hereto (collectively, the "Business Contact Numbers");

(m) Copies of those books and records of Seller directly related to the Acquired Assets, including invoices, purchase orders, and vendor and customer correspondence; and

(n) All goodwill and other intangible assets of the Business owned by Seller, and not specifically set forth herein, and associated with the foregoing;

in each case wherever located, but specifically excluding the Excluded Assets described in Section 1.2.

1.2 Excluded Assets. Notwithstanding any term herein to the contrary, Seller is not selling, assigning, transferring, or delivering to Purchaser, and Purchaser is not purchasing, accepting, or acquiring from Seller, any assets other than those assets specifically set forth in Section 1.1 herein. Specifically, the Acquired Assets exclude, without limitation, the following (the "Excluded Assets"):

- (a) any cash, cash equivalents, or short-term investments of Seller;
- (b) any rights of Seller under this Agreement (or any other agreement between Purchaser and Seller entered into on or after the Closing Date);

- (c) any capital stock of Seller;
- (d) all of Seller's corporate minute books and related records (including its Articles of Incorporation, taxpayer and other identification numbers, seals, stock transfer books, blank stock certificates, and other documents relating to the organization, maintenance and existence of Seller as a corporation);
- (e) all of the Seller's accounts and notes receivable earned or accrued as of 11:59:59 p.m. the day immediately preceding the Closing;
- (f) any refund or credit, if any, of taxes and interest thereon due to or from Seller, all deposits of Seller with any taxing authority and any deferred tax assets of Seller;
- (g) any other receivable or revenues of Seller earned or accrued as of 11:59:59 p.m. the day immediately preceding the Closing;
- (h) all Seller's assets, rights, properties and interests in the Retained Business;
- (i) any furniture, fixtures, computers, equipment, or other tangible personal property (except as specifically set forth in Section 1.1 herein);
- (j) all permits and licenses of the Business (including but not limited to Seller's City of Morgan Hill, California business permit and its Reseller's Permit issued by the California State Board of Equalization);
- (k) all personnel records and other records (including without limitation tax returns and tax and financial records and reports) that Seller is required by law to retain in its possession;
- (l) all insurance policies and rights thereunder; and
- (m) all rights in connection with and assets of any employee benefit plans or programs maintained for employees of Seller.

1.3 Free and Clear of All Liens and Liabilities. The Acquired Assets shall be free and clear of all liens, liabilities, claims, charges, debts, and encumbrances, other than the License Agreements and the Assumed Liabilities.

1.4 Delivery of Acquired Assets. At or after the Closing, as determined by Purchaser, Purchaser agrees to send a truck, at its sole expense, to take physical possession of the Acquired Assets from Seller's principal place of business in Morgan Hill, California (the "**Morgan Hill Warehouse**"). The Parties agree Seller shall retain for a period of one week following the Closing, sufficient amounts of the Inventory in its possession, the exact amount to be mutually agreed upon between the Parties, in order to fulfill the transition services described in Section 7.3 below (the "**Retained Inventory**") and shall include all other Inventory (the "**Shipped Inventory**") and all other tangible Acquired Assets in the contents that are placed in such truck. Title and risk of loss with respect to the Shipped Inventory transfers to Purchaser upon the effective time of the Closing (as specified in Section 4.2 below). Purchaser shall, at its sole expense, to take physical possession of the Retained Inventory (as reduced by the amount of such Retained Inventory shipped to customers in fulfillment of the transition services) one week following the Closing. Title and risk of loss with respect to the Retained Inventory (as reduced by the amount of such Retained Inventory shipped to customers in fulfillment of the transition services) transfers to Purchaser upon Purchaser's taking of physical possession thereof.

ARTICLE 2
PURCHASE PRICE

2. Purchase Price.

2.1 Purchase Price. The purchase price for the Acquired Assets (the "Purchase Price") shall be paid by Purchaser to Seller as follows: (a) Purchaser shall pay at Closing by wire transfer of immediately available funds to such account as shall have been designated by Seller prior to Closing the sum of (i) the amount of Seven Hundred Thousand And No/100 Dollars (\$700,000), plus (ii) an amount equal to the aggregate amount prepaid or paid in good faith, whether in whole or in part, by Seller prior to the Closing for any Open Factory Orders ("**Open Factory Orders Reimbursement**"), plus (b) at the Closing Purchaser shall pay by wire transfer of immediately available funds to Purchaser's attorney (the "**Escrow Agent**") the amount which equals Seller's aggregate landed cost for the Inventory (which aggregate dollar amount shall be mutually agreed between the Parties at or prior to the Closing, and shall be adjusted subject to (x) Purchaser's receipt of the Shipped Inventory and the Retained Inventory (as reduced by the amount of such Retained Inventory shipped to customers in fulfillment of the transition services) and its prompt completion of its physical count of thereof to confirm that it received the quantity of Inventory that was to be included in the Shipped Inventory and Retained Inventory (as reduced by the amount of such Retained Inventory shipped to customers in fulfillment of the transition services), and (y) an accounting for such portion of the Retained Inventory as was sold by Seller during the transition period (the "**Inventory Cost**")), which Escrow Agent shall hold and use in accordance with the terms herein, and the Escrow Agent shall, within two business days after Purchaser's receipt of certificates (the "**Tax Clearance Certificates**") evidencing tax clearances issued by the Employment Development Department of the State of California (the "**EDD**") and the State Board of Equalization of the State of California (the "**BOE**"), remit to Seller the Inventory Cost, less any amounts claimed due and owing by the EDD and the BOE ("**Escrow Claims**"). Escrow Agent shall give Seller prompt written notice of any Escrow Claims received (the "**Claim Notice**"). If within ten (10) days after delivery to Seller of a Claim Notice, Seller fails to notify the Escrow Agent that it disputes such payment demand, or if Seller consents to such payment demand, the Escrow Agent shall be authorized to distribute to the EDD and/or BOE such portion of the Inventory Cost as applicable. If, however, Seller gives written notice to Escrow Agent within the ten (10) days after delivery of the Claim Notice disputing the Escrow Claims, than Escrow Agent shall withhold distribution of such amounts for so long as Seller diligently, and in good faith, prosecutes such dispute before the appropriate court, administrative agency, or governmental organization having jurisdiction over such Escrow Claim, until such time as a final non-appealable adjudication has been reached, at which time Escrow Agent shall follow the direction of such adjudication.

2.2 Allocation of Purchase Price. Following the Closing, Purchaser shall prepare an allocation of the Purchase Price and Assumed Liabilities among the Acquired Assets in accordance with Section 1060 of the Internal Revenue Code of 1986, as amended, and the Treasury regulations thereunder (and any similar provision of state and local law, as appropriate), provided that Purchaser intends to allocate the \$700,000 portion of the Purchase Price (except to the extent indicated in the last sentence of this Section) solely among the patents, trademarks, customer list and goodwill based upon the value thereof determined pursuant to an independent appraisal obtained and paid for by Purchaser; the Inventory Cost shall be allocated solely to Inventory; and the allocation to Open Factory Orders Reimbursement shall equal the dollar amount of the Open Factory Orders Reimbursement. Purchaser shall deliver such allocation to Seller within ten (10) days after the determination of such allocation. If Seller disagrees with all or any portion of such allocation, Seller shall provide written notice to Purchaser detailing such disagreement(s) within ten (10) days of Seller's receipt of such allocation. Purchaser and Seller shall use their best efforts to resolve the disagreement(s) with respect to the allocation within thirty

(30) days following Purchaser's receipt of Seller's written notice. The Parties agree to report for all tax purposes the allocation of the Purchase Price in a manner consistent with such allocation and shall take no position inconsistent or contrary thereto. The Parties shall consult with each other concerning all issues relating to such allocation in connection with any tax audit. The Parties agree that of the total Purchase Price, \$0.00 is being paid for the purchase of tangible personal property of Seller in California (including displays and other tangible property of Seller, but excluding Inventory), and Purchaser agrees that it shall pay any sales tax imposed by the State of California or use taxes imposed by the State of New York on the transfer of such tangible personal property.

2.3 Escrow Agent. The Escrow Agent may resign and be discharged from its duties hereunder at any time by giving notice of such resignation to Purchaser and the Seller specifying a date when such resignation shall take effect. Upon such notice, a successor escrow agent shall be appointed by mutual agreement of Purchaser and the Seller, such successor escrow agent to become Escrow Agent hereunder upon the resignation date specified in such notice. If Purchaser and the Seller are unable to agree upon a successor escrow agent, the Escrow Agent's only duty shall be to hold the Inventory Cost until its successor accepts the escrow and receives the Inventory Cost. Purchaser and the Seller may agree at any time to substitute a new escrow agent upon giving thirty (30) days prior notice to the Escrow Agent then acting. Nothing contained herein shall prevent Escrow Agent from acting and continuing to act as counsel to the Purchaser. The Escrow Agent undertakes to perform only such duties as are specifically set forth herein and may conclusively rely and shall be protected in acting or refraining from acting on any written notice, instrument or signature believed by it to be genuine and to have been signed or presented by the proper party or parties duly authorized to do so. The Escrow Agent shall have no responsibility for the contents of any writing contemplated herein and may rely without any liability upon the contents thereof. The Escrow Agent shall not be liable for any action taken or omitted by it in good faith and believed by it to be authorized hereby or within the rights or powers conferred upon it hereunder, nor for action taken or omitted by it in good faith, and in accordance with advice of counsel (which counsel may be of the Escrow Agent's own choosing), and shall not be liable for any mistake of fact or error of judgment or for any acts or omissions of any kind unless caused by willful misconduct or gross negligence. Purchaser and Seller jointly and severally agree to indemnify the Escrow Agent and hold it harmless against any and all liabilities incurred by it hereunder (including reasonable attorneys' fees) as a consequence of such party's action, and further agree jointly to indemnify the Escrow Agent and hold it harmless against any and all liabilities incurred by it hereunder (including reasonable attorneys' fees) which are not a consequence of any party's action, except in either case for liabilities incurred by the Escrow Agent resulting from its own willful misconduct or gross negligence. The Escrow Agent shall not be bound by any agreement or contract between the other parties hereto (whether or not the Escrow Agent shall have knowledge thereof) and the Escrow Agent's only duties and responsibilities shall be to hold the Inventory Cost and to invest and dispose of it in accordance with the terms of Article 2 of this Agreement.

ARTICLE 3 ASSUMPTION OF SPECIFIED LIABILITIES

3. Assumption of Specified Liabilities.

3.1 No Assumption of Liabilities Unless Expressly Assumed. Except as specifically provided in Section 3.2 below, Purchaser does not assume and shall not have any duty or obligation with respect to any liability, duty, contract, agreement, or obligation of Seller, whether by the terms of this Agreement, by operation of law, or otherwise, whether or not associated with the Business or any of the Acquired Assets. The Assumed Liabilities shall not include the Retained Liabilities. The Retained Liabilities shall remain the sole responsibility of and shall be retained, paid, performed, and discharged

solely by Seller. "**Retained Liabilities**" means every liability and obligation of Seller other than the Assumed Liabilities, including without limitation:

(a) Any liability for taxes, including (i) any taxes arising as a result of Seller's operation of the Business or ownership of the Acquired Assets prior to the Closing and (ii) any taxes that will arise as a result of the sale of the Acquired Assets pursuant to this Agreement (except as provided in Section 13.2);

(b) Any liability or obligation of Seller under this Agreement or the other Transaction Documents;

(c) Any liability or obligation of Seller for any purchase orders issued by Seller to vendors and suppliers of the Business in connection with orders received by Seller prior to the Closing;

(d) Any liability or obligation of Seller relating to the Retained Business, any Excluded Asset or any contract or agreement not assumed by Purchaser under Section 3.2;

(e) Any liability or obligation arising under any Seller employee benefit plan or any employment, severance, retention, or termination agreement with any employee of Seller or relating to payroll, vacation, sick leave, workers' compensation, unemployment benefits, employee stock option or profit-sharing plans, health care plans or benefits or any other employee plan or benefit of any kind for Seller's employees or former employees or both; and

(f) Any liability arising out of or relating to any employee grievance relating to such employee's employment with Seller whether or not the affected employees are hired by Purchaser.

3.2 **Specification of Liabilities Assumed.** On and subject to the terms and conditions of this Agreement, Purchaser agrees to assume and be solely responsible for satisfying, discharging and performing all of the Assumed Liabilities on a timely basis in accordance with their terms, after the Effective Time. "**Assumed Liabilities**" means, and is expressly limited to, the following liabilities and obligations of Seller:

(a) All executory obligations under the Open Customer Orders and Open Factory Orders for the Business (the Open Factory Orders and the Open Customer Orders are, collectively, the "**Open Orders**");

(b) All liabilities and obligations of Seller arising under the Assumed Contracts (as defined on Schedule 3.2 attached hereto) after the Effective Time, including without limitation all liabilities and obligations arising after the Effective Time and all liabilities and obligations of Seller for commission payments owed to the independent contractor representatives listed on Schedule 3.2 attached hereto for products sold in connection with the Business after the Closing, notwithstanding the foregoing, for a period of ten (10) days following the Effective Time, Purchaser shall have the unilateral right to amend and remove from Schedule 3.2 any Vendor or Customer Agreements set forth therein, which amendment and removal shall not require Seller's action, consent or authorization and shall be deemed effective upon delivery of written notice thereof from Purchaser to Seller;

(c) All liabilities and obligations of Seller in respect of the products sold by the Business after the Effective Time, including liabilities for any and all product warranties, product guarantees, and product support obligations, and for refunds, adjustments, allowances, exchanges, returns and other claims arising at any time with respect to the products;

(d) All liabilities alleged or arising after the Effective Time for any infringement or alleged infringement with respect to the Business of any intellectual property or proprietary right of any other Person; and

(e) All liabilities resulting from the ownership, use, operation or maintenance of the Acquired Assets by Purchaser, or the conduct of the Business by Purchaser, arising on or after the Closing Date.

ARTICLE 4 CLOSING DATE

4. Closing Date.

4.1 Closing Date. Provided that all conditions precedent set forth in this Agreement have been satisfied or waived, the closing of the transactions contemplated hereby (the "Closing") shall occur on March 30, 2012 (the "Closing Date") or such other date mutually agreed upon by the Parties.

4.2 Date of Transfer. Provided that the Closing occurs, it is the intent of the Parties that the Acquired Assets be transferred to Purchaser effective as of 3:00:00 p.m. Pacific Time on the Closing Date (the "Effective Time"). Further, the Assumed Liabilities shall be transferred to and assumed by Purchaser effective as of the Effective Time. Until the Effective Time on the Closing Date, Seller shall be permitted to operate the Business.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF SELLER

5. Representations and Warranties of Seller. As a material inducement to Purchaser to enter into this Agreement, (i) Seller makes the following representations and warranties to Purchaser, each of which Seller represents to be true and correct as of the Closing Date (unless otherwise stated), except as set forth in the disclosure schedules accompanying this Agreement (the "Disclosure Schedules"); and (ii) Seller's shareholder Jennifer Delaney ("Shareholder"), represents and warrants to Purchaser, that to her actual knowledge those representations and warranties contained in Sections 5.5 and 5.9 hereof are true and correct as of the Closing Date, except as set forth in the Disclosure Schedules. The Disclosure Schedules shall be arranged in paragraphs corresponding to the numbered paragraphs contained in this Article 5; and the disclosure in any paragraph shall qualify other paragraphs in this Article 5 to the extent that it is reasonably apparent from a reading of such disclosure that it also qualifies or applies to such other paragraphs.

5.1 Organization and Qualification. Seller is a corporation duly organized, validly existing, and in good standing under the laws of the State of California, with all necessary corporate power and authority to own or use its property that it now owns or uses in connection with Seller's Business as it is now being conducted.

5.2 Authorization and Validity. Seller has the full corporate power and is duly authorized to execute, deliver and perform the terms of this Agreement and to execute, deliver and perform any and all its obligations under the documents required at the Closing pursuant to Article 10 and any other documents executed and/or delivered in connection herewith or therewith, including without limitation any exhibits or schedules hereto or thereto (collectively, the "Transaction Documents"). This Agreement and the Transaction Documents are, or will be upon execution, legal, valid and binding obligations of Seller, duly enforceable against Seller according to their respective terms, except as such enforcement may be limited by the application of bankruptcy, insolvency, reorganization, moratorium

and other laws affecting creditors' rights generally and as such enforcement may be limited by the availability of specific performance and the application of equitable principles, regardless of whether enforcement is sought in a proceeding at law or in equity.

5.3 Title to Properties. Seller has and hereby conveys to Purchaser good and valid title to the Acquired Assets, free and clear of any and all liens, claims, and encumbrances, other than the License Agreements and the Assumed Liabilities.

5.4 No Defaults. Neither the execution and delivery of this Agreement or any other Transaction Document, nor the consummation of the transactions contemplated hereby or thereby, will (a) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which Seller is subject or any provision of its Articles of Incorporation (as amended from time to time) or Bylaws, (b) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any material agreement, contract, lease, license, instrument, or other arrangement relating to the Business to which Seller is a party or by which it is bound or to which any of the Acquired Assets is subject, other than any such conflicts, breaches, defaults, acceleration, rights or notices that, individually or in the aggregate, would not have a material adverse effect on the Business and would not materially impair the ability of Seller to consummate the transactions contemplated under this Agreement or any other Transaction Document, or (c) result in the imposition or creation of a lien upon or with respect to the Acquired Assets. Seller is not required to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency in order to consummate the transactions contemplated by this Agreement or any other Transaction Document.

5.5 Intellectual Property. Seller owns the Intellectual Property free and clear of any liens, and to its knowledge free and clear of any claims and encumbrances as of the Closing Date, in each case other than those existing licenses as set forth on Schedule 3.2 (the "License Agreements"). No Proceedings are pending against Seller or, to the knowledge of Seller, are threatened, which challenge the rights of Seller with respect to use or ownership of the Intellectual Property. Further, as of the date hereof, Seller has not received any written notice nor is there any pending litigation to which Seller is a party alleging (i) that Seller's use of the Intellectual Property violates any valid intellectual property right of any third party, (ii) the invalidity of the Intellectual Property or (iii) ownership of the Intellectual Property by a third party.

5.6 Inventory. Except for obsolete items and items below standard quality (all of which have been written off or written down to net realizable value), the Inventory (a) consists of inventory manufactured or acquired in bona fide transactions in the ordinary course of business; and (b) to the knowledge of Seller, is of a quality and quantity usable and/or salable in the ordinary course of business consistent with Seller's past practices. No items included in Inventory are or as of the Closing Date will be held by Seller on consignment from others.

5.7 Litigation. There are no actions, suits, proceedings, orders, investigations, or claims (each individually a "Proceeding" and collectively, "Proceedings") pending or, to the knowledge of Seller, threatened against or affecting Seller, the Business or the Acquired Assets, at law or in equity, or before or by any governmental department, commission, board, bureau, agency, or instrumentality which (a) would result in a material adverse change in the Business, (b) materially adversely affect the Acquired Assets or the Business or interfere with the ability of Seller to perform this Agreement or the other Transaction Documents or (c) challenge the validity or propriety of this Agreement or any other Transaction Document.

5.8 Compliance with Laws. To the knowledge of Seller, the Business of Seller has complied in all material respects with all applicable laws, regulations, ordinances, codes, orders, or decrees (collectively, "Laws") of any court, federal, state or local government, or any agency thereof which affect or could reasonably be expected to affect the Business or the Acquired Assets or to which the Business may be subject, and no claims have been filed and Seller has not received any written notice of any violation or potential violation of any such Law.

5.9 Taxes. All material federal, state, local and other tax returns required to be filed with respect to the Business, including without limitation income tax, sales tax, payroll and employee withholding taxes, customs charges and taxes, have been filed in a timely manner (taking into account all extensions of due dates). There are no agreements by Seller with respect to the Business for the extension of time for the assessment of any tax (other than extensions of due dates for tax returns). All such tax returns are accurate, complete and correct in all material respects. All material taxes shown as due and owing on such tax returns by Seller with respect to the Business have been paid. There are no liens for taxes (other than liens relating to taxes, fees, levies, duties or other governmental charges of any kind that are not yet due and payable) upon any of the Acquired Assets. There is no dispute or claim concerning any taxes in respect of the Acquired Assets that has been asserted or assessed in writing that remains unpaid. Seller has not received written notice of any tax deficiency or delinquency from the Internal Revenue Service or any other state or local governmental authority. There is no United States Internal Revenue Service or California State audit of Seller pending or, to the knowledge of Seller, threatened with respect to the Business.

5.10 Financial Information. Schedule 5.10 of the Disclosure Schedules contains the true and accurate unaudited balance sheet (the "Balance Sheet") and statement of profits and losses of Seller as of December 31, 2011 (the "Balance Sheet Date"). The Balance Sheet and statement of profits and losses fairly present in all material respects consistent with the past practices of Seller, the financial position of Seller at December 31, 2011. Except as disclosed in the Balance Sheet, as of the Balance Sheet Date Seller did not have any material indebtedness or liabilities of any kind (whether accrued, absolute or contingent, and whether due or to become due or asserted or unasserted). Since the Balance Sheet Date, Seller has not incurred any material indebtedness or liabilities of any kind (whether accrued, absolute or contingent, and whether due or to become due or asserted or unasserted) other than those incurred in the ordinary course of business consistent with past practice.

5.11 Absence of Changes. Since the Balance Sheet Date, except as set forth in Schedule 5.11 of the Disclosure Schedules, the Business has been operated in the ordinary course of business consistent with past practices, and there has not been, occurred or arisen any:

- (a) Amendment to the Articles of Incorporation or Bylaws of Seller;
- (b) Destruction of, damage to, or loss of any of the material tangible Acquired Assets (whether or not covered by insurance);
- (c) Any material revaluation by Seller of any of the Acquired Assets;
- (d) Entry into any material Contract to which any of the Acquired Assets or Assumed Liabilities are bound, or any termination, extension, amendment or modification of the terms of any material Contract to which any of the Acquired Assets or Assumed Liabilities are bound;
- (e) Waiver or release of any material right or claim of Seller relating to the Acquired Assets or Assumed Liabilities; or

(f) Any agreement by Seller, or any officer or employee on behalf of Seller, to do any of the things described in the preceding clauses (a) through (e).

5.12 No Other Agreements to Sell the Assets. Neither Seller nor any of Seller's officers or affiliates has any commitment or legal obligation, absolute or contingent, to any other person or entity other than Buyer to sell, assign, transfer, or effect a sale of any of the Acquired Assets or to sell or effect a sale of the Business, or to enter into any agreement or cause the entering into of an agreement with respect to any of the foregoing.

5.13 Contracts and Agreements. The material contracts, agreements, arrangements and commitments of the Business are specified on Schedule 3.2. Each of the contracts, agreements, arrangements and commitments listed in Schedule 3.2 (each a "Contract" and collectively, the "Contracts") constitutes a legal, valid, and binding obligation of Seller and is enforceable in accordance with its terms, except as such enforcement may be limited by the application of bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights generally and as such enforcement may be limited by the availability of specific performance and the application of equitable principles, regardless of whether enforcement is sought in a proceeding at law or in equity. Seller is not (with or without the passage of time or the giving of notice or both) in material breach of or in material default under any Contract, in each case except for such non-compliance, default or event that, individually or in the aggregate, would not have a material adverse effect on the Business and would not materially impair the ability of Seller to consummate the transactions contemplated under this Agreement or any other Transaction Document. Seller has not received from any party to any Contract any written notice of, and Seller has no actual knowledge of, any default on the part of such other party. No Contract has been modified or amended either orally or in writing except as indicated on Schedule 3.2. Seller has not received any written notice or communication from any party to a Contract relating to such party's intent to modify, terminate or fail to renew the arrangements and relationships set forth therein.

5.14 Finders; Brokers. Seller has not employed any finder or broker in connection with the transactions contemplated by this Agreement who would have a valid claim for a fee or commission from Seller in connection with the negotiation, execution or delivery of this Agreement or any of the other Transaction Documents or the consummation of any of the transactions contemplated hereby or thereby, except with respect to Forbes Mergers & Acquisitions, which will be borne entirely by Seller.

5.15 Disclaimer of Other Representations and Warranties. Except as expressly set forth in this Article 5, Seller makes no representation or warranty, express or implied, at law or in equity, in respect of any of its assets (including without limitation the Acquired Assets), liabilities or operations (including without limitation the Assumed Liabilities), with respect to the condition, merchantability, suitability or fitness for a particular purpose, with respect to its rights, title, and interest in and to any of its assets (including without limitation the Acquired Assets), with respect to the accuracy or completeness of any information regarding the Seller, the Business, Acquired Assets or Assumed Liabilities, or with respect to the enforceability, validity, legality or authorization of this Agreement, the other Transaction Documents, and the transactions contemplated hereby and thereby, and any such other representations or warranties are hereby expressly disclaimed. Purchaser hereby acknowledges that, except to the extent specifically set forth in this Article 5, Purchaser is purchasing the Acquired Assets on a "as-is, where-is" basis. Without limiting the generality of the foregoing, Seller makes no representation or warranty regarding any assets other than the Acquired Assets or any liabilities other than the Assumed Liabilities, and none shall be implied at law or in equity.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES OF PURCHASER

6. Representations and Warranties of Purchaser. As a material inducement to Seller to enter into this Agreement, Purchaser makes the following representations and warranties to Seller, each of which Purchaser represents to be true and correct as of the Closing Date:

6.1 Organization. Purchaser is a limited liability company duly organized, validly existing, and in good standing under the laws of the State of New York, with all necessary limited liability company power and authority to own or use the property that it now owns or uses and to carry on its business as it is now being conducted.

6.2 Authorization and Validity. Purchaser has the requisite power and is duly authorized to execute, deliver and perform the terms of this Agreement and to execute, deliver and perform its obligations under the Transaction Documents. This Agreement and the Transaction Documents are, or will be upon execution, legal, valid and binding obligations of Purchaser, duly enforceable against Purchaser according to their respective terms, except as such enforcement may be limited by the application of bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights generally and as such enforcement may be limited by the availability of specific performance and the application of equitable principles, regardless of whether enforcement is sought in a proceeding at law or in equity.

6.3 No Defaults. Neither the execution and delivery of this Agreement or any other Transaction Document; nor the consummation of the transactions contemplated hereby or thereby, will (a) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge, or other restriction of any government, governmental agency, or court to which Buyer is subject or any provision of its Articles of Organization (as amended from time to time) or Operating Agreement, (b) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify, or cancel, or require any notice under any material agreement, contract, lease, license, instrument, or other arrangement to which Buyer is a party or by which it is bound or to which any of its assets or properties is subject, or (c) result in the imposition or creation of a lien upon or with respect to Buyer or its assets or properties, in each case other than any such violations, conflicts, breaches, defaults, acceleration, rights or notices that, individually or in the aggregate, would not have a material adverse effect on Buyer and would not materially impair the ability of Buyer to consummate the transactions contemplated under this Agreement or any other Transaction Document. Buyer is not required to give any notice to, make any filing with, or obtain any authorization, consent, or approval of any government or governmental agency in order to consummate the transactions contemplated by this Agreement or any other Transaction Document, other than any such notices, filings, authorizations, consents, or approvals that, individually or in the aggregate, would not have a material adverse effect on Buyer and would not materially impair the ability of Buyer to consummate the transactions contemplated under this Agreement or any other Transaction Document.

6.4 Inventory. All Inventory being acquired by Purchaser is being purchased by Purchaser to resell in the ordinary course of business.

6.5 Finders; Brokers. Purchaser has not employed any finder or broker in connection with the transactions contemplated by this Agreement who would have a valid claim for a fee or commission in connection with the negotiation, execution or delivery of this Agreement or any of the other Transaction Documents or the consummation of any of the transactions contemplated hereby or thereby.

6.6 Adequate Capitalization. Purchaser represents, warrants, and agrees that it is willing and able (financially and otherwise) to, and as of the Closing shall, assume all of the Assumed Liabilities. Purchaser further represents, warrants, and agrees that it has the financial means to satisfy all obligations relating to the Acquired Assets and Assumed Liabilities and to fully and timely satisfy its obligations under the Transaction Documents, and that, as of the Closing immediately after giving effect to the transactions contemplated by the Transaction Documents (the "**Contemplated Transactions**"), Purchaser shall have adequate capital to carry on its businesses. No transfer of property is being made and no obligation is being incurred in connection with the Contemplated Transactions with the intent to hinder, delay, or defraud either present or future creditors of either Seller or Purchaser.

ARTICLE 7 POST-CLOSING COVENANTS

7. Covenants of the Parties.

7.1 Taxes.

(a) Seller shall include the income of its Business on Seller's federal income tax returns for all periods prior to the Effective Time and pay any income taxes attributable to such income.

(b) Purchaser shall include the income of the Business as conducted by Purchaser on or after the Effective Time on Purchaser's tax returns for all periods commencing on or after the Effective Time and pay any income taxes attributable to such income.

(c) Except as otherwise specifically provided in Section 13.2, all taxes shall be apportioned as follows: (i) Seller shall be responsible for such taxes to the extent they relate to periods ending prior to the Effective Time; (ii) Purchaser shall be responsible for such taxes to the extent they relate to periods beginning on or after the Effective Time; and (iii) in the case of taxable periods, if any, that include the Closing Date but do not begin or end on the Closing Date ("**Straddle Period**"), such taxes shall be apportioned between Purchaser and Seller based on a closing of the books as of the Closing Date (except that any taxes that are imposed on a periodic basis shall be allocated between Purchaser and Seller in proportion to the ratio of the number of days in such period prior to the Closing Date to the number of days in such period on and after the Closing Date).

7.2 Public Announcements. Following the Closing, Purchaser and Seller will make an announcement regarding the transaction contemplated by this Agreement in a mutually agreed upon form; provided, however, that any Party may make any public disclosure it believes in good faith is required by applicable law. Notwithstanding the foregoing, no Party will be prevented at any time from disclosing any information that is publicly available, from furnishing any required information to any governmental body or from complying with that Party's legal obligations, provided that it gives reasonable advance notice of such action to the other Party.

7.3 Transition Services. As an accommodation to Purchaser, Purchaser desires that Seller retain such Inventory as is necessary to enable to permit Seller to fulfill Open Customer Orders which are scheduled to be shipped during the one (1) week period immediately following the Closing (the "**Seller Processed Orders**") and that Seller package and ship the Seller Processed Orders during such period consistent with Seller's past practices; provided that any and all liability incurred in connection with Seller's rendering of such transition services shall be borne by Purchaser. In exchange for Seller's services in this regard, Purchaser shall pay Seller \$1,500.00 (the "**Transition Service Fee**") within ten days of the Closing. The Parties agree that Purchaser shall allocate and invoice the customers for such Seller Processed Orders and, to the extent that Seller receives payment under any such invoices that

Seller shall remit such amounts to Purchaser, provided that Seller shall be entitled to set-off from such amount the Transition Service Fee if Purchaser has not yet paid Seller such fee.

7.4 Further Consents to Assignment. To the extent that the assignment of any of the Assumed Contracts or transfer of any Acquired Asset shall require the consent of any other party, and the Closing shall occur notwithstanding the failure to have obtained such consent prior to the Closing, this Agreement shall not constitute a contract by Seller to assign or transfer the same until such consent is obtained. Purchaser shall, at its own expense, use its commercially reasonable efforts after the Closing Date to obtain any consent necessary to such assignment, and Seller shall fully cooperate with Purchaser at Purchaser's expense in connection therewith. If any such consent is not obtained, (a) this Agreement shall not constitute or be deemed to be a contract to assign the same if an attempted assignment without such consent would constitute a breach of such item or create in any party thereto the right or power to cancel or terminate such contract or assert any right or control over any Acquired Asset, and (b) Purchaser shall cooperate at its expense (and Purchaser will promptly reimburse Seller to the extent of any expenses incurred by Seller pursuant to such agreement) in any reasonable arrangement designed to provide Purchaser the use or benefit, monetary or otherwise, of Seller's rights under such contract or Acquired Asset.

7.5 Assumed Obligations; Renewal of Assumed Contracts. Purchaser shall pay, perform and discharge when due the Assumed Liabilities. Purchaser hereby covenants that it will take all actions necessary or advisable to fulfill all obligations of Seller under the Assumed Contracts. Purchaser further agrees and covenants that, when any Assumed Contract existing as of the Closing is proposed to be extended, renewed, modified, assigned or otherwise transferred, Purchaser shall use its commercially reasonable efforts to require such customer or its assignee to enter into a new agreement with Purchaser to which Seller is not a party.

7.6 Anti-Sandbagging. Notwithstanding anything to the contrary contained in this Agreement (including without limitation Seller's failure to disclose any matter required to be disclosed on any Disclosure Schedule hereto), Purchaser agrees that no representation or warranty made by Shareholder in Section 5.5 or 5.9 of this Agreement shall be deemed to be untrue or incorrect, and Shareholder shall not be deemed to be in breach thereof, if Purchaser had knowledge on the Closing Date of any such undisclosed matter or that any such representation or warranty was untrue or incorrect.

7.7 Disclaimer. Purchaser hereby agrees that, following the Effective Time, Seller shall have no obligations to Purchaser or any third party relating to the subject matter hereof except as expressly provided in this Agreement. Purchaser further agrees that neither Seller nor any of its respective affiliates or representatives will have or be subject to any liability of Purchaser or any other person or entity resulting from the distribution in any form to Purchaser, or Purchaser's use, of any information regarding the Seller, the Business, the Acquired Assets, or Assumed Liabilities. In connection with Purchaser's investigation of Seller and the Business, Purchaser may have received from or on behalf of Seller certain estimates, projections, forecasts and plans. Purchaser acknowledges that there are uncertainties inherent in attempting to make such estimates, projections, forecasts and plans, that Purchaser is familiar with such uncertainties, that Purchaser is taking full responsibility for making its own evaluation of the adequacy and accuracy of all estimates, projections, forecasts and plans so furnished to it (including the reasonableness of the assumptions underlying such estimates, projections and forecasts), and that Purchaser shall have no claim against Seller with respect thereto.

7.8 Intentionally Omitted.

7.9 Insurance. Purchaser acknowledges that the policies and insurance coverage maintained by Seller will not be available or transferred to Purchaser. Purchaser covenants and agrees to, effective

as of the Closing Date, add each customer of the Business who is the subject of an Assumed Contract that so requires to name such customer as an additional named insured on Purchaser's insurance policies and coverage, which coverages shall be in sufficient amounts to fulfill the insurance obligations of the Business under the applicable Assumed Contract, and to cooperate with Seller to notify such customers of the assignment of the Assumed Contract to Purchaser and the substitution of Purchaser's insurance for that previously maintained by Seller.

7.10 Adequate Capitalization. Purchaser hereby covenants and agrees to use commercially reasonable efforts to maintain working capital in an amount sufficient to conduct its business and fulfill all of its obligations under this Agreement and the other Transaction Documents.

7.11 Employees. Purchaser shall not be required or obligated to hire any current or former employee of Seller. In the event that Purchaser chooses to hire any such employee, Seller shall reasonably cooperate in the transition; provided, however, that such transition shall be treated as a termination of employment by Seller, and Seller shall be responsible for any severance or termination pay, bonus and employment taxes applicable to all of its employees.

7.12 Mail Handling; Receivables; Payables.

(a) To the extent that Purchaser receives any mail or packages addressed to Seller and delivered to Purchaser not relating to the Acquired Assets or the Assumed Liabilities, Purchaser shall promptly deliver such mail or packages to Seller. To the extent that Purchaser receives any inquiries for Seller's products that are not included in the Business, Purchaser shall give the inquiring party the contact information provided by Seller and shall refer all such inquiries to Seller. After the Closing Date, to the extent that Purchaser receives cash or checks or drafts made payable to Purchaser that constitutes an Excluded Asset, Purchaser shall promptly use such cash to, or deposit such checks or drafts and upon receipt of funds from such checks or drafts, reimburse Seller within five (5) Business Days for such amount received, or, if so requested by Seller, endorse such checks or drafts to Seller for collection. Purchaser may not assert any set-off, hold-back, escrow or other restriction against any payment described in this Section 7.12.

(b) To the extent that Seller receives any mail or packages addressed to Purchaser and delivered to Seller relating to the Acquired Assets or the Assumed Liabilities, Seller shall promptly deliver such mail or packages to Purchaser. After the Closing Date, to the extent that Seller receives cash or checks or drafts made payable to Purchaser that constitutes an Acquired Asset, Seller shall promptly use such cash to, or deposit such checks or drafts and upon receipt of funds from such checks or drafts, reimburse Purchaser within five (5) Business Days for such amount received, or, if so requested by Purchaser, endorse such checks or drafts to Purchaser for collection. Seller may not assert any set-off, hold-back, escrow or other restriction against any payment described in this Section 7.12. On or after the Closing Date, Seller will use commercially reasonable efforts to promptly notify Purchaser of each inquiry that it receives relating to the Business from an existing customer of the Business or any other third party that expressly states its desire to explore a commercial relationship with the Business.

7.13 Bulk Sales Law. The parties hereby waive compliance by Purchaser with the provisions of the California Bulk Sales Law, if applicable, and Seller agrees to pay and discharge when due all claims of creditors which could be asserted against Purchaser to the extent that such liabilities arose prior to the Closing and are not part of the Assumed Liabilities.

7.14 Sale of Remaining Inventory of Seller. The Parties agree that Seller shall, at any time after Closing, be entitled to manufacture, have manufactured, market, sell, and distribute all of products relating to the Retained Business, other than the Flair Hair Visors and Flair Hair Bandanas. Without

limiting the foregoing, Seller shall be entitled, at and after the Closing, to market, sell and complete for sale, and distribute all of its inventory of raw materials, work-in-process, finished goods and packaging materials (including without limitation all inventory, in whatever state, of Wingbandits, ski caps, animal hats, gift baskets and other products, but excluding the Inventory) which exist at the Closing .

ARTICLE 8 CONDITIONS PRECEDENT TO THE OBLIGATIONS OF SELLER

8. Conditions Precedent to the Obligations of Seller. The obligation of Seller to consummate the transactions contemplated by this Agreement is subject to the satisfaction, at or before the Closing, of all of the following conditions, each of which shall be deemed independent, severable, and waivable in whole or in part at the option of Seller:

8.1 Correctness of Representations and Warranties. All representations and warranties of Purchaser in this Agreement and the other Transaction Documents shall be true and accurate in all material respects at and as of the Closing Date, except for representations and warranties that speak as of a specific date or time (which need only be true and correct in all material respects as of such date or time).

8.2 Performance of Obligations. All of the covenants, agreements, and conditions of Purchaser contained in the Transaction Documents and required to be performed, complied with, or satisfied by it on or before the Closing shall have been performed, complied with, or satisfied in all material respects through the Closing, except to the extent that such covenants are qualified by the term "material," or contain terms such as "material adverse effect," in which case Purchaser shall have performed and complied with all of such covenants (as so written, including the term "material" or "material") in all respects through the Closing.

8.3 Delivery of Instruments. Seller shall have received from Purchaser the documents set forth in Section 10.2.

8.4 Consents and Approvals. All approvals and consents required to be obtained with respect to the transactions contemplated under the Transactions Documents shall have been received.

8.5 No Litigation. No action or proceeding shall be threatened or pending against Purchaser that has resulted or is likely to result in a judgment, decree, injunction, or order that would prevent or make unlawful the consummation of the transactions under this Agreement.

ARTICLE 9 CONDITIONS PRECEDENT TO THE OBLIGATIONS OF PURCHASER

9. Conditions Precedent to the Obligations of Purchaser. The obligations of Purchaser to consummate the transactions contemplated by this Agreement are subject to the satisfaction, at or before the Closing, of all of the following conditions, each of which shall be deemed independent, severable, and waivable in whole or in part at the option of Purchaser:

9.1 Correctness of Representations and Warranties. All representations and warranties of Seller contained in the Transaction Documents shall be true and accurate in all material respects at and as of the Closing Date, except for representations and warranties that speak as of a specific date or time (which need only be true and correct in all material respects as of such date or time).

9.2 Performance of Obligations. All of the covenants, agreements, and conditions of Seller contained in the Transaction Documents and required to be performed, complied with, or satisfied by it on or before the Closing shall have been performed, complied with, or satisfied in all material respects through the Closing, except to the extent that such covenants are qualified by the term "material," or contain terms such as "material adverse effect," in which case Seller shall have performed and complied with all of such covenants (as so written, including the term "material" or "material") in all respects through the Closing.

9.3 Delivery of Instruments. Purchaser shall have received from Seller the documents set forth in Sections 10.1(a) and 10.1(c).

9.4 Consents and Approvals. All approvals and consents required to be obtained with respect to the transactions contemplated under the Transaction Documents shall have been received, including the consent of any vendor or customer as may be required under the terms of any Assumed Contract.

9.5 Approval of Seller's Shareholders. Seller shall have received the approval or consent of its shareholders as required under applicable law.

9.6 No Litigation. No action or proceeding shall be threatened or pending against Seller that has resulted or is likely to result in a judgment, decree, injunction, or order that would prevent or make unlawful the consummation of the transactions under this Agreement.

ARTICLE 10 CLOSING DELIVERIES

10. Closing Deliveries.

10.1 Seller's Deliveries. In connection with and at the time of the Closing, Seller shall deliver to Purchaser the following:

(a) Deliverable Documents. The following, duly executed by Seller, to the extent Seller is a party to such agreement:

- (i) This Agreement;
- (ii) a bill of sale, executed assignments, patent assignments, trademark assignments in form and content reasonably satisfactory to Purchaser, certificates of title, and such other instruments and documents as Purchaser shall reasonably request, transferring to Purchaser all of Seller's right, title and interest in and to the Acquired Assets;
- (iii) an affidavit of Seller, in a form reasonably satisfactory to Purchaser, stating under penalties of perjury Seller's United States taxpayer identification number and that Seller is not a foreign person within the meaning of Section 1445(b)(2) of the Code;
- (iv) a good standing certificate for Seller from the Secretary of State of the State of California, dated as soon as practicable prior to the Closing Date;
- (v) An assignment and assumption of the Assumed Contracts and Assumed Liabilities executed by Seller and Purchaser in form and substance reasonably acceptable to the Parties; and

(vii) All other instruments and documents required to consummate the transactions contemplated by the Transaction Documents.

(b) Acquired Assets. Full possession of the Acquired Assets owned by Seller, as set forth in this Agreement.

(c) Corporate Action. Executed resolutions of the board of directors and the shareholders of Seller authorizing the transactions contemplated hereby.

10.2 Purchaser's Deliveries. In connection with and at the time of the Closing, Purchaser shall pay the Purchase Price and deliver to Seller executed copies of each of the documents listed in Section 10.1(a), to the extent that Purchaser is a party to such document; and executed resolutions of the board of managers of Purchaser authorizing the transactions contemplated hereby.

ARTICLE 11 SURVIVAL AND INDEMNIFICATION; REMEDIES

11. Survival and Indemnification; Remedies

11.1 Survival of Representations, Warranties, Covenants and Agreements All of the representations and warranties of Seller shall survive the Closing hereunder and continue in full force and effect until December 15, 2012. All of the representations and warranties of Shareholder shall survive the Closing hereunder and continue in full force and effect until December 15, 2012, except that the survival of Shareholder's representations and warranties in Section 5.9 will be immediately terminated before December 15, 2012 upon delivery to Purchaser of the Tax Clearance Certificates. All of the representations and warranties of Purchaser shall survive the Closing hereunder and continue in full force and effect until December 15, 2012. The covenants and agreements of the Parties contained in this Agreement shall, subject to the express terms thereof, survive the Closing.

11.2 Indemnification Provisions for Purchaser's Benefit

(a) Provided that Purchaser makes a written claim for indemnification against Seller pursuant to Section 13.4 below within the survival period (if there is an applicable survival period pursuant to Section 11.1 above), which written claim must specify the factual basis of the claim and the amount of such claim (if known), all with reasonable specificity, Seller shall indemnify and hold Purchaser harmless against all Adverse Consequences, as hereinafter defined, Purchaser shall suffer relating to, arising from, or in connection with: (a) the failure of Seller to perform its respective covenants, agreements, and obligations under this Agreement or any other Transaction Document; (b) the breach of any representation or warranty made by Seller under this Agreement or any other Transaction Document; (c) any liability or other obligation of Seller not specifically assumed by Purchaser under Section 3.2 of this Agreement or any other Transaction Document; and (d) operation of the Business or ownership of the Acquired Assets prior to the Closing Date, other than the Assumed Liabilities (for which Purchaser will be obligated pursuant to the terms of this Agreement). Provided that Purchaser makes a written claim for indemnification against Shareholder pursuant to Section 13.4 below within the survival period (if there is an applicable survival period pursuant to Section 11.1 above), which written claim must specify the factual basis of the claim and the amount of such claim (if known), all with reasonable specificity, Shareholder shall indemnify and hold Purchaser harmless against all Adverse Consequences Purchaser shall suffer relating to, arising from, or in connection with the breach of any representation or warranty made by Shareholder in and solely in Sections 5.5 and 5.9 herein (as qualified by the introductory language of Article 5); provided that in no event shall Seller or Shareholder indemnify Purchaser for any Adverse Consequences suffered by Purchaser arising out of, relating to or in

connection with any conflict or breach of, or consent required to be obtained pursuant to, any other agreement or obligation of Seller (including without limitation the Assumed Contracts) arising out of, relating to, or occurring in connection with this Agreement, any other Transaction Document, or the transactions contemplated hereby or thereby, which Purchaser elects not to address, seek or obtain prior to the Closing. For purposes of this Agreement, "Adverse Consequences" means all actions, suits, proceedings, hearings, investigations, charges, complaints, claims, demands, injunctions, judgments, orders, decrees, rulings, damages (excluding, except as otherwise provided in this Agreement, all incidental, consequential, special, enhanced and punitive damages), dues, penalties, fines, costs (including costs of investigation and defense, court costs and attorneys' fees), amounts paid in settlement, liabilities, obligations, taxes, liens, losses, expenses, and fees.

(b) Seller and Shareholder shall not have any obligation to indemnify Purchaser from and against, and shall have no liability with respect to, any Adverse Consequences caused by the breach of any representation or warranty of Seller unless and until the total amount of Adverse Consequences suffered by Purchaser with respect to all such breaches exceeds USD \$14,000 (the "Bucket"), and then only to the extent that such Adverse Consequences exceed the Bucket.

(c) In no event shall the aggregate obligation of Seller to indemnify Purchaser for any Adverse Consequences caused by the breach of any representation or warranty of Seller exceed USD \$700,000 (the "Seller Cap"). In no event shall the aggregate obligation of Shareholder to indemnify Purchaser for any Adverse Consequences caused by the breach of any representation or warranty of Shareholder exceed USD \$233,333 (the "Shareholder Cap"); provided that in no event shall the aggregate obligation of Shareholder and Seller to so indemnify Purchaser exceed USD \$700,000.

(d) Purchaser agrees that in the event of any breach giving rise to an indemnification obligation of Seller or Shareholder hereunder, Purchaser shall take and cause its affiliates to take, or cooperate with Seller, if so requested by Seller, in order to take, all reasonable measures to mitigate the consequences of the related breach (including taking steps to prevent any contingent liability from becoming an actual liability).

11.3 Indemnification Provisions for Seller's Benefit: Provided that Seller makes a written claim for indemnification against Purchaser pursuant to Section 13.4 below within the survival period (if there is an applicable survival period pursuant to Section 11.1 above), which written claim must specify the factual basis of the claim, the amount of such claim (if known) and the method of computation of such claim, all with reasonable specificity, Purchaser shall indemnify and hold Seller harmless against all Adverse Consequences relating to, arising from, or in connection with: (a) the failure of Purchaser to perform its covenants, agreements, and obligations under this Agreement or any other Transaction Document; (b) the breach of any representation or warranty made by Purchaser under this Agreement or any other Transaction Document; (c) services and activities performed by Purchaser under the Assumed Contracts following the Effective Time; (d) any Assumed Liabilities and any other liability or obligation of Seller specifically assumed by Purchaser under this Agreement or any other Transaction Document; and (e) operation of the Business by Purchaser or ownership or use of the Acquired Assets after the Effective Time (including without limitation infringement by Purchaser of any third party's intellectual property or intellectual property rights arising out of, relating to, or in connection with use of the Intellectual Property, and all taxes arising with respect to periods beginning on or after the Closing Date).

11.4 Matters Involving Third Parties

(a) If any third party shall notify any Party (the "Indemnified Party") with respect to any matter (a "Third-Party Claim") which may give rise to a claim for indemnification against any

other Party (the "Indemnifying Party") under this Article 11, then the Indemnified Party shall, if a claim is to be made against an Indemnifying Party under this Article 11, promptly (and in any event within five (5) business days after receiving notice of the Third-Party Claim) notify each Indemnifying Party thereof in writing. Thereafter, the Indemnified Party shall deliver to the Indemnifying Party, within five (5) business days after the Indemnified Party's receipt thereof, copies of all notices and documents (including court papers) received by the indemnified party relating to the Third-Party Claim. Notwithstanding anything in the foregoing to the contrary, the failure of an Indemnified Party to give such notice to the Indemnifying Party shall not relieve the Indemnifying Party of any liability that it may have to any Indemnified Party, except to the extent that the Indemnifying Party demonstrates that the defense of the matter giving rise to the Indemnified Party's claim is prejudiced by the Indemnified Party's failure to give or delay in giving such notice.

(b) Any Indemnifying Party will have the right at any time to assume and thereafter conduct the defense of the Third-Party Claim with counsel of its choice reasonably satisfactory to the Indemnified Party; provided, however, that the Indemnifying Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third-Party Claim without the prior written consent of the Indemnified Party (not to be unreasonably withheld) unless the judgment or proposed settlement involves only the payment of money damages and does not impose an injunction or other equitable relief upon the Indemnified Party. Should an Indemnifying Party so elect to assume the defense of a Third-Party Claim, the Indemnifying Party shall not be liable to the Indemnified Party for legal expenses subsequently incurred by the Indemnified Party in connection with the defense thereof. If the Indemnifying Party assumes such defense, the Indemnified Party shall have the right to participate in the defense thereof and to employ counsel at its own expense, separate from the counsel employed by the Indemnifying Party, it being understood, however, that the Indemnifying Party shall control such defense. The Indemnifying Party shall be liable for the reasonable fees and expenses of counsel employed by the Indemnified Party for any period during which the Indemnifying Party has not assumed the defense thereof.

(c) Unless and until an Indemnifying Party assumes the defense of the Third-Party Claim as provided in Section 11.4(b) above, however, the Indemnified Party may defend against the Third-Party Claim in any manner it may reasonably deem appropriate.

(d) In no event will the Indemnified Party consent to the entry of any judgment or enter into any settlement with respect to the Third-Party Claim without the prior written consent of the Indemnifying Party (not to be unreasonably withheld).

11.5 Determination of Adverse Consequences: The amount of any and all Adverse Consequences under this Article 11 shall be determined net of (a) the net present value of any tax benefits reasonably expected to be realized (calculated using a discount rate of 7.25%) by any party seeking indemnification hereunder arising from the deductibility of such Adverse Consequences and (b) any amounts recovered or recoverable by the Indemnified Party under insurance policies, indemnities or other reimbursement arrangements with respect to such Adverse Consequences. Each Party hereby waives, to the extent permitted under its applicable insurance policies, any subrogation rights that its insurer may have with respect to any indemnifiable Adverse Consequences. Seller and Shareholder shall have no liability with respect to any Adverse Consequences that would have been covered by insurance had Purchaser maintained for the benefit of the Business and the Acquired Assets the same insurance coverage following the Closing that was in effect for the Business and the Acquired Assets immediately prior to the Closing. Seller shall be subrogated to all rights of Purchaser in respect of any Adverse Consequences borne by Seller. In no event shall Purchaser be entitled to recover or make a claim for any amounts in respect of exemplary, consequential, incidental, liquidated, or indirect damages, lost profits,

or punitive, special, treble, or statutory damages or any other money damages that are not measured by and limited to the Indemnified Party's actual direct damages resulting from such breaches and, in particular, no "multiple of profits" or "multiple of cash flow" or similar valuation methodology shall be used in calculating the amount of any Adverse Consequences; provided, however, that to the extent an indemnification claim arises hereunder as a result of a Third-Party Claim against an Indemnified Party, the Adverse Consequences shall be deemed to include incidental, consequential, special, enhanced, and punitive damages to the extent claimed by a third party against an Indemnified Party. Any indemnity payment under this Agreement shall be treated as an adjustment to the Purchase Price for tax purposes.

11.6 Exclusive Remedy Purchaser, Seller, and Shareholder acknowledge and agree that, from and after the Closing, the foregoing indemnification provisions in this Article 11 shall be the sole and exclusive remedy of Purchaser, Seller, and Shareholder with respect to the transactions contemplated hereby, except for claims arising out of the fraud of Seller and/or Shareholder.

ARTICLE 12 RESTRICTIVE COVENANTS

12.1 Seller's Restriction. Unless otherwise permitted in this Agreement, for a period of three (3) years from the Closing Date (the "Restrictive Period"), each of Seller, Shareholder or any corporate entity in which they are, directly or indirectly, a member, shareholder, employee, agent or representative of (collectively the "Seller Restricted Parties") shall not, directly or indirectly, engage in any business which produces, markets, sells or distributes products substantially similar to those sold by the Business (the "Seller Restricted Product"), provided that this Article 12 shall not restrict any Seller Restricted Parties from engaging in the Retained Business.

12.2 Equitable Relief. The Parties agree that the restrictions contained in this Article 12 are necessary for the protection of the good will of the Business and are considered by Seller and Shareholder to be reasonable and essential for such purpose. Seller and Shareholder understand and agree that Purchaser shall suffer irreparable harm in the event that Seller or Shareholder violates any of their respective obligations under this Agreement and that monetary damages will be inadequate to compensate for any such breach. Accordingly, the parties agree that, in the event of a breach or threatened breach by either of Seller or Shareholder of the provisions of this Article 12, Purchaser, in addition to and not in limitation of any other rights, remedies or damages available at law or in equity, shall be entitled to a permanent injunction in order to prevent or to restrain any such breach by the breaching party or its partners, affiliates, members, agents, representatives, servants, employers, employees and/or any and all persons directly or indirectly acting for, by or with them.

12.3 Accounting. The parties covenant and agree that, if either Seller or Shareholder shall violate any of the covenants or agreements under this Article 12, then Purchaser shall be entitled to an accounting and repayment of all profits, compensation, commissions, remunerations or other economic benefits which the breaching party, or any of its members or officers, directly or indirectly realized, realizes and/or may realize as a result of, growing out of or in connection with the breach of this Article 12. Such remedy shall be deemed to be incidental liquidated damages of an unknown amount and shall be in addition to and not in limitation of any injunctive relief or other rights or remedies to which the non-breaching is or may be entitled at law, in equity or under this Agreement.

ARTICLE 13 MISCELLANEOUS PROVISIONS

13. Miscellaneous Provisions.

13.1 Further Assurances. Subject to the terms and conditions herein, each of the Parties hereto agrees to use its reasonable efforts to take, or cause to be taken, all appropriate action, and to do, or cause to be done, all things reasonably necessary, proper or advisable under applicable law and regulations to consummate and make effective the transactions contemplated by this Agreement and the other Transaction Documents.

13.2 Taxes. Purchaser shall pay all taxes arising out of the transfer of the Acquired Assets to Purchaser pursuant to this Agreement and the other transactions contemplated by this Agreement (including without limitation any sales taxes).

13.3 Expenses. Each of the Parties shall pay all costs and expenses (including without limitation fees, costs and expenses of attorneys, accountants, brokers, finders, or advisors and the expenses of such Party's representatives) incurred or to be incurred by it in negotiating and preparing this Agreement and in closing and carrying out the transactions contemplated by the Transaction Documents.

13.4 Notices. All notices, requests, demands, and other communications hereunder shall be in writing and shall be deemed to have been duly given as of the date of delivery if delivered in person, three business days after being mailed (certified, return receipt requested, postage prepaid), the next business day after deposit with a reputable overnight courier or the date of delivery via facsimile or electronic transmission (if receipt of the facsimile or electronic transmission is acknowledged by the receiving party):

(a) If to Seller, addressed to:

Jennifer Delaney
Backgate Designs, Inc..
503 Curie Drive
San Jose, CA 95123
E-mail: jennifer.delaney74@gmail.com

and

Bryan Cave LLP
3161 Michelson Drive, Suite 1500
Irvine, CA 92612
Attention: Megan Meyers, Esq.
Fax: 949-437-8706

E-mail: megan.meyers@bryancave.com

(b) If to Purchaser, addressed to:

USPA Accessories, LLC
119 West 40th Street, 3rd Floor
New York, NY 10018
Attention: Sam Hafif
Fax: (212) 868-2595
sam@concept1.com

with a copy to (which copy shall not constitute notice):

Oved & Oved LLP
401 Greenwich Street
New York, NY 10013
Attention: Terrence A. Oved, Esq.
Fax: 212.226.7555
Terry@ovedlaw.com

Either Party hereto may from time to time, by written notice to the other Party, designate a different address, which shall be substituted for the one specified above for such Party.

13.5 Attorneys' Fees. In the event of any controversy, claim or dispute between the Parties hereto arising out of or relating to this Agreement or any of the Transaction Documents provided for herein, or the breach thereof, the prevailing Party shall be entitled to recover from the losing Party its reasonable attorneys' fees, expenses, and costs incurred in connection with such controversy, claim, or dispute or any appeal thereof.

13.6 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

13.7 Parties in Interest. Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any persons other than the Parties to it and their respective successors and permitted assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any Party to this Agreement.

13.8 Counterparts. This Agreement may be executed in any number of counterparts, any of which may be transmitted by facsimile or via portable document format by other electronic means, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. However, this Agreement shall be ineffective for any purposes whatsoever unless or until executed by all Parties hereto.

13.9 Headings. The subject headings of the paragraphs and subparagraphs of this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions.

13.10 Entire Agreement. This Agreement (together with the Transaction Documents and the schedules and exhibits hereto and thereto) sets forth all of the agreements and understandings between the Parties hereto relating to the transactions contemplated hereby or thereby or the subject matter hereof, and supersedes all prior agreements and understandings, inducements or conditions, express or implied, oral or written.

13.11 Amendment; Waivers. This Agreement may not be modified or amended, except in a writing signed by the Parties hereto. No waiver of any provision of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver.

13.12 Severability. In the event that any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be invalid or unenforceable, the remaining portions of this Agreement shall remain in full force and effect and construed so as to best effectuate the intention of the Parties in executing it.

13.13 Interpretation. Words used herein, regardless of the number and gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine, or neuter, as the context requires. The provisions of this Agreement, and the documents and instruments referred to herein, have been examined, negotiated, drafted, and revised by the Parties and no implication shall be drawn nor made against any Party hereto by virtue of the drafting of this Agreement. The term "including" used herein shall mean "including without limitation."

13.14 Governing Law. This Agreement shall be governed by, construed in accordance with and enforced under the laws of the State of New York applicable to agreements executed and to be performed solely within such State.

13.15 Consent and Jurisdiction; Service. Each party hereto irrevocably and unconditionally: (i) agrees that any suit, action or other legal proceeding arising out of this Agreement shall be brought in the state and federal courts sitting in the County of New York, New York (ii) consents to the exclusive jurisdiction of any such court in any such suit, action or proceeding; and (iii) waives any objection which such party may have to the laying of venue of any such suit, action or proceeding in any such court.

13.16 Further Assurances. From time to time, but in no event beyond a date that is one (1) year after the Closing Date, (a) Seller shall, at the reasonable request of Purchaser, execute and deliver such other and further instruments of sale, assignment, assumption, transfer and conveyance and take such other and further action as Purchaser may reasonably request in order to vest in Purchaser and put Purchaser in possession of the Acquired Assets as of the Closing and to transfer to Purchaser as of the Closing any Assumed Contracts and rights of Seller relating to the Acquired Assets and assure to Purchaser the benefits thereof, and (b) Purchaser shall, at the reasonable request of Seller, execute and deliver such other and further instruments of sale, assignment, assumption, transfer and conveyance and take such other and further action as Seller may reasonably request in order to give effect, as of the Closing, to Purchaser's assumption of the Assumed Liabilities.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have executed or have caused a duly authorized officer to execute this Agreement all as of the day and year first above written.

SELLER:

Backgate Designs, Inc.
a California corporation

By: _____
Name: Jennifer Delaney
Its: President

Solely with Regards to the introductory paragraph of Article 5, Section 5.5, Section 5.9, Article 11 and Article 12

Jennifer Delaney

Solely with Regards to its agreement to serve as Escrow Agent pursuant to Sections 2.1 and 2.3

OVED & OVED LLP

By: _____
Name:
Its:

PURCHASER:

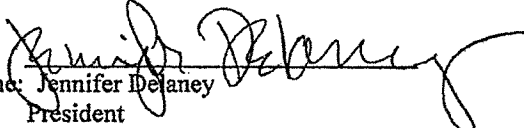
USPA Accessories, LLC,
a New York limited liability company

By: _____
Name: Sam Hafif
Its: Managing Member

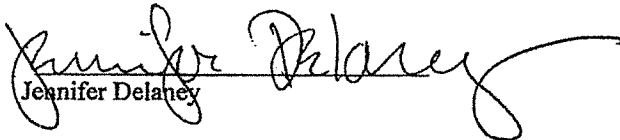
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SELLER:

Backgate Designs, Inc.
a California corporation

By: 
Name: Jennifer Delaney
Its: President

Solely with Regards to the introductory paragraph of Article 5, Section 5.5, Section 5.9, Article 11 and Article 12


Jennifer Delaney

Solely with Regards to its agreement to serve as Escrow Agent pursuant to Sections 2.1 and 2.3

OVED & OVED LLP

By: _____
Name:
Its:

PURCHASER:

USPA Accessories, LLC,
a New York limited liability company

By: _____
Name: Sam Hafif
Its: Managing Member

IN WITNESS WHEREOF, the Parties hereto have executed or have caused a duly authorized officer to execute this Agreement all as of the day and year first above written.

SELLER:

Backgate Designs, Inc.
a California corporation

By: _____
Name: Jennifer Delaney
Its: President

Solely with Regards to the introductory paragraph of Article 5, Section 5.5, Section 5.9, Article 11 and Article 12

Jennifer Delaney

Solely with Regards to its agreement to serve as Escrow Agent pursuant to Sections 2.1 and 2.3

OVED & OVED LLP

By: _____
Name: _____
Its: _____

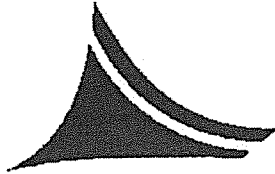
PURCHASER:

USPA Accessories, LLC,
a New York limited liability company


By: _____
Name: Sam Hafif
Its: Managing Member

TRADEMARK ASSIGNMENT

WHEREAS, Backgate Designs, Inc., a corporation organized under the laws of the State of California (hereinafter "Assignor"), having an address of 16550 Railroad Ave., Ste. B, Morgan Hill, California 95037, is the owner of the trademarks



FLAIR HAIR and (hereinafter collectively the "Trademarks") and the following U.S. trademark registrations and applications therefor:

<u>Registration Nos.</u>	<u>Mark</u>	<u>Registration Date</u>	<u>Classes</u>
3,289,423		September 11, 2007	25
3,289,458	FLAIR HAIR	September 11, 2007	25

WHEREAS, USPA Accessories, LLC d/b/a Concept One Accessories, a Limited Liability Company organized and existing under the laws of the State of New York (hereinafter "Assignee"), having an address of 119 West 40th Street, New York, New York 10018, is acquiring Assignor's rights in said Trademarks and the registrations therefor;

NOW, THEREFORE, in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, receipt of which is hereby acknowledged, Assignor has sold, assigned and transferred, and by these presents does hereby sell, assign and transfer unto its successor-in-interest, Assignee, and its successors, assigns or other legal representatives, its entire right, title and interest, including common law rights, effective as of March 30, 2012 in and to said Trademarks and the registrations,

together with the goodwill of the business in connection with which the Trademarks are used and the right to sue for and collect damages for past infringement of said Trademarks.

IN WITNESS WHEREOF, Assignor has signed this document this 30 day of MARCH, 2012.

BACKGATE DESIGNS, INC.

By: Jennifer Delaney
Name: Jennifer Delaney
Title: President

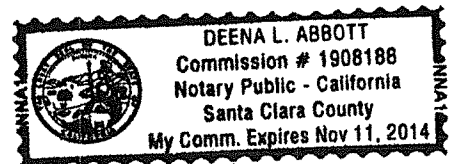
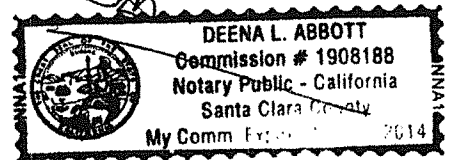
STATE OF CALIFORNIA)
) ss.:
COUNTY OF SANTA CLARA)

On March 30, 2012, before me, Deena L. Abbott Notary Public, Notary Public for the State of California, personally appeared Jennifer Christine Dance - Delaney, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

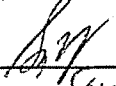
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

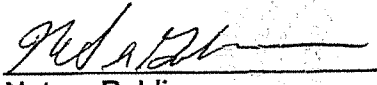
Signature Deena L. Abbott (Seal)

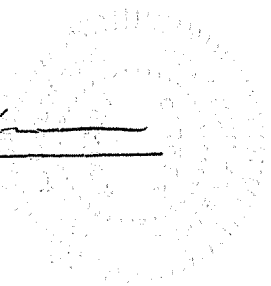


USPA Accessories, LLC
d/b/a Concept One Accessories

By: 
Name: Sam Hafif
Title: CEO

Dated: 3/30, 2012


Notary Public



Dated: 3/30, 2012

NEIL A. GOLDBERG
Notary Public, State of New York
No. 01GO6034162
Qualified in Suffolk County
Commission Expires December 6, 2013

PATENT ASSIGNMENT

This Assignment is effective as of March 30, 2012.

Whereas Backgate Designs, Inc. ("Assignor") having an address of 16550 Railroad Avenue, Suite B, Morgan Hill, California 95037, is the owner of all right, title and interest in and to United States Design Patent Number D557,478, issued December 18, 2007 and entitled

"VISOR" (THE "PATENT")

and the Inventions set forth and described in the Patent (the "Invention").

Whereas pursuant to the terms and conditions set forth in that certain Asset Purchase Agreement dated as of March 30, 2012 (the "Purchase Agreement"), between Assignor and USPA Accessories, LLC d/b/a Concept One Accessories ("USPA"), having an address of 119 West 40th Street, New York, NY 10018, Assignor has agreed to transfer to USPA, and USPA wishes to acquire from Assignor, for the duration of the term of the Patent, for USPA's sole use and benefit, and for the use and benefit of USPA's legal representatives, the full and exclusive right, title and interest of Assignor in and to the Patent and the Invention. This shall include the right to sue for infringement of said Patent, both for infringements which may have already occurred as well as future infringements.

1. For good and valuable consideration as specified in the Purchase Agreement, receipt and sufficiency of which is acknowledged, the Assignor hereby sells, assigns and transfers to USPA, and to USPA's successors and assigns, the entire title, interest and right to and under the Patent and the Invention.
2. Assignor agrees to fully cooperate and assist in any litigation or administrative proceeding involving said Patent provided that the expenses that may be incurred by the Assignor in lending such cooperation and assistance shall be paid by USPA.
3. This Assignment and the parties' actions under this Assignment shall be governed by and construed under the laws of the state of New York. The parties hereby expressly consent to the jurisdiction and venue of the federal and state courts sitting within the County of New York, State of New York.
4. Together with the Purchase Agreement, this Assignment constitutes the entire agreement between both parties concerning the subject matter of this Agreement, and replaces all previous communications, representations,

understandings, and agreements, whether verbal or written between the parties to this Agreement or their representatives. No representations or statements of any kind made by either party, which are not expressly stated in this Assignment or the Purchase Agreement, shall be binding on such parties.

5. It is understood by the parties that no waiver, amendment or modification of any provisions of this Assignment shall be effective unless in writing and signed by a duly authorized representative of the party against whom such waiver, amendment or modification is sought to be enforced.

6. This Assignment and each of its provisions shall be binding on and shall inure to the benefit of the respective heirs, devisees, legatees, executors, administrators, trustees and successors of the parties to this Assignment.

[Signature Page Follows]

Understood, Agreed & Approved
BACKGATE DESIGNS, INC.

By: Jennifer Delaney
Its: President

Dated: _____, 2012

STATE OF CALIFORNIA)
) ss.:
COUNTY OF SANTA CLARA)

On _____, 2012, before me, _____,
Notary Public for the State of California, personally appeared _____, who
proved to me on the basis of satisfactory evidence to be the person(s) whose name(s)
is/are subscribed to the within instrument and acknowledged to me that he/she/they
executed the same in his/her/their authorized capacity(ies), and that by his/her/their
signature(s) on the instrument the person(s), or the entity upon behalf of which the
person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

USPA Accessories, LLC
d/b/a Concept One Accessories

By: _____
Name: Sam Haft
Title: CEO

Dated: 3/30, 2012

[Signature]
Notary Public GOLDBERG
Notary Public, State of New York
No. 01GO6034162
Qualified in Suffolk County
Commission Expires December 6, 2013

Dated: 3/30, 2012