

FORM PTO-1595
1-31-92

09-08-1998

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

MRD
8-27-98



SHEET

Docket No. 225/281

To the Honorable Commissioner of Patents

100822612

and documents or copy thereof.

1. Name of conveying party(ies): Tachikara Co., Ltd.

- Individual Association
- General Partnership Limited Partnership
- Corporation Country: Japan
- Other

Additional name(s) of conveying party(ies) attached?
 Yes No

2. Name and address of receiving party:

Name: Tachikara USA, Inc.

Internal Address: _____

City: _____ State: _____ Zip: _____

Street Address: 958 United Circle

City: Sparks State: Nevada Zip: 89431

- Individual(s) Citizenship _____
- Association _____
- General Partnership
- Limited Partnership
- Corporation State Nevada
- Other

Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:

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

Execution Date: July 3, 1998

4. Application number(s) or Trademark number(s):

If this document is being filed together with a new application, the execution date of the application is: _____

A. Trademark Application No(s).

B. Trademark No(s): 1,067,737; 1,100,821; and 1,199,688

Additional numbers attached? Yes No

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

Name: Richard E. Lyon, Jr., Esq.

Internal Address: LYON & LYON LLP
633 West Fifth Street, Suite 4700
Los Angeles, CA 90071-2066
Phone: (213) 489-1600

6. Total number of applications and trademarks involved: 3

7. Total fee (37 CFR 3.41):

\$ 120.00

Enclosed

Charge this Deposit Account if any additional fee is required

8. Deposit Account Number: 12-2475

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Richard E. Lyon, Jr.
Richard E. Lyon, Jr., Reg No. 26,300

Date: Aug 26, 1998

09/01/1998 **INGUYEN** 00000075 1067737

Total number of pages including cover sheet: _____

01 FC:441 40.00 OP
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 SHEET: 178
 FRAME: 0

2. Name and Address of Additional Receiving Party:

Name: Yuan Chi Overseas Ltd.
Street Address: 9th Fl. No. 838
Ching-Kuo Rd.
Taoyuan City, Taiwan R.O.C.

Corporation - Country: Taiwan

TRADEMARK ASSIGNMENT AGREEMENT

This Agreement is entered into this 3rd, day of July, 1998, by and between TACHIKARA CO., LTD., a corporation organized and existing under the laws of Japan and having its principal office at No. 11-7, Matsugaya 1-Chome, Taito-Ku, Tokyo, Japan (hereinafter referred to as "ASSIGNOR"), TACHIKARA USA, INC., a corporation organized and existing under the laws of the State of Nevada, U.S.A., and having its principal place of business at 958 United Circle, Sparks, Nevada, U.S.A. (hereinafter referred to as "TACHIKARA USA") and YUAN CHI OVERSEAS LTD., a corporation organized and existing under the laws of Taiwan and having its principal place of business at 9th Fl. No. 838, Ching-Kuo Rd., Taoyuan City, Taiwan R.O.C. (hereinafter referred to as "YUAN CHI").

RECITALS

1. ASSIGNOR is now and has been engaged in the manufacturing and selling of volleyballs, beach volleyballs, basketballs, soccer balls, footballs, playground balls, handballs, tether balls, water polo balls and other inflatable balls and related accessories. In connection with the sale of these balls in the United States of America under the TACHIKARA name, ASSIGNOR was issued the following U.S. Trademark Registrations:

| <u>Reg. No.</u> | <u>Issue Date</u> | <u>Mark</u> |
|-----------------|-------------------|----------------------|
| 1,067,737 | June 14, 1977 | TACHIKARA |
| 1,100,821 | August 29, 1978 | TACHIKARA and Design |
| 1,199,688 | June 29, 1982 | TACHIKARA and Design |

Hereinafter, the above-identified marks will be referred to as "The Trademarks" and the above-identified registrations will be referred to as "The Registrations."

2. Since June 1, 1993, TACHIKARA USA has been the exclusive Distributor in the United States of America for inflatable balls and related accessories manufactured by and for ASSIGNOR under the TACHIKARA name.

3. Since June 1, 1993, YUAN CHI has manufactured inflatable balls for ASSIGNOR which have been sold under the TACHIKARA name in the United States by TACHIKARA USA.

4. The parties are desirous of continuing their respective Manufacturer/Distributor relationships and, on April 24, 1998 ASSIGNOR and TACHIKARA USA entered into an exclusive Distributorship Agreement to continue their relationship. The parties also now desire that all rights in and to The Trademarks in North America be jointly held between all three parties and that all rights in and to The Registrations also be jointly held by all three parties.

NOW, THEREFORE, in consideration of the mutual covenants and premises herein contained, the parties hereto agree as follows:

I. ASSIGNMENT

ASSIGNOR hereby sells, assigns, transfers and sets over unto TACHIKARA USA, its permitted successors and assigns, an undivided one-third interest in and to The Trademarks in North America and the good will appurtenant thereto and an undivided one-third interest in and to The Registrations.

ASSIGNOR hereby sells, assigns, transfers and sets over unto YUAN CHI, its permitted successors and assigns, an undivided one-third interest in and to The Trademarks in North America and the good will appurtenant thereto and an undivided one-third interest in and to The Registrations.

II. OWNERSHIP OF THE TRADEMARKS

The parties acknowledge that they each have an undivided one-third interest in The Trademarks in North America and they each agree that they will not at any time do or cause to be done any act or thing contesting or impairing or tending to impair the interest in The Trademarks of any other two parties. In connection with the use of The Trademarks in North America, no party will adopt or use, without the consent of the other two parties, any mark which is likely to be confusingly similar with The Trademarks.

III. REASSIGNMENT OF RIGHTS

In the event that TACHIKARA USA ceases to be a distributor for ASSIGNOR for balls bearing the TACHIKARA name in the United States of America, or in the event a petition is filed to have TACHIKARA USA declared a bankrupt, or a receiver or trustee is appointed for TACHIKARA USA, or TACHIKARA USA makes an assignment for the benefit of creditors, or in the event TACHIKARA USA or any of its assets are attached or garnished or levied upon and such attachment, garnishment or levy is not satisfied within forty-five (45) days, the rights transferred to TACHIKARA USA under this Agreement shall automatically be reassigned equally to ASSIGNOR and YUAN CHI

and thereafter ASSIGNOR and YUAN CHI shall be the joint and exclusive owners of all right, title and interest in and to The Trademarks in North America, the good will appurtenant thereto and The Registrations.

In the event that YUAN CHI ceases to manufacture balls for ASSIGNOR for sale in the United States of America bearing the TACHIKARA name, or in the event a petition is filed to have YUAN CHI declared a bankrupt, or a receiver or trustee is appointed for YUAN CHI, or YUAN CHI makes an assignment for the benefit of creditors, or in the event YUAN CHI or any of its assets are attached or garnished or levied upon and such attachment, garnishment or levy is not satisfied within forty-five (45) days, the rights transferred to YUAN CHI under this Agreement shall automatically be reassigned equally to ASSIGNOR and TACHIKARA USA and thereafter ASSIGNOR and TACHIKARA USA shall be the joint and exclusive owners of all right, title and interest in and to The Trademarks in North America, the good will appurtenant thereto and The Registrations.

In the event a petition is filed to have ASSIGNOR declared a bankrupt, or a receiver or trustee is appointed for ASSIGNOR, or ASSIGNOR makes an assignment for the benefit of creditors, or in the event ASSIGNOR or any of its assets are attached or garnished or levied upon and such attachment, garnishment or levy is not satisfied within forty-five (45) days, the one-third undivided interests then held by ASSIGNOR in The Trademarks in North America, the good will appurtenant thereto and in The Registrations shall automatically be assigned equally to TACHIKARA USA and YUAN CHI and thereafter TACHIKARA USA and YUAN CHI shall be the joint and exclusive owners of

all right, title and interest in and to The Trademarks in North America, the good will appurtenant thereto and The Registrations.

IV. COOPERATION IN RECORDATION OF RIGHTS

In the event of an automatic reassignment or assignment of rights under Article III above, the party whose rights or interests are being reassigned or assigned agrees to cooperate with the other two parties and execute the legal documents necessary to allow for the recordation of the reassignment or assignment with the United States Patent and Trademark Office.

V. AGREEMENT NOT TO ASSIGN JOINT INTEREST

Each party agrees not to assign its interests in The Trademarks and The Registrations, or any portion thereof, without the consent of the other two parties.

VI. QUALITY OF GOODS

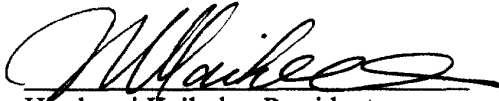
The parties agree that The Trademarks shall only be used on and in connection with products in North America, the nature and quality of which are up to the standards which have been previously fixed by ASSIGNOR or are hereafter, from time to time jointly fixed or approved by the parties.

VII. LEGALITY OF PROVISIONS AND APPLICABLE LAW

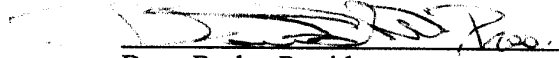
This Agreement shall generally be governed by the laws of Japan. However, if any provision of this Agreement shall be deemed to be illegal or unenforceable under such law, either in whole or in part, such provision shall be interpreted in accordance with the laws of the State of Nevada, U.S.A. and, if legal and enforceable under Nevada law, shall be interpreted and enforced in accordance with Nevada law. If, however, such provision is also deemed to be illegal and unenforceable under the laws of the State of Nevada, such provision shall be interpreted in accordance with the laws of Taiwan and, if legal and enforceable under Taiwanese law, shall be interpreted and enforced in accordance with Taiwanese law. If, however, such provision is also illegal and unenforceable under the laws of Taiwan, such provision shall be deemed inoperative and, to the extent possible, shall be deemed modified to conform with the law of Japan.

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

ASSIGNOR


Hirobumi Kaihoko, President
Tachikara Co., Ltd.

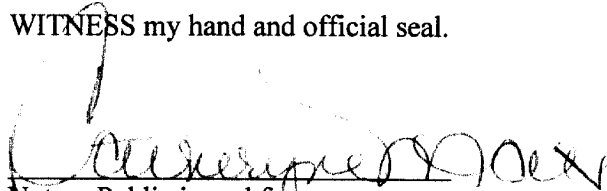
TACHIKARA USA

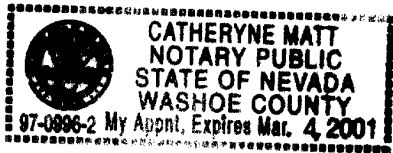

Dann Burke, President

STATE OF NEVADA)
COUNTY OF Washoe) ss.

On this 1st day of July, 1998, before me, a Notary Public, personally appeared **DANN BURKE** personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same.

WITNESS my hand and official seal.


Notary Public in and for
said County and State



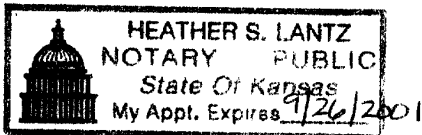
TACHIKARA USA

Roger W. Revelle, SR. V.P.
Roger Revelle, Senior Vice President

STATE OF KANSAS)
COUNTY OF JOHNSON) ss.

On this 3RD day of JULY, 1998, before me, a Notary Public, personally appeared **ROGER REVELLE** personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same.

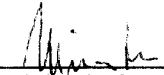
WITNESS my hand and official seal.



Heather S. Lantz
Notary Public in and for
said County and State

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

YUAN CHI OVERSEAS LTD.



Michael Lin, President