



## ASSIGNMENT OF TRADEMARKS

This Assignment of Trademarks (this "Assignment") is entered into as of October 15, 1998, by and between Kip J. Lytle and Belinda B. Ware Lytle d/b/a LytleWare Enterprises in the State of South Dakota ("Assignor"), and Block Retail, Inc., a Nevada corporation ("Assignee").

WHEREAS, Assignor and Assignee have entered into an Asset Purchase Agreement, dated as of October 15, 1998 (the "Asset Purchase Agreement"), providing for, among other things, the sale by Assignor of the Assets to Assignee; and

WHEREAS, in conjunction with such sale, Assignor desires to sell, convey, assign, transfer and deliver to Assignee all of Assignor's rights, title and interest in and to the Trademarks, the Business Names and the Goodwill which form part of the Assets.

NOW, THEREFORE, in consideration of the foregoing and mutual covenants contained herein and in the Asset Purchase Agreement, the parties hereby agree as follows:

1. Definitions. Capitalized terms used without definitions in the text of this Assignment shall have the same meanings ascribed to such terms in the Asset Purchase Agreement.

"Trademarks" shall mean all trademarks, trademark applications, service marks, service mark applications, brand name, the Business Names, trade and other names (either registered, common law or registration applied for), any and all proprietary appearance of any product, packaging or outlet, logos, slogans and similar rights owned by Assignor that are part of the Assets, together with the goodwill pertaining thereto, whether within or outside the United States of America, including but not limited to those listed on Exhibit A hereto.

2. Assignment. In accordance with and subject to the terms and conditions set forth in the Asset Purchase Agreement, for valuable consideration received, Assignor hereby irrevocably sells, conveys, assigns, transfers and delivers to Assignee all of Assignor's right, title and interest in the Trademarks and their registration, together with the Business Names and the Goodwill.

3. Effect of Assignment. Nothing in this Assignment shall, or shall be deemed to, modify or otherwise affect any provisions of the Asset Purchase Agreement or affect the rights of the parties under the Asset Purchase Agreement. In the event of any conflict between the provisions hereof and the provisions of the Asset Purchase Agreement, the provisions of the Asset Purchase Agreement shall govern and control.

4. Execution in Counterparts. For the convenience of the parties, this Assignment may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

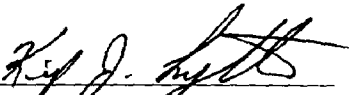
5. Amendment; Waiver. Any term or provision of this Assignment may be amended only by a writing signed by Assignor and Assignee. The observance of any term or provision of this Assignment may be waived (either generally or in a particular instance and either retroactively or prospectively) only by a writing signed by the party to be bound by such waiver. No waiver by a party of any breach of this Assignment will be deemed to constitute a waiver of any other breach or any succeeding breach.

6. Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the State of South Dakota.

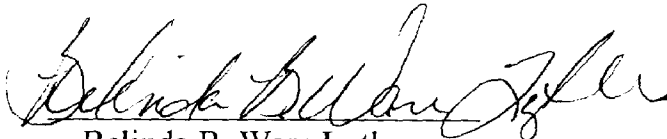
IN WITNESS WHEREOF, Assignor and Assignee have caused this Assignment to be executed on the date first written above.

LYTLEWARE ENTERPRISES

BLOCH RETAIL, INC.

  
\_\_\_\_\_  
Kip J. Lytle

By: \_\_\_\_\_  
Name:  
Title:

  
\_\_\_\_\_  
Belinda B. Ware Lytle

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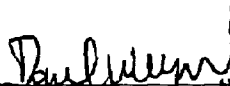
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LYTLEWARE ENTERPRISES

BLOCH RETAIL, INC.

\_\_\_\_\_  
Kip J. Lytle

By:   
Name: David Wilkefel  
Title: CEO

\_\_\_\_\_  
Belinda B. Ware Lytle

## EXHIBIT A

### Business Names

LytleWare Enterprises  
Lytle Ware Enterprises  
Lytleware Enterprises

### Registered Trademark

**LYTLEWARE:** Registration No. 1,908,605  
Registered in the United States Patent and Trademark Office on August 1, 1995.

**Coverage:** Knit dancewear and garments, namely, shirts, tights, leotards, sweaters, leggings, bodysuits, skirts and shorts.

### Registered in

**Name of:** Kip Lytle d/b/a Lytleware Enterprises, 12553-A East Pacific Circle, Aurora, CO 80014

ACKNOWLEDGMENT

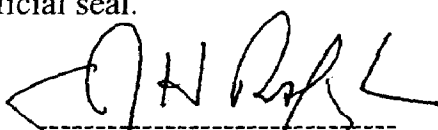
STATE OF SOUTH DAKOTA )  
 ) ss.  
COUNTY OF Pennington )

On October 15, 1998, before me, the undersigned notary public in  
and for said county and state, personally appeared KIP J. LYTLE

X 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 to me that he executed the same in her legal capacity.

WITNESS my hand and official seal.

  
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My commission expires on  
April 15, 2003

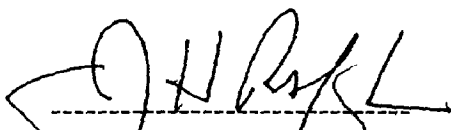
STATE OF SOUTH DAKOTA )  
 ) ss.  
COUNTY OF Pennington )

On October 15, 1998, before me, the undersigned notary public in  
and for said county and state, personally appeared BELINDA B. WARE LYTLE

X 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 to me that he executed the same in her legal capacity.

WITNESS my hand and official seal.

  
-----  
My commission expires on  
April 15, 2003