

04-16-1999

FORM PTO-1618A
Expires 06/30/99
OMB 0651-0027



U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK

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APR 2

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment License
- Security Agreement Nunc Pro Tunc Assignment
- Merger Effective Date
Month Day Year
- Change of Name
- Other

Conveying Party

Mark if additional names of conveying parties attached

Name CELERITY SOLUTIONS, INC.

Execution Date
Month Day Year
2 1 98

Formerly CAPITOL MULTIMEDIA, INC.

- Individual General Partnership Limited Partnership Corporation Association
- Other

Citizenship/State of Incorporation/Organization DELAWARE

Receiving Party

Mark if additional names of receiving parties attached

Name DAVIDSON & ASSOCIATES, INC.

DBA/AKA/TA

Composed of

Address (line 1) 19840 PIONEER AVENUE

Address (line 2)

Address (line 3) TORRANCE CA 90503
City State/Country Zip Code

- Individual General Partnership Limited Partnership If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)
- Corporation Association
- Other

Citizenship/State of Incorporation/Organization CALIFORNIA

04/15/1999 DNGUYEN 00000216 2056268

FOR OFFICE USE ONLY

01 FC:481 40.00 DP
02 FC:482 25.00 DP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

REEL: 1883 FRAME: 0872

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)			Registration Number(s)		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="2056268"/>	<input type="text" value="2103896"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment: Enclosed Deposit Account

Deposit Account
(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number: #

Authorization to charge additional fees: Yes No

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. Charges to deposit account are authorized, as indicated herein.





Eric V. Roeder

3/26/99

Name of Person Signing

Signature

Date Signed

ASSIGNMENT AGREEMENT

This agreement ("Agreement") is entered into as of February 1, 1998 by and between Celerity Solutions, Inc., (formerly known as Capitol Multimedia, Inc.), a Delaware corporation, with its principal place of business at 200 Baker Avenue, Suite 300, Concord, MA 01742 ("Celerity") and Davidson & Associates, Inc., a California corporation, with its principal place of business at 19840 Pioneer Avenue, Torrance, CA 90503 ("Davidson").

Whereas, Celerity is the creator and owner of six (6) stories and software programs entitled, *Baba Yaga and the Magic Geese*[™], *Imo and the King*[™], *The Little Samurai*[™], *Liam Finds a Story*[™], *Sleeping Cub's Test of Courage*[™] and *The Princess and the Crab*[™] and the trademarks *Grandpa Mouse*[™], the *Grandpa Mouse* logo, *Grandpa Tales*[®] and *Grandpa Mouse Presents*[®] (collectively, including all related tangible and Intellectual Property, the "Products"); and

Whereas, Davidson is currently the sole and exclusive licensee of the Products pursuant to two License and Distribution Agreements with Celerity, dated March 21, 1997 and July 11, 1995, as amended (collectively, the "License Agreements"); and

Whereas, Celerity and Davidson are parties to a Release and Settlement Agreement regarding the License Agreements dated even herewith (the "Release and Settlement Agreement"); and

Whereas, in connection with the transactions contemplated by the Release and Settlement Agreement, Celerity shall transfer to Davidson all of Celerity's right, title and interest in and to the Products.

In consideration of the foregoing recitals and the mutual covenants contained herein and in the Release and Settlement Agreement, Celerity and Davidson hereby agree as follows:

1. For purposes of this Agreement, the term "Intellectual Property" means any patent, copyright, trademark, trade name, service mark, logo, Internet domain name or industrial design, any registrations thereof and pending applications therefor (to the extent applicable) and any other intellectual property right (including, without limitation, any invention, know-how, trade secret, formula, algorithm, process, confidential or proprietary report or information, any computer program, software, source code, object code, database or data right included in the Products (except for tools used in the development of the Products and which are not included within the Products), and any system, user, programmer, maintenance, installation or other form of documentation or other material related thereto, regarding the Products, and any license or other contract relating to any of the foregoing, and any goodwill related to all of the foregoing

2. Effective as of the date hereof, Celerity hereby irrevocably and perpetually assigns, transfers and sets over unto Davidson, its successors and assigns, all of the right, title and interest in and to the Products, including but not limited to any and all Intellectual Property rights therein and thereto and the right to use, modify, perform, display, reproduce, distribute, prepare derivative works, advertise, promote, market, sell, manufacture, exhibit, and/or otherwise exploit the Products, any and all derivative works thereof, and any and all elements of the

foregoing, in any and all media and manners throughout the universe, whether now known or hereafter devised, including but not limited to any exploitation in any configuration including but not limited to merchandise, television and theatrical productions, print, optical disk-, magnetic disk-, floppy-, tape-, and cartridge-based platforms, currency-activated platforms, electronic distribution via broadband and/or narrowband networks, satellite transmission, and bundling with other products produced by Davidson or third parties, and the right to adapt, change, revise, edit, abridge or rearrange the Products, any derivative works thereof, and any and all elements of any of the foregoing, and to combine same with other works.

3. Celerity hereby represents and warrants that:

- a) Exhibit A, attached hereto, sets forth a complete list of all reasonably identifiable and material Intellectual Property which is owned by Celerity; and
- b) Celerity has full legal and beneficial ownership of the Products, free and clear of any and all encumbrances, royalty obligations and licenses; and
- c) Celerity has not received any notice or claim (whether written, oral or otherwise) challenging Celerity's ownership or rights in the Products or suggesting that any other individual or entity has any claim of legal or beneficial ownership with respect thereto; and
- d) With respect to any Intellectual Property of Celerity for which registration has been applied for by Celerity with any private or governmental entity, if any, , but which has not yet been registered, all applications with respect thereto are pending and in good standing and are without challenge of any kind (except for correspondence with respect to filing and application procedures received in the ordinary course); and
- e) The use of any of the Intellectual Property of Celerity will not conflict with, infringe upon, violate or interfere with or constitute an appropriation of any right, title or interest held by any other individual or entity, and there have been no claims made with respect thereto; and
- f) To the knowledge of Celerity, no other individual or entity is infringing in any material respect on any part of the Intellectual Property listed in Exhibit A; and
- g) Celerity has not conducted its business, and has not used or enforced (or failed to use or enforce) any Intellectual Property, in a manner that would result in the abandonment, cancellation or unenforceability of any item of the Intellectual Property listed in Exhibit A, and Celerity has not taken or failed to take any action that would result in the forfeiture or relinquishment of any Intellectual Property; and
- h) Celerity has taken commercially reasonable steps to prevent the unauthorized use of the Intellectual Property listed in Exhibit A, and the unauthorized disclosure thereof to any other individual or entity; and
- i) Celerity has not granted to any other individual or entity (except affiliates of Davidson) any rights or permissions to use any of the Intellectual Property listed in Exhibit A. With respect to any part of the Intellectual Property which was created by Celerity or any of its agents or representatives (*e.g.*, any copyrights, know-how, trade secret, trade right or confidential or proprietary report or information of Celerity), (A) to the knowledge of Celerity, no third party has any rights (whether non-exclusive or otherwise) in such Intellectual Property and, except pursuant to reasonably prudent safeguards, no third party has received any confidential information relating to such Intellectual Property, (B) Celerity is not under any contractual or other obligation to disclose to any third party any such Intellectual

Property except pursuant to prudent and reasonable safeguards, and (C) there are no known significant defects therein and such Intellectual Property substantially conforms to all documentation and materials produced by Celerity which describe such Intellectual Property; and

- j) Celerity has received all consents, waivers, releases, approvals, authorizations or orders of, or registrations or qualifications with, any person, bank, board of directors, corporation, association, governmental body or court having authority or power to regulate, supervise or direct the business, assets and/or affairs of Celerity which are required to consummate the transaction contemplated hereunder.

4. As a condition to Davidson executing this Agreement, Celerity agrees to provide Davidson a Secretary's Certificate certifying that its Board of Directors has unanimously passed a resolution substantially in the form set forth as Exhibit B, attached hereto.

5. Celerity agrees to execute and deliver such other or further instruments of transfer or assignment as Davidson may reasonably require to confirm the foregoing, or as may be otherwise reasonably requested by Davidson to carry out the intent and purposes hereof.

6. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same document.

7. This Agreement and all of its terms, covenants and conditions shall be for and shall inure to the benefit of and shall bind the respective parties hereto, and their legal representatives, successors and assigns, respectively. Notwithstanding the foregoing, however, Celerity may not assign or delegate its obligations herein contained to any person or entity (except a successor in interest) without the express, prior written consent of Davidson and any such attempted assignment or delegation without such consent shall be null and void.

8. This Agreement shall be construed and enforced in accordance with the local law of the Delaware.

9. This Agreement represents the entire agreement between the parties hereto with respect to the subject matter hereof, and supersedes all previous written or oral negotiations, commitments and understandings; and furthermore, this Agreement and Exhibit A shall not be enlarged, modified or altered except by a writing signed by the parties hereto.

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

10. The maximum liability of Celerity to Davidson regarding a claim of any type related to this transaction, with the exception of any claim(s) involving fraud on the part of Celerity, shall be limited to one hundred thousand dollars (\$100,000). All causes of action by Davidson against Celerity must be instituted against Celerity prior to March 7, 2001.

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

CELERITY SOLUTIONS, INC.

By: *L. Kopeikina* *3/17/98*
Name: *Lydia Kopeikina*
Title: *CEO*

DAVIDSON & ASSOCIATES, INC.

By: *Larry Gross*
Name: *Larry Gross*
Title: *President*

and

By: *Paula Duff*
Name: *PAULA DUFFY*
Title: *VICE PRESIDENT*

Composer Story Assets: Story 01-12

Mixed Assets

Composer Assets: Credits, End, Fmenu, Intro, Mdemo, Menu, Mpages

Splash, title, Book.Ini

Page 01-12

Partial BMP Assets:

Page 5

Partial BMP Assets

Credits, End, Intro, Mdemo, Menu, Mpages, Pages 01-8

Partial BMP Assets

Pages 05, 09-12

Imo and the King

Localization Kit v1.1

BabaDemo, Fmenu, Menu, Programs, End, Intro, Mpages, SamDemo, LocalImo.doc,

Readme, Pages 01-12, Story 01-12

Raw Assets - Partial BMP Assets: Credits, Imo_BG, Legal, Menu, Mpages, Pages 01-8,12

Raw Assets - Partial BMP Assets: End, Intro, Pages 09-11

Story Assets: Story 01-12, Book.Ini

Composer Assets: Bumper, Credits, Demo, Fmenu, End, Intro, Mpages, Title, Menu, Splash, Book.Ini, Composer.Exe. Testrc.Exe, Pages 01-12

Baba Yaga and the Magic Geese

Localization v1.2

(pkzipped composer assets)

Menu, End, ImoDemo, Programs, Fmenu, Intro, Mpage3, SamDemo, Readme,

Localize.doc, Pages 01-12, Story 01-12

Composer Assets: Bumper, End, Intro, Mdemo, Mpages 3, Retail W, Title, Credits, Fmenu, Legal, Menu, Retail, Splash, Page 01-11

Story Assets: Story 0-13

BMPs: BG, Credits, Intro, MPages, Bumper, End, Menu, Title, Pages 01-12