

04-26-2001

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



101688359

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

CANCELLED

4.12.01

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
Effective Date
Month Day Year

- Merger
- Change of Name
- Other _____

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name Foothill Capital Corporation

02282001

Formerly _____

75280476

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other _____
- Citizenship/State of Incorporation/Organization California

Receiving Party

Mark if additional names of receiving parties attached

Name K-5 Leisure Products, Inc.

DBA/AKA/TA _____

Composed of _____

Address (line 1) 220 Saulteaux Crescent

Address (line 2) _____

Address (line 3) Winnipeg, Manitoba

CANADA

R3J3W3

City

State/Country

Zip Code

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other _____
- Citizenship/State of Incorporation/Organization Nevada

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.)

FOR OFFICE USE ONLY

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

TRADEMARK
REEL: 002280 FRAME: 0517

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" value="75280470"/> | <input type="text" value="75243571"/> | <input type="text" value="75197126"/> |
| <input type="text" value="75271196"/> | <input type="text" value="75225781"/> | <input type="text" value="75197127"/> |
| <input type="text" value="75271195"/> | <input type="text" value="75197125"/> | <input type="text" value="75197128"/> |

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|--------------------------------------|--------------------------------------|--------------------------------------|
| <input type="text" value="2055995"/> | <input type="text" value="1802968"/> | <input type="text" value="1034453"/> |
| <input type="text" value="2022463"/> | <input type="text" value="1656375"/> | <input type="text" value="2064284"/> |
| <input type="text" value="1977347"/> | <input type="text" value="1635394"/> | <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.)

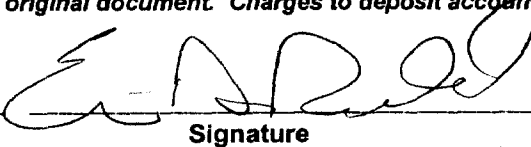
Deposit Account Number: #

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 D. Paulsrud, Esq.
Name of Person Signing


Signature

Apr 12, 2001
Date Signed

**RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY**

FORM PTO-1618C
Expires 06/30/99
OMB 0851-0027

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

Conveying Party

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship State of Incorporation/Organization

Receiving Party

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

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 the Assignment.)

Corporation Association

Other

Citizenship/State of Incorporation/Organization

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)

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| <input type="text" value="75197508"/> | <input type="text"/> | <input type="text"/> |
| <input type="text" value="75027050"/> | <input type="text"/> | <input type="text"/> |
| <input type="text" value="75027693"/> | <input type="text"/> | <input type="text"/> |
| <input type="text" value="75158321"/> | <input type="text"/> | <input type="text"/> |
| <input type="text" value="75158815"/> | <input type="text"/> | <input type="text"/> |
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TRADEMARK ASSIGNMENT

This Assignment granted on this 26th day of February, 2001, by FOOTHILL CAPITAL CORPORATION, a California corporation ("Assignor") and K-5 LEISURE PRODUCTS, INC., a Nevada corporation ("Assignee"), as follows:

RECITALS

WHEREAS, K-TEL INTERNATIONAL (USA), INC., a Minnesota corporation (the "Company") executed an Intellectual Property Security Agreement, dated November 19, 1997, in favor of Assignor, duly recorded on December 1, 1997, at Trademark Reel 1661, Frame 0393 in the United States Patent and Trademark Office (the "Agreement"), pursuant to which the Company assigned and granted to Assignor a security interest in and to all of the Company's right, title and interest in and to certain trademarks, service marks, trade names and applications therefor, as more specifically listed on Exhibit A attached hereto (the "Marks") and the goodwill associated therewith.

WHEREAS, the Assignor wishes to assign all of its right, title and interest in and to the Marks to the Assignee and to assign all of Assignor's liens, claims and encumbrances respecting the Marks, and the goodwill associated therewith, without representation or warranty (collectively, the "Rights").

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the Assignor hereby assigns transfers and delivers its entire right, title and interest, including all rights of action and damages for past infringement, in and to the Marks and the Rights, together with the goodwill of the business in connection with which said Marks are used or as symbolized thereby, the registration for such of said Marks as are registered the same to be held and enjoyed by Assignee for its own use and enjoyment, and for the use and enjoyment of its successors, assigns, licensees or other legal representatives.

IN WITNESSETH WHEREOF, the undersigned, by and through this instrument to be executed on the date first written above.

FOOTHILL CAPITAL CORPORATION,
a California corporation

By: C. MacDonald
Name: C. MACDONALD
Title: V.P.

K-5 LEISURE PRODUCTS, INC.,
a Nevada corporation

By: Philip Kives
Name: Philip Kives
Title: President

KTELASN1-TMRK

EXHIBIT A to Trademark Assignment
LIST OF TRADEMARKS

REGISTERED TRADEMARKS AND SERVICE MARKS

| <u>Trademark of Service Mark</u> | <u>Registration Date</u> | <u>Registration No.</u> |
|----------------------------------|--------------------------|-------------------------|
| CAR TRAX | April 22, 1997 | 2,055,995 |
| CHUCKLE | December 10, 1996 | 2,022,463 |
| AUDIOSCOPE | May 28, 1996 | 1,977,347 |
| POWER CUTTER | November 2, 1993 | 1,802,968 |
| BREAST-O-PHILLY | September 10, 1991 | 1,656,375 |
| COLD FRONT and Design | February 19, 1991 | 1,635,394 |
| COMMONWEALTH | February 24, 1976 | 1,034,453 |
| POWER STEPPER | May 27, 1997 | 2,064,284 |

PENDING TRADEMARKS AND SERVICE MARKS

| <u>Trademark and Service Mark</u> | <u>Filing Date</u> | <u>Serial No.</u> |
|-----------------------------------|--------------------|-------------------|
| SIDEWINDER | April 24, 1997 | 75-280,470 |
| CELTIC COLLECTIONS | April 7, 1997 | 75-271,196 |
| CELTIC COLLECTIONS | April 7, 1997 | 75-271,195 |
| PERFECT HEALTH | February 18, 1997 | 75-243,571 |
| THE 101 GREATEST | January 14, 1997 | 75-225,781 |
| COLD FRONT and Design | November 13, 1996 | 75-197,125 |
| K and Design | November 13, 1996 | 75-197,126 |
| K-TEL | November 13, 1996 | 75-197,127 |
| COLD FRONT | November 13, 1996 | 75-197,128 |
| COLD FRONT and Design | November 13, 1996 | 75-197,508 |
| NEXT DOOR MUSIC | December 4, 1995 | 75-027,050 |
| MIRACLE MEMORY | December 4, 1995 | 75-027,693 |
| K-TEL BACK RELIEVER PLUS | August 30, 1996 | 75-158,321 |
| K-TEL BACK RELIEVER | August 30, 1996 | 75-158,815 |