

TRADEMARK

01-07-2003



102329480

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original

1. Name of conveying party(ies): **OFFICE OF PUBLIC RECORDS**
PACIFIC BAY FISHING TACKLE INC.
 Individual(s) Association
 General Partnership Limited Partnership
 Corporation-CA
 Other _____
 Additional name(s) of conveying party(ies) attached? Yes No

Name and address of receiving party(ies):
 Name: PACIFIC BAY INTERNATIONAL INC.
 Internal Address: c/o John L. Sun Attorney
 Street Address: 3550 Wilshire Blvd., Suite 1250
 City: Los Angeles State: CA ZIP: 90010-2413
 Individual(s) citizenship _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation-State California
 Other _____

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other AGREEMENT OF SALE
 Execution Date: 05/15/1997

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
 (Designations must be a separate document from Assignment)
 Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration 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 Registration No.(s) _____
968,071 and 968,072
 Additional Application/Registration Numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
 Name: Roger W. Herrell, Esq.
 Address: DANN, DORFMAN, HERRELL AND SKILLMAN, P.C.
1601 Market Street, Suite 720
Philadelphia, Pennsylvania 19103-2307
 Telephone: (215) 563-4100 Facsimile: (215) 563-4044

6. Total number of applications and registrations involved:..... 2
 7. Total Fee (37 CFR 3.41).....\$ 65.00
 Enclosed
 Authorized to be charged to deposit account
 8. In the event a fee is required and is not enclosed, or the check enclosed is improper, or the fee calculation is in error, the Commissioner is authorized to charge any underpayment or credit any overpayment to the account of the undersigned attorneys.
 Deposit Account Number: 04-1406

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.
ROGER W. HERRELL, ESQ. [Signature] December 11, 2002
 Name of Attorney Signing Signature of Attorney Date
 Total number of pages including cover sheet, attachments and document: 9 plus pcard & check

Do not detach this portion
 Mail documents to be recorded with required cover sheet information to:
 Commissioner of Patents and Trademarks
 Box Assignments
 Washington, DC 20231
 01/06/2003 LNUELLER 00000247 968071
 01 FC:4521 40.00 OP
 02 FC:4522 25.00 OP

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AGREEMENT & JOINT ESCROW INSTRUCTIONS
FOR PURCHASE & SALE OF
BUSINESS & ASSETS OF

PACIFIC BAY FISHING TACKLE INC
A CALIFORNIA CORPORATION

DATE 06 May 1997

PARTIES PACIFIC BAY FISHING TACKLE INC
A California corporation
(hereinafter PACIFIC BAY) &
JOHN CHUN HSIUNG CHEN
An individual
(hereinafter as JOHN CHEN)
(hereinafter jointly as SELLER)
PACIFIC BAY INTERNATIONAL INC
A California corporation
(hereinafter as BUYER)

PLACE Placentia
California

CLOSING DATE The sale of the business & assets
shall be consummated on or before
30 days from the execution of this
Agreement.

RECITAL

1) SELLER is the owner of a fishing tackle products manufacture, importation and distribution business, known as PACIFIC BAY FISHING TACKLE (hereinafter as BUSINESS).

2) SELLER is also the owner of the assets used in connection with PACIFIC BAY, located at 540 S Jefferson St, Placentia CA 92870 (hereinafter as ASSETS).

3) SELLER desires to sell BUSINESS and ASSETS to BUYER, and BUYER desires to purchase BUSINESS and ASSETS from SELLER on the terms and conditions set forth below.

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iii) BUYER shall deposit into escrow. Escrow is to be selected by BUYER.

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AGREEMENT

NOW, THEREFORE, THE PARTIES HERETO AGREE AS FOLLOWS

1) BUSINESS

All of BUSINESS's trade, trade names, trademarks, computer bar codes, telephone numbers, telefax and fax numbers, goodwill, orders in progress on CLOSING DATE and other intangible assets existing as CLOSING DATE and as of this Agreement (as hereinafter defined), including but not limited to the customer lists. Except as otherwise expressly provided herein, BUYER does not assume any liabilities of SELLER or BUSINESS and shall not be liable for any thereof. Said liabilities shall be and remain the sole responsibility of SELLER. BUYER acknowledges, however, that on CLOSING DATE, SELLER shall relinquish to BUYER the trade names of PACIFIC BAY FISHING TACKLE.

2) ASSETS

All cash on hand, notes receivable, accounts receivable, bank deposits, furnitures, fixtures, machinery, equipment, business vehicles, tools, office and factory supplies, sundries and other tangible assets of BUSINESS as described in a schedule of ASSETS attached hereto as Exhibit A and made a part hereof by reference. ASSETS expressly include the inventory of supplies on hand on 31 March 1997. ASSETS also include goodwill, trademarks, trade names, including but not limited to trademarks of "PACIFIC BAY" and "SABRE".

3) BUSINESS PURCHASE PRICE

a) The total consideration to be paid by BUYER to SELLER for BUSINESS & ASSETS (hereinafter collectively as BUSINESS PURCHASE PRICE) is _____ to be paid and allocated as follows

i) BUYER had paid _____ to SELLER. This sum represents money loaned to PACIFIC BAY by JOHN CHEN. PACIFIC BAY paid _____ to JOHN CHEN as full payment of the loan. JOHN CHEN hereby acknowledges the receipt of said sum from PACIFIC BAY as full payment of loan from JOHN CHEN to PACIFIC BAY.

ii) BUYER shall assume the outstanding balance in the line of credit granted to PACIFIC BAY, by Cathy Bank. The balance as of 31 March 1997 is _____

iii) BUYER shall deposit _____ into escrow. Escrow is to be selected by BUYER.

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b) BUSINESS PURCHASE PRICE is based on the valuation of the assets and financial statement of PACIFIC BAY dated 31 March 1997 provided by SELLER.

c) BUYER & SELLER further agree that BUSINESS PURCHASE PRICE shall be allocated as follows based on the fair market value of the assets as of 31 March 1997:

Accounts Receivable
Bank Deposits/Cash on Hand .
Equipment (Office/Warehouse)
Furnitures/Fixtures
Goodwill

Inventory
Leasehold Improvement
Machinery
Note Receivable (CAXIN)
Prepaid Expenses Trade

Prepaid Inventory (CGI)
Prepaid Printing
Prepaid Postage
Trademarks/Licenses

Total

4) ESCROW

Escrow shall conduct a bulk sale transfer, comply with the requirements of Division 6 of the California Commercial Code and conduct a UCC-1 search. All escrow fee and closing costs shall be paid by BUYER. All sales tax, if any, shall be paid by BUYER.

5) OPERATION & CUSTODY OF ASSETS PENDING CLOSING DATE

BUYER has retained physical possession of ASSETS and operation thereof since 01 April 1997 and all transactions by BUYER respecting ASSETS occurring in the normal course of business from 01 April 1997 through CLOSING DATE are for the account of BUYER.

6) ASSETS TO BE TRANSFERRED FREE OF LIENS

Except as otherwise expressly provided, ASSETS will be delivered to BUYER free and clear of any mortgages, liens (taxes or otherwise), encumbrances, charges and security interests. SELLER shall assign all trademarks, trade names and licenses to BUYER and shall execute all papers necessary to effectuate the transfers.

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7) SELLER WARRANTS, REPRESENTS AND AGREES

a) SELLER is the sole owner of BUSINESS & ASSETS with full right to dispose of BUSINESS & ASSETS as it may choose. No other person or persons whomsoever have any claim, right, title, interest, or liens in, to or on BUSINESS & ASSETS.

b) SELLER owes no obligations and has contracted no liabilities affecting title to or possession of BUSINESS or ASSETS or which will prevent the consummation of the purchase and sale described in this Agreement.

c) There are no lawsuits, claims or proceedings, legal, equitable or administrative through arbitration or otherwise, pending or threatened which would adversely affect ASSETS, the conduct of BUSINESS by BUYER or prevent the consummation of the purchase and sale described in this Agreement.

d) SELLER shall execute and deliver to BUYER at CLOSING DATE such Bills of Sale, Assignment or other instruments provided by BUYER to SELLER, as shall be necessary and proper to transfer to BUYER ASSETS being sold pursuant to this Agreement.

e) SELLER shall indemnify and hold BUYER free and harmless from any claims for taxes arising from the operation of BUSINESS prior to and including CLOSING DATE.

f) All machinery, equipment, tools and vehicles being sold hereunder are in good operating condition, normal wear and tear excepted.

g) BUYER shall pay the applicable sales and use taxes arising out of this transaction.

h) The warranties and representations hereinabove set forth shall be true and correct as of CLOSING DATE.

i) SELLER shall indemnify and hold BUYER free and harmless from any and all claims arising from the operation of BUSINESS up to and including CLOSING DATE for employee benefits under the Agreement and under the California Unemployment Code.

j) The financial statements furnished by SELLER are true and correct and reflect the actual financial situation of PACIFIC BAY as of the dates of the financial statements.

k) SELLER shall continue to operate BUSINESS in a cautious manner so as not to put ASSETS at risk, and shall consult and advise BUYER of any significant business transaction. SELLER shall obtain BUYER's consent before making any significant business decisions.

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transaction. resulting from this

n) SELLER discloses there is a pending FET penalty dispute. SELLER shall be responsible, and hold BUYER harmless, for all FET levies, penalties and interests incurred prior to 31 March 1997.

8) COVENANT OF NON-COMPETITION

SELLER shall not engage in any activity within the fifty (50) states of the United States of America, which is the same as, similar to, or competitive with any activity now engaged in by BUSINESS being sold hereunder, so long as BUYER or its successors in interest or assigns (but not their purchasers) shall own BUSINESS being bought hereunder. BUYER may enforce this covenant of non-competition described herein.

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1) There are no other debts or obligations except those stated in the financial statements provided to BUYER. Any undisclosed debts and/or obligations shall remain the sole responsibility of SELLER. SELLER shall hold BUYER free and harmless and indemnify BUYER of any losses as a result of the undisclosed debts or obligations.

m) SELLER acknowledges there are legal and tax consequences involved in this transaction. SELLER has sought or will seek their own legal and tax consultants for any legal or tax implications or consequences resulting from this transaction.

n) SELLER discloses there is a pending FET penalty dispute. SELLER shall be responsible, and hold BUYER harmless, for all FET levies, penalties and interests incurred prior to 31 March 1997.

8) COVENANT OF NON-COMPETITION

SELLER shall not engage in any activity within the fifty (50) states of the United States of America, which is the same as, similar to, or competitive with any activity now engaged in by BUSINESS being sold hereunder, so long as BUYER or its successors in interest or assigns (but not its purchasers) shall own BUSINESS being bought hereunder. BUYER may enforce this covenant of non-competition described herein by any available legal or equitable remedies, including but not limited to injunctive relief from a court of competent jurisdiction.

9) JOINT ESCROW INSTRUCTIONS

This Agreement shall also serve as a joint escrow instruction to escrow holder of BUYER's choice to handle the transaction. Parties further agree to sign any documents or additional escrow instructions or documents required by the escrow to close this transaction.

10) GENERAL PROVISIONS

It is understood and agreed between SELLER & BUYER that

a) There is not now pending or threatened nor will there be on CLOSING DATE any dispute between SELLER and any of its employees which might materially and adversely affect ASSETS.

b) No agent, broker or other person acting pursuant to authority of one party will be entitled to make any claim against the other party for any commissions or finder's fee in connection with the transaction contemplated hereby.

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c) SELLER and BUYER will each pay its respective expenses incurred by each of them in connection with the negotiation execution and performance of this Agreement, whether or not the transactions contemplated hereby are consummated, including without limitation, fees and expenses of respective counsel.

d) All of SELLER's and BUYER's covenants, agreements, warranties and representations contained herein shall be true and correct at and as of CLOSING DATE and shall survive CLOSING DATE.

e) BUYER and SELLER each agrees to execute any and all documents, instruments and papers which may be necessary or proper to carry out the purposes of this Agreement.

f) There are no understandings or agreements between SELLER and BUYER other than as set forth herein and all prior agreements between the parties, whether written or oral are all merged herein.

g) Any and all notices or other communications required or permitted by this Agreement to be served on or given to any party hereto by any other party to this Agreement shall be in writing and shall be deemed duly served by personal delivery to the party to whom they are directed or, in lieu of such personal delivery, two (2) business days after deposit in the United States mail, first class postage prepaid, addressed as follows

To SELLER addressed as follows

PACIFIC BAY FISHING TACKLE INC &
JOHN CHUN HSIUNG CHEN
2281 OLDRIDGE DR
HACIENDA HTS CA 91745-5627

TEL 818 333-1266

To BUYER addressed as follows

PACIFIC BAY INTERNATIONAL INC
C/O JOHN L SUN ATTORNEY AT LAW
3550 WILSHIRE BLVD STE 1250
LOS ANGELES CA 90010-2413

TEL 213 382-7205

Any party may give written notice of change of address to the other party in the manner provided hereinabove.

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[Signature]

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h) Should any litigation be commenced between the parties to this Agreement concerning ASSETS or BUSINESS, this Agreement or the rights or duties of any party in relation thereto the party prevailing in such litigation shall be entitled, in addition to such other relief as may be granted, a reasonable sum for its attorneys' fees and expert witness fees in such litigation which shall be determined by the Court or in a separate action brought for that purpose.

i) The parties hereto acknowledge that the provisions of this Agreement are unique and that each party shall be entitled to specific enforcement of the provisions set forth in this Agreement and to all other equitable remedies a Court of competent jurisdiction may order, in addition to any other remedies the parties may have under this Agreement or at law.

j) Any clause, sentence or provision or part thereof this Agreement held by a Court of competent jurisdiction to be invalid or ineffective shall not impair, invalidate, or nullify the remainder of this Agreement and the effect thereof shall be confined to the clause, sentence or provision or part thereof so held to be invalid, illegal or ineffective.

k) This Agreement is made and shall be governed and interpreted under the laws of the State of California and that the Courts in the State of California shall have the exclusive jurisdiction in this matter.

l) In the event the purchase contemplated hereby is not consummated for any reason for failure of any condition stated herein, this Agreement shall terminate and be of no effect whatsoever and each party shall bear its own costs and expenses without any other liability, except to the extent of any then-existing default or breach by either party, provided that all provisions contained in this Agreement respecting confidentiality of documents and trade secrets shall remain in full force and effect.

11) OPTION

Parties agree that JOHN CHEN or his wife, JENNIFER C CHEN, shall have the option to repurchase shares of PACIFIC BAY INTERNATIONAL INC, a California corporation, or its successor in interest, not exceeding 49% of then outstanding stock, at book value. This option shall expire on 01 May 2000. With consent of both parties, this option may be extended for one (1) additional year.

12) REPRESENTATION

SELLER acknowledges that the Law Offices of John L. Sun represents BUYER only.

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13) SUCCESSORS AND ASSIGNS

BUYER may assign her interest under this Agreement prior to CLOSING DATE only to a corporation or partnership in which BUYER is a partner or shareholder or has a substantial interest. Subject to the foregoing, all of the terms and provisions contained herein shall inure to the benefit of and shall be binding upon the parties hereto and their respective heirs, personal representatives, successors and assigns.

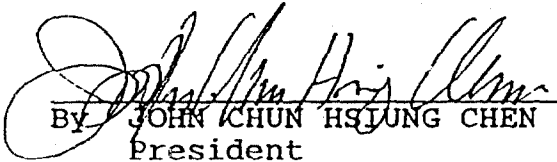
Dated 5-15-97

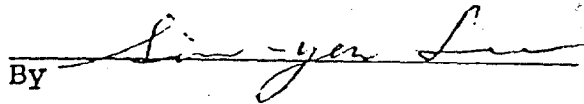
SELLER

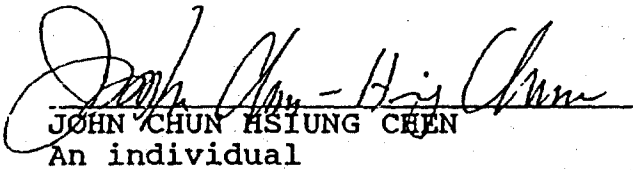
BUYER

PACIFIC BAY FISHING TACKLE INC
A California corporation

PACIFIC BAY INTERNATIONAL INC
A California corporation


BY JOHN CHUN HSIUNG CHEN
President


By


JOHN CHUN HSIUNG CHEN
An individual

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