

TRADEMARKS ONLY

Patent and Trademark Office

To the Honorable Commissioner of Patent and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
PLAYGIRL KEY CLUB, INC.

Individual(s) Association
 General Partnership Limited Partnership
 Corporation - State of California
 Other _____

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

2. Name and address of receiving party(ies):
PLAYGIRL KEY CLUB, INC.
 801 Second Avenue
 New York, New York 10017

Individual(s) citizenship _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation - State of Delaware
 Other _____

Domestic representative is attached: Yes No
 Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: **January 26, 1998**

4. (A.) Trademark Application No.(s)

Additional numbers attached? Yes No

4. (B.) Trademark Registration No.(s)
 1520640
 1005058

5. Correspondence should be mailed to:

VICTOR M. TANNENBAUM
ABELMAN, FRAYNE & SCHWAB
 150 East 42nd Street
 New York, New York 10017

6. Total number of applications and registrations involved:..... **2**

7. Total fee (37 CFT 3.41): \$ **65.00**
 Enclosed
 (The said Deposit Account should be charged for any official fee not fully covered by the enclosed check)
 Authorized to be charged to deposit account
 Deposit account number: **01-0035**
 (Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

8. 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.

VICTOR M. TANNENBAUM _____ **2/3/04** _____
 Name of Person Signing Signature Date

Total number of pages comprising cover sheet, attachments and documents: **6**

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Delaware

PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AGREEMENT OF MERGER, WHICH MERGES:

"PLAYGIRL KEY CLUB, INC.", A CALIFORNIA CORPORATION,

WITH AND INTO "KEY CLUB ACQUISITION CORP." UNDER THE NAME OF "PLAYGIRL KEY CLUB, INC.", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE STATE OF DELAWARE, AS RECEIVED AND FILED IN THIS OFFICE THE TWENTY-SIXTH DAY OF JANUARY, A.D. 1998, AT 9 O'CLOCK A.M.



Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

2827150 6

AUTHENTICATION: 2833648

030830803

DATE: 12-23-03

TRADEMARK

REEL: 002786 FRAME: 0247

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 09:00 AM 01/26/1998
981030862 - 2827150

AGREEMENT OF MERGER

OF

PLAYGIRL KEY CLUB, INC.
(a California corporation)

AND

KEY CLUB ACQUISITION CORP.
(a Delaware corporation)

(Under Sections 252 and 251(f) of the Delaware
General Corporation Law)

AGREEMENT OF MERGER entered into on January 23, 1998 by Playgirl Key Club, Inc., a California corporation ("Playgirl"), and approved by resolution adopted by its sole Shareholder and Board of Directors on January 23, 1998, and entered into on January 23, 1998 by Key Club Acquisition Corp., a Delaware corporation ("Acquisition Corp."), and approved by resolution adopted by its sole Director on January 23, 1998, no shares of stock of Acquisition Corp. having been issued prior to the adoption and approval of such resolution.

WHEREAS, Playgirl is a corporation organized under the laws of California with its principal office located at 801 Second Avenue, New York, New York; and

WHEREAS, the total number of shares of stock which Playgirl has authority to issue is 7,500 shares of Common Stock, without par value; and

WHEREAS, Acquisition Corp. is a corporation organized under the laws of the State of Delaware with its registered office therein located at 30 Old Rudnick Lane, Suite 100, Dover, Delaware 19901, County of Kent; and

WHEREAS, the total number of shares of stock which Acquisition Corp. has authority to issue is 1,000 shares of Common Stock, par value \$.001 per share, and 500 shares of Preferred Stock, par value \$.001 per share; and

WHEREAS, the California General Corporation Law (the "CGCL") permits a merger of a corporation of the State of California with and into a corporation of another jurisdiction; and

WHEREAS, the General Corporation Law of the State of Delaware (the "DGCL") permits the merger of a corporation of another jurisdiction with and into a corporation of the State of Delaware; and

WHEREAS, Playgirl and Acquisition Corp., the sole Shareholder of Playgirl (Acquisition Corp. not having issued any shares of capital stock and therefore not having any stockholders) and the respective Boards of Directors of Playgirl and Acquisition Corp. deem it advisable and to the advantage, welfare, and best interests of said corporations to merge Playgirl with and into Acquisition Corp. pursuant to the provisions of the CGCL and pursuant to the provisions of the DGCL upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and of the mutual agreement of the parties hereto, being thereunto duly entered into by Playgirl and approved by a resolution adopted by its sole Shareholder and Board of Directors and being thereunto duly entered into by Acquisition Corp. and approved by a resolution adopted by its sole Director, no shares of stock of Acquisition Corp. having been issued prior to the adoption and approval of such resolution, the Agreement of Merger and the terms and conditions thereof and the mode of carrying the same into effect, together with any provisions required or permitted to be set forth therein, are hereby determined and agreed upon as hereinafter in this Agreement set forth.

1. Playgirl shall, pursuant to the provisions of the CGCL and the provisions of the DGCL, be merged with and into Acquisition Corp. upon the filing of a certificate of merger with the Secretaries of State of the States of Delaware and California as provided in the DGCL and CGCL, respectively (the time of said filing is hereinafter referred to as the "Effective Time"). Acquisition Corp. shall be the surviving corporation from and after the Effective Time, and shall be sometimes hereinafter referred to herein as the "Surviving Corporation", and shall continue to exist as said Surviving Corporation and shall change its name to "Playgirl Key Club, Inc.", a Delaware corporation, pursuant to the provisions of the DGCL. The separate existence of Playgirl, a California corporation, which is sometimes hereinafter referred to herein as the "Terminating Corporation", shall cease at the Effective Time in accordance with the provisions of the CGCL.

2. The Certificate of Incorporation of the Surviving Corporation, as the same shall be in force and effect at the Effective Time in the State of Delaware, but after giving effect to the name change described in Section 1 hereof, shall continue to be the Certificate of Incorporation of said Surviving Corporation and said Certificate of Incorporation shall continue in full force and effect until amended and changed pursuant to the provisions of the DGCL.

3. The present by-laws of the Surviving Corporation will be the by-laws of said Surviving Corporation and will continue in full force and effect until changed, altered or amended as therein provided and in the manner prescribed by the provisions of the DGCL, the certificate of incorporation of the Surviving Corporation and such by-laws.

4. The directors and officers in office of the Terminating Corporation at the Effective Time shall be the members of the first Board of Directors and the first officers of the Surviving Corporation, all of whom shall hold their directorships and offices until the election and qualification of their respective successors or until their tenure is otherwise terminated in accordance with the by-laws of the Surviving Corporation.

5. At the Effective Time each issued and outstanding share of Common Stock of the Terminating Corporation shall, by virtue of the merger and without any action on its part of the holder thereof, be converted into and exchangeable for shares of Common Stock of the Surviving Corporation at a ratio of ten shares of the Terminating Corporation's common stock exchanged for one share of the Surviving Corporation's common stock. At the Effective Time, each share of capital stock issued and held in the Terminating Corporation's treasury at the Effective Time shall, by virtue of the merger and without any action on the part of the holder thereof, cease to be outstanding, shall be cancelled and returned without payment of any consideration therefor and shall cease to exist.


6. Playgirl and Acquisition Corp. agree that they will cause to be executed, filed and recorded any document or documents prescribed by the laws of the State of California and by the laws of the State of Delaware, and that they will cause to be performed all necessary acts within the State of California and the State of Delaware and elsewhere to effectuate the merger herein provided for.

7. The Board of Directors and the proper officers of the Terminating Corporation and of the Surviving Corporation are hereby authorized, empowered and directed to do any and all acts and things, and to make, execute, deliver, file and record any and all instruments, papers and documents which shall be or become necessary, proper or convenient to carry out or put into effect any of the provisions of this Agreement of Merger or of the merger herein provided for.

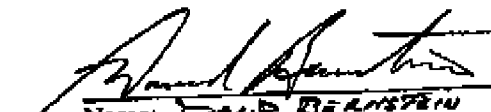
IN WITNESS WHEREOF, this Agreement of Merger is hereby executed upon behalf of each of the constituent corporations parties thereto, this 23 day of January, 1998.

SURVIVING CORPORATION:

KEY CLUB ACQUISITION CORP.
(a Delaware corporation)

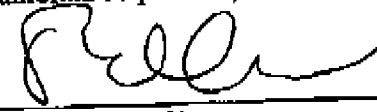
By: 
Name: Bruce Chew
Title: President

Attest:

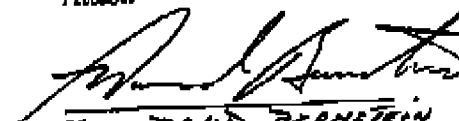

Name: DAVID BERNSTEIN
Title: SECRETARY

TERMINATING CORPORATION:

PLAYGIRL KEY CLUB, INC.
(a California corporation)

By: 
Name: Bruce Chew
Title: President

Attest:


Name: DAVID BERNSTEIN
Title: SECRETARY