

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Stuart Stone		08/05/1999	INDIVIDUAL: UNITED STATES
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Isreal Rind		
<b>Street Address:</b>	477 California Street		
<b>City:</b>	Palo Alto		
<b>State/Country:</b>	CALIFORNIA		
<b>Postal Code:</b>	94306		
<b>Entity Type:</b>	INDIVIDUAL: UNITED STATES		
<b>PROPERTY NUMBERS Total: 1</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
<b>Registration Number:</b>	2221192	IZZY'S BROOKLYN B A G E L S THE AUTHENTIC FLAVOR KOSHER	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(408)286-8932		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
<b>Phone:</b>	408-286-8933		
<b>Email:</b>	tm_docket@iplg.com		
<b>Correspondent Name:</b>	Otto O. Lee		
<b>Address Line 1:</b>	12 South First Street, 12th Floor		
<b>Address Line 4:</b>	San Jose, CALIFORNIA 95113		
<b>NAME OF SUBMITTER:</b>	Otto O. Lee		
<b>Signature:</b>	/Otto O. Lee/		
<b>Date:</b>	04/22/2005		

Total Attachments: 7

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("Agreement") is entered into as of August 5, 1999, by and between Stuart Stone, an individual residing in Alameda, California ("Buyer"), and Peninsula Foods, Inc., a California corporation ("Seller")

R E C I T A L S

A. Seller owns a wholesale bagel making operation in Oakland, California ("Wholesale Business") and a retail bagel making operation in Palo Alto, California

B. Buyer is a former officer, director and shareholder of Seller and has operated and managed the Wholesale Business since its commencement.

C. Buyer desires to purchase, and Seller desires to sell to Buyer, the assets directly related to the Wholesale Business upon the terms and conditions of this Agreement hereinafter set forth.

A G R E E M E N T

Now, therefore, in consideration of the premises and of the mutual covenants and conditions herein contained, Buyer and Seller hereby agree as follows.

1. Purchase and Sale of Assets.

1.1. Assets Purchased. On the terms and subject to the conditions of this Agreement, Seller agrees to sell and transfer to Buyer, and hereby does sell and transfer to Buyer, and Buyer agrees to purchase, and hereby does purchase, all right, title, and interest in and to the assets directly related to the Wholesale Business, including, without limitation, the assets listed on Exhibit A hereto ("Purchased Assets").

1.2. Consideration. In consideration of, and in exchange for, the said sale and transfer by Seller to Buyer of the Wholesale Business, Buyer hereby agrees (subject to all of the terms and conditions herein contained) to pay Seller [REDACTED] (\$ [REDACTED]) (the "Purchase Price"). Said Purchase Price shall be payable in equal installments over a period of [REDACTED] months pursuant to the terms of that certain promissory note, a copy of which is attached hereto as Exhibit B ("Note"), which payments shall begin one month subsequent to the date hereof. Buyer and Seller hereby agree to allocate the Purchase Price in the following manner: (a) [REDACTED] shall be allocated to the equipment and other tangible personal property, (b) [REDACTED] shall be allocated to the intellectual property rights granted to Buyer pursuant to Section 3 hereof, (c) and the remaining [REDACTED] shall be allocated to the going concern and goodwill associated with the Wholesale Business.

2. Assumption of Liabilities. Buyer hereby assumes responsibility for and agrees to discharge (i) all of the outstanding accounts payable of Seller as of April 30, 1999, and (ii) the debts, obligations or liabilities of Seller incurred or attributable to periods on or after May 1, 1999 that are directly related to the Wholesale Business, whether known or unknown as of the date hereof ("Assumed Liabilities").

3. Trademark Rights. Buyer and Seller agree that Buyer shall have the absolute and uncontested right to utilize the service mark "Izzy's Brooklyn Bagels" and the design associated therewith ("Mark") in connection with the wholesale bagel business for a period of five (5) years (the "Term") subsequent to the date hereof. In exchange for the rights granted pursuant to this Section 3, upon the termination of the Term, Buyer agrees to renounce any and all rights Buyer has in and to the Mark and to execute any documents reasonably requested by Seller evidencing the same. Buyer shall have an option to extend the Term for an additional two (2) years, provided that he has paid all sums due on the Note on a timely basis.

4. Covenants.

4.1. Seller's Covenant to Change Corporate Name. No later than five (5) business days subsequent to the date hereof, Seller shall change its corporate name to one that does not contain the word "Peninsula," and Seller agrees to use reasonable efforts to assist Buyer in obtaining the right to use the corporate name "Peninsula Foods, Inc." upon Buyer's incorporation of a new corporation.

4.2. Buyer's Covenant to Pay Creditors. No later than ten (10) business days subsequent to the date hereof, Buyer shall pay no less than one half of the outstanding accounts payable referenced in Section 2, and Buyer shall make arrangements to pay the remaining accounts payable as soon as commercially possible.

5. Representations and Warranties of Seller. Seller hereby represents and warrants the following:

5.1. Organization. Seller is a corporation duly organized, validly existing, and in good standing under the laws of the state of California. Seller has all requisite corporate power to own its properties and carry on its business as now conducted.

5.2. Due Execution. This Agreement and the consummation of the transactions contemplated hereby have been duly and validly approved by the board of directors and shareholders of Seller, and this Agreement has been duly and validly executed and delivered by Seller and is a valid and binding obligation of Seller, enforceable against Seller in accordance with its respective terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or by equitable principles relating to or limiting creditor's rights generally.

5.3. Effect of Agreement. The execution, delivery and performance of this Agreement by Seller and consummation of the transactions contemplated hereby will not (i) require the consent, approval or authorization of any person or public authority, (ii) violate any

provision of law applicable to Seller or (iii) conflict with, violate or constitute a breach of or default under the articles of incorporation, bylaws, or any indenture, mortgage, deed of trust or other agreement or instrument, or any order, judgment, award, decree, statute, ordinance, regulation or any other restriction of any kind or character, to which Seller is a party, or by which Seller or any of its assets or properties is bound.

5.4. Litigation. Seller has not been served with any summons, complaint or notice to arbitrate with respect to any actions presently unresolved involving the Purchased Assets or the Wholesale Business, or any of its assets or operations, and no such action, suit, proceeding or investigation is currently pending. Other than that certain dispute between Buyer and Seller with respect to the subject matter of this Agreement, Seller has no knowledge of any suit or action (equitable, legal or administrative), arbitration or other proceeding pending or threatened against Seller, the Purchased Assets or the Wholesale Business or which it has been threatened will involve Buyer relative to any of the transactions contemplated herein.

5.5. Title; Condition of Purchased Assets. Seller has good and marketable title to all of the Purchased Assets free and clear of any liens, claims and interests of any third party, and no consents are required as a condition to the sale of the Purchased Assets to Buyer. Seller has no knowledge of any material defects in any of the Purchased Assets.

6. Representations and Warranties of Buyer. Buyer hereby represents and warrants to Seller the following:

6.1. Due Execution. This Agreement has been duly and validly executed and delivered by Buyer and is a valid and binding obligation of Buyer, enforceable against him in accordance with its respective terms, except as may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or by equitable principles relating to or limiting creditor's rights generally.

6.2. Effect of Agreement. The execution, delivery and performance of this Agreement by Buyer and consummation of the transactions contemplated hereby will not (i) require the consent, approval or authorization of any person or public authority, (ii) violate any provision of law applicable to Buyer or (iii) conflict with, violate or constitute a breach of or default under any indenture, mortgage, deed of trust or other agreement or instrument, or any order, judgment, award, decree, statute, ordinance, regulation or any other restriction of any kind or character, to which Buyer is a party, or by which Buyer or any of his assets or properties is bound.

7. Indemnity, Survival of Representations and Taxes.

7.1. Indemnity. Each of Seller and Buyer (the "Indemnifying Party"), hereby agrees to indemnify, defend and hold harmless the other party (the "Indemnified Party") against any loss, cost, claim, demand, damage, liability or expense (including reasonable attorneys' fees and costs) incurred and/or paid by the Indemnified Party due to the incorrectness or breach of any representation, warranty, covenant or agreement of the Indemnifying Party contained herein,

provided that the maximum amount indemnifiable by any Indemnifying Party hereunder shall be limited to [REDACTED]

7.2. Survival of Representation and Warranties. Except as otherwise expressly provided herein, all representations, warranties and agreements contained herein shall remain operative and in full force and effect regardless of any investigation made by or on behalf of Buyer or Seller and shall expire one (1) year after the Closing Date.

7.3. Transfer Taxes. Buyer and Seller intend that the transactions contemplated by this Agreement constitute an "occasional sale" within the meaning of the California transfer tax provisions, and each party agrees that it will not take or assert any position on any tax return, report, or otherwise which is inconsistent with said treatment; provided, however, that, in the event it is determined that the occasional sales exemption is not applicable, each party hereby agrees to pay one half of all sales, use and/or similar taxes arising out of the transfer of the Purchased Assets hereunder.

## 8. Miscellaneous

8.1. Expenses. All of the expenses of Seller (including applicable income and other taxes and attorneys' fees) in connection with the preparation, execution and consummation of this Agreement and with the transactions contemplated herein shall be paid by Seller, and all of Buyer's expenses in such connection shall be paid by Buyer.

8.2. Arbitration. Except as otherwise provided in this Agreement, any dispute between the parties arising out of this Agreement shall be resolved by good faith negotiation between Seller and Buyer. If Seller and Buyer are unable to resolve the dispute, either party may submit the dispute to an arbitrator who is acceptable to both Seller and Buyer. If Seller and Buyer are unable to agree on an arbitrator within thirty (30) days after written notice of a request to enter into arbitration is mailed to the nonrequesting party, each of Seller and Buyer shall name an arbitrator, and those two arbitrators shall name a third arbitrator who shall have the ultimate authority to resolve the dispute. The costs of the arbitration shall be borne equally by Seller and Buyer; however, attorneys' fees may be awarded to the prevailing or most prevailing party at the discretion of the arbitrator. Any determination by the arbitrator shall be final and binding on both Seller and Buyer in all cases. Seller and Buyer each understand that by entering into this Agreement they are giving up their constitutional rights to have any such dispute decided in a court of law.

8.3. Notices. All notices, requests, demands and other communications hereunder shall be in writing, and shall be deemed to have been given if sent by mail, registered or certified, return receipt requested, or by facsimile, to the respective party as set forth below:

If to Buyer:

Stuart Stone  
2430 Union Street  
Oakland, California 94607  
Facsimile No.: (510) 268-4700

If to Seller:

Izzy's Brooklyn Bagels  
Attention: Israel Rind  
477 California Street  
Palo Alto, California 94306  
Facsimile No.:(650) 329-0799

or to such other address as Buyer or Seller may designate by written notice to the other parties hereto.

8.4. Governing Law. This Agreement shall be governed and construed under the laws of the state of California.

8.5. Amendment. This Agreement covers the entire understanding of the parties hereto, superseding all prior agreements or understandings relating to any of the subject matters hereof, and no modification or amendment of its terms and conditions shall be effective unless in writing and signed by the parties or their respective duly authorized agents.

8.6. Assignability. This Agreement is binding upon and shall inure to the benefit of the parties herein, their successors and assigns.

8.7. Waiver. It is agreed that no waivers by either party hereto of any breach or default of any covenants or agreements herein set forth shall be deemed a waiver as to any subsequent and/or similar breach or default.

8.8. Severability. This Agreement shall be fully enforceable and effective as to the parties hereto as to its remaining provisions in the event any provision is held to be invalid, illegal or unenforceable.

8.9. Further Assurances. Each party hereto agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform all of the terms, provisions, and conditions of this Agreement and the transactions contemplated hereby.

8.10. Counterparts. This Agreement may be executed in one or more counterparts, all of which together shall be deemed to constitute one and the same instrument.

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IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**BUYER:**

  
\_\_\_\_\_  
Stuart Stone

**SELLER:**

PENINSULA FOODS, INC.

By: \_\_\_\_\_  
Name: Isreal Rind  
Title: Chief Financial Officer



IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

**BUYER:**

\_\_\_\_\_  
Stuart Stone

**SELLER:**

PENINSULA FOODS, INC.

By: Isreal Rind C.F.O.

Name: Isreal Rind

Title: Chief Financial Officer