

11-01-2000



101501568

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 Non-Uniform Assignment
- Merger
- Change of Name
- Other

9-20-00
TRADEMARK OFFICE
RECEIVED
SEP 20 10 32 AM '00
EFFECTIVE DATE
Month Day Year
07/31/00

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year
07/31/00

Name

Formerly

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

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKATA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

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

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

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)

<input type="text" value="75/788,010"/>	<input type="text" value="75/743,668"/>	<input type="text" value="75/597,855"/>
<input type="text" value="75/717,663"/>	<input type="text" value="75/565,849"/>	<input type="text" value="75/597,857"/>
<input type="text" value="76/007,704"/>	<input type="text" value="75/598,045"/>	<input type="text" value="75/598,049"/>

Registration Number(s)

<input type="text" value="1,944,823"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="2,218,495"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="2,176,506"/>	<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.

Hill Blackett, III, Esq.
Name of Person Signing

Hill Blackett III
Signature

9/13/00
Date Signed

**RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY**

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

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

Corporation Association

Other

Citizenship/State of Incorporation/Organization

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.)

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

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

Mark if additional numbers attached

Trademark Application Number(s)

Registration Number(s)

75/598,046	<input type="text"/>	<input type="text"/>
75/577,274	<input type="text"/>	<input type="text"/>
75/818,444	<input type="text"/>	<input type="text"/>
76,040,585	<input type="text"/>	<input type="text"/>
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<input type="text"/>	<input type="text"/>	<input type="text"/>

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT, dated as of July 31, 2000, is made by CURIOUS PICTURES CORPORATION, a New York corporation, CHELSEA PICTURES, INC., a Massachusetts corporation, and THE END, INC., a California corporation, and the other Credit Parties signatory hereto ("Grantors and sometimes collectively referred to as Grantor"), in favor of GENERAL ELECTRIC CAPITAL CORPORATION, a New York corporation ("Lender").

WITNESSETH:

WHEREAS, pursuant to that certain Loan and Security Agreement dated as of the date hereof by and between Grantor and Lender (as from time to time amended, restated, supplemented or otherwise modified, the "Loan Agreement"), Lender has agreed to make the Loans [and to incur Letter of Credit Obligations] for the benefit of Grantor; and

WHEREAS, Lender is willing to make the Loans [and to incur the Letter of Credit Obligations] as provided for in the Loan Agreement, but only upon the condition, among others, that Grantor shall have executed and delivered to Lender this Intellectual Property Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby agrees as follows:

1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in Schedule A to the Loan Agreement.
2. GRANT OF SECURITY INTEREST IN INTELLECTUAL PROPERTY COLLATERAL. To secure the complete and timely payment of all the Obligations of Grantor now or hereafter existing from time to time, Grantor hereby pledges and grants to Lender a continuing first priority security interest in all of Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Intellectual Property Collateral"):
 - (a) all of its Patents and Patent Licenses to which it is a party including those referred to on Schedule I hereto;
 - (b) all of its Trademarks and Trademark Licenses to which it is a party including those referred to on Schedule II hereto;
 - (c) all of its Copyrights and Copyright Licenses to which it is a party including those referred to on Schedule III hereto;
 - (d) all reissues, continuations or extensions of the foregoing;

(e) all goodwill of the business connected with the use of, and symbolized by, each Patent, each Patent License, each Trademark, each Trademark License, each Copyright and each Copyright License; and

(f) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (i) infringement or dilution of any Patent or Patent licensed under any Patent License, (ii) injury to the goodwill associated with any Patent or any Patent licensed under any Patent License, (iii) infringement or dilution of any Trademark or Trademark licensed under any Trademark License, (iv) injury to the goodwill associated with any Trademark or any Trademark licensed under any Trademark License, (v) infringement or dilution of any Copyright or Copyright licensed under any Copyright License, and (vi) injury to the goodwill associated with any Copyright or any Copyright licensed under any Copyright License.

3. REPRESENTATIONS AND WARRANTIES. Grantor represents and warrants that Grantor does not have any interest in, or title to, any Patent, Trademark or Copyright except as set forth in Schedule I, Schedule II and Schedule III, respectively, hereto. This Intellectual Property Security Agreement is effective to create a valid and continuing Lien on and, upon the filing hereof with the United States Patent and Trademark Office and the United States Copyright Office, perfected security interests in favor of Lender in all of Grantor's Patents, Trademarks and Copyrights and such perfected security interests are enforceable as such as against any and all creditors of, and purchasers from, Grantor. Upon filing of this Intellectual Property Security Agreement with the United States Patent and Trademark Office and the United States Copyright Office and the filing of appropriate financing statements listed on Disclosure Schedule (6.1) to the Loan Agreement, all action necessary or desirable to protect and perfect Lender's Lien on Grantor's Patents, Trademarks and Copyrights shall have been duly taken.

4. COVENANTS. Grantor covenants and agrees with Lender that from and after the date of this Intellectual Property Security Agreement and until the Termination Date:

(a) Grantor shall notify Lender immediately if it knows or has reason to know that any application or registration relating to any Patent, Trademark or Copyright (now or hereafter existing) may become abandoned or dedicated, or of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any court) regarding Grantor's ownership of any Patent, Trademark or Copyright, its right to register the same, or to keep and maintain the same.

(b) In no event shall Grantor, either directly or through any agent, employee, licensee or designee, file an application for the registration of any Patent, Trademark or Copyright with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency without giving Lender prior written notice thereof, and, upon request of Lender, Grantor shall execute and deliver a supplement hereto (in form and substance satisfactory to Lender) to evidence Lender's Lien on such Patent, Trademark or Copyright, and the General Intangibles of Grantor relating thereto or represented thereby.

(c) Grantor shall take all actions necessary or requested by Lender to maintain and pursue each application, to obtain the relevant registration and to maintain the registration of each of the Patents or

Trademarks (now or hereafter existing), including the filing of applications for renewal, affidavits of use, affidavits of noncontestability and opposition and interference and cancellation proceedings.

(d) In the event that any of the Intellectual Property Collateral is infringed upon, or misappropriated or diluted by a third party, Grantor shall notify Lender promptly after Grantor learns thereof. Grantor shall, unless it shall reasonably determine that such Intellectual Property Collateral is in no way material to the conduct of its business or operations, promptly sue for infringement, misappropriation or dilution and to recover any and all damages for such infringement, misappropriation or dilution, and shall take such other actions as Lender shall deem appropriate under the circumstances to protect such Intellectual Property Collateral.

5. SECURITY AGREEMENT. The security interests granted pursuant to this Intellectual Property Security Agreement are granted in conjunction with the security interests granted to Lender pursuant to the Loan Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Lender with respect to the security interest in the Intellectual Property Collateral made and granted hereby are more fully set forth in the Loan Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

6. REINSTATEMENT. This Intellectual Property Security Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against Grantor for liquidation or reorganization, should Grantor become insolvent or make an assignment for the benefit of any creditor or creditors or should a receiver or trustee be appointed for all or any significant part of Grantor's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

7. NOTICES. Whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the parties by any other party, or whenever any of the parties desires to give and serve upon any other party any communication with respect to this Intellectual Property Security Agreement, each such notice, demand, request, consent, approval, declaration or other communication shall be in writing and shall be given in the manner, and deemed received, as provided for in the Loan Agreement.

8. TERMINATION OF THIS SECURITY AGREEMENT. Subject to Section 6 hereof, this Intellectual Property Security Agreement shall terminate upon the Termination Date.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Grantor has caused this Intellectual Property Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

GRANTOR:

**CURIOUS PICTURES CORPORATION
CHELSEA PICTURES, INC.
THE END, INC.
INTELEFILM CORPORATION
DCODE, INC.
HARMONY HOLDINGS, INC.,
FURIOUS PICTURES CORPORATION
DELIRIOUS PICTURES CORPORATION
THE BEGINNING ENTERTAINMENT, INC.
UNSCENTED, INC.
GIGANTIC ENTERTAINMENT, INC.,
THE MOMENT FILMS, INC.**


By: _____

Name: James G. Gilbertson

Title: Chief Operating Officer of Curious Pictures, Inc.
Chief Operating Officer of Chelsea Pictures, Inc.
Chief Operating Officer of The End, Inc.
Chief Operating Officer of iNTELEFILM Corporation
Chief Operating Officer of DCODE, Inc.
Chief Operating Officer of Harmony Holdings, Inc.
Chief Operating Officer of Furious Pictures Corporation
Chief Operating Officer of Delirious Pictures Corporation
Chief Operating Officer of The Beginning Entertainment, Inc.
Chief Operating Officer of Unscented, Inc.
Chief Operating Officer of Gigantic Entertainment, Inc.
Chief Operating Officer of The Moment Films, Inc.

ACCEPTED and ACKNOWLEDGED by:

GENERAL ELECTRIC CAPITAL CORPORATION

By: 

Name: David Klages

Title: Duly Authorized Signatory

IN WITNESS WHEREOF, Grantor has caused this Intellectual Property Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

GRANTOR:

**CURIOUS PICTURES CORPORATION
CHELSEA PICTURES, INC.
THE END, INC.
INTELEFILM CORPORATION
DCODE, INC.
HARMONY HOLDINGS, INC.,
FURIOUS PICTURES CORPORATION
DELIRIOUS PICTURES CORPORATION
THE BEGINNING ENTERTAINMENT, INC.
UNSCENTED, INC.
GIGANTIC ENTERTAINMENT, INC.,
THE MOMENT FILMS, INC.**

By:  _____

Name: James G. Gilbertson

Title: Chief Operating Officer of Curious Pictures, Inc.
Chief Operating Officer of Chelsea Pictures, Inc.
Chief Operating Officer of The End, Inc.
Chief Operating Officer of iNTELEFILM Corporation
Chief Operating Officer of DCODE, Inc.
Chief Operating Officer of Harmony Holdings, Inc.
Chief Operating Officer of Furious Pictures Corporation
Chief Operating Officer of Delirious Pictures Corporation
Chief Operating Officer of The Beginning Entertainment, Inc.
Chief Operating Officer of Unscented, Inc.
Chief Operating Officer of Gigantic Entertainment, Inc.
Chief Operating Officer of The Moment Films, Inc.

ACCEPTED and ACKNOWLEDGED by:

GENERAL ELECTRIC CAPITAL CORPORATION

By: _____

Name: David Klages

Title: Duly Authorized Signatory

SCHEDULE I
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

I. PATENT REGISTRATIONS

<u>Patent</u>	<u>Reg. No.</u>	<u>Date</u>
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None.

II. PATENT APPLICATIONS

<u>Patent</u>	<u>Application No.</u>	<u>Date</u>
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None.

III. PATENT LICENSES

<u>Name of Agreement</u>	<u>Date of Agreement</u>	<u>Parties</u>
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None.

SCHEDULE II
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

I. TRADEMARK REGISTRATIONS

<u>Mark</u>	<u>Reg. No.</u>	<u>Date</u>
Harmony	1,944,823	1/2/96
Curious Pictures	2,218,495	1/19/99
Gigantic Pictures	2,176,506	7/28/98

II. TRADEMARK APPLICATIONS

<u>Mark</u>	<u>Application No.</u>	<u>Filing/Reg. Date</u>
Chelsea Pictures	75/788,010	6/27/00
iNTELEFILM	75/717,663	5/28/99
DCODE, Inc.	76/007,704	3/23/00
Wraparoni	75/743,668	7/6/99
Virtual Movie Studio	76/040,585	5/4/00
Drakkar Noir	None	Not registered
Curious Toys	None	Not registered
Mighty Curious sm	None	Not registered
Monsters of Grace	None	Not registered
RoboGolf	None	Not registered
Curious Bonz	75/565,849	10/6/98
The End	75/598,045	10/26/99
Beginning Entertainment	75/597,855	10/12/99
Furious Pictures	75,597,857	12/2/98
Delirious Pictures	75,598,049	12/2/98
Melody Films	75,598,046	12/2/98
Momentum Films	75/577,274	11/16/99
Unscented	75,818,444	10/11/99

III. TRADEMARK LICENSES

<u>Name of Agreement</u>	<u>Date of Agreement</u>	<u>Parties</u>
None.		

SCHEDULE III
to
INTELLECTUAL PROPERTY SECURITY AGREEMENT

I. COPYRIGHT REGISTRATIONS

<u>Copyright</u>	<u>Reg. No.</u>	<u>Date</u>
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None.

II. COPYRIGHT APPLICATIONS

<u>Copyright</u>	<u>Application No.</u>	<u>Date</u>
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None.

III. COPYRIGHT LICENSES

<u>Name of Agreement</u>	<u>Date of Agreement</u>	<u>Parties</u>
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None.