

Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings $\Rightarrow \Rightarrow \Rightarrow$	RECORDATION FORM COVER SHEET TRADEMARKS ONLY	U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office
To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.		
1. Name of conveying party(ies): Thomas, Mark L. <input checked="" type="checkbox"/> Individual(s) <input type="checkbox"/> Association <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input type="checkbox"/> Corporation-State <input type="checkbox"/> Other _____ Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	2. Name and address of receiving party(ies) Name: Robert Vaughn Internal Address: c/o Steven T. Lowe, Esq. Street Address: Suite 600 11400 Olympic Boulevard City: Los Angeles State: California Zip: 90064 <input checked="" type="checkbox"/> Individual(s) citizenship: United States <input type="checkbox"/> Association _____ <input type="checkbox"/> General Partnership _____ <input type="checkbox"/> Limited Partnership _____ <input type="checkbox"/> Corporation-State _____ <input type="checkbox"/> Other _____ <small>If assignee is not domiciled in the United States, a domestic representative designation is attached: <input type="checkbox"/> Yes <input type="checkbox"/> No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? <input type="checkbox"/> Yes <input type="checkbox"/> No</small>	
3. Nature of conveyance: <input checked="" type="checkbox"/> Assignment <input type="checkbox"/> Merger <input type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____ Execution Date: October 20, 2004	4. Application number(s) or registration number(s): A. Trademark Application No.(s) B. Trademark Registration No.(s) 1,879,853 Additional number(s) attached <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
5. Name and address of party to whom correspondence concerning document should be mailed: Name: Patricia A. Walker, Esq. Internal Address: Walker & Jocke _____ Street Address: 231 South Broadway _____ City: Medina State: Ohio Zip: 44256	6. Total number of applications and registrations involved: <input type="checkbox"/> _____ 7. Total fee (37 CFR 3.41).....\$ 40.00 <input type="checkbox"/> Enclosed <input checked="" type="checkbox"/> Authorized to be charged to deposit account 8. Deposit account number: 10-0637 <small>(Attach duplicate copy of this page if paying by deposit account)</small>	
DO NOT USE THIS SPACE		
9. Statement and signature. <i>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.</i> <u>Patricia A. Walker attorney for Mark L. Thomas</u> <u><i>P.A. Walker</i></u> <u>10/25/04</u> Name of Person Signing Signature Date <small>Total number of pages including cover sheet, attachments, and document: <input type="checkbox"/></small>		

CIH \$40.00 100637 1879853

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

10.20.2004A

**EXHIBIT A
ASSIGNMENT AND SECURITY AGREEMENT**

This Assignment and Security Agreement ("Assignment") is entered into this ___ day of October 2004 by and between Mark L. Thomas ("Seller") and Robert Vaughn ("Buyer") (jointly referred to as the "Parties" or individually referred to as the "Party"). For good and valuable consideration including the promises set forth herein the Parties agree as follows:

Part 1. Definitions

- (a) "Agreement" means the Trademark Transfer Agreement entered into between Seller and Buyer.
- (b) "Purchased Assets" means the following:
 - (1) United States Trademark Registration No. 1,879,853 for the mark FTW[®], any common law rights in the FTW mark and the associated goodwill;
 - (2) The domain name www.ftwenuine.com;
 - (3) The poster license relating to the FTW mark to the extent that it is still in effect, assignable and transferable.
- (c) "Trademark" means United States Trademark Registration No. 1,879,853 for the mark FTW[®], any common law rights in the FTW mark and the associated goodwill.

Part 2. Assignment of Trademark

Seller assigns to Buyer, Seller's right, title and interest in and for the United States and its territorial possessions, the Trademark, subject to the retention of rights by Seller as stated in Part 3 of this Assignment and in Section 3 of the Agreement. Buyer's rights including any and all rights of Buyer's successors, assigns and licensees to the Trademark are subject to the restrictions set forth in this Assignment and in the Agreement.

Part 3. Retention of Rights by Seller and Security Interest

- (a) Seller retains a fully paid, nonexclusive license to any and all rights currently in effect or eventually granted under the Trademark in accordance with the terms of Section 3 of the Agreement.
- (b) Seller retains all rights, title and interest to the claim under the Trademark against Third Rail U.S.A. Inc. or its associated entities, assigns or successors for actions prior to the execution of this Assignment in accordance with the Agreement, including without limitation Section 3 of the Agreement.
- (c) Seller currently owns merchandise that incorporates the FTW[®] mark and in the future may receive merchandise that incorporates the FTW[®] mark from Third Rail USA, Inc. or its associated entities, assigns or successors as compensation for the claim against Third Rail USA, Inc. ("FTW Merchandise"). Seller shall have all right, title and interest in the FTW Merchandise in accordance with the Agreement including without limitation Section 3 of the Agreement. Seller may dispose of the FTW Merchandise by any means, including the sale of the FTW Merchandise, as long as the sale is not via the Internet or the wholesale market.
- (d) Buyer grants to Seller, and Seller accepts a continuing general lien on and a security interest in, each and all of the Purchased Assets and any and all proceeds thereof. Seller will record in the U.S. Patent and Trademark Office Seller's security interest in the Trademark and will file a release of the security interest in the U.S. Patent and Trademark Office when Buyer has paid all amounts due pursuant to Section 2 of the Trademark Transfer Agreement as amended by the Second Amendment and the operating agreement mentioned in Section 2 of the Trademark Transfer Agreement as amended by the Second Amendment has been executed by all necessary entities or individuals.

Part 4. Maintenance

- (a) Buyer agrees to pay all renewal and declaration of use fees and take all other actions as may be reasonably necessary to maintain the Purchased Assets in force as required in the Agreement including without limitation Section 3 of the Agreement. If Buyer acts or refrains from acting in any manner which would cause the Purchased Assets to lapse or cease to have effect for any reason, Buyer shall give notice to Seller at least two (2) months before the Purchased Assets shall lapse or cease to have effect, and upon written request from Seller, Buyer shall immediately assign all right and title in the Purchased Assets to Seller. The obligations pursuant to this Part 4(a) of the Assignment shall be binding upon Buyer and its successors and assigns, as well as to each and every successor assignee of rights under the Purchased Assets.
- (b) In the event that: (i) Buyer or any successor thereto in title to the Purchased Assets gives Seller notice that the Purchased Assets will lapse or cease to have effect in accordance with Part 4(a) of this Assignment, and Buyer or any such successor does not assign the Purchased Assets to Seller within thirty (30) days of the giving of such notice; or (ii) if any of the Purchased Assets is about to lapse within fifteen (15) days or in Seller's reasonable judgment some action needs to be taken to keep such Purchased Assets in force; or (iii) if the Purchased Assets have lapsed, Buyer (as well as any successor or assign thereof) then holding title to such Purchased Assets) hereby grants to Seller a limited power of attorney to execute on behalf of Buyer (or any such successor or assign), an assignment or other documents that may be necessary to transfer title to the Purchased Assets to Seller. If a Purchased Asset has lapsed, Buyer (as well as any successor or assign thereof) last holding title to such Purchased Asset) will provide reasonable cooperation to Seller including signing such papers as may be necessary to revive the lapsed Purchased Asset or filing a new application for the Purchased Assets.

Part 5. Patent Infringement Claim

- (a) Seller retains all rights, title and interest to the claim under the Trademark against Third Rail USA, Inc. or its associated entities, assigns or successors for actions prior to the execution of this Assignment in accordance with the Agreement, including without limitation Section 3 of the Agreement.
- (b) In the event that Seller desires to present a claim against Third Rail USA, Inc. or its associated entities, assigns or successors as stated in Part 5(a) of this Assignment, Buyer (including any successor or assign thereof) will at Seller's option, and at its cost in the action (at Seller's expense), or assign title to the Trademark to Seller for the duration of the action or until the claim is otherwise

finally resolved. Buyer will not receive any portion of the compensation, proceeds or damages recovered by Seller from Third Rail USA, Inc. or its associated entities, assigns or successors.

(c) In the event that Seller requests that Buyer (or any successor or assign thereto) assign to Seller the Trademark for purposes of bringing a claim against Third Rail USA, Inc. or its associated entities, assigns or successors, and Buyer (or such successor or assign) fails to execute such assignment within thirty (30) days of Seller's written request, Buyer (as well as its successors and assigns) hereby grants to Seller a limited power of attorney to execute any such assignment or other documents as may be necessary to transfer title to the Trademark to Seller.

(d) In the event that the Trademark is assigned to Seller in accordance with Part 5 of this Assignment Buyer (or its successors and assigns) shall retain license rights to use the Trademark in the normal course of business for the duration of the action concerning the claim, and upon final disposition of such claim Seller shall reassign the Trademark to Buyer.

Part 6. Default

Any of the following are considered a default by Buyer ("Default") and upon any Default all rights, title and interest in the Purchased Assets shall be restored to Seller:

(a) Buyer does not timely perform any or all obligations in Sections 2, 8 and 9 of the Agreement, and/or

(b) Any representation or warranty made by Buyer in this Agreement proves to have been false or incorrect in any material respect when made.

Buyer (as well as its successors and assigns) hereby grants to Seller a limited power of attorney to execute any such assignment or other documents as may be necessary to transfer title to the Purchased Assets to Seller.

If a Default occurs or there is any other breach of the Agreement, Buyer shall turn over to Seller all molds, models, and silk screens used to produce any and all marketing, promotional materials, advertising, and products relating to, concerning, or describing the Purchased Assets.

Part 7. Acceleration of Maturity

In the event of a Default, Seller may without further notice or demand, declare the entire amount then unpaid immediately due and payable.

Part 8. Successors and Assigns

The provisions of this Assignment shall be binding upon the successors and assigns of Buyer as well as any licensees or transferees of any rights Buyer obtains to the Trademark under this Assignment, including without limitation any successor assignee of the Trademark. Buyer cannot transfer or assign the Trademark without Seller's prior written permission. Seller's permission shall not be unreasonably withheld. This provision is to ensure that Seller's five percent interest mentioned in Section 7 of the Trademark Transfer Agreement as amended by the Second Amendment is protected.

Part 9. Notices

Whenever any notice is required or permitted, such notice shall be in writing, shall be delivered in person or sent by registered or certified mail, return receipt requested, to the addresses set forth below or to such other addresses as are specified by written notice delivered to the other Party. Notice shall be deemed given upon receipt at the address given by the Party.

If to Seller: Mark L. Thomas
2620 West Fletcher Avenue
Chicago, Illinois 60618 USA

If to Buyer: Robert Vaughn
c/o Steven T. Lowe, Esq.
Suite 600
11400 Olympic Boulevard
Los Angeles, California 90064

Part 10. Construction and Jurisdiction

This Assignment shall be construed in accordance with and interpreted under the laws of the State of Ohio without regard to any conflicts of law principles or rules. The state and federal courts for Medina County, Ohio shall have exclusive jurisdiction over all disputes relating to, arising out of, or concerning this Assignment.

Part 11. Counterparts

This Assignment may be executed in several counterparts, each of which shall be deemed an original, together they shall constitute one and the same instrument. Facsimile copies of this Assignment and facsimile signatures shall be deemed an original.

Part 12. Entire Agreement and Modifications

All provisions of the Amendment, Agreement and Assignment remain in effect, except those specifically superceded by the Second Amendment. The Second Amendment, the remaining provisions of the Amendment, Agreement and Assignment, including the Exhibits, are the entire agreement of the Parties concerning this subject matter. In the event of any conflict, the terms of the Second Amendment shall be controlling. It shall not be deemed a conflict for the Amendment, Agreement and/or Assignment to contain additional terms that are not included in the Second Amendment. This may not be amended except by written instrument signed by both Parties.

Part 13. Waiver of Jury Trial

Upon Default a confession of judgment may be taken against Buyer.
Warning - BY SIGNING THIS PAPER YOU GIVE UP YOUR RIGHT TO NOTICE AND COURT TRIAL. IF YOU DO NOT PAY ON TIME A COURT JUDGMENT MAY BE TAKEN AGAINST YOU WITHOUT YOUR PRIOR KNOWLEDGE AND THE POWERS OF A COURT CAN BE USED TO COLLECT FROM YOU REGARDLESS OF ANY CLAIMS YOU MAY HAVE AGAINST THE CREDITOR WHETHER FOR RETURNED GOODS, FAULTY GOODS, FAILURE ON HIS PART TO COMPLY WITH THE AGREEMENT, OR ANY OTHER CAUSE.

IN WITNESS WHEREOF, the Parties hereto have executed and delivered this Assignment as of the date first written above.

BUYER

ROBERT VAUGHN

SELLER

MARK L. THOMAS