## 7513689

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## Electronic Version v1.1 Stylesheet Version v1.1

| SUBMISSION TYPE:      | NEW ASSIGNMENT    |
|-----------------------|-------------------|
| NATURE OF CONVEYANCE: | SECURITY INTEREST |

#### **CONVEYING PARTY DATA**

| Name                      | Formerly | Execution Date | Entity Type  |
|---------------------------|----------|----------------|--------------|
| PACIFIC CONNECTIONS, INC. |          | 06/23/2006     | CORPORATION: |

#### RECEIVING PARTY DATA

| Name:           | COMERICA BANK                  |
|-----------------|--------------------------------|
| Street Address: | 75 East Trimble Road, M/C 4770 |
| City:           | San Jose                       |
| State/Country:  | CALIFORNIA                     |
| Postal Code:    | 95131                          |
| Entity Type:    | Banking Corporation: MICHIGAN  |

#### PROPERTY NUMBERS Total: 36

| Property Type        | Number   | Word Mark            |
|----------------------|----------|----------------------|
| Serial Number:       | 75136897 | 20 WEST LA           |
| Registration Number: | 1857701  | BORSETTA             |
| Registration Number: | 1672605  | BREVE                |
| Registration Number: | 1799367  | CAPE STONE           |
| Registration Number: | 2451114  | CAREER READY         |
| Registration Number: | 1432955  | COLD WATER CANYON    |
| Registration Number: | 1430720  | COTTON LOOM          |
| Registration Number: | 2385757  | CROSS BODY           |
| Registration Number: | 1782684  | EARTHBOUND           |
| Registration Number: | 2550535  | EARTHSTORES.COM      |
| Registration Number: | 1857703  | EVERYDAY ESSENTIALS! |
| Registration Number: | 1411859  | INDIAN BANJA         |
| Registration Number: | 1898398  | INDIAN BANJA         |
| Registration Number: | 2743219  | JERNE FOR TRAVELERS  |
|                      |          | TRADEMARK            |

TRADEMARK

REEL: 003454 FRAME: 0113

| Serial Number:       | 78799284 | MARY TAYLOR                 |
|----------------------|----------|-----------------------------|
| Registration Number: | 1411858  | MOHAVE                      |
| Registration Number: | 2476234  | NO                          |
| Serial Number:       | 78809889 | PACIFIC APPAREL CONNECTIONS |
| Registration Number: | 1407708  | PACIFIC CONNECTIONS         |
| Registration Number: | 1736701  | PACIFIC CONNECTIONS         |
| Registration Number: | 2375644  | PACIFIC CONNECTIONS         |
| Serial Number:       | 78735648 | PACIFIC CRAFTS              |
| Serial Number:       | 76404053 | PACIFIC CREATIONS           |
| Serial Number:       | 78789336 | PAPERWORKS                  |
| Registration Number: | 1718146  | PARIS UNDERGROUND           |
| Registration Number: | 2197482  | PINE MOUNTAIN               |
| Registration Number: | 2364875  | PORCELAIN PLUS              |
| Serial Number:       | 78789326 | SCRAP PAPER SCISSORS        |
| Registration Number: | 2385758  | SIMPLY CAREER               |
| Serial Number:       | 78706371 | SPEED CHICK                 |
| Registration Number: | 1848600  | STONE LEATHER LIMITED       |
| Registration Number: | 2747913  | SURFA-FIX                   |
| Serial Number:       | 78814571 | TESS                        |
| Serial Number:       | 78789334 | WE INSPIRE. YOU CREATE!     |
| Serial Number:       | 78725322 | WET LIPS                    |
| Registration Number: | 1703295  | WHITE ORCHID                |

#### **CORRESPONDENCE DATA**

Fax Number: (650)833-2001

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 650-833-2247

Email: charlotte.fu@dlapiper.com

Correspondent Name: Charlotte X. Fu
Address Line 1: 2000 University Ave.

Address Line 4: East Palo Alto, CALIFORNIA 94303

| ATTORNEY DOCKET NUMBER: | 355281-13      |
|-------------------------|----------------|
| NAME OF SUBMITTER:      | Charlotte Fu   |
| Signature:              | /Charlotte Fu/ |
| Date:                   | 01/03/2007     |

Total Attachments: 8
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## INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (this "Agreement") is entered into as of June 23, 2006, by and between COMERICA BANK, as agent (in such capacity, "Agent") for the lenders ("Lenders") party to the Loan Agreement (as defined below), and PACIFIC CONNECTIONS, INC., a Delaware corporation f/k/a Pacific Connections of California, Inc. ("Grantor").

#### **RECITALS**

- Pursuant to the Loan and Security Agreement dated as of the date hereof (as hereinafter amended, modified, or restated, the "Loan Agreement"), by and among Grantor, PCI HOLDINGS, INC., BRAND CONNECTIONS, INC., JERNE, INC., BEST B.A.G.S. INC., PACIFIC CONNECTIONS OF CALIFORNIA CANADA INC., Agent and Lenders, Lenders have agreed to make certain advances of money and to extend certain financial accommodations to Grantor (the "Loans") in the amounts and manner set forth in the Loan Agreement. Capitalized terms used herein are used as defined in the Loan Agreement. Lenders are willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to Agent a security interest in certain Copyrights, Trademarks and Patents to secure the obligations of Grantor under the Loan Agreement.
- Pursuant to the terms of the Loan Agreement, Grantor has granted to Agent a security interest in all of Grantor's right, title and interest, whether presently existing or hereafter acquired, in, to and under all of the Collateral.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, as collateral security for the prompt and complete payment when due of its obligations under the Loan Agreement and all other agreements now existing or hereafter arising between Grantor and Agent, Grantor hereby represents, warrants, covenants and agrees as follows:

#### **AGREEMENT**

- To secure its obligations under the Loan Agreement and under any other agreement now existing or hereafter arising between Grantor and Agent, Grantor grants and pledges to Agent a security interest in all of Grantor's right, title and interest in, to and under its Intellectual Property Collateral (including without limitation those Copyrights, Patents and Trademarks listed on Schedules A, B and C hereto), and including without limitation all proceeds thereof (such as, by way of example but not by way of limitation, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all re-issues, divisions continuations, renewals, extensions and continuations-in-part thereof.
- This security interest is granted in conjunction with the security interest granted to Agent 2. under the Loan Agreement. The rights and remedies of Agent with respect to the security interest granted hereby are in addition to those set forth in the Loan Agreement and the other Loan Documents, and those which are now or hereafter available to Agent as a matter of law or equity. Each right, power and remedy of Agent provided for herein or in the Loan Agreement or any of the Loan Documents, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or remedy provided for herein and the exercise by Agent of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Loan Agreement or any of the other Loan Documents, or now or hereafter existing at law or in equity, shall not preclude the simultaneous or later exercise by any person, including Agent, of any or all other rights, powers or remedies.

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- 3. Grantor represents and warrants that Exhibits A, B, and C attached hereto set forth any and all intellectual property rights in connection to which Grantor has registered or filed an application with either the United States Patent and Trademark Office or the United States Copyright Office, as applicable.
- 4. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument.

[Remainder of Page Left Blank]

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IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

| "Grantor" | "Agent" |
|-----------|---------|
|-----------|---------|

PACIFIC CONNECTIONS, INC., a Delaware COMERICA BANK, as Agent corporation

By: By: Curt L. McCombs

Senior Vice President

Address of Grantor: Address of Agent:

3600 LaSalle Street 75 East Trimble Road, M/C 4770 Ontario, California 91761 San Jose, California 95131 Attn: President Attn: Manager

LOSA1\163770 IP SECURITY AGREEMENT

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

| "Grantor"                                         | "Agent"                                    |
|---------------------------------------------------|--------------------------------------------|
| PACIFIC CONNECTIONS, INC., a Delaware corporation | COMERICA BANK, as Agent                    |
| By:<br>Martin Terzian<br>President                | By:  Curt L. McCombs Senior Vice President |

Address of Grantor:

3600 LaSalle Street Ontario, California 91761

Attn: President

Address of Agent:

75 East Trimble Road, M/C 4770 San Jose, California 95131

Attn: Manager

IP SECURITY AGREEMENT

## EXHIBIT A

## Copyrights

| <u>Description</u>                            | Registration<br><u>Number</u> | Registration Date |
|-----------------------------------------------|-------------------------------|-------------------|
| Porcelain Plus Appliance Repair Kit           | VA u 401-988                  | 7/16/1997         |
| Porcelain Plus Bathtub & Sink Repair Kit      | VA u 401-989                  | 7/16/1997         |
| Porcelain Plus Hobbies & Crafts EZ Repair Kit | VA u 401-986                  | 7/16/1997         |
| Porcelain Plus Marble & Tile Repair Kit       | VA u 401-987                  | 7/16/1997         |

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#### EXHIBIT B

#### **Patents**

Description Patent Application
No./Issued Patent No.

Date

Combined carrying device and separable mini-carrying device

Date

Date

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## EXHIBIT C

## **Trademarks**

| <u>Description</u>          | Registration/<br>Application Number | Registration/<br>Application Date |
|-----------------------------|-------------------------------------|-----------------------------------|
| 20 West LA                  | 75-136897                           | 7/19/1996                         |
| Borsetta                    | 1857701                             | 10/11/1994                        |
| Breve                       | 1672605                             | 1/21/1992                         |
| Cape Stone                  | 1799367                             | 10/19/1993                        |
| Career Ready                | 2451114                             | 5/15/2001                         |
| Cold Water Canyon           | 1432955                             | 3/17/1987                         |
| Cotton Loom                 | 1430720                             | 2/24/1987                         |
| Cross Body                  | 2385757                             | 9/12/2000                         |
| Earthbound                  | 1782684                             | 7/20/1993                         |
| Earthstores.com             | 2550535                             | 3/19/2002                         |
| Everyday Essentials!        | 1857703                             | 10/11/1994                        |
| Indian Banja                | 1411859                             | 9/30/1986                         |
| Indian Banja                | 1898398                             | 6/6/1995                          |
| Jerne                       | 776704                              | 1/31/2003                         |
| Jerne For Travelers         | 2743219                             | 7/29/2003                         |
| Mary Taylor                 | 78799284                            | 1/25/2006                         |
| Mohave                      | 1411858                             | 9/30/1986                         |
| No                          | 2476234                             | 8/7/2001                          |
| Pacific Apparel Connections | 78809889                            | 2/8/2006                          |
| Pacific Connections         | 1407708                             | 9/2/1986                          |
| Pacific Connections         | 1736701                             | 12/1/1992                         |
| Pacific Connections         | 2375644                             | 8/8/2000                          |
| Pacific Crafts              | 78735648                            | 10/18/2005                        |
| Pacific Creations           | 76404053                            | 5/6/2002                          |
| Paperworks                  | 78789336                            | 1/11/2006                         |
| Paris Underground           | 1718146                             | 9/22/1992                         |
| Pine Mountain               | 2197482                             | 10/20/1998                        |
| Porcelain Plus              | 2364875                             | 7/4/2000                          |
| Scrap Paper Scissors        | 78789326                            | 1/11/2006                         |
| Simply Career               | 2385758                             | 9/12/2000                         |
| Speed Chick                 | 78706371                            | 9/2/2005                          |

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| Stone Leather Limited   | 1848600  | 8/9/1994  |
|-------------------------|----------|-----------|
| Surfa-Fix               | 2747913  | 8/5/2003  |
| Tess                    | 78814571 | 2/14/2006 |
| We Inspire. You Create! | 78789334 | 1/11/2006 |
| Wet Lips                | 78725322 | 10/3/2005 |
| White Orchid            | 1703295  | 7/28/1992 |
|                         |          |           |

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**RECORDED: 01/03/2007**