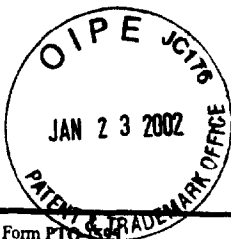


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To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Colleen L. Cox

1-23-02

2. Name and address of receiving party(ies)

Name: Mango Designs, LLC

Internal Address: _____

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

3. Nature of conveyance:

☐ Assignment☐ Merger☐ Security Agreement☐ Change of Name☒ Other

Exclusive License

Street Address: 12254 Tepa WayCity: Los Altos Hills State: CA Zip: 94022Execution Date: January 9, 2002Additional name(s) & address(es) attached? ☐ Yes ☒ No

4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the application is: _____

A. Patent Application No.(s)

B. Patent No.(s) 5,071,385Additional numbers attached? ☐ Yes ☒ No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Lonnie Finkel, Esq.Internal Address: Buchalter, NemerFields & Younger333 Market Street

Street Address: _____

29th FloorCity: San Francisco State: CA Zip: 941056. Total number of applications and patents involved: ☐ 17. Total fee (37 CFR 3.41).....\$ 40.00☒ Enclosed☐ Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

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9. 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.
Lonnie Finkel, Esq.

Name of Person Signing

Signature

01-22-02

Date

Total number of pages including cover sheet, attachments, and documents: ☐ 1

Mail documents to be recorded with required cover sheet information to:

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August 2001

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PATENT
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**EXCLUSIVE
LICENSE AGREEMENT**

This EXCLUSIVE LICENSE AGREEMENT (the "***License Agreement***"), effective as of the date set forth above the signatures of the parties below (the "***Effective Date***"), is entered into by and between COLLEEN L. COX, an individual (the "***Licensor***"), with her primary residence located at 1740 Elcadore Street, Anchorage, Alaska, and MANGO DESIGNS, LLC, a California limited liability company (the "***Licensee***") with its principal place of business located at 12254 Tapa Way, Los Altos Hills, California.

WHEREAS, Licensor owns United States Patent No. 5,071,385 (the "***Patent***") and has the sole right to grant licenses thereunder; and

WHEREAS, Licensee desires to obtain from Licensor an exclusive license under the Patent in accordance with the terms and conditions set forth in this License Agreement;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants, terms and conditions set forth herein, the parties agree as follows:

1. Grant of Rights.

1.1 **Grant.** Licensor hereby grants to Licensee the exclusive license to make, have made, use, offer for sale, sell, lease, import and sublicense throughout the United States, its territories and possessions, and foreign countries, plush toys that incorporate the inventions covered by the Patent, and any reissuance, extension or modification of thereof.

1.2 **Exclusivity.** In order to establish an exclusive period for the Licensee, the Licensor agrees that it shall not grant any other license to make, have made, use, offer for sale, sell, lease, import or sublicense throughout the United States, its territories and possessions, or foreign countries, plush toys that incorporate the inventions covered by the Patent, and any reissuance, extension or modification of the Patent, during the period of time commencing on the Effective Date and terminating on the date the Patent expires or terminates (the "***Exclusive Period***").

1.3 **Sublicenses.** Licensee shall have the right to grant sublicenses of its rights under Section 1.1 only during the Exclusive Period and with the prior written consent of Licensor, which shall not be unreasonably withheld. Such sublicenses may extend past the expiration date of the Exclusive Period, but any exclusivity of such sublicenses shall expire upon the expiration of the Exclusive Period. Licensee shall incorporate terms and conditions into its sublicense agreements sufficient to enable Licensee to comply with this License Agreement. Upon termination of this License Agreement for any reason, any sub-licensee not then in default shall have the right to seek a license from the Licensor. Licensor agrees to negotiate such licenses in good faith under reasonable terms and conditions.

1.4 **Future Improvements.** In the event Licensor makes improvements to the Patent, Licensor shall provide Licensee with written notice of same, and Licensee shall have the right, regardless of whether Licensor secures a patent on such improvements, to make, have made, use, offer for sale, sell, lease, import and sublicense such improvements. For the purpose of this License

Agreement, the term "**Improvement**" shall mean any change that comes within the scope of one or more claims of the Patent. Only one royalty per plush toy unit shall be due, regardless of the number of patents involved in a licensed unit. Licensee shall be entitled to take out patents on its own inventions, and such patents shall be the exclusive property of Licensee.

1.5 **Marking Products.** To the extent commercially feasible and consistent with prevailing business practices, Licensee shall mark, and cause all of its sub-licensees to mark, all of the plush toys that are manufactured and sold under this License Agreement, and all sublicense agreements, with the number of the Patent.

1.6 **Best Efforts.** Licensee shall use its best efforts to (a) develop and exploit the Patent, (b) introduce the Patent into the commercial market place and (c) make plush toys that incorporate one or more of the claims set forth in the Patent available to the public. In the event Licensee fails, within 24 months of the Effective Date, to make or cause to be made plush toys that embody one or more of the claims set forth in the Patent, then Licensor may terminate this License Agreement in accordance with Section 9.5(b).

1.7 **Validity of Patent.** So long as this License Agreement remains in effect, Licensee shall not contest, nor assist a third party in contesting, the validity of the Patent. Upon expiration or termination of this License Agreement, Licensee may contest the validity and enforceability of the Patent.

2. **Royalties and Payment Terms.**

2.1 **Payment of Royalties.** Licensee shall pay to Licensor a royalty of three percent (3.0%) of the net purchase price Licensee pays manufacturer for finished goods F.O.B. factory on all plush toys sold by Licensee under this License Agreement and all plush toys sold by sub-licensees under sublicense agreements. For the purpose of reporting and paying royalties under this License Agreement, each plush toy shall be deemed sold when billed or shipped, whichever occurs first.

2.2 **No Multiple Royalties.** Only one royalty shall be paid to the Licensor for each plush toy sold under this License Agreement and any sublicense agreement, whether or not the plush toy is covered by more than one claim of the Patent.

2.3 **Method of Payment.** All payments made under this License Agreement shall be made payable to "Colleen L. Cox" and sent to the address identified in Section 11.1 and shall be submitted with the quarterly reports required by Section 3 below. Each payment shall reference this License Agreement or the sublicense agreement under which the payment obligation arises. All payments due under this License Agreement shall be drawn on a United States bank and shall be payable in United States dollars. Conversion of foreign currency to United States dollars shall be made at the conversion rate existing in the United States (as reported in the Wall Street Journal) on the last working day of the applicable calendar quarter. Any payments by Licensee that are not paid on or before the date such payments are due under this License Agreement shall bear interest, to the extent permitted by law, at two (2) percentage points above the Prime Rate of interest as reported in the Wall Street Journal on the date payment is due. If such interest rate exceeds the interest rate that may be charged in a particular jurisdiction, the interest rate shall be reduced to the rate legally allowed in such jurisdiction.

2.4 **Payment If Patent Claim Invalid.** If any Patent claim is held to be invalid or unenforceable by a Court of competent jurisdiction, the construction given to such claim by the court shall be followed from the date of entry of the court's order, and all royalties payable thereafter shall be paid in accordance with the court's order until such order is modified or reversed. Upon entry of a court order finding a claim invalid or unenforceable, the Licensee shall be relieved of its obligation to pay royalties and submit reports on plush toys purchased under and covered only by such claim unless and until the court order nullifying such claim is modified or reversed.

3. **Reports and Records.** For the purpose of computing the royalties referred to in Section 2, the calendar year shall be divided into quarters; the first beginning January 1, the second beginning April 1, the third beginning July 1 and the fourth beginning October 1. Within 90 days after the end of each quarter, Licensee shall submit a report to Licensor that sets forth (a) the number of plush toys purchased under this License Agreement and all sublicense agreements during the preceding quarter, and (b) the net purchase price for such plush toys. By way of example, Licensee shall submit a report for the first calendar quarter of each year no later than June 30 of that year. Licensee shall maintain, and shall cause its sub-licensees to maintain, complete and accurate records relating to the rights and obligations under this License Agreement and all sublicense agreements, and any amounts payable to Licensor under this License Agreement and all sublicense agreements. Licensor or its representatives shall have the right to examine Licensee's books and records during business hours, and with reasonable notice, to the extent and insofar such examination is necessary to verify the accuracy of the reports and payments made under the License Agreement and all sublicense agreements.

4. **Patent Prosecution.**

4.1 **Responsibility for Patent.** Licensor shall prepare, file, prosecute and maintain the Patent and all reissuances, extensions or modifications thereof.

4.2 **Payment of Expenses.** Payment of all fees and costs, including attorneys fees, relating to the filing, prosecution and maintenance of the Patent, and all reissuances, extensions and modifications thereof, shall be the responsibility of the Licensor.

4.3 **Failure to Maintain Patent.** If Licensor fails to pay all fees and costs associated with maintaining the Patent, and all reissuances, extensions or modifications thereto, Licensee may pay all such fees and costs and offset those fees and costs against any payments due Licensor under Section 2.

5. **Infringement.**

5.1 **Notice of Infringement and Rights to Prosecute.** Each party agrees to provide written notice to the other party promptly after becoming aware of any infringement of the Patent. So long as Licensee remains the exclusive licensee of the Patent, Licensee, to the extent permitted by law, shall have the right, under its control and at its own expense, to prosecute any third party infringement of the Patent. Any and all recoveries from such suits or settlements shall belong to Licensee. Licensor shall permit any action under this Section to be brought in its name, including being joined as a party-plaintiff. In the event Licensee is unsuccessful in persuading the alleged infringer to cease the infringement or fails to initiate an infringement action within a reasonable time after Licensee first becomes aware of the basis for such action, Licensor shall have the right to prosecute such infringement under its control and at its sole expense, and any recovery obtained shall

belong to Licensor; provided that Licensor first gives Licensee 60 days prior written notice of its intention to initiate such prosecution.

5.2 **Cooperation.** Each party agrees to cooperate in any action brought under this Section which is controlled by the other party, provided that the controlling party reimburses the cooperating party promptly for any costs and expenses incurred by the cooperating party in connection with providing such assistance.

5.3 **Right to Sublicense.** So long as Licensee remains the exclusive licensee of the Patent, Licensee shall have the sole right to sublicense any alleged infringer for the future use of the Patent in accordance with the terms and conditions of this License Agreement relating to sublicenses. All revenues generated from such sublicenses shall be treated as set forth in Section 2.

6. **Indemnification.**

6.1 **Indemnity.** Licensor shall indemnify, defend and hold harmless Licensee and sublicensees, their directors, officers, employees, agents, and respective successors, heirs and assigns (the "**Indemnitees**"), against any liability, damage, loss or expense, including reasonable attorneys fees and expenses, incurred by or imposed upon any of the Indemnitees in connection with any claims, suits, actions, demands or judgments arising out of an action alleging infringement of the Patent or misappropriation of trade secrets due to any plush toy made, used, offered for sale, sold, leased, imported or sublicensed pursuant to any right or license granted under this License Agreement. In the event an Indemnitee is found to have committed patent misuse, Licensor shall have no obligation to indemnify such Indemnitee.

6.2 **Procedures.** The Indemnitees agree to provide Licensor with prompt notice of any claim, suit, action, demand or judgment for which indemnification is sought under this License Agreement. Licensor agrees, at its own expense, to provide an attorney reasonably acceptable to Indemnitee to defend Indemnitee against any such claim. Indemnitees shall cooperate fully with Licensor in such defense and will permit Licensor to conduct and control such defense and the disposition of such claim, suit or action; provided however, that any Indemnitee shall have the right to retain its own counsel, at the expense of Licensor, if representation of such Indemnitee by counsel retained by Licensor creates an actual or potential conflict of interest between the Indemnitee and any other party. Licensor agrees to keep Indemnitee and Licensee informed of the progress in the defense and disposition of such claim and consult Indemnitee with regard to any proposed settlement.

7. **Warranties and Disclaimer.** Licensor represents and warrants that (a) it is the sole owner of the Patent, (b) such Patent is valid and enforceable, and (c) Licensor has the full right and power to grant the licenses and immunities set forth herein. Licensor makes no other representations or warranties, express or implied.

8. **Assignment.** This License Agreement shall be binding upon and inure to the benefit of the Licensor and Licensee and their respective legal representatives, successors, executors, administrators, heirs and permitted assigns. Neither the License Agreement nor any of the rights and powers set forth herein may be assigned, in whole or in part, by either party without the prior written consent of the other party.

9. **Term and Termination.**

9.1 **Term.** This License Agreement shall become effective on the Effective Date, and unless sooner terminated as provided herein, shall remain in full force and effect for the full life of the Patent and any reissuances or extensions thereto.

9.2 **Voluntary Termination by Licensee.** The Licensee shall have the right to terminate this Agreement, for any reason (a) upon at least six months prior written notice to Licensor, and such notice shall state the date six months in the future when termination will become effective, and (b) upon payment of all amounts due to Licensor through the date of termination.

9.3 **Termination Due to Cessation of Licensee's Business.** If Licensee ceases to carry on its business related to this License Agreement, Licensor shall have the right to terminate this Agreement immediately upon written notice to Licensee.

9.4 **Termination Due to Licensor's Bankruptcy.** In the event Licensor voluntarily or involuntarily enters a bankruptcy proceeding, Licensee shall possess an exclusive license to make, have made, use, offer for sale, sell, lease, import and sublicense throughout the United States, its territories and possessions, and foreign countries, plush toys that incorporate the inventions covered by the Patent, and any reissuance, extension or modification of thereof, on the same terms set forth herein.

9.5 **Termination for Default.**

(a) **Nonpayment.** In the event Licensee fails to pay any amounts due and payable to Licensor hereunder, and fails to make such payments within 30 days after receiving written notice of such failure, Licensor may terminate this License Agreement immediately upon written notice to Licensee.

(b) **Material Breach.** In the event Licensee commits a material breach of its obligations under this License Agreement, except for a breach described in Section 9.5(a), and fails to cure such breach within 60 days after receiving written notice thereof, Licensor may terminate this Agreement immediately upon written notice to Licensee.

9.6 **Effect of Termination.**

(a) **Survival.** The following provisions shall survive the expiration or termination of this License Agreement: Sections 6, 7, 9.4, 9.6, 10 and 11.

(b) **Inventory.** Upon early termination of this License Agreement, Licensee and any of sub-licensees may complete and sell any work-in-progress and inventory that exists as of the effective date of termination, provided that (i) Licensee pays Licensor the applicable royalties due on such sales in accordance with the terms and conditions of this License Agreement, and (ii) Licensee and sub-licensees shall complete and sell all work-in-progress and inventory within six months after the effective date of termination.

10. **Dispute Resolution.**

10.1 **Mandatory Dispute Resolution.** The parties agree that any dispute arising out of this License Agreement shall be resolved solely by means of the procedures set forth in this Section, and that such procedures constitute legally binding obligations that are an essential provision of this

Agreement. If either party fails to observe the procedures of this Section, the other party may bring an action for specific performance of these procedures in any court of competent jurisdiction.

10.2 Equitable Remedies. Although the procedures specified in this Section are the sole and exclusive procedures for the resolution of disputes arising out of or relating to this License Agreement, either party may seek a preliminary injunction or other provisional equitable relief if, in its reasonable judgment, such action is necessary to avoid irreparable harm to itself or to preserve its rights under this License Agreement.

10.3 Arbitration. The parties agree that any dispute regarding the rights and obligations of any party under this License Agreement shall be resolved by arbitration pursuant to this Section 10. If, within 10 days after any party's written notice to the other of its desire to arbitrate a dispute or controversy, the parties do not resolve such dispute or controversy in good faith, the parties shall submit the matter to mandatory and binding arbitration with the American Arbitration Association (the "AAA"). The issue(s) in dispute shall be settled by a single arbitrator in San Francisco, California in accordance with the then standard prevailing commercial rules of the AAA as modified or supplemented by this Section 10. Promptly following receipt of the request for arbitration, AAA shall convene the parties in person or by telephone to attempt to select the arbitrator by agreement of the parties. If agreement is not reached, then within 15 days of such failure to reach agreement AAA shall submit to the parties a list of not less than three candidates. Such list shall include a brief statement of each candidate's qualifications. Each party shall number the candidates in order of preference, shall note any objection he or it may have to any candidate, and shall deliver the list so marked back to AAA. Any party failing without good cause to return the candidate list so marked within 10 days after receipt shall be deemed to have assented to all candidates listed thereon. AAA shall designate the arbitrator willing to serve for whom the parties collectively have indicated the highest preference and who does not appear to have a conflict of interest. If a tie should result between two candidates, AAA may designate either candidate. The only issue(s) to be determined by the arbitrator will be those specifically submitted to the arbitrator by the parties. The arbitrator will not extend, modify or suspend any of the terms of this License Agreement. Judgment upon any award rendered by the arbitrator may be entered by any court having jurisdiction thereof or having jurisdiction over the parties or their assets. Notwithstanding the foregoing, the parties may apply to any court of competent jurisdiction for an ex parte temporary restraining order, preliminary injunction, or other interim or conservatory relief, as necessary, without breach of this Section 10 and without any abridgment of the powers of the arbitrators.

10.4 Procedures. Except as provided herein, neither party shall have the rights to take depositions or obtain discovery of documents or other information which is relevant to the subject matter of any arbitration which is required under Section 10.3 of this License Agreement. After the appointment of the arbitrator, the parties shall agree on (a) a reasonable number of and schedule for depositions which the parties may take and (b) a reasonable scope and schedule for the production of documents or other information which is relevant to the subject matter of the arbitration. If the parties cannot reach agreement on the number of depositions, the scope of production of documents or other information and the schedule therefor, the arbitrator shall make such determinations(s). All discovery shall be completed no later than 30 days prior to the arbitration hearing. The arbitrator shall have the power to enforce any discovery agreed upon by the parties or otherwise required to be taken pursuant to this section by imposing the same terms, conditions, sanctions and penalties as can be or may be imposed in like circumstances in a civil action by the California Superior Court. No later than 30 days prior to the arbitration hearing, each party shall produce to the other party and

to the arbitrator the lists of the witnesses, documents and other information which such party intends to use at the arbitration hearing.

10.5 Performance to Continue. Each party shall continue to perform its undisputed obligations under this License Agreement pending final resolution of any dispute arising out of or relating to this License Agreement; provided however, that a party may suspend performance of its undisputed obligations during any period in which the other party fails or refuses to perform its undisputed obligations. Nothing in this Section is intended to relieve Licensee from the obligation to make undisputed payments under Section 2 of this License Agreement.

11. Miscellaneous.

11.1 Notice. Any notices required or permitted under this License Agreement shall be in writing, shall specifically refer to this License Agreement and shall be sent by hand, recognized national overnight courier, confirmed facsimile transmission, confirmed electronic mail, or registered or certified mail, postage prepaid, return receipt requested, to the following addresses or facsimile numbers of the parties:

If to Licensors: Colleen L. Cox
c/o WCS
1/4 Mile Hightower Road
Girdwood, AK 99587
Telephone: (907) 346-3424
Facsimile: (907) 783-2067

If to Licensee: Mango Designs, LLC
12254 Tepa Way
Los Altos, CA 94022
Attn: Sharon Duncan
Telephone: (650) 941-3009
Facsimile: (650) 917-8733

All notices under this License Agreement shall be deemed effective upon receipt. A party may change its contact information immediately upon written notice to the other party in the manner provided in this Section.

11.2 Right of First Refusal to Purchase Patent. In the event Licensors receive a bona fide offer from a third party to purchase the Patent, and Licensee desires to purchase said Patent, then Licensors shall grant Licensee the first right to purchase the Patent provided that Licensee's offer meets or exceeds the terms of an offer submitted to Licensors by such bona fide third party.

11.3 Governing Law. This License Agreement and all disputes arising out of or related to this License Agreement, or the performance, enforcement, breach of termination hereof, and any remedies relating thereto, shall be construed, governed, interpreted and applied in accordance with the laws of the State of California, without regard to its conflict of law principles.

11.4 Amendment and Waiver. This License Agreement may be amended, supplemented or otherwise modified only by means of a written instrument signed by both parties. Any waiver of any rights or failure to act in a specific instance shall relate only to such instance and shall not be

construed as an agreement to waive any rights or fail to act in any other instances, whether or not similar.

11.5 Bankruptcy Code Section 365(n). Licensors and Licensees acknowledge and agree that this Agreement is and shall be subject to Section 365(n) of the United States Bankruptcy Code and that Licensee shall be entitled to all rights and benefits thereunder in accordance with the terms and conditions of this License Agreement.

11.6 Counterparts. This License Agreement and any amendments, waivers, consents or supplements hereto may be executed in any number of counterparts, and by different parties in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute one and the same agreement. Each such agreement shall become effective upon the execution of a counterpart hereof or thereof by each of the parties hereto.

11.7 Severability. In the event any provision of this License Agreement shall be held invalid or unenforceable for any reason, such invalidity or lack of enforceability shall not affect any other provision of this License Agreement, and the parties shall negotiate in good faith to modify the License Agreement to preserve (to the extent possible) their original intent. If the parties fail to reach a modified agreement within 30 days after the relevant provision is held invalid or unenforceable, then the dispute shall be resolved in accordance with the procedures set forth in Section 10. While the dispute is pending, the License Agreement shall be construed as if such provision were deleted by agreement of the parties.

10.8 Entire Agreement. This License Agreement sets forth the entire agreement and understanding of the parties relating to the subject matter contained herein and supersedes all prior agreements or understandings between the parties relating to its subject matter.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives.

Dated: January 8, 2002.

LICENSOR

By: Coleen L. Coy

Its: President

LICENSEE

By: _____

Its: _____

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives.

Dated: January 9, 2002.

LICENSOR

By: _____

Its: _____

LICENSEE

By: Sharon Orr

Its: Managing Member