

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:

NEW ASSIGNMENT

NATURE OF CONVEYANCE:

SECURITY AGREEMENT

CONVEYING PARTY DATA

Name	Execution Date
VKGS LLC	01/28/2005

RECEIVING PARTY DATA

Name:	Nogales Investors VK Holdings, Inc., as Agent
Street Address:	9229 West Sunset Blvd.
Internal Address:	Suite 900
City:	Los Angeles
State/Country:	CALIFORNIA
Postal Code:	90069

PROPERTY NUMBERS Total: 2

Property Type	Number
Patent Number:	6168155
Application Number:	60615149

CORRESPONDENCE DATA

Fax Number: (714)755-8290

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

Email: ipdocket@lw.com

Correspondent Name: Latham & Watkins LLP

Address Line 1: 650 Town Center Drive

Address Line 2: Suite 2000

Address Line 4: Costa Mesa, CALIFORNIA 92626

NAME OF SUBMITTER:

Rhonda DeLeon

Total Attachments: 5

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PATENT

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REEL: 015886 FRAME: 0674

OP \$80.00 6168155

PATENT MORTGAGE

THIS PATENT MORTGAGE (this "Mortgage"), made as of the 28th day of January, 2005, is by and between VKGS LLC, a Delaware limited liability company ("Grantor"), and Nogales Investors VK Holdings, Inc., a Delaware corporation ("Agent"), as agent for the Investors (as defined below).

W I T N E S S E T H

WHEREAS, pursuant to that certain Amended and Restated Note Purchase Agreement of even date herewith among Grantor, the Agent, BK Entertainment, Inc., Agent and Nogales Investors Fund I, LP, the lenders from time to time party thereto ("Lenders") and Agent, as a lender and as agent for the Lenders (as the same may hereafter be amended, supplemented or otherwise modified from time to time, the "Loan Agreement"), Agent and the Lenders have agreed to make certain loans to Grantor, and to extend certain other financial accommodations to or for the benefit of Grantor;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Agent, on behalf of itself and the Lenders, agree as follows:

1. Incorporation of Loan Agreement; Loan Agreement Definitions. The Loan Agreement and the provisions thereof are hereby incorporated herein in their entirety by this reference thereto. Capitalized terms used but not defined herein shall have the respective meanings given thereto in the Loan Agreement.
2. Grant and Reaffirmation of Grant of Security Interest. To secure the complete and timely payment and satisfaction of the Obligations, Grantor hereby grants to Agent, on behalf of itself and the Lenders, and hereby reaffirms its prior grant pursuant to the Loan Agreement of, a continuing security interest in Grantor's entire right, title and interest in and to all of its now owned or existing and hereafter acquired or arising patents and patent applications, including, without limitation, the inventions and improvements described and claimed therein, all patentable inventions and those patents and patent applications listed on Schedule A attached hereto and made a part hereof, and the reissues, divisions, continuations, renewals, extensions and continuations-in-part of any of the foregoing, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing and all other rights of any kind whatsoever of Debtor pertaining thereto (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Patents").
3. New Patents. Grantor represents and warrants that the Patents listed on Schedule A constitute all of the federally registered Patents now owned by Grantor. If,

before the Obligations shall have been satisfied in full and the Loan Agreement has been terminated, Grantor shall obtain any new federally registered Patents, Grantor shall give Agent prompt written notice thereof. Grantor hereby agrees that, upon Agent's written request, Grantor will execute and deliver to Agent one or more supplements to this Mortgage, each in form and content substantially similar to this Mortgage, in respect of any and all new federally registered Patents owned by Grantor.

4. Term. The term of the security interests granted herein shall extend until the Obligations have been paid in full and the Loan Agreement has been terminated in accordance with its terms.

5. Effect on Other Agreements; Cumulative Remedies. At any time an Event of Default exists or has occurred and is continuing, Agent shall have all rights and remedies provided in this Mortgage, the other Loan Documents, the Uniform Commercial Code and other applicable law, all of which rights and remedies may be exercised without notice to or consent by Grantor, except as such notice or consent is expressly provided for hereunder or in the Loan Agreement or as required by applicable law. Grantor acknowledges and agrees that this Mortgage is not intended to limit or restrict in any way the rights and remedies of Agent and the Lenders under the Loan Agreement but rather is intended to supplement and facilitate the exercise of such rights and remedies. All of the rights and remedies of Agent with respect to the Patents, whether established hereby, by the Loan Agreement, by any other agreements, or by law, shall be cumulative and may be exercised singularly or concurrently.

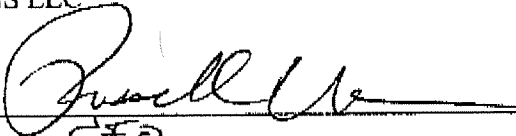
6. Binding Effect; Benefits. This Mortgage shall be binding upon Grantor and its successors and assigns, and shall inure to the benefit of Agent and Lenders and their successors and assigns.

7. APPLICABLE LAW; SEVERABILITY. THIS MORTGAGE SHALL BE CONSTRUED IN ALL RESPECTS IN ACCORDANCE WITH, AND GOVERNED BY, ALL OF THE PROVISIONS OF THE DELAWARE UNIFORM COMMERCIAL CODE AND BY THE INTERNAL LAWS (AS OPPOSED TO CONFLICT OF LAWS PROVISIONS) OF THE STATE OF NEW YORK. WHENEVER POSSIBLE, EACH PROVISION OF THIS MORTGAGE SHALL BE INTERPRETED IN SUCH A MANNER AS TO BE EFFECTIVE AND VALID UNDER APPLICABLE LAW, BUT IF ANY PROVISION OF THIS MORTGAGE SHALL BE PROHIBITED BY OR INVALID UNDER APPLICABLE LAW, SUCH PROVISION SHALL BE INEFFECTIVE ONLY TO THE EXTENT OF SUCH PROHIBITION OR INVALIDITY, WITHOUT INVALIDATING THE REMAINDER OF SUCH PROVISIONS OR THE REMAINING PROVISIONS OF THIS MORTGAGE.

IN WITNESS WHEREOF, the parties hereto have duly executed this
Mortgage as of the date first above written.

VKGS LLC

By
Its


CFO

Accepted and Agreed to as of the date first written above:

NOGALES INVESTORS VK HOLDINGS, INC., as Agent

By _____
Its _____

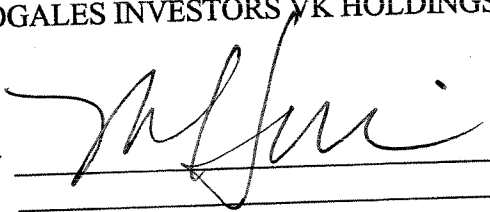
IN WITNESS WHEREOF, the parties hereto have duly executed this Mortgage as of the date first above written.

VKGS, LLC

By _____
Its _____

Accepted and Agreed to as of the date first written above:

NOGALES INVESTORS VK HOLDINGS, INC., as Agent

By 
Its _____

SCHEDULE A

PATENTS

Patent Description	U.S. Patent No.	Issue Date
RANDOM SELECTION GAME DEVICE	6,168,155	01/02/2001

PATENT APPLICATIONS

Patent Application Description	U.S. Patent Application No.	Date Applied
HORSE POWER RACING GAME INVENTION	60/615,149	10/01/2004