

PATENT ASSIGNMENT

Electronic Version v1.1

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SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY AGREEMENT
CONVEYING PARTY DATA	
Name	Execution Date
PACIFIC CONNECTIONS, INC.	06/23/2006
RECEIVING PARTY DATA	
Name:	COMERICA BANK
Street Address:	75 East Trimble Road, M/C 4770
City:	San Jose
State/Country:	CALIFORNIA
Postal Code:	95131
PROPERTY NUMBERS Total: 1	
Property Type	Number
Patent Number:	D386613
CORRESPONDENCE DATA	
Fax Number:	(650)833-2001
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
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 95131
ATTORNEY DOCKET NUMBER:	355281-13
NAME OF SUBMITTER:	Charlotte Fu
Total Attachments: 8 source=pacific_#page1.tif source=pacific_#page2.tif source=pacific_#page3.tif source=pacific_#page4.tif source=pacific_#page5.tif	

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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

A. 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., JERNÉ, 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.

B. 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

1. 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.

2. This security interest is granted in conjunction with the security interest granted to Agent 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.

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.

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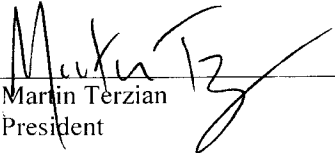
IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

"Grantor"

"Agent"

PACIFIC CONNECTIONS, INC., a Delaware corporation

COMERICA BANK, as Agent

By: 
Martin Terzian
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

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"Grantor"

PACIFIC CONNECTIONS, INC., a Delaware corporation

By: _____

Martin Terzian
President

"Agent"

COMERICA BANK, as Agent

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

EXHIBIT A

Copyrights

<u>Description</u>	<u>Registration Number</u>	<u>Registration Date</u>
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

EXHIBIT B

Patents

<u>Description</u>	<u>Patent Application No./Issued Patent No.</u>	<u>Date</u>
Combined carrying device and separable mini-carrying device	D386613	11/25/1997

EXHIBIT C**Trademarks**

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
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

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