

Form PTO-1595 (Rev. 06-12)
OMB No. 0651-0027 (exp. 04/30/2015)

U.S. DEPARTMENT OF COMMERCE
United States Patent and Trademark Office

RECORDATION FORM COVER SHEET PATENTS ONLY

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)

Superior Court, State of California, County of

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

3. Nature of conveyance/Execution Date(s):

Execution Date(s) June 20, 2013

- ☐ Assignment ☐ Merger
☐ Security Agreement ☐ Change of Name
☐ Joint Research Agreement
☐ Government Interest Assignment
☐ Executive Order 9424, Confirmatory License
☒ Other Order Appointing Receiver

2. Name and address of receiving party(ies)

Name: Theodore Phelps

Internal Address: _____

Street Address: 11400 W. Olympic Blvd., Suite 200

City: Los Angeles

State: California

Country: US Zip: 90064

Additional name(s) & address(es) attached? ☐ Yes ☒ No

4. Application or patent number(s):

A. Patent Application No.(s)

☐ This document serves as an Oath/Declaration (37 CFR 1.63).

B. Patent No.(s)

US 7,726,321; US 7,724,623; US 6,938,624

Additional numbers attached? ☐ Yes ☒ No

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

Name: Christopher Brainard

Internal Address: _____

Street Address: 1003 South Catalina Ave., Unit C

City: Redondo Beach

State: California Zip: 90277

Phone Number: (310) 266-4115

Docket Number: _____

Email Address: christopherbrainard@gmail.com

6. Total number of applications and patents involved: 3

7. Total fee (37 CFR 1.21(h) & 3.41) \$ 120.00

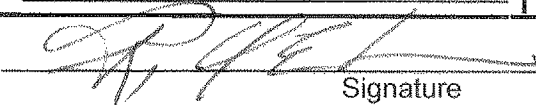
- ☐ Authorized to be charged to deposit account
☒ Enclosed
☐ None required (government interest not affecting title)

8. Payment Information

Deposit Account Number _____

Authorized User Name _____

9. Signature:



Signature

July 16, 2013

Date

Roy A. Ekstrand

Name of Person Signing

Total number of pages including cover sheet, attachments, and documents: 9

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O.Box 1450, Alexandria, V.A. 22313-1450

PATENT

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FILED
LOS ANGELES SUPERIOR COURT

JUN 20 2013

JOHN A. CLARKE, CLERK
BY: L. McDONALD, DEPUTY

SUPERIOR COURT, STATE OF CALIFORNIA
COUNTY OF LOS ANGELES, NORTH CENTRAL DISTRICT

DREAMCATCHERS INTERNATIONAL,
INC., a Georgia corporation, judgment
assignee of record,

Petitioner Judgment Creditor,

vs.

HAIRLOCS EXTENSION SYSTEM INC., a
California corporation dba HAIRLOCS
ENHANCEMENT INC., a California
corporation dba HAIRLOCS INC, dba
HAIRLOCS INTERNATIONAL, INC.; Does
1-100 inclusive.

Respondents Judgment Debtors.

CASE NO.: EC 050461

[Hon. Donna Fields Goldstein]

ORDER APPOINTING RECEIVER

Dept. B

Hearing Date: June 12, 2013

Time: 8:30 AM

COURT ORDER APPOINTING RECEIVER

- 1 -

PATENT
REEL: 030888 FRAME: 0098

1 IT IS HEREBY ORDERED:

2 1. None of the patents or trademarks identified in paragraph 2 may be transferred or
3 hypothecated in anyway by Respondents pending further order of Court.

4 2. That Superior Court Receiver Theodore Phelps ("Receiver") is approved
5 and hereby appointed as the Receiver pursuant to *Cal. Civ. Proc.* 708.620 to aid in judgment
6 enforcement in the amount of \$112,916.56, plus post judgment interest in the amount of \$24,670.07 on
7 Los Angeles Superior Court case number EC050461 ("the Judgment"). Receiver shall take possession
8 and control of the following ~~phone numbers, websites~~, trademark, and patents (collectively "Intellectual
9 Properties"):

10 A. Patent 7,726,321 – Owned by Hairlocs Extension System, Inc.

11 B. Patent 7,724,623 – Owned by Hairlocs Extension System, Inc.

12 C. Patent 6,938,624 – Owned by Hairlocs, Inc. (DBA of Respondents)

13 D. Trademark "Hairlocs" Serial Number 7680447 – Owned by Assignee Hairlocs
14 Extensions System, Inc.

15
16 E. ~~www.Hairlocs.com - held in the name Hairlocs International, Inc. (Alias of Respondents~~
17 ~~as Stipulated to on April 10, 2013) serviced by Cbeyond, Inc., 879 West 190th Street,~~
18 ~~Suite 1200, Gardena, CA 90248, who is directed to cooperate with the Receiver and to~~
19 ~~transfer all title and interest to the receiver per this Order.~~

20
21 F. ~~Telephone numbers 877.511.1999 and 818.762.0585 – held in the name of Hairlocs~~
22 ~~International, Inc. (Alias of Respondents as Stipulated to on April 10, 2013), both~~
23 ~~telephone numbers are serviced by Cbeyond, Inc., 879 West 190th Street, Suite 1200,~~
24 ~~Gardena, CA 90248, who is directed to cooperate and transfer all title and interest to the~~
25 ~~receiver per this Order.~~

26
27 Receiver shall be vested with the power and authority to take control, transfer and sell the above stated
28

COURT ORDER APPOINTING RECEIVER

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PATENT

REEL: 030888 FRAME: 0099

1 Intellectual Properties and to thereafter apply the proceeds from the sale of the Intellectual Properties to
2 pay Dreamcatchers International, Inc.'s ("Petitioner's") judgment. Prior to the Receiver assuming his
3 responsibilities, he shall file an Oath and Bond with this Court in the amount of \$10,000. After
4 Receiver files his Oath and Bond, Petitioner shall forward a \$7,500 retainer to Court Receiver that shall
5 be used to cover the cost of the bond and Receiver's flat fee and expenses. 30 days later, Petitioner
6 shall forward to Receiver an additional \$2,500 as additional retainer. Petitioner shall be reimbursed for
7 this retainer if net income becomes available or through the sale of Intellectual Properties. The fees
8 and costs paid to the Receiver shall be added to the Petitioner's judgment pursuant to C.C.P. Section
9 685.070 et. seq.

10
11 IT IS FURTHER ORDERED that the Receiver shall have the following powers and responsibilities.

12 1. TO TAKE POSSESSION. The United States Patent and Trademark Office is to fully
13 cooperate with the State Court Receiver in allowing him to take possession and to transfer to him Patent
14 numbers 7,726,321; 7,724,623; 6,938,624; and Trademark "Hairlocs" Serial Number 7680447.
15 Cbeyond, Inc. is directed to fully cooperate with the State Court Receiver in allowing him to take
16 possession and to transfer him the website www.hairlocs.com and the telephone numbers 877.511.1199
17 and 818.762.0585.

18 2. TO REPORT INVENTORY. To the extent feasible, the Receiver shall, within thirty
19 (30) days of his qualification hereunder, shall use all efforts to acquire possession of the Intellectual
20 properties and file in this action an inventory of all Intellectual property of which he shall have taken
21 possession pursuant to this order per CRC Rule 3.1181 and shall file a supplemental inventories as
22 needed.

23 3. TO SELL AND END RECEIVERSHIP. To sell in accord with Code of Civil Procedure
24 Sections 568 and 568.5, or pursuant to the Orders of the Court, the intellectual properties, with said sale
25 to be confirmed by the Court. Upon confirmation, any funds will be applied to the expenses of the
26 receivership (reimbursement to the Petitioner) and then to satisfy the judgment of Petitioner.
27 Thereafter, upon confirmation and distribution, the receivership shall end with the receiver providing
28 notice of its termination.

COURT ORDER APPOINTING RECEIVER

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PATENT

REEL: 030888 FRAME: 0100

1 4. To take possession of all books and records pertaining to the Intellectual Properties,
2 wherever located, as the Receiver deems necessary for the proper administration, management, and/or
3 control, but said books and records shall be made available to Petitioner or Respondent as is reasonably
4 necessary.

5 5. To execute and prepare all documents and to perform all acts either in the name of the
6 Respondents or in the Receiver's own name, which are necessary or incidental to preserving,
7 protecting, managing, selling and/or controlling the Intellectual Properties of the receivership estate.

8 6. To employ and terminate agents, attorneys, servants, employees, guards, clerks,
9 accountants, including consultants to administer the receivership estate and to collect said revenues,
10 issues, income, profits, royalties, and profits there from, manage the Intellectual Properties, and to
11 repay the reasonable value of said services out of the sale of the Intellectual Properties.

12 7. To establish bank accounts for the deposit of monies and funds collected and received in
13 connection with the Receiver's administration of the receivership estate and sale of the Intellectual
14 Properties.

15 8. To institute ancillary proceedings in this state or other states and with the United States
16 as necessary to preserve and protect the receivership estate and the Receiver may engage the services of
17 legal counsel, if necessary, upon prior approval of the above-entitled Court and notice to the Petitioner
18 as required by California Rules of Court Rule 3.1180. The Receiver may pay for such services from
19 the funds of the receivership estate,

20 9. The Defendants, their agents, servants, employees or representatives, or all persons or
21 entities acting in concert with the Respondents, on receipt of a copy of this Order shall provide the
22 Receiver with whatever information requested related to the Intellectual Properties.

23 10. The Receiver and the parties to this case may, at any time, apply to this Court for further
24 or other instructions or orders and for further power necessary to enable to receiver to perform the
25 Receiver's duties properly.

26 11. The Receiver shall not be obligated to contribute personal funds in the performance of
27 his duties hereunder. In the event that there is not sufficient funding to sell the Intellectual Properties
28 and Petitioner or Respondent are not willing to advance the funds, the Receiver shall petition this Court

COURT ORDER APPOINTING RECEIVER

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PATENT

REEL: 030888 FRAME: 0101

1 for additional instructions and request to be discharged.

2 12. The Receiver is authorized to hire agents ("Agent(s)") to assist him in selling the
3 Intellectual Properties to make good on Petitioner's judgment against the Respondent. The Receiver is
4 further authorized to enter into and execute listing agreements or contract with this Agent for the listing
5 and sale of the Intellectual Properties. All expenses incurred in connection with the hiring and retention
6 of such personnel to sell the Intellectual Properties shall be expenses of the receivership estate; not the
7 personal expenses of the Receiver, and shall be paid from the proceeds from the sale of the Intellectual
8 Properties;

9 13. The Receiver shall be authorized to sign, on behalf of Petitioner or Respondents any
10 document necessary to complete the assignment or sales of the Intellectual Properties. The documents
11 would include but are not limited to USPTO documents or notices, purchase contracts, escrow
12 instructions, disclosures, or other documents necessary for the consummation of a sale, assignment or
13 transfer, and the transfer and conveyance of the Intellectual Properties. All sales will be subject to a
14 Court Confirmation and Over-bid hearing. Proceeds from the sale of the Intellectual Properties shall be
15 applied in the following order: 1) sales expenses 2) Receiver's Fees and Expenses 3) Petitioner's
16 Judgment including all accrued fees, costs, and interest, and thereafter the balance shall be paid to the
17 Respondents.

18 14. If the Receiver receives notice that Respondent files a bankruptcy petition and part of the
19 bankruptcy estate includes real or personal property that is the subject of this Order, the Receiver
20 shall have the following duties:

21 a. The Receiver shall immediately contact the Petitioner and determine whether that party
22 intends to move in the bankruptcy court for an order for (1) relief from the automatic stay,
23 and (2) relief from the Receiver's obligation to turn over the property (11 U.S.C. § 543). If
24 the party has no intention to make such a motion, the Receiver shall immediately turn over
25 the property constituting the Receivership Estate to the appropriate entity: either to the
26 trustee in bankruptcy if one has been appointed or, if not, to the debtor in possession and
27 otherwise comply with 11 U.S.C. § 543;

28 b. If Petitioner intends to seek relief immediately from either the automatic stay and the

COURT ORDER APPOINTING RECEIVER

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Receiver's obligation to turn over the property of the Receivership Estate, the Receiver may remain in possession and preserve the property of the Receivership Estate pending the ruling on such motion(s) (11 U.S.C. § 543(a)). The Receiver's authority to preserve the property comprising the Receivership Estate during this period shall be limited as follows:

- (i) The Receiver may continue to collect rents and other income;
 - (ii) The Receiver may make only those disbursements necessary to operate, preserve and protect the Receivership Estate's property;
 - (iii) The Receiver shall not execute any new rental, sales contracts, or other long-term contracts or leases; and
 - (iv) The Receiver shall do nothing that would effect a material change in the condition of the Receivership Estate's property.
- c. If Petitioner fails to file a motion within 10 court days after receipt of notice of the bankruptcy filing, the Receiver shall immediately turn over the Receivership Estate's property to the trustee in bankruptcy, if one has been appointed or, if not, to the debtor in possession and otherwise comply with 11 U.S.C. § 543; and
- d. The Receiver may retain legal counsel to advise the Receiver with regard to issues arising out of the bankruptcy proceedings that affect the receivership.

**ORDER AIDING RECEIVER IN OPERATION OF THE BUSINESS AND SALE OF
INTELLECTUAL PROPERTIES**

IT IS FURTHER ORDERED that the Petitioner, Respondents and all persons and entities now in possession of any part of the Intellectual Properties including web-domains (www.Hairloes.com) shall forthwith surrender and assign the Intellectual Property, domain names, revenue, records, accounts receivable, keys, and security codes to the Receiver – in the event Respondents fail to follow this order and immediately assign the intellectual properties upon request by the Receiver, Receiver is empowered to execute such assignments on behalf of Respondents.

IT IS FURTHER ORDERED that the Petitioner/Respondents and their agents, employees and

COURT ORDER APPOINTING RECEIVER

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representatives, and all persons or entities acting under or in concert with the Petitioner/Respondents are restrained and enjoined from engaging in or performing, directly or indirectly any or all of the following acts:

1. Demanding, collecting, receiving or in any other way diverting or using any income, issues, income, profits, royalties emanating from or selling the Intellectual Properties;
2. Interfering with or hindering in any way whatsoever the Receiver in the performance of the Receiver's duties herein described and in the performance of any duties incident thereto;
3. Interfering in any manner with the sale Intellectual Properties;
4. Transferring, conveying, assigning, pledging, deeding, selling, renting, leasing, encumbering, changing ownership of, vesting title to, or otherwise disposing of any property of the Intellectual Properties;
5. Terminating or otherwise affecting any of the services contracts which service the Intellectual Properties or associated domain names. They shall also make the Receiver aware of these services contracts in writing.

IT IS FURTHER ORDERED THAT:

1. All Intellectual Properties revenues, issues, income, profits, and royalties which are received, or have been received, by the Respondents, shall be turned over and/or assigned to the Receiver within five (5) days, and the Respondents shall simultaneously, upon said turnover order, deliver to the Receiver written verifications that it has been done.
2. The Respondents, their agents, servants, employees or representatives, or any persons or entities acting under or in concert with the Respondents shall immediately turn over to the Receiver possession of all records, books of account, ledgers, keys, employee records, security passwords/codes, business licenses, and all documents and papers pertaining to the operations of the Intellectual Properties.
3. Defendant has been informed that not cooperating with the Court Receiver could result in contempt of court hearing against them which carries monetary penalties and or criminal incarceration; and

IT IS FURTHER ORDERED that the Receiver is not authorized to take possession of any

COURT ORDER APPOINTING RECEIVER

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1 monies except for those which are directly related to the Intellectual Properties revenues, rents, issues,
2 income, profits, revenues, and royalties.

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4 
5 JUDGE OF THE SUPERIOR COURT
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COURT ORDER APPOINTING RECEIVER

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PATENT, COPYRIGHT
AND TRADEMARK LAW

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