

12-07-1999



101216033

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

11.23.99

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment License
- Security Agreement Nunc Pro Tunc Assignment
Effective Date
Month Day Year
- Merger
- Change of Name
- Other

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

- Individual General Partnership Limited Partnership Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

- Individual General Partnership Limited Partnership Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

12/06/1999 TTDN11 00000076 2034246

FOR OFFICE USE ONLY

01 FC:401
02 FC:402

40.00 OP
200.00 OP

Public: burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK
REEL: 001996 FRAME: 0174

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

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. Charges to deposit account are authorized, as indicated herein.

Larry Behrendt

11/19/99

Name of Person Signing

Signature

Date Signed

Additional Conveying Party

Lightpost Publishing, Inc.
521 Charcot Avenue
San Jose, CA 95131

TRADEMARK SECURITY AGREEMENT

WHEREAS, MEDIA ARTS GROUP, INC. a Delaware corporation, and LIGHTPOST PUBLISHING, INC., a California corporation (individually a "Grantor" and collectively, the "Grantors") have entered into a Business Loan Agreement dated as of October 27, 1999 (the "Loan Agreement") with Bank of America, N.A. ("Bank"), pursuant to which the Bank has agreed to make loans to the Grantors subject to the terms and conditions set forth therein; and

WHEREAS, pursuant to the terms of the Loan Agreement, the Grantors have granted to the Bank a security interest in all of the personal property of the Grantors to secure the payment and performance of the Indebtedness, which personal property includes without limitation all right, title and interest of each Grantor in, to and under any of the following, whether now owned or hereafter acquired (collectively, the "Trademarks"): (a) all trademarks, service marks, logos, and all United States, state and/or foreign applications for registration and registrations thereof, all trade names, trade styles, designs, and the like, all elements of package or trade dress of goods, the goodwill of each Grantor's business connected with the use of, and symbolized by any of the above, and all property of each Grantor necessary to produce any products sold under any of the above, including registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state or territory thereof, or any other country or any political subdivision thereof, including without limitation all of the trademarks listed in Schedule A attached hereto (as such Schedule may be amended from time to time by the addition of Trademarks subsequently registered or otherwise adopted or acquired); (b) renewals, modifications, amendments, re-issues, diversions, continuations in whole or in part, and extensions of any of the foregoing property; and (c) all proceeds in respect of any of the foregoing;

WHEREAS, for purposes of this Agreement, "Indebtedness" shall mean all loans and advances made by Bank to any Grantor and all obligations and liabilities of each and every Grantor to Bank, whether now existing or hereafter incurred or created, whether voluntary or involuntary, whether due or not due, whether joint or several, whether absolute or contingent (including but not limited to obligations of any Grantor as a guarantor of the indebtedness of another), and whether incurred directly or acquired by Bank by assignment or otherwise. Unless Grantors shall have otherwise agreed in writing, "Indebtedness" shall not include "consumer credit" subject to the disclosure requirements of the Federal Truth in Lending Act or any regulations promulgated thereunder.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the undersigned hereby agree as follows:

1. The Grantors hereby jointly and severally grant to Bank, together with its successors and assigns, for security pursuant to the terms of and in connection with the Loan Agreement and related documents, a continuing security interest in all right, title and interest of each and all of the Grantors in and to the following (all of the following items or types of

property being collectively referred to herein as the "Collateral"), whether presently existing or hereafter arising or acquired:

(i) each Trademark and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark, including without limitation each Trademark referred to in Schedule A annexed hereto;

(ii) each Trademark license, including without limitation each Trademark license referred to in Schedule B annexed hereto, to the extent such Trademark license does not prohibit the licensee from assigning or granting a security interest in its rights thereunder; and

(iii) all products and proceeds of, and income from, any of the foregoing, including without limitation any claim by any Grantor against third parties for the past, present or future infringement or dilution of any Trademark or any Trademark licensed under any Trademark license, or for injury to the goodwill associated with any Trademark.

2. The Grantors agree that if any person, firm, corporation or other entity shall do or perform any acts which Bank believes constitute an infringement of any Trademark, or violate or infringe any right of any Grantor or Bank therein or if any person, firm, corporation or other entity shall do or perform any acts which Bank believes constitute an unauthorized or unlawful use thereof, then and in any such event, Bank may and shall have the right to take such steps and institute such suits or proceedings as Bank may deem advisable or necessary to prevent such acts and conduct and to secure damages and other relief by reason thereof, and to generally take such steps as may be advisable or necessary or proper for the full protection of the rights of the parties, but Bank shall not be obligated to do any of the foregoing. Bank may take such steps or institute such suits or proceedings in its own name or in the name of any or all of the Grantors or in the names of the parties jointly.

3. Each Grantor hereby irrevocably constitutes and appoints Bank as its lawful attorney-in-fact to do all acts and things permitted or contemplated by the terms hereof and pursuant to the aforesaid Loan Agreement, which appointment shall be deemed coupled with an interest and irrevocable.

4. This Trademark Security Agreement is granted in conjunction with the security interest granted to Bank pursuant to the Loan Agreement. Each Grantor acknowledges and affirms that the rights and remedies of Bank with respect to the Collateral made and granted hereby are subject to, and more fully set forth in, the Loan Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

5. **IN ALL RESPECTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, THIS TRADEMARK SECURITY AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND**

ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF CALIFORNIA APPLICABLE TO CONTRACTS MADE AND PERFORMED IN THAT STATE.

IN WITNESS WHEREOF, this Agreement has been duly executed as of October 27, 1999.

MEDIA ARTS GROUP, INC., a Delaware corporation

By: Bud Pet
Title: CORP SEC

LIGHTPOST PUBLISHING, INC., a California corporation

By: Bud Pet
Title: CORP SEC

State of California)

County of SANTA CLARA)

ss.

On NOVEMBER 16, 1999, before me, KATHLEEN BELLUE personally appeared BUD PETERSON, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Kathleen Bellue

(SEAL)



EXHIBIT A
TRADEMARKS AND SERVICE MARKS

<u>STATE OR COUNTRY</u>	<u>REGISTRATION NO.</u>	<u>REGISTRATION DATE</u>	<u>TRADEMARK/SERVICEMARK</u>
USA	2,034,246	01/28/97	Collector Clips
USA	1,998,502	09/03/96	E-Z Frame
USA	2,067,499	06/03/97	MAGI
USA	2,040,973	02/25/97	Media Arts Group, Inc.
USA	1,988,294	06/23/96	Painter of Light
USA	1,884,297	03/14/95	Recollections by Lightpost
USA	1,844,296	03/14/95	Recollections by Lightpost
USA	1,971,357	04/30/96	Recollections by Lightpost
USA	1,920,913	09/19/95	Recollections by Lightpost

SCHEDULE B

TRADEMARK LICENSES

None.