

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
HL Operating Corp.	07/26/2007

RECEIVING PARTY DATA

Name:	The CIT Group/Commercial Services, Inc.
Street Address:	11 West 42nd Street
City:	New York
State/Country:	NEW YORK
Postal Code:	10036

PROPERTY NUMBERS Total: 3

Property Type	Number
Patent Number:	5829559
Patent Number:	5431263
Patent Number:	5515954

CORRESPONDENCE DATA

Fax Number: (215)832-5767
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 215-569-5767
Email: perry@blankrome.com
Correspondent Name: David M. Perry
Address Line 1: One Logan Square
Address Line 2: 9th Floor
Address Line 4: Philadelphia, PENNSYLVANIA 19103-6998

ATTORNEY DOCKET NUMBER:

106756-01012

NAME OF SUBMITTER:

David M. Perry

Total Attachments: 14

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PATENT

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CH \$120.00 5829559

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EXECUTION COPY

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Agreement"), dated as of July 26, 2007 is made by and between HL OPERATING CORP., a Delaware corporation having a business location at the address set forth below next to its signature (the "Debtor"), and THE CIT GROUP/COMMERCIAL SERVICES, INC., a New York corporation having a business location at the address set forth below next to its signature (the "Secured Party").

The Debtor and the Secured Party are parties to that certain Financing Agreement of even date herewith (as the same may hereafter be amended, supplemented or restated from time to time, the "Financing Agreement") setting forth the terms on which the Secured Party may now or hereafter extend credit to or for the account of the Debtor.

As a condition to extending credit to or for the account of the Debtor, the Secured Party has required the execution and delivery of this Agreement by the Debtor.

ACCORDINGLY, in consideration of the mutual covenants contained in the Loan Documents (as defined in the Financing Agreement) and herein, the parties hereby agree as follows:

1. Definitions. Capitalized terms used herein and not otherwise defined herein shall have the meanings ascribed to such terms in the Financing Agreement. In addition, the following terms have the meanings set forth below:

"Copyrights" means all of Debtor's, right, title and interest in and to any and all unregistered copyrights, copyright registrations and renewals, and applications for copyright registrations and renewals in any and all media, and (i) all income, royalties, damages and payments now or hereafter due and/or payable under or with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past, present or future infringements thereof; (ii) the right to sue for past, present and future infringements thereof; (iii) all other rights corresponding thereto throughout the world; and (iv) all proceeds thereof, all as presently existing or hereafter arising or acquired.

"Obligations" means each and every debt, liability and obligation of every type and description arising under or in connection with any Loan Document which the Debtor may now or at any time hereafter owe to the Secured Party, whether such debt, liability or obligation now exists or is hereafter created or incurred and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated,

independent, joint, several or joint and several, and including specifically, but not limited to, the "Obligations" (as defined in the Financing Agreement).

"Patents" means all of the Debtor's right, title and interest in and to patents issued by the USPTO, or applications filed with the USPTO, for patents, and fees and royalties with respect to each, and including without limitation the right to sue for past infringement and damages therefor, and licenses thereunder, all as presently existing or hereafter arising or acquired, including, without limitation, the patents listed on Exhibit A.

"Security Interest" has the meaning given in Section 2.

"Trademarks" means all of the Debtor's right, title and interest in and to: (i) trademarks, service marks, collective membership marks, registrations and applications for registration for each, and the respective goodwill associated with each; (ii) licenses, fees or royalties with respect to each; (iii) the right to sue for past, present and future infringement, dilution and damages therefor; and (iv) licenses thereunder, all as presently existing or hereafter arising or acquired, including, without limitation, the marks listed on Exhibit B.

"USPTO" means the United States Patent and Trademark Office.

2. Security Interest. The Debtor hereby irrevocably pledges and assigns to, and grants the Secured Party a security interest (the "Security Interest"), with power of sale to the extent permitted by law, in, the Copyrights, Patents and Trademarks and other property set forth in Exhibits A, B and C, to secure payment of the Obligations. As set forth in the Financing Agreement, the Security Interest is coupled with a security interest in substantially all of the assets of the Debtor.

3. Representations, Warranties and Agreements. The Debtor represents, warrants and agrees as follows:

(a) **Copyrights**. Debtor is the owner of the original works of authorship and copyrights in and to certain works, including but not limited to content posted on the Uniform Resource Locators identified in Exhibit C, print materials, advertising materials and other promotional materials ("Works"). If the status of any Works should change, such that the Works would become unregistered or registered, then the Debtor shall promptly provide written notice to the Secured Party, which upon acceptance by the Secured Party shall become part of this Agreement.

(b) **Patents**. Exhibit A accurately lists all Patents constituting United States letters patent and patent applications owned or controlled by the Debtor as of the date hereof, or to which the Debtor has a right as of the date hereof to have

assigned to it, and accurately reflects the existence and status of applications and letters patent pertaining to the Patents as of the date hereof. If after the date hereof, the Debtor owns, controls or has a right to have assigned to it any Patents not listed on Exhibit A, or if Exhibit A ceases to accurately reflect the existence and status of all applications and letters patent pertaining to the Patents, then the Debtor shall promptly provide written notice to the Secured Party with a replacement Exhibit A, which upon acceptance by the Secured Party shall become part of this Agreement.

(c) **Trademarks.** Exhibit B accurately lists all Trademarks constituting United States trademark registrations and trademark applications owned or controlled by the Debtor as of the date hereof and accurately reflects the existence and status of Trademarks and all applications and registrations pertaining thereto as of the date hereof. If Exhibit B ceases to accurately reflect the existence and status of all applications and registrations pertaining to the Trademarks, then the Debtor shall promptly provide written notice to the Secured Party with a replacement Exhibit B, which upon acceptance by the Secured Party shall become part of this Agreement.

(d) **URLs.** Exhibit C accurately lists all of the Uniform Resource Locators ("URLs") owned or controlled by the Debtor as of the date hereof. If Exhibit C ceases to accurately reflect the existence of all URL registrations, then the Debtor shall promptly provide written notice to the Secured Party with a replacement Exhibit C, which upon acceptance by the Secured Party shall become part of this Agreement.

(e) **Title.** The Debtor owns each Copyright, each Patent, and each Trademark listed on Exhibits A, B and C, respectively, free and clear of all liens except Permitted Encumbrances. The Debtor (i) will have, at the time the Debtor acquires any rights in Copyrights, Patents or Trademarks hereafter arising, absolute title to each such Copyright, Patent or Trademark, free and clear of all liens except Permitted Encumbrances, and (ii) will keep all Copyrights, Patents and Trademarks free and clear of all liens except Permitted Encumbrances.

(f) **Defense.** The Debtor will at its own expense and using commercially reasonable efforts, protect and defend the Copyrights, Patents and Trademarks against all claims or demands of all Persons other than those holding Permitted Encumbrances.

(g) **Maintenance.** The Debtor will at its own expense maintain the Copyrights, Patents and Trademarks, to the extent reasonably advisable in its business including, but not limited to, filing all applications to obtain letters patent or trademark or copyright registrations and all affidavits, maintenance fees, annuities, and renewals possible with respect to letters patent, trademark or copyright registrations and applications therefor. The Debtor covenants that it will not abandon or fail to pay any maintenance fee or annuity due and payable on

any Copyright, Patent or Trademark, nor fail to file any required affidavit or renewal in support thereof, in each case, to the extent such Copyright, Patent or Trademark is material to Debtor's business, without first providing the Secured Party: (i) sufficient prior written notice, of at least thirty (30) days, to allow the Secured Party to timely pay any such maintenance fees or annuities which may become due on such Copyrights, Patents or Trademarks, or to file any affidavit or renewal with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit or renewal, should such be necessary or desirable.

(h) ***Secured Party's Right to Take Action.*** Upon the occurrence and during the continuance of an Event of Default (as defined in this Agreement), the Secured Party may (but need not) perform or observe any covenant or agreement to be observed by the Debtor as set forth in this Section 3 or take any and all other actions which the Secured Party may reasonably deem necessary. If the Debtor notifies the Secured Party that it intends to abandon a Copyright, Patent or Trademark, the Secured Party may take steps to prevent such intended abandonment on behalf and in the name, place and stead of the Debtor (or, at the Secured Party's option, upon the occurrence and during the continuance of an Event of Default, in the Secured Party's own name) and may (but need not) take any and all other actions which the Secured Party may reasonably deem necessary to prevent such intended abandonment.

(i) ***Power of Attorney.*** The Debtor hereby irrevocably appoints (which appointment is coupled with an interest) the Secured Party, or its delegate, as the attorney-in-fact of the Debtor with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of the Debtor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by the Debtor under this Section 3, or, necessary for the Secured Party, in each case after the occurrence and during the continuation of an Event of Default (as defined in this Agreement), to enforce or use the Copyrights, Patents or Trademarks or to grant or issue any exclusive or non-exclusive license under the Copyrights, Patents or Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Copyrights, Patents or Trademarks to any third party. The Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall (i) only be exercised after the occurrence and during the continuance of an Event of Default and (ii) terminate upon the termination of the Financing Agreement as provided therein and the payment and performance of all Obligations.

4. **Debtor's Use of the Copyrights, Patents and Trademarks.** The Debtor shall be permitted to control and manage the Copyrights, Patents and Trademarks, including the right to exclude others from making, using or selling items covered by the Copyrights, Patents and Trademarks and any licenses thereunder, in the same manner and

with the same effect as if this Agreement had not been entered into, so long as no Event of Default shall have occurred and be continuing.

5. Events of Default. Each of the following occurrences shall constitute an event of default under this Agreement (herein called "Event of Default"): (a) an Event of Default, as defined in the Financing Agreement, shall occur; or (b) the Debtor shall fail to observe or perform any covenant or agreement herein binding on it, that is not cured within twenty (20) days after the earlier of the date on which the Debtor knows, or reasonably should have known, of such failure and the date on which written notice thereof shall have been given to the Debtor by CIT; or (c) any of the representations or warranties contained in Section 3 shall prove to have been incorrect in any material respect when made.

6. Remedies. Upon the occurrence and during the continuance of an Event of Default under the Financing Agreement, the Secured Party may, at its option, take any or all of the following actions:

(a) The Secured Party may exercise any or all remedies available under the Financing Agreement.

(b) The Secured Party may sell, assign, transfer, pledge, encumber or otherwise dispose of the Copyrights, Patents and Trademarks.

(c) The Secured Party may enforce the Copyrights, Patents and Trademarks and any licenses thereunder, and if Secured Party shall commence any suit for such enforcement, the Debtor shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents required by Secured Party in aid of such enforcement.

7. Miscellaneous. This Agreement can be (i) amended or modified only explicitly in a writing signed by the parties hereto, and (ii) waived, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by the Secured Party. A waiver signed by the Secured Party shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of the Secured Party's rights or remedies. All rights and remedies of the Secured Party shall be cumulative and may be exercised singularly or concurrently, at the Secured Party's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. All notices to be given to Debtor under this Agreement shall be given in the manner and with the effect provided in the Financing Agreement. The Secured Party shall not be obligated to preserve any rights the Debtor may have against prior parties, to realize on the Copyrights, Patents and Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Copyrights, Patents and Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of the Debtor and the Secured Party and their respective participants, successors and assigns and shall take effect when signed by the parties

hereto. The Secured Party may execute this Agreement if appropriate for the purpose of filing, but the failure of the Secured Party to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon, photographic or other reproduction of this Agreement signed by the parties hereto or of any financing statement shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the internal law of the State of New York without regard to conflicts of law provisions. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution and delivery of this Agreement and the creation of the Obligations.

THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Intellectual Property Security Agreement as of the date written above.

Address:
1301 West Baddour Parkway
Lebanon, Tennessee 37087
Attention: William W. Boddie, Jr.,
Chief Financial Officer
Facsimile: 616-443-4619

HL OPERATING CORP., as Debtor

By William W. Boddie, Jr.
Name: William W. Boddie, Jr.
Title: Chief Financial Officer

Address:
11 West 42nd Street
New York, New York 10036
Attention: Client Credit Officer
Facsimile: 212-461-5347

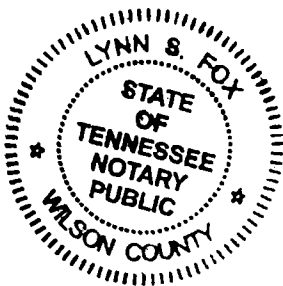
THE CIT GROUP/COMMERCIAL
SERVICES, INC., as Secured Party

By _____
Name: _____
Title: _____

Signature Page to Intellectual Property Security Agreement

STATE OF Tennessee)
COUNTY OF Wilson)

The foregoing instrument was acknowledged before me this 24th day of July, 2007,
by William W. Boddie, Jr., the CFO of HL Operating Corp. on behalf of HL Operating
Corp.



Lynn S. Fox

Notary Public

STATE OF _____)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ___ day of July, 2007,
by _____, the _____ of The CIT Group/Commercial Services, Inc.,
a New York corporation ("CIT"), on behalf of CIT.

Notary Public

Signature Page to Intellectual Property Security Agreement

IN WITNESS WHEREOF, the parties have executed this Intellectual Property Security Agreement as of the date written above.

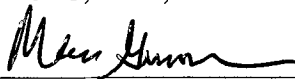
Address:
1301 West Baddour Parkway
Lebanon, Tennessee 37087
Attention: William W. Boddie, Jr.,
Chief Financial Officer
Facsimile: 616-443-4619

HL OPERATING CORP., as Debtor

By _____
Name:
Title:

Address:
11 West 42nd Street
New York, New York 10036
Attention: Client Credit Officer
Facsimile: 212-461-5347

THE CIT GROUP/COMMERCIAL
SERVICES, INC., as Secured Party

By  _____
Name: Marc Grossman
Title: VP

Signature Page to Intellectual Property Security Agreement

STATE OF _____)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ___ day of July, 2007,
by _____, the _____ of HL Operating Corp. on behalf of HL Operating
Corp.

Notary Public

STATE OF New York
COUNTY OF New York

The foregoing instrument was acknowledged before me this 26th day of July, 2007,
by Harve Grossman, the Vice President of The CIT Group/Commercial Services, Inc.,
a New York corporation ("CIT"), on behalf of CIT.

Ruby Hyde
Notary Public

RUBY HYDE
Notary Public, State of New York
No. 01HY6040493
Qualified in Bronx County
Commission Expires April 24, 2011

Signature Page to Intellectual Property Security Agreement

EXHIBIT A



UNITED STATES ISSUED PATENTS

<u>Title</u>	<u>Patent Number</u>	<u>Issue Date</u>
Article for Attaching an Item to Luggage	5829559	November 3, 1988
Garment Bag Hook	D343113 (Expired)	January 11, 1994
Mobile Carry-on Suitcase	5431263	July 11, 1995
Mobile Carry-on Suitcase	5515954	May 14, 1996

EXHIBIT B

UNITED STATES ISSUED TRADEMARKS and SERVICE
MARKS

TRADEMARK REGISTRATIONS

<u>Mark</u>	<u>Registration Number</u>	<u>Registration Date</u>
GRIP LOCK SYSTEM	1478268	March 1, 1988
THE OVERNIGHT BUSINESS TRAVELER	1426569	January 27, 1987
<i>hartmann</i>	1421060	December 16, 1986
	2402194	November 7, 2000
	1158094	June 23, 1981
HARTMANN	3034859	December 27, 2005
HARTMANN SINCE 1877	2357677	June 13, 2000
HSTUDIO	2502037	October 30, 2001
INTENSITY COLLECTION	2427050	February 6, 2001
MT2	2406477	November 21, 2000
WINGS	1227543	February 15, 1983
COMMUTE-TACHE	1381424 (DEAD)	CANCELLED
HARTMANN INTERNATIONAL	1346174 (DEAD)	CANCELLED

TRADEMARK APPLICATIONS

<u>Mark</u>	<u>Application Number</u>	<u>Application Date</u>
ME & MY HARTMANN	78955279	August 18, 2006
SOCIAL-LITE	78941605	July 31, 2006
STRATUM	78941578	July 31, 2006
WHERE THE JOURNEY BEGINS	78888351	May 19, 2006

EXHIBIT C

UNIFORM RESOURCE LOCATORS (DOMAIN NAMES)

hartmann.com

hartman.com

hartmann-direct.com

hartmann.us

hartmann-direct.net

hartmann-direct.biz

hartmann-direct.info

wingscollections.com

wingsluggage.com