

03-30-1999

FORM PTO-1594 (Rev. 6-93)

MKB 3-26-99 RECOI

OMB No. 0651-0011 (exp. 4/94)



U.S. DEPARTMENT OF COMMERCE Patent and Trademark Office

Tab settings 3-26-99

100997774

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

CB Holdings LLC  
105 CORPORATE PARK DRIVE  
White Plains, New York 10604

- Individual(s)
- General Partnership
- Corporation-State
- Other Limited Liability Company
- Association
- Limited Partnership

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: 3-18-99

2. Name and address of receiving party(ies)

Name: BNY Financial Corporation

Internal Address:  
Street Address: 1290 Avenue of the Americas  
City: New York State: NY ZIP: 10169

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State NY
- Other

If assignee is not domiciled in the United States, a domestic representative designation is attached:  Yes  No

(Designations must be a separate document from assignment)  
Additional name(s) & address(es) attached?  Yes  No

4. Application number(s) or patent number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

2,111,049; 1,513,692; 1,512,839; 1,495,919;  
1,429,376; 1,203,682; 1,203,681

Additional numbers attached?  Yes  No

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

Name: Richard L. STEHL

Return To  
National Corporate Research, LTD.  
225 W. 34th St., Suite 910  
New York, N.Y. 10122  
(800) 221-0102 (212) 947-7200

230 PARK Avenue  
City: New York State: NY ZIP: 10169

6. Total number of applications and registrations involved: 7

7. Total fee (37 CFR 3.41).....\$ 190.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

03/29/1999 JSHABAZZ 00000118 2111049

DO NOT USE THIS SPACE

01 FC:481

40.00 DP

02 FC:482

150.00 DP

9. 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.

Richard L. STEHL

Name of Person Signing

Richard L. STEHL

Signature

3-19-99

Date

Total number of pages including cover sheet, attachments, and document: 16

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

TRADEMARK  
REEL: 1875 FRAME: 0738

# TRADEMARK COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT

AGREEMENT made this 18th day of March, 1999 by and between **CB HOLDINGS LLC**, a New York limited liability company ("**Debtor**"), with its chief executive office at 105 Corporate Park Drive, White Plains, New York 10604 and **BNY FINANCIAL CORPORATION**, a New York corporation ("**Secured Party**"), having an office at 1290 Avenue of the Americas, New York, New York 10104.

## W I T N E S S E T H:

**WHEREAS**, Debtor has adopted and is using, and is the owner of the entire right, title, and interest in and to the trademarks, trade names, terms, designs and applications therefor described in Schedule A annexed hereto and made a part hereof; and

**WHEREAS**, Secured Party and Debtor are contemporaneously herewith entering into certain and financing arrangements pursuant to which Secured Party will make a loan to Debtor as evidence by that certain \$23,255,867.33 Promissory Note dated the date hereof made by Debtor in favor of Secured Party, dated of even date herewith, by and among Secured Party and Debtor (the "**Promissory Note**"), together with various other agreements, documents and instruments referred to therein or at any time executed and/or delivered in connection therewith or related thereto, including, but not limited to, this Agreement (all of the foregoing, as the same now exist or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, being collectively referred to herein as the "**Agreements**"); and

**WHEREAS**, in order to induce Secured Party to make the loan to Debtor under the terms of the Promissory Note and the other Agreements, Debtor has agreed to grant to Secured Party certain collateral security as set forth herein.

**NOW, THEREFORE**, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Debtor hereby agrees as follows:

### 1. GRANT OF SECURITY INTEREST

(a) As collateral security for the prompt performance, observance and indefeasible payment in full of all of the Obligations (as hereinafter defined), Debtor hereby grants, assigns, transfers and sets over to Secured Party a continuing security interest in and a general lien upon, and hereby conditionally assigns and transfers to Secured Party: (i) all of Debtor's now existing or hereafter acquired right, title, and interest in and to: all of Debtor's trademarks, trade names, tradestyles and service marks; all of Debtor's prints and labels on which said trademarks, trade names, tradestyles and service marks appear, have appeared or will appear, and all designs and general intangibles of a like nature; all applications, registrations and recordings relating to the foregoing in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof, any political subdivision thereof

or in any other countries, and all reissues, extensions and renewals thereof including those trademarks, terms, designs and applications described in Schedule A hereto (the "**Trademarks**"); (ii) the goodwill of the Debtor's business symbolized by each of the Trademarks, including, without limitation, all customer lists and other records relating to the distribution of products or services bearing the Trademarks; and (iii) any and all proceeds of any of the foregoing, including, without limitation, any claims by Debtor against third parties for infringement of the Trademarks.

(b) In addition to an not in limitation of the foregoing, as additional security for the prompt performance, observance and indefeasible payment in full of all Obligations, Debtor hereby grants, assigns, transfers and sets over to Secured Party and grants Secured Party a continuing security interest in and lien upon all of Debtor's right, title and interest to the License (as defined herein), including, but not limited to: (i) all of Debtor's right, title and interest in and to payments, profits, royalties and accounts receivable with respect to the License; and (ii) all other monies now or hereafter payable to Debtor arising from any sale, subcontract, cancellation, termination, assignment or other disposition of the License.

(c) All of Debtor's right, title and interests in and to the property and interests referred to in paragraphs 1(c) and 1(b) hereof are collectively referred to herein as the "Collateral".

## 2. OBLIGATIONS SECURED

The security interest, lien and other interests granted to Secured Party pursuant to this Agreement shall secure the prompt performance, observance and payment in full of all amounts of any nature whatsoever, direct or indirect, absolute or contingent, due or to become due, arising or incurred heretofore on hereafter, arising under this or any other Agreement or by operation of law, now or hereafter owing by Debtor to Secured Party or to any parent, subsidiary or affiliate of Secured Party. Said amounts include, but are not limited to loans, debts and liabilities heretofore or hereafter acquired by purchase or assignment from other present or future clients of Secured Party, or through participation. Without limiting the foregoing, such amounts shall include all advances, loans, interest, commissions, customer late payment charges, cost, fees, expenses, taxes and all receivables charged or chargeable to Debtor's account under the Promissory Note, whether arising under this agreement, the other Agreements or by operation of law and whether incurred by Debtor as principal, surety, endorser, guarantor or otherwise (all hereinafter referred to as "**Obligations**").

## 3. REPRESENTATIONS, WARRANTIES AND COVENANTS

Debtor hereby represents, warrants and covenants to Secured Party the following (which shall survive the execution and delivery of this Agreement), the truth and accuracy of

which, or compliance with, being a continuing condition of the making of loans by Secured Party to Debtor under the Agreements:

(a) Debtor will pay and perform all of the Obligations according to their terms.

(b) All of the existing Collateral is valid and existing in full force and effect, and Debtor owns the sole, full, and clear title thereto, and the right and power to grant the security interests granted hereunder. Debtor will, at Debtor's expense, perform all acts and execute all documents necessary to maintain the existence of the Collateral as valid, subsisting and registered trademarks, including, without limitation, the filing of any renewal affidavits and applications. The Collateral is not subject to any liens, claims, mortgages, assignments, licenses, security interests, or encumbrances of any nature whatsoever, except the security interests granted hereunder and the licenses permitted under Section 3(e) below.

(c) Debtor will not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon, encumber, grant an exclusive or non-exclusive license relating thereto, except as permitted herein, or otherwise dispose of any of the Collateral without the prior written consent of Secured Party. Nothing in this Agreement shall be deemed a consent by Secured Party to any such action, except as such action is expressly permitted hereunder.

(d) Debtor will, at Debtor's expense, perform all acts and execute all documents requested at any time by Secured Party to evidence, perfect, maintain, record, or enforce the security interest in the Collateral granted hereunder or to otherwise further the provisions of this Agreement. Debtor hereby authorizes Secured Party to execute and file one or more financing statements (or similar documents) with respect to the Collateral, signed only by Secured Party or as otherwise determined by Secured Party. Debtor further authorizes Secured Party to have this or any other similar security agreement filed with the Commissioner of Patents and Trademarks or other appropriate federal, state or government office.

(e) As of the date hereof, Debtor does not have any Trademarks registered, or subject to pending applications, in the United States Patent and Trademark Office or any similar office or agency in the United States other than those described in Schedule A annexed hereto and has not granted any licenses with respect thereto other than the license set forth in Schedule B hereto (the "License"), except that, upon the prior written consent of Secured Party, Debtor may enter into other license agreements with respect to the Trademarks acquired by Debtor from The Casablanca Group L.P. or Georgia Apparel, Inc. (each an "Additional License") provided that (i) no Event of Default has occurred, (ii) any such Additional License is satisfactory in form and substance to Secured Party in its sole discretion reasonably exercised, (iii) all of Debtor's rights under any such Additional License, including the right to receive payments and profits thereunder, are assigned to Secured Party hereunder, and such payments and profits (less the

amount of finder's fees or commissions to be paid, which amount shall be satisfactory to Secured Party and Debtor) shall be applied to Debtor's Obligations under the Promissory Note.

(f) Debtor is not in default under the License, and Debtor's rights under the License are free and clear of all claims, liens, pledges and encumbrances of any kind, nature or description, except for those granted to Secured Party hereunder.

(g) The License is not subject to any restrictions relative to the transfer thereof and Debtor has the right to transfer, assign and encumber its interest in the License in favor of Secured Party.

(h) Until all of the Obligations have been indefeasibly paid and satisfied in full, Debtor shall not directly or indirectly further sell, assign, transfer or otherwise further dispose of the License or any part or rights thereof, nor shall Debtor create, incur or permit any further pledge, encumbrance, lien, mortgage or security interest with respect to the License or any part or rights thereof.

(i) Until the Obligations have been indefeasibly paid and satisfied in full, Debtor will not consent to or enter into any alteration or amendment to the License or permit termination or cancellation of the License without first having obtained the written consent of Secured Party.

(j) Until the Obligations have been indefeasibly paid and satisfied in full, (i) Debtor hereby assigns, transfers and sets over to Secured Party, (ii) Secured Party may receive for application to the Obligations in such manner as Secured Party may determine in its sole discretion, and (iii) subject to the terms and provisions of that certain letter re: Authorization and Direction to Charge Accrued and Unpaid Payments dated the date hereof by and between Debtor and Secured Party, Debtor hereby authorizes and directs KEMM APPAREL LLC, and KEMM APPAREL LLC hereby agrees, to remit directly to Secured Party, any and all of the Collateral, including, but not limited to, all payments, proceeds, profits, royalties, and distributions to which Debtor would be otherwise entitled to under the terms of the License or otherwise.

(k) In furtherance of the assignment and security interest granted to Secured Party hereunder, Debtor hereby grants to Secured Party the right, at Secured Party's option and at all times and from time to time, to enforce any of the conditions, covenants or agreements contained in the License or otherwise, and to do anything that Debtor would have the right to do under the License in the absence of this Assignment; provided, however, that nothing contained herein shall obligate Secured Party to take or forebear from taking any action which Debtor may be entitled or required to take or not take.

(l) Debtor will, concurrently with the execution and delivery of this Agreement, execute and deliver to Secured Party five (5) originals of a Power of Attorney in the form of Exhibit 1 annexed hereto for the implementation of the assignment, sale or other disposition of the Collateral pursuant to Secured Party's exercise of the rights and remedies granted to Secured Party hereunder.

(m) Secured Party may, in its discretion, pay any amount or do any act which Debtor fails to pay or do as required hereunder or as requested by Secured Party to preserve, defend, protect, maintain, record, amend or enforce the Obligations, the Collateral, or the security interest granted hereunder including but not limited to all filing or recording fees, court costs, collection charges and reasonable attorneys' fees. Debtor will be liable to Secured Party for any such payment, which payment shall be deemed an advance by Secured Party to Debtor, shall be payable on demand together with interest at the then applicable rate set forth in the Agreements and shall be part of the Obligations secured hereby.

(n) Debtor shall not file any application for the registration of a Trademark with the United States Patent and Trademark Office or any similar office or agency in the United States, any state therein, or any other country, unless Debtor has by thirty (30) days prior written notice informed Secured Party of such action. Upon request of Secured Party, Debtor shall execute and deliver to Secured Party any and all assignments, agreements, instruments, documents and such other papers as may be requested by Secured Party to evidence the security interests of Secured Party in such Trademark.

(o) Debtor has not abandoned any of the Trademarks and Debtor will not do any act, nor omit to do any act, whereby the Trademarks may become abandoned, invalidated, unenforceable, avoided or avoidable, except that, upon the prior consent of Secured Party, which consent shall not be unreasonably withheld, Debtor may abandon a Trademark or Trademarks which are no longer valuable or necessary to the conduct of Debtor's business. Debtor shall notify Secured Party immediately if it knows or has reason to know of any reason why any application, registration, or recording may become abandoned, canceled, invalidated, avoided, or avoidable.

(p) Debtor will render any assistance necessary to Secured Party in any proceeding before the United States Patent and Trademark Office, any federal or state court, or any similar office or agency in the United States or any state therein or any other country to maintain such application and registration of the Trademarks as Debtor's exclusive property and to protect Secured Party's interest therein, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference, and cancellation proceedings.

(q) Debtor will promptly notify Secured Party if Debtor (or any affiliate or subsidiary thereof) learns of any use by any person of any term or design likely to cause confusion with any Trademark. If requested by Secured Party, Debtor, at Debtor's expense, shall join with Secured Party in such action as Secured Party, in its discretion, may deem advisable for the protection of Secured Party's interest in and to the Trademarks.

(r) Debtor will promptly pay Secured Party for any and all reasonable expenditures made by Secured Party pursuant to the provisions of this Agreement or for the defense, protection, or enforcement of the Obligations, the Collateral, or the security interests granted hereunder, including, but not limited to, all reasonable filing or recording fees, court costs, collection charges, travel expenses, and attorneys' fees and legal expenses. Such expenditures shall be payable on demand, together with interest at the then applicable rate set forth in the Promissory Note and shall be part of the Obligations secured hereby.

#### 4. EVENTS OF DEFAULT

All Obligations shall become immediately due and payable, without notice or demand, at the option of Secured Party, upon the occurrence of an "Event of Default" under and as defined in the Promissory Note (each an "Event of Default" hereunder).

#### 5. RIGHTS AND REMEDIES

Upon the occurrence of any such Event of Default and during its continuance, in addition to all other rights and remedies of Secured Party, whether provided under law, the Agreements or otherwise, Secured Party shall have the following rights and remedies which may be exercised without notice to, or consent by, Debtor except as such notice or consent is expressly provided for hereunder.

(a) Secured Party may require that neither Debtor nor any affiliate or subsidiary of Debtor make any use of the Trademarks or any marks similar thereto for any purpose whatsoever. Secured Party may make use of any Trademarks for the sale of goods, completion of work in process or rendering of services in connection with enforcing any other security interest granted to Secured Party by Debtor or any subsidiary of Debtor.

(b) Secured Party may grant such license or licenses relating to the Collateral for such term or terms, on such conditions, and in such manner, as Secured Party shall in its discretion deem appropriate. Such license or licenses may be general, special, or otherwise, and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and all foreign countries.

(c) Secured Party may assign, sell or otherwise dispose of the Collateral or any part thereof, either with or without special conditions or stipulations except that if notice to Debtor of intended disposition of Collateral is required by law, the giving of ten (10) days notice in the manner set forth in subparagraph 6(b) hereof shall be deemed reasonable notice thereof and Debtor waives any other notice with respect thereto. Secured Party shall have the power to buy the Collateral or any part thereof, and Secured Party shall also have the power to execute assurances and perform all other acts which Secured Party may, in its discretion, deem appropriate or proper to complete such assignment, sale, or disposition.

(d) In addition to the foregoing, in order to implement the assignment, sale, or other disposition of any of the Collateral pursuant to Subparagraph 5(c) hereof, Secured Party may at any time execute and deliver on behalf of Debtor, pursuant to the authority granted in the Powers of Attorney described in Subparagraph 3(l) hereof, one or more instruments of assignment of the Trademarks (or any application, registration, or recording relating thereto), in form suitable for filing, recording, or registration. Debtor agrees to pay Secured Party all costs incurred in any such transfer of the Collateral, including, but not limited to, any taxes, fees, legal expenses and reasonable attorneys' fees and legal expenses.

(e) Secured Party may first apply the proceeds actually received from any such license, assignment, sale, or other disposition of Collateral to the costs and expenses thereof, including, without limitation, attorneys' fees and all legal, and other expenses which may be incurred by Secured Party. Thereafter, Secured Party may apply any remaining proceeds to such of the Obligations as Secured Party may in its discretion determine. Debtor shall remain liable to Secured Party for any expenses or obligations remaining unpaid after the application of such proceeds, and Debtor will pay Secured Party on demand any such unpaid amount, together with interest at a rate equal to the highest rate then payable on the Obligations.

(f) Debtor shall make available to Secured Party or its designee, Debtor's customer lists and other records relating to the Trademarks and the distribution thereof.

(g) Nothing contained herein shall be construed as requiring Secured Party to take any such action at any time. All of Secured Party's rights and remedies, whether provided under law, the Agreements, this agreement, or otherwise, shall be cumulative and none is exclusive. Such rights and remedies may be enforced alternatively, successively, or concurrently.

## 6. MISCELLANEOUS

(a) Any failure or delay by Secured Party to require strict performance by Debtor of any of the provisions, warranties, terms, and conditions contained herein or in any other agreement, document, or instrument, shall not affect Secured Party or Secured Party's right to demand strict compliance and performance therewith, and any waiver of any default shall not



waive or affect any other default, whether prior or subsequent thereto, and whether of the same or of a different type. None of the warranties, conditions, provisions, and terms contained herein or in any other agreement, document, or instrument shall be deemed to have been waived by any act or knowledge of Secured Party, its agents, officers, or employees, but only by an instrument in writing, signed by an officer of Secured Party and directed to Debtor, specifying such waiver.

(b) Any notice or other communication required or permitted pursuant to this Agreement shall be deemed given (a) when personally delivered to any officer of the party to whom it is addressed, (b) on the earlier of actual receipt thereof or five (5) days following posting thereof by certified or registered mail, postage prepaid, return receipt requested, or (c) upon actual receipt thereof when sent by a recognized overnight delivery service, or (d) upon actual receipt thereof when sent by telecopier to the number set forth below with telephone communication confirming receipt and subsequently confirmed by registered or certified mail, return receipt requested, or by recognized overnight delivery service to the address set forth below, in each case addressed to the applicable party at its address set forth below or at such other address as has been furnished in writing by such party to the other by like notice:

- |                             |   |
|-----------------------------|---|
| (A) If to Secured Party at: | BNY Financial Corporation<br>1290 Avenue of the Americas<br>New York, New York 10104<br>Attention: Loan Administration<br>Department<br>Mr. Frank Imperato,<br>Senior Vice President<br>Telephone: (212) 408-7026<br>Telecopier: (212) 408-7162 |
| (B) If to Debtor at:        | CB Holdings LLC<br>105 Corporate Park Drive<br>White Plains, New York 10604<br>Attention: Manager<br>Telephone: (914) 694-2900<br>Telecopier: (914) 694-2983  |

(c) Any requirement under applicable law of reasonable notice by Secured Party to Debtor of any event shall be met if notice is given to Debtor in the manner prescribed above at least five (5) days before (a) the date of such event or (b) the date after which such event will occur.

(d) In the event that any provision hereof shall be deemed to be invalid by any court, such invalidity shall not affect the remainder of this agreement.

(e) All references to Debtor and Secured Party herein shall include their respective successors and assigns. All references to the term "person" or "Person" herein shall mean any individual, sole proprietorship, limited partnership, general partnership, corporation (including a business trust), unincorporated association, joint stock corporation, trust, joint venture, association, organization or other entity or government or any agency or instrumentality or political subdivision thereof.

(f) This Agreement shall be binding upon and for the benefit of the parties hereto and their respective successors and assigns. No provision hereof shall be modified, altered or limited except by a written instrument expressly referring to this Agreement signed by the party to be charged thereby.

(g) THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. SECURED PARTY SHALL HAVE THE RIGHTS AND REMEDIES OF A SECURED PARTY UNDER APPLICABLE LAW INCLUDING, BUT NOT LIMITED TO, THE UNIFORM COMMERCIAL CODE OF NEW YORK. DEBTOR AGREES THAT ALL ACTIONS AND PROCEEDINGS RELATING DIRECTLY OR INDIRECTLY TO THIS AGREEMENT OR ANY OTHER AGREEMENT OR ANY OBLIGATION SHALL BE LITIGATED IN THE FEDERAL DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK OR, AT SECURED PARTY'S OPTION IN ANY OTHER COURTS LOCATED IN NEW YORK STATE OR ELSEWHERE AS SECURED PARTY MAY SELECT AND THAT SUCH COURTS ARE CONVENIENT FORUMS AND DEBTOR SUBMITS TO THE PERSONAL JURISDICTION OF SUCH COURTS. DEBTOR WAIVES PERSONAL SERVICE OF PROCESS AND CONSENTS THAT SERVICE OF PROCESS UPON DEBTOR MAY BE MADE BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, DIRECTED TO DEBTOR AT DEBTOR'S ADDRESS APPEARING ON SECURED PARTY'S RECORDS, AND SERVICE SO MADE SHALL BE DEEMED COMPLETED TWO (2) DAYS AFTER THE SAME SHALL HAVE BEEN SO MAILED. BOTH PARTIES HERETO WAIVE THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BETWEEN DEBTOR AND SECURED PARTY AND DEBTOR WAIVES THE RIGHT TO ASSERT, IN ANY ACTION OR PROCEEDING INSTITUTED BY SECURED PARTY WITH REGARD TO THIS AGREEMENT OR ANY OF THE OBLIGATIONS, ANY OFFSETS OR COUNTERCLAIMS WHICH IT MAY HAVE.

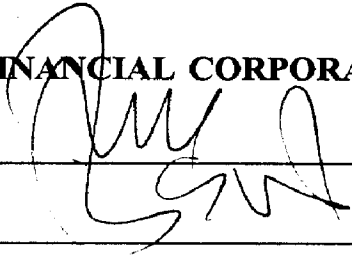
**IN WITNESS WHEREOF**, Debtor and Secured Party have executed this Agreement as of the day and year first above written.

**CB HOLDINGS LLC**

By:  \_\_\_\_\_

Title:                     Kenneth Lazar                      
                    Manager                    

**BNY FINANCIAL CORPORATION**

By:  \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF NEW YORK )  
 ) ss.:  
COUNTY OF NEW YORK )

As of this 18th day of March, 1999, before me personally came Kenneth Lazar, to me known, who being duly sworn, did depose and say, that he is the manager of CB HOLDINGS LLC, the limited liability company described in and which executed the foregoing instrument; and that he signed his name thereto by order of the members of said limited liability company.

Ellen M Allen  
Notary Public

ELLEN M. ALLEN  
Notary Public, State of New York  
No. 01AL5057123  
Qualified in Suffolk County 2000  
Commission Expires March 18, 2000

STATE OF NEW YORK )  
 ) ss.:  
COUNTY OF NEW YORK )

As of this 18th day of March, 1999, before me personally came ROBERT P. GRBIC, to me known, who, being duly sworn, did depose and say, that he is a SVP. of BNY FINANCIAL CORPORATION, the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Ellen M Allen  
Notary Public

ELLEN M. ALLEN  
Notary Public, State of New York  
No. 01AL5057123  
Qualified in Suffolk County 2000  
Commission Expires March 18, 2000

**SCHEDULE A****LIST OF TRADEMARKS AND APPLICATIONS**

<b><u>Trademark</u></b>	<b><u>Registration Number</u></b>
The Size Adjuster	2,111,049
Casablanca II	1,513,692
Casablanca (Stylized)	1,512,839
Fundamental Things	1,495,919
Petites by Fundamental Things	1,429,376
Fundamental Things	1,203,682
Play It Again	1,203,681
Play It Again	TMA300,911
Casablanca (White House)	TMA246,983

**SCHEDULE B**

**PERMITTED LIENS AND LICENSES**

Trademark License Agreement dated the date hereof by and between CB Holdings LLC and KEMM Apparel LLC.

**EXHIBIT 1**

**SPECIAL POWER OF ATTORNEY**

STATE OF NEW YORK    )  
                                  ) ss.:  
COUNTY OF NEW YORK )

KNOW ALL MEN BY THESE PRESENTS, that **CB HOLDINGS LLC ("Debtor")**, having an office at 105 Corporate Park Drive, White Plains, New York 10604, hereby appoints and constitutes, severally, **BNY FINANCIAL CORPORATION ("Secured Party")**, and each of its officers, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on behalf of Debtor:

1. Execution and delivery of any and all agreements, documents, instrument of assignment, or other papers which Secured Party, in its discretion, deems necessary or advisable for the purpose of assigning, selling, or otherwise disposing of all right, title, and interest of Debtor in and to any trademarks and all registrations, recordings, reissues, extensions, and renewals thereof, or for the purpose of recording, registering and filing of, or accomplishing any other formality with respect to the foregoing.

2. Execution and delivery of any and all documents, statements, certificates or other papers which Secured Party, in its discretion, deems necessary or advisable to further the purposes described in Subparagraph 1 hereof.

This Power of Attorney, being a power coupled with an interest, is made pursuant to a Trademark Collateral Assignment and Security Agreement between Debtor and Secured Party, of even date herewith (the "**Security Agreement**") and may not be revoked until indefeasible payment in full of all Debtor's "Obligations", as such term is defined in the Security Agreement and is subject to the terms and provisions thereof.

March 18, 1999

**CB HOLDINGS LLC**

By: \_\_\_\_\_  
                                  Kenneth Lazar  
Title: \_\_\_\_\_  
                                  Manager

STATE OF NEW YORK    )  
                                  ) ss.:  
COUNTY OF NEW YORK )

As of this 18th day of March, 1999, before me personally came Kenneth Lazar, to me known, who being duly sworn, did depose and say, that he is a manager of CB HOLDINGS LLC, the limited liability company described in and which executed the foregoing instrument; and that he signed his name thereto by order of the members of said limited liability company.

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Notary Public