

01-22-2003



102343088

1-22-03

To the Honorable Commissioner, attached original documents or copy thereof.

1. Name of conveying party(ies):  
International Legwear Group, Inc.

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

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

2. Name and address of receiving party(ies)  
Name: CapitalSource Finance LLC  
Internal  
Address:  
Street Address: 4445 Willard Avenue, 12th Fl.  
City: Chevy Chase State: MD Zip: 20815

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

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

3. Nature of conveyance:  
 Assignment  Merger  
 Security Agreement  Change of Name  
 Other

Execution Date: January 13, 2003

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)  
1,612,143 2,246,671 1,066,786  
2,660,540 2,468,473 1,419,251

Additional number(s) attached  Yes  No

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

Name: Paul C. Jorgensen

Internal Address:

01/23/2003 6TON11 00000036 1612143

01 FC:8521 40.00 OP  
02 FC:8522 475.00 OP

Street Address: Patton Roggs LLP  
2550 M Street, N.W.

City: Washington State: DC Zip: 20037

6. Total number of applications and registrations involved: 20

7. Total fee (37 CFR 3.41).....\$ 515.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:  
500-709

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

DO NOT USE THIS SPACE

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.

Paul C. Jorgensen

Name of Person Signing

Signature

1/22/03

Date

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

17

TRADEMARK APPLICATION NUMBERS AND REGISTRATION NUMBERS  
CONTINUATION SHEET

APPLICATION NUMBERS:

75/581,928

REGISTRATION NUMBERS:

2,488,502	1,477,824	1,746,457	1,292,987
1,260,568	1,951,996	2,304,274	2,478,547
2,126,310	2,614,089	1,152,490	1,740,603
767,238			

# INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement (as amended, supplemented or otherwise modified from time to time, this "IP Security Agreement") is made and effective as of January 13, 2003, by INTERNATIONAL LEGWEAR GROUP, INC., a Virginia corporation ("ILG"), and NEUVILLE INDUSTRIES, INC., a North Carolina corporation ("Neuville" together with ILG, and including any of their respective successors or permitted assignees, each a "Grantor" and collectively the "Grantors"), in favor of CAPITALSOURCE FINANCE LLC, a Delaware limited liability company, as agent for the Lenders (as defined in the Loan Agreement (as defined below)) (in such capacity, the "Agent"). Capitalized terms used in this IP Security Agreement and not otherwise defined shall have the respective meanings ascribed to such terms in the Loan Agreement.

## RECITALS

**WHEREAS**, pursuant to that certain Revolving Credit, Term Loan and Security Agreement, dated as of the date hereof, by and among the Grantors, the Agent and the Lenders (as amended, supplemented or otherwise modified from time to time, the "Loan Agreement"), the Lenders have agreed, subject to the terms and conditions set forth therein, to lend to the Grantors certain amounts pursuant to a revolving credit facility and a term loan (collectively, the "Loans"); and

**WHEREAS**, it is a condition precedent to the obligation of the Agent and the Lenders to execute and perform under the Loan Agreement that Grantors shall have executed and delivered this IP Security Agreement to the Agent, for the ratable benefit of the Lenders;

**NOW, THEREFORE**, in consideration of the willingness of the Agent and the Lenders to enter into the Loan Agreement and to agree, subject to the terms and conditions set forth therein, to make the Loans to the Grantors pursuant thereto, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed as follows:

1. **Grant of Security Interest**. To secure the Grantors' prompt, punctual and faithful payment of the Loans and the performance of all and each of the Grantors' obligations under the Loan Agreement, each Grantor hereby grants to Agent, for the ratable benefit of the Lenders, a continuing security interest in all of the right, title and interest of such Grantors in and to any and all of the following collateral, whether now owned or hereafter acquired, but excluding any Intellectual Property for which the granting of a security interest therein would terminate, invalidate, void, cancel or abandon such Intellectual Property (the "IP Collateral");

(a) The U.S and foreign copyrights, associated copyright registrations and applications for copyright registration, set forth on Schedule A attached hereto (collectively, the "Copyrights");

(b) The U.S. and foreign patents and patent applications set forth on Schedule B attached hereto, including, without limitation, divisions, continuations, renewals, reissues, extensions and continuations-in-part of the same (collectively, the “Patents”);

(c) The U.S., state and foreign trademark and service mark registrations, trademark and service mark applications set forth on Schedule C attached hereto and all goodwill associated with the foregoing (collectively, the “Trademarks”);

(d) The domain names and registrations set forth on Schedule D attached hereto and all goodwill associated with the foregoing (collectively, the “Domain Names”);

(e) Any and all claims and causes of action for past, present or future infringement of any of the IP Collateral, with the right, but not the obligation, to sue for and collect damages for infringement of the IP Collateral;

(f) Any and all licenses or rights granted under any of the IP Collateral, and all license fees and royalties arising from such licenses or rights, in each case to the extent permitted by such licenses or rights;

(g) Any and all amendments, renewals, extensions, reissues and replacements of any of the IP Collateral; and

(h) Any and all products and proceeds of any of the foregoing.

2. Requested Recordation. Each Grantor authorizes and requests that the Register of Copyrights and the Commissioner of Patents and Trademarks (and any state, foreign or other authority to which this IP Security Agreement is submitted) file and record this IP Security Agreement (and any corresponding or separate forms of such jurisdiction) in order to publicly reflect the interests of the Agent and the Lenders in the IP Collateral.

3. Assignment. Upon the occurrence and during the continuance of an Event of Default, each Grantor shall execute and deliver to Agent an absolute assignment transferring its entire right, title, and interest in and to the IP Collateral to the Agent, for the ratable benefit of the Lenders.

4. Power of Attorney. Each Grantor hereby irrevocably grants to the Agent, for the ratable benefit of the Lenders, a power of attorney, to act as such Grantor’s attorney-in-fact, with full authority in the name, place and stead of such Grantor, from time to time in the Agent’s discretion, to take any action and to execute any instrument that the Agent may reasonably deem necessary or advisable to accomplish the purposes of this IP Security Agreement. This authority includes, without limitation, the following:

(a) To modify or amend (in the sole discretion of the Agent and the Lenders and without first obtaining such Grantor’s approval thereof or signature thereto) Schedule A, Schedule B, Schedule C, and/or Schedule D hereof, as appropriate, to include references to any registered intellectual property (or application or license therefor) acquired by such Grantor after the execution hereof or to delete any reference to any IP Collateral in which such Grantor no longer has or claims any right, title or interest;

(b) To execute, file and pursue (in the sole discretion of the Agent and the Lenders and without first obtaining such Grantor's approval thereof or signature thereto, unless otherwise prohibited by applicable law) any application, form or other document in order to perfect, maintain, continue or otherwise protect the Agent's interest or such Grantor's rights in the IP Collateral, including, without limitation, executing and filing (i) any financing statement, any continuation statement or any amendment thereto, and (ii) any document in any proceeding before the United States Patent and Trademark Office, the United States Copyright Office or the relevant office of any state or foreign jurisdiction (including, without limitation, the filing of applications for renewal, affidavits of use, affidavits of incontestability and opposition, interference and cancellation proceedings) and to pay any fees and taxes in connection therewith or otherwise;

(c) To execute any document required to acknowledge, register or perfect the interest of the Agent and the Lenders in any part of the IP Collateral without the signature of such Grantor unless prohibited by applicable law; and

(d) Upon the occurrence and during the continuation of an Event of Default, to (i) endorse the respective Grantor's name on all applications, documents, papers and instruments necessary or desirable for Agent in the use of the IP Collateral, (ii) take any other actions with respect to the IP Collateral as Agent deems to be in the best interest of Agent, (iii) grant or issue any exclusive or non-exclusive license under the IP Collateral to anyone or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the IP Collateral to anyone.

The foregoing power of attorney is coupled with an interest and is irrevocable until the obligations secured hereby have been unconditionally and indefeasibly paid or performed in full and the Loan Agreement has been terminated (except for any obligations designated under the Loan Agreement as continuing on an unsecured basis).

5. Release. Unless otherwise agreed in writing by the parties, the security interests granted herein will terminate (and all rights to the IP Collateral will revert to each of the Grantors) upon satisfaction of the following conditions: (a) payment and performance in full of all the Obligations secured hereby (unconditionally and indefeasibly) and (b) the termination of the Loan Agreement (except for any obligations designated thereunder as continuing on an unsecured basis). Upon any such termination, the Agent (at the Grantors' request and sole expense) will promptly execute and deliver to the Grantors (with such customary representations and warranties from a secured lender releasing its lien as Grantor may reasonably request) such documents as the Grantors may reasonably request and as are provided to the Agent to evidence such termination.

6. Newly Registered Copyrights, Patents and Trademarks. Each Grantor hereby agrees to provide the Agent, for the ratable benefit of the Lenders, every three (3) months, a schedule of newly registered Copyrights, Patents and Trademarks (if any).

7. Miscellaneous.

(a) This IP Security Agreement has been entered into in conjunction with the provisions of and the security interest granted to the Agent, for the ratable benefit of the Lenders, under the Loan Agreement. The rights and remedies of the Grantors and the Agent with respect to the security interests granted herein are in addition and without prejudice to those set forth in the Loan Agreement, all terms and provisions of which are hereby incorporated herein by reference. In the event that any provisions of this IP Security Agreement are deemed to conflict with the Loan Agreement or the other Loan Documents, the provisions of the Loan Agreement or the other Loan Documents shall govern.

(b) This IP Security Agreement may be executed in any number of counterparts with the same effect as if all the signatures on such counterparts appeared on one document. Each such counterpart will be deemed to be an original, but all counterparts together will constitute one and the same instrument.

*[Remainder of Page Intentionally Blank; Signature Page Follows]*

**IN WITNESS WHEREOF**, the parties hereto have executed this IP Security Agreement as of the date first written above.

**GRANTORS:**

INTERNATIONAL LEGWEAR GROUP, INC.

By: 

Name: John A. Piazza

Title: Chief Executive Officer

NEUVILLE INDUSTRIES, INC.

By: 

Name: Jeffrey L. Neuville

Title: Chief Executive Officer

**AGENT:**

**CAPITALSOURCE FINANCE LLC**

By: 

Name: Joseph Turitz

Title: Senior Counsel



ACKNOWLEDGMENT

STATE OF Virginia :

: SS

COUNTY OF Richmond :

Before me, the undersigned, a Notary Public, on this 10 day of January, 2003, personally appeared John A. Piazza to me known personally, who, being by me duly sworn, did say that he is the Chief Executive Officer of International Legwear Group, Inc., as Grantor, and that said Intellectual Property Security Agreement was signed on behalf of said Grantor, by authority of its board of directors, and the said Chief Executive Officer acknowledged said instrument to be his free act and deed.



Notary Public

My Commission Expires: \_\_\_\_\_


ACKNOWLEDGMENT

STATE OF Virginia :

: SS

COUNTY OF Richmond :

Before me, the undersigned, a Notary Public, on this 10 day of January, 2003, personally appeared Jeffrey L. Neuville, to me known personally, who, being by me duly sworn, did say that he is the Chief Executive Officer of Neuville Industries, Inc., as Grantor, and that said Intellectual Property Security Agreement was signed on behalf of said Grantor, by authority of its board of directors and the said Chief Executive Officer acknowledged said instrument to be his free act and deed.

  
Notary Public  
My Commission Expires: 12/31/2006

ACKNOWLEDGMENT

STATE OF Maryland :

: SS

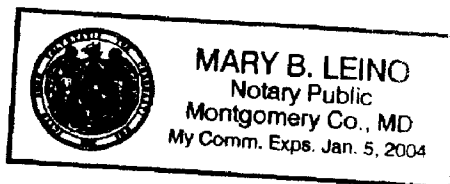
COUNTY OF Montgomery :

Before me, the undersigned, a Notary Public, on this 13<sup>th</sup> day of January, 2003, personally appeared Joseph Turitz to me known personally, who, being by me duly sworn, did say that he is the Senior Counsel of CapitalSource Finance LLC, as Agent, and that said Intellectual Property Security Agreement was signed on behalf of said Agent, and the said Senior Counsel \_\_\_\_\_ acknowledged said instrument to be his free act and deed.

Mary B. Leino

Notary Public

My Commission Expires: 1/5/04



**SCHEDULE A**

**COPYRIGHT COLLATERAL**

Registered Copyrights

None

Pending Copyright Applications

None

**SCHEDULE B**

**PATENT COLLATERAL**

Registered Patents

<u>Jurisdiction</u>	<u>Title</u>	<u>Registration No.</u>	<u>Registration Date</u>
United States PTO	Blister Protection Mohair Sock	U.S. Patent No. 6,308,337	October 30, 2001

Pending Patent Applications

None

**SCHEDULE C**

**TRADEMARK COLLATERAL**








Registered Trademarks




<u>Jurisdiction</u>	<u>Title</u>	<u>Registration No.</u>	<u>Registration Date</u>
See Attached			

Pending Trademark Applications

None

Trademark Licenses

Trademark	Registration (Serial) Number	Registration (Filing) Date	Notes
	1,612,143	9/4/90	
BARE ANKLES	2,246,671	5/18/99	
COACH'S CHOICE	1,066,786	5/31/77	
DIRT BLOCKER	2,660,540	12/10/02	
DIRT-BE-GONE	2,468,473	7/10/01	
FEET ABOVE THE REST	(75/734,048)	(6/22/99)	Application abandoned
	1,419,251	12/2/86	
GRASS BUSTER	2,488,502	9/11/01	
	(75/648,414)	(2/23/99)	Application abandoned
<i>Harrison Clay</i>	1,477,824	2/23/88	
Hickory Ridge	1,746,457	1/12/93	
	1,292,987	9/4/84	
	1,260,568	12/6/83	Supplemental Register
	1,579,660	1/23/90	Registration cancelled
	1,587,953	3/20/90	Registration cancelled
MOBIL-SOX	712,912	3/21/61	Registration cancelled
<i>Newville</i>	1,951,996	1/23/96	Supplemental Register

Trademark	Registration (Serial) Number	Registration (Filing) Date	Notes
ODOR SOCKERS	(75/581,928)	(11/3/98)	
	2,304,274	12/28/99	
PEDI-CURES	2,478,547	8/14/01	
PRO-CUSHION	2,126,310	12/30/97	
PRO GUARD	2,614,089	9/3/02	
	1,152,490	4/28/81	
PROTECTO	1,740,603	12/15/92	
THE 1-2-3 SOCK	(75/339,846)	(8/12/97)	Application abandoned
	767,238	3/24/64	



**SCHEDULE D**

**DOMAIN NAMES**

www.neuville.com