

FORM PTO-1594 (Modified)  
(Rev. 6-93)  
OMB No. 0651-0011 (exp.4/94)  
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TM05/REV03

RECORDATION FORM COVER SHEET  
**TRADEMARKS ONLY**

Docket No.:

Tab settings

To the Director of the United States Patent and Trademark Office: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Jeanjer, Ltd.

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

Additional names(s) of conveying party(ies)  Yes  No

3. Nature of conveyance:

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

Execution Date: October 14, 2004

2. Name and address of receiving party(ies):

Name: Israel Discount Bank of New York

Internal Address:

Street Address: 511 Fifth Avenue

City: New York State: NY ZIP: 10017

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

If assignee is not domiciled in the United States, a domestic designation is  Yes  N  
(Designations must be a separate document from Additional name(s) & address(es)  Yes  N

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

A. Trademark Application No.(s)

Please See Attached Schedule "B"

B. Trademark Registration No.(s)

Please See Attached Schedule "B"

Additional numbers  Yes  No

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

Name: Cory M. Baker

Internal Address: Tucker & Latifi, LLP

Street Address: 160 East 84th Street, Suite 5E

City: New York State: NY ZIP: 10028

6. Total number of applications and registrations involved:.....

13

7. Total fee (37 CFR 3.41):.....\$ 340.00

- Enclosed C.C. form
- Authorized to be charged to deposit account

8. Deposit account number:

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.

Cory M. Baker

Name of Person Signing

Signature

March 21, 2005

700163858

Total number of pages including cover sheet, attachments and

TRADEMARK

REEL: 003074 FRAME: 0220

POP \$340.00 76582087

**Schedule B**

<b><u>Trademark Name</u></b>	<b><u>Trademark No.</u></b>	<b><u>Registration Date</u></b>	<b><u>Class</u></b>
Jeanjer	1,476,910	16 Feb 1988	25
Jeanjer Sportswear & Rolls Royce Design	1,340,867	11 Jun 1985	25
Jeanjer-Jeans	1,308,130	04 Dec 1984	25
Jeanjerman	1,460,120	06 Oct 1987	25
Gasoline	1,869,688	27 Dec 1994	25
Gasoline	1,788,258	17 Aug 1993	25
Gasoline logo	2,903,396	16 Nov 2004	25
Gasoline plus logo	2,903,395	16 Nov 2004	25
GSL plus logo	2,553,007	26 March 2002	25
GSL	2,890,624	5 Oct 2004	25
Supreme Jeans by Gasoline	Serial No. 76/582087		25
Supreme Gasoline	Serial No. 76/582086		25
Supreme Jeans	Serial No. 76/582085		25

## **TRADEMARK SECURITY AGREEMENT**

THIS TRADEMARK SECURITY AGREEMENT ("Agreement") is made and effective as of October 14, 2004, by and among Jeanjer Ltd., a Delaware corporation ("Borrower") and Israel Discount Bank of New York, a New York banking corporation, in its capacity as agent ("Agent") and Lender, and the financial institutions listed on Schedule "A" attached hereto and made part hereof (as such schedule may be amended, supplemented or replaced from time to time) in their capacity as Lenders (collectively, the "Secured Party").

**WHEREAS**, Borrower, certain affiliates of the Borrower and the Secured Party have entered into a Second Amended and Restated Loan and Security Agreement, of even date herewith (the "Loan Agreement"), pursuant to which the Secured Party has agreed to make available to Borrower and said affiliates a credit facility; and

**WHEREAS**, Borrower desires to give, and Secured Party desires to receive, a security interest in certain intangible personal property of Borrower to secure such debt.

**NOW, THEREFORE**, Secured Party and Borrower agree as follows:

1. **Definitions.**

A. "Collateral" means Borrower's U.S. Trademark Registrations listed on Schedule "B" hereto, along with all attendant good will (collectively "Trademarks").

B. "Obligation" means all of the interest, principal and other amounts payable under the Loan Agreement and future indebtedness and liability of Borrower to Secured Party, including attorneys' fees incurred by Secured Party in enforcing this Agreement or the Loan Agreement or collecting payment hereunder or thereunder.

C. "Debtor" means the owner of the Collateral.

D. "Indebtedness" means the amount of all borrowings under the Loan Agreement along with any and all extensions, modifications, amendments or renewals thereof, and any promissory note issued thereunder, and the performance and discharge of each and every obligation of Borrower under the Loan Agreement, such promissory note or this Agreement.

E. "Lien" means any security interest, mortgage, pledge, lien, attachment, claim, charge, encumbrance, agreement retaining title, or lessor's interest covering the Collateral.

F. "Potential default" means an event or omission that would be a default under this Agreement or any other document evidencing or creating security for the obligations, except for the passage of time or the giving of notice.

G. "Trademark" means the trademark described in Recital A. above and all documents of title covering all or part of the Trademark.

H. Terms defined in the Uniform Commercial Code not otherwise defined in this Agreement are used in this Agreement as defined in that Code as in effect on the date of this Agreement. All other capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Loan Agreement.

2. **Security Interest.**

Borrower hereby grants to Secured Party a security interest in the Collateral together with any improvements, replacements, accessions, and additions to it in order to secure payment of the Obligation.

3. **Books and Records; Inspection.**

Borrower shall keep and maintain, at its expense, the registrations representing the Collateral, including the filing of any renewals or Affidavits to maintain their validity. In the event that Borrower does not maintain the registrations representing the Collateral, Secured Party may take any and all actions, at Borrower's expense, necessary to file any renewals or Affidavits to keep all of the registrations current and active. In such regard, Borrower hereby designates any officer of Secured Party to execute any documents on behalf of Borrower that need to be filed in the U.S. Patent and Trademark Office and Borrower shall cooperate with Secured Party by providing any necessary exemplars of trademark usage.

4. **Representations and Warranties of Borrower.** Borrower represents and warrants to Secured Party that:

A. Borrower possesses and shall possess at all times while this Agreement is in effect, full, complete and unencumbered title to these trademarks and their corresponding Registrations, subject only to Secured Party's security interest hereunder.

B. Neither the execution and delivery of this Agreement, nor the taking of any action in compliance with it, will (1) violate or breach any law, regulation, rule, order or judicial action binding on Borrower, any agreement to which any Borrower is a party, or any Borrower's articles of incorporation or formation, bylaws or partnership or operating agreement; or (2) result in the creation of a lien against the Collateral except that created by this Agreement.

C. No default or potential default exists.

D. Borrower is and will be the sole owner of good and indefeasible legal and equitable title to the Collateral, and has possession of the collateral.

E. The collateral is free and clear of all mortgages, pledges, liens, security interests and other charges and encumbrances except the security interest created by this Agreement and the Loan Agreement.

F. No Uniform Commercial Code financing statement (other than Uniform Commercial Code financing statements relating hereto, if any) covering any of the Collateral is currently effective other than in favor of the Secured Party.

G. Until such time as Debtor has satisfied each and all of its obligations to Secured Party, Borrower will assist Secured Party in defending Secured Party's title to the Collateral owned or hereafter acquired by it against all persons and against all claims and demands whatsoever.

H. Borrower will execute and, at its own expense, file and refile with the United States Patent and Trademark Office in the case of any transfer or assignment documentation or under the Uniform Commercial Code in the case of financing statements, continuation statements and other documents in such offices as the Secured Party may deem necessary or appropriate and wherever required or permitted by law in order to perfect and preserve the Secured Party's security interest in the Collateral, and the Borrower hereby authorizes the Secured Party to file such transfer or assignment documentation or Uniform Commercial Code financing statements, continuation statements and amendments thereto relative to all or any of the Collateral without the signature of the Borrower where permitted by law.

I. Borrower will do such further acts and things, and execute and deliver to the Secured Party such additional conveyances, assignments, agreements and instruments, as the Secured Party may request in order to carry out the purposes of this Agreement or to better assure and confirm unto the Secured Party its rights, powers and remedies hereunder.

5. **Covenants of Borrower.** Borrower agrees and covenants with Secured Party that:

A. Borrower shall not at any time cause or suffer any part of the Collateral, or any interest in any of Collateral to be subject to any Security Interest other than that of Secured Party.

B. Borrower shall defend the Collateral against the claims and demands of all persons other than Secured Party.

C. At the request of Secured Party, at any time and from time to time, Borrower shall execute such financing statements and other documents, pay such filing, recording and other fees, and do or cause to be done such other acts or things as Secured Party deems reasonably necessary to establish, perfect, and continue its security interest hereunder.

D. Borrower shall pay all costs, expenses, charges and other obligations, including, without limitation, reasonable attorneys' fees, suffered or incurred by Secured Party to protect, preserve, maintain and obtain possession of or title to the Collateral, to perfect, protect, preserve and maintain the security interest granted by this Agreement, and to enforce or assert any one or more of its rights, powers, remedies and defenses under this Agreement.

E. Borrower shall and does hereby indemnify Secured Party against loss of any kind, including reasonable attorneys' fees, caused to Secured Party by reason of its interest in the Collateral.

F. Borrower shall pay all taxes or fees on the Collateral when due.

G. Borrower shall give Secured Party notice of any litigation that may have a material adverse effect on the Collateral.

H. Borrower shall not otherwise sell, lease, transfer or otherwise dispose of the Collateral.

I. Borrower shall perform all acts necessary to maintain, preserve and protect the Collateral.

J. Borrower shall notify Secured Party promptly in writing of any default, potential default, or any development that might have a material adverse effect on the Collateral.

6. **Power of Attorney.** Borrower hereby appoints Howard Weinberg, or any other person whom Secured Party may designate, as Borrower's attorney-in-fact, with the following powers:

A. To perform any of Borrower's obligations under this Agreement in Borrower's name or otherwise.

B. To release persons liable on rights to payment, to compromise disputes with those persons, and to surrender security, all as Secured Party determines in its sole discretion when acting in good faith based on information known to it when it acts.

C. To prepare and file assignment and transfer documentation, financing statements, continuation statements, statements of assignment, termination statements, and the like, as necessary to perfect, protect, preserve or release Secured Party's interest in the Collateral.

D. To endorse Borrower's name on instruments, documents or other forms of payment or security that come into Secured Party's possession.

E. To take cash in payment of obligations.

F. To verify information concerning rights to payment by inquiry in its own name or in a fictitious name.

7. **Events of Default.** Borrower shall be in default under this Agreement if:

A. Any Borrower fails timely to observe and perform any covenants, conditions or agreements required to be observed or performed by Borrower under this Agreement, or if any Borrower defaults on the timely payment of any amounts due under the Loan Agreement in accordance with the terms thereof.

B. Any warranty, representation or statement, made by or on behalf of any Borrower in or with respect to this Agreement or any other agreement between Borrower and Secured Party evidencing the obligations or securing them, or any present or future supplement or amendment to any such document, is or becomes untrue.

C. There is a seizure or attachment of, or a levy on, the Collateral; or the Collateral is assigned for the benefit of creditors, or it is transferred to a bankruptcy trustee by operation of law or otherwise.

#### **8. Remedies upon Event of Default.**

A. At any time upon or following the occurrence of one or more of the events of default under Section 7 hereof, Secured Party may, at its option, assert or avail itself of any one or more of the rights, powers, remedies and defenses conferred upon Secured Party under the Uniform Commercial Code and other laws of the State of New York, at Secured Party's option, which laws shall generally govern the construction and interpretation of this Agreement, or assert or avail itself of any one or more of the rights, powers, remedies and defenses conferred upon Secured Party under any other appropriate law or regulation, whether federal or state, including, without limitation, the assignment of the Collateral to Secured Party. In addition, Secured Party may perform any of Borrower's obligations under this Agreement for Borrower's account and any money expended or obligations incurred in doing so, including reasonable attorneys' fees and interest at the highest rate permitted by law, will be charged to Borrower and added to the obligation secured by this Agreement.

B. The Secured Party shall be entitled to the appointment of a receiver by a court of competent jurisdiction to assist it in performing and doing any of the acts hereinabove set forth. All expenses incurred by the Secured Party in taking possession of the Collateral or in the performance of any of the acts hereinabove specified, including the expense of the appointment of a receiver, shall immediately become due and payable by Borrower to the Secured Party when so incurred, and shall bear interest at the applicable rate as set forth in the Loan Agreement and shall be secured hereby.

C. The Secured Party may enforce its rights and remedies hereunder without prior judicial process or hearing, and Borrower hereby expressly waives, to the extent permitted by law, any right Borrower might otherwise have to require the Secured Party to enforce its rights by judicial process. Borrower also waives, to the extent permitted by law, any defense Borrower might otherwise have to the obligations arising from the use of nonjudicial process, sale of all or any portion of the Collateral or from any election of remedies. Borrower recognizes that nonjudicial remedies are consistent with the usages of the trade, are responsive to commercial necessity and are the result of a bargain at arm's length.

D. In the case of an Event of Default, Secured Party shall have the right to execute on its security interest in the Collateral by assigning the trademark registrations and their attendant good will that form the basis of the Collateral to Secured Party or any designee of Secured Party. In such regard, Secured Party shall have the right to draft and file an Assignment with the U.S. Patent and Trademark Office transferring ownership of the Collateral to Secured Party or any designee of Secured Party.

#### **9. Notices.**

Any notice required by this Agreement or given in connection with it, shall be in

writing and shall be given to the appropriate party by personal delivery or by certified mail, postage prepaid, or recognized overnight delivery services.

If to Borrower: Jordache Enterprises, Inc.  
1400 Broadway  
New York, New York  
Attn: Joseph Nakash  
Facsimile No.: (212) 714-6808

with copies by facsimile or electronic mail to:

Robert A. Spiegelman, Esquire  
1400 Broadway, 15<sup>th</sup> Floor  
New York, New York 10018-6605  
Facsimile No.: (212) 714-6808  
[Rspiegelman@jeans-wear.com](mailto:Rspiegelman@jeans-wear.com)

If to Secured Party: Israel Discount Bank of New York  
511 Fifth Avenue  
New York, New York 10017  
Attn.: Howard Weinberg, Senior Vice President  
Facsimile No.: (212) 551-8720

with copies by facsimile or electronic mail to:

Bondy & Schloss LLP  
60 East 42<sup>nd</sup> Street  
New York, New York 10165  
Attn.: S. Robert Schrager, Esquire  
Facsimile No.: (212) 661.3535  
[rschrager@bschloss.com](mailto:rschrager@bschloss.com)

10. **Severability.**

The invalidity or unenforceability of any provision in this Agreement shall not cause any other provision to be invalid or unenforceable.

11. **Final Agreement.**

This Agreement constitutes the final agreement and understanding between the parties on the subject matter hereof and supersedes all prior understandings or agreements whether oral or written relating to the Collateral. This Agreement may be modified only by a further writing that is duly executed by both parties. In the event of a conflict between the provisions of any other document and this Agreement, the provisions of this Agreement shall prevail.



12. **Headings.**

Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent.

13. **Costs and Attorneys' Fees.**

Borrower will pay all costs and expenses of collection, including reasonable attorneys' fees.

14. **Waiver by Secured Party.**

No waiver by secured party of any breach or default will be a waiver of any breach or default occurring later. A waiver will be valid only if it is in writing and signed by the Secured Party.

15. **Survival of Representations and Warranties.**

Borrower's representations and warranties made in this Agreement will survive its execution, delivery and termination.

16. **Assignment.**


This Agreement will bind and benefit the successors and assignees of the parties, but Borrower may not assign its rights under this Agreement without Secured Party's prior written consent.

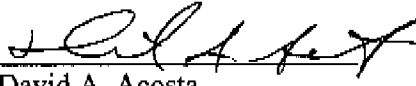
17. **Governing Law.** This Agreement will be governed by the laws of the State of New York, and jurisdiction for any action will be in the state courts of New York.

[The remainder of this page is intentionally left blank.]

**IN WITNESS WHEREOF**, Borrower and Secured Party have executed this Agreement on the date first above written.

ISRAEL DISCOUNT BANK OF NEW YORK

By:   
Howard Weinberg  
Senior Vice President

By:   
David A. Acosta  
Assistant Vice President

JEANJER LTD.

By: \_\_\_\_\_  
Name:  
Title:

**IN WITNESS WHEREOF**, Borrower and Secured Party have executed this Agreement on the date first above written.

ISRAEL DISCOUNT BANK OF NEW YORK

By: \_\_\_\_\_  
Howard Weinberg  
Senior Vice President

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

JEANJER LTD

By: \_\_\_\_\_  
Name: JOE Nakash  
Title: President

**SCHEDULE A**

Israel Discount Bank of New York  
Bank Leumi Trust Company of New York  
Fleet National Bank, a Bank of America Company  
Atlantic Bank of New York  
HSBC Bank USA, National Association