

02-02-2005

2005

Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002)

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DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

Tab settings

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

1. Name of conveying party(ies):

I.C. Isaacs & Company, L.P.

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

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

2. Name and address of receiving party(ies)

Name: Wachovia Bank, National Association

Internal

Address:

Street Address: 1339 Chestnut Street

City: Philadelphia State: PA Zip: 19103

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

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: 12/30/2004

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1985425 & 2880763

Additional number(s) attached Yes No

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

Name: Ida Magin

Internal Address: CSC

Street Address: 80 State Street, 6th Floor

City: Albany State: NY Zip: 12207

6. Total number of applications and registrations involved:

2

7. Total fee (37 CFR 3.41) \$ 65.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

(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.

Ida Magin

Name of Person Signing

Signature

12/30/2004

Date

Total number of pages including cover sheet, attachments, and document: 13

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

01/03/05

02/01/2005 DBYRNE 00000246 1985425 01 FC:8521 02 FC:8522

**PATENTS, TRADEMARKS, COPYRIGHTS  
AND LICENSES SECURITY AGREEMENT**

This Patents, Trademarks, Copyrights, and Licenses Security Agreement ("Agreement") is made as of the 30th day of December, 2004, by I.C. Isaacs & Company, L.P. ("Company"), a Delaware limited partnership, with its chief executive office located at 3840 Bank Street, Baltimore, Maryland 21224, and delivered to Wachovia Bank, National Association, ("Lender"), having a mailing address of 1339 Chestnut Street, Philadelphia, Pennsylvania 19103.

**BACKGROUND**

A. This Agreement is being executed contemporaneously with that certain Loan and Security Agreement of even date herewith by and between Company and Lender (as may hereafter be supplemented, restated, amended, superseded, replaced, or restated from time to time, the "Loan Agreement"), under which Company is granting Lender, a lien on and security interest in all of the assets of Company associated with or relating to products leased or sold or services provided under Company's patents, trademarks (and the goodwill associated therewith) and copyrights, and under which Lender is entitled to foreclose or otherwise deal with such assets, patents, patent rights, patent applications, goodwill, trademarks, trademark applications, service marks, service mark applications, trade names, copyrights, and copyright applications under the terms and conditions set forth therein. Capitalized terms not defined herein shall have the meanings given to such terms in the Loan Agreement.

B. Company has adopted, used and is using (or has filed applications and/or registrations of) the patents, patent rights, and patent applications (collectively, the "Patents"); trademarks, service marks, trade names, and service trade names (collectively, "Trademarks"); copyrights, and copyright applications and licenses (collectively, the "Copyrights"); and goodwill associated thereto ("Goodwill") listed on Schedule A attached hereto and made part hereof (all such Patents, Trademarks, Copyrights or Goodwill hereinafter referred to as the "Assets").

C. Pursuant to the Loan Agreement, Lender is acquiring a lien on, and security interest in, the Assets and the registration thereof as security for all Obligations, and desires to have its security interest in such Assets confirmed by a document identifying same and in such form that it may be recorded in the United States Patent and Trademark Office and United States Copyright Office, respectively.

NOW THEREFORE, with the foregoing Background hereinafter deemed incorporated by reference and made a part hereof, and in consideration of the premises and mutual promises herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. In consideration of and pursuant to the terms of the Loan Agreement and all other instruments, agreements and documents entered into in connection therewith (collectively, the "Loan Documents"), and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure the Obligations, Company grants a lien and security interest to Lender in all of its present and future right, title and interest in and to the Assets, together with all the goodwill of Company associated with and represented by the Assets, and the registration thereof and the right (but not the obligation) to sue for past, present and future infringements, and the proceeds thereof,

including, without limitation, license royalties and proceeds of infringement suits.

2. Except as otherwise provided in the Loan Agreement, Company hereby covenants and agrees to maintain the Assets in full force and effect until all Obligations are indefeasibly paid and satisfied in full and the Loan Agreement is terminated.

3. Company represents, warrants and covenants that:

(a) The Assets listed on Schedule A under the heading "Active Marks" are subsisting and have not been adjudged invalid or unenforceable;

(b) Each of the Assets listed on Schedule A under the heading "Active Marks" is valid and enforceable;

(c) Company is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Assets, and each of the Assets is free and clear of any liens, claims, charges and encumbrances, including, without limitation, pledges, assignments, licenses and covenants by Company not to sue third persons;

(d) Company has the unqualified right, power and authority to enter into this Agreement and perform its terms;

(e) Company has complied with, and will continue for the duration of this Agreement to comply with, the requirements set forth in 15 U.S.C. §§ 1051-1127, 17 U.S.C. § 101, et seq., 35 U.S.C. § 101 et seq. to the extent applicable to the Assets, and any other applicable statutes, rules and regulations in connection with its use of the Assets; and

(f) The Assets listed on Schedule A constitute all of the Assets, and all applications for any of the foregoing, now owned by Company. If, before all Obligations shall have been indefeasibly paid and satisfied in full and the Loan Agreement shall have been terminated, Company shall (i) obtain rights to any new patentable inventions, trademarks, trademark registrations, trade names, or copyrights or licenses, or (ii) become entitled to the benefit of any patent or trademark application, trademark, trademark registration, copyright or copyright registration or application or license renewal, or patent for any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent, the provisions of this Agreement shall automatically apply thereto and such patent or trademark application, trademark, trademark registration, copyright or copyright registration or application or license renewal, or patent for any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent shall be deemed part of the Assets. Company shall give Lender prompt written notice thereof along with an amended Schedule A.

4. Company further covenants that until all Obligations have been indefeasibly paid and satisfied in full and the Loan Agreement is terminated, it will not enter into any agreement, including without limitation, license agreements or options, which is inconsistent with Company's obligations under this Agreement, except for agency, co-marketing and co-branding agreements.

5. So long as an Event of Default or Default has not occurred under the Loan Agreement, Company shall continue to have the exclusive right to use the Assets and Lender shall have no right to

use the Assets or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Assets to anyone else.

6. Company agrees not to sell, license, grant any option, assign or further encumber its rights and interest in the Assets except as permitted by the Loan Agreement.

7. If and while an Event of Default exists under the Loan Agreement, Company hereby covenants and agrees that Lender, as the holder of a security interest under the Uniform Commercial Code, as now or hereafter in effect in the Commonwealth of Pennsylvania, may take such action permitted under the Loan Documents or permitted by law, in its sole discretion, to foreclose upon the Assets covered hereby. Company hereby authorizes and empowers Lender, its successors and assigns, and any officer or agent of Lender as Lender may select, in its sole discretion, as Company's true and lawful attorney-in-fact, with the power to endorse Company's name on all applications, assignments, documents, papers and instruments necessary for Lender, to use the Assets or to grant or issue any exclusive or non-exclusive license under the Assets to anyone else, or necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Assets to anyone else including, without limitation, the power to execute a trademark assignment in the form attached hereto as Exhibit 1. Company hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof and in accordance with the terms hereof, except for the gross negligence or wilful misconduct of such attorney. This power of attorney shall be irrevocable for the life of this Agreement, the Loan Documents, and until all Obligations are indefeasibly paid and satisfied in full and the Loan Agreement is terminated.

8. This Agreement shall be subject to the terms, provisions, and conditions set forth in the Loan Agreement and may not be modified without the written consent of the parties hereto.

9. All rights and remedies herein granted to Lender shall be in addition to any rights and remedies granted under the Loan Documents. In the event of an inconsistency between this Agreement and the Loan Agreement, the language of the Loan Agreement shall control.

10. Upon Company's performance of all of the obligations under the Loan Documents and full and unconditional satisfaction of all Obligations, Lender shall execute and deliver to Company all documents reasonably necessary to terminate Lender's security interest in the Assets.

11. Any and all fees, costs and expenses, of whatever kind or nature, including the attorneys' fees and legal expenses incurred by Lender in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or costs otherwise incurred in protecting, maintaining, preserving the Assets, or in defending or prosecuting any actions or proceedings arising out of or related to the Assets, or defending, protecting or enforcing Lender's rights hereunder, in each case in accordance with the terms of this Agreement, shall be borne and paid by Company on demand by Lender and until so paid shall be added to the principal amount of Obligations and shall bear interest at the otherwise applicable rate of interest prescribed in the Loan Agreement.

12. Subject to the terms of the Loan Agreement, Company shall have the duty to prosecute diligently any trademark application with respect to the Assets pending as of the date of this Agreement

or thereafter, until all Obligations shall have been indefeasibly paid and satisfied in full and the Loan Agreement is terminated, to preserve and maintain all rights in the Assets, and upon request of Lender, Company shall make federal application on registrable but unregistered patents, trademarks, copyrights or licenses belonging to Company. Any expenses incurred in connection with such applications shall be borne by Company. Company shall not abandon any Patent, Trademark or Copyright except as permitted by the Loan Agreement.

13. Company shall have the right to bring suit in its own name to enforce the Assets, in which event Lender may, if Company reasonably deems it necessary, be joined as a nominal party to such suit if Lender shall have been satisfied, in its sole discretion, that Lender is not thereby incurring any risk of liability because of such joinder. Company shall promptly, upon demand, reimburse and indemnify Lender for all damages, costs and expenses, including attorneys' fees, incurred by Lender in the fulfillment of the provisions of this paragraph.

14. During the existence of an Event of Default under the Loan Agreement, Lender may, without any obligation to do so, complete any obligation of Company hereunder, in Company's name or in Lender's name, but at Company's expense, and Company hereby agrees to reimburse Lender in full for all costs and expenses, including attorneys' fees, incurred by Lender in protecting, defending and maintaining the Assets.

15. No course of dealing between Company and Lender nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder, shall operate as a waiver thereof, and all of Lender's rights and remedies with respect to the Assets, whether established hereby or by the Loan Documents, or by any other future agreements between Company and Lender or by law, shall be cumulative and may be exercised singularly or concurrently.

16. The provisions of this Agreement are severable and the invalidity or unenforceability of any provision herein shall not affect the remaining provisions which shall continue unimpaired and in full force and effect.

17. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

18. This Agreement, and all matters arising hereunder or related hereto, shall be governed by and construed in conformity with the laws of the Commonwealth of Pennsylvania without regard to its otherwise applicable principles of conflicts of laws.

19. **Company and Lender each waive any and all rights it may have to a jury trial in connection with any litigation, proceeding or counterclaim arising with respect to rights and obligations of the parties hereto or under the Loan Documents.**

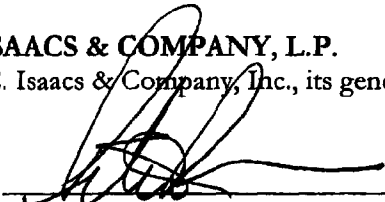
**[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]**

Dated the date and year first written above.

**I. C. ISAACS & COMPANY, L.P.**

By: I.C. Isaacs & Company, Inc., its general partner

By:

  
Peter J. Rizzo, Chief Executive Officer

Approved and Accepted:  
**WACHOVIA BANK, NATIONAL  
ASSOCIATION**

By:

  
Marcus F. Brown, Vice President

**[SIGNATURE PAGE TO PATENT, TRADEMARK AGREEMENT]**

S-1

107337.01153/21343047v1

**TRADEMARK  
REEL: 003112 FRAME: 0492**

**SCHEDULE A**

**Active Marks**

<b>Trademark</b>	<b>Registration Number</b>	<b>Registration Date</b>	<b>Owner</b>
I.C. ISAACS	1985425	July, 9, 1996	Company (1)
LORD ISAACS	2880763	September 7, 2004	Company (2)

**Inactive Marks**

<b>Trademark</b>	<b>Registration Number</b>	<b>Registration Date</b>	<b>Owner</b>
OVER THE TOP	0597641	November 2, 1954	Company
PHd.	0642677	March 12, 1957	Company
CRESTLINE	0786446	March 9, 1965	Company
ALL-WAYS PREST	0823417	January 31, 1967	Company
LORD ISAACS	0989010	July 23, 1974	Company

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(1) Collateral assignment to Congress Financial Corporation recorded on January 30, 2003 in Reel/Frame 2661/0146.

(2) Collateral assignment to Congress Financial Corporation recorded on January 30, 2003 in Reel/Frame 2661/0146.

**ACKNOWLEDGMENT**

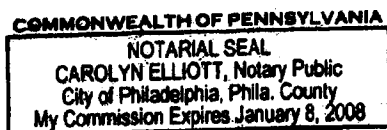
UNITED STATES OF AMERICA :  
COMMONWEALTH OF PENNSYLVANIA : SS  
PHILADELPHIA COUNTY :

On this 30th of December, 2004, before me personally appeared Peter J. Rizzo to me known and being duly sworn, deposes and says that he is the Chief Executive Officer of I.C. Isaacs & Company, Inc., the sole general partner of I.C. Isaacs & Company, L.P., a Delaware limited partnership, the Company described in the foregoing Agreement; that he signed the Agreement on behalf of the general partner of the Company pursuant to the authority vested in him by law; that the within Agreement is the voluntary act of such limited partnership; and he desires the same to be recorded as such.

*Carolyn Elliott*

\_\_\_\_\_  
Notary Public

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





**ACKNOWLEDGMENT**

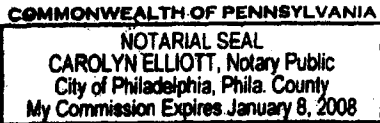
UNITED STATES OF AMERICA :  
COMMONWEALTH OF PENNSYLVANIA : SS  
PHILADELPHIA COUNTY :

On this 30th day of December, 2004, before me personally appeared Marcus F. Brown to me known and being duly sworn, deposes and says that he is Vice President of Wachovia Bank, National Association, the Lender described in the foregoing Agreement; that he signed the Agreement as such officer pursuant to the authority vested in him by law; that the within Agreement is the voluntary act of such corporation; and he desires the same to be recorded as such.

*Carolyn Elliott*

\_\_\_\_\_  
Notary Public

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



**EXHIBIT 1**

**PATENTS, TRADEMARKS, LICENSES AND COPYRIGHTS ASSIGNMENT**  
**(Trademarks)**

WHEREAS, I.C. Isaacs & Company, L.P., a Delaware limited partnership ("Grantor") is the registered owner of the United States trademarks, service marks, trade names, service mark applications and trademark applications listed on **Schedule A** attached hereto and made a part hereof ("Assets"), which are registered in the United States Patent and Trademark Office; and

WHEREAS, \_\_\_\_\_ ("Grantee"), having a place of business at \_\_\_\_\_, is desirous of acquiring said Assets;

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound hereby, Grantor, its successors and assigns, does hereby transfer, assign and set over unto Grantee, its successors, transferees and assigns, subject to the terms of the Patents, Trademarks, Licenses and Copyrights Security Agreement, of even date herewith, between Grantor and Grantee, all of its present and future right, title and interest in and to the Assets and all proceeds thereof and all goodwill associated therewith.

IN WITNESS WHEREOF, the undersigned has caused this Patents, Trademarks, Licenses and Copyrights Assignment to be executed as of the \_\_\_ day of \_\_\_\_\_, 200\_\_.

**I. C. ISAACS & COMPANY, L.P.**

By: \_\_\_\_\_  
Attorney in fact

Witness: \_\_\_\_\_

**EXHIBIT 1**

**ACKNOWLEDGMENT**

UNITED STATES OF AMERICA :  
STATE OF : S.S.  
COUNTY OF :

On this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_, before me, a Notary Public for the said County and State, personally appeared \_\_\_\_\_ known to me or satisfactorily proven to me to be attorney-in-fact on behalf of \_\_\_\_\_, and s/he acknowledged to me that s/he executed the foregoing Patents, Trademarks, Licenses, and Copyrights Assignment on behalf of Grantor, and as the act and deed of Grantor for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

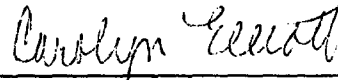
\_\_\_\_\_  
Notary Public

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

**ACKNOWLEDGMENT**

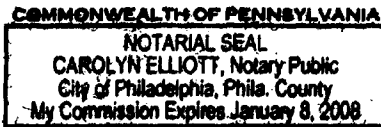
UNITED STATES OF AMERICA :  
COMMONWEALTH OF PENNSYLVANIA : SS  
PHILADELPHIA COUNTY :

On this 30th of December, 2004, before me personally appeared Peter J. Rizzo, to me known and being duly sworn, deposes and says that he is the Chief Executive Officer of I.C. Isaacs & Company, Inc., the sole general partner of I.C. Isaacs & Company, L.P., a Delaware limited partnership, the Grantor described in the foregoing Power of Attorney; that he signed the Power of Attorney thereto on behalf of the general partner of the Grantor pursuant to the authority vested in him by law pursuant to the authority vested in him by law; that the within Power of Attorney is the voluntary act of such limited partnership; and he desires the same to be recorded as such.



\_\_\_\_\_  
Notary Public

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



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