

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:		NEW ASSIGNMENT	
NATURE OF CONVEYANCE:		Estoppel Certificate and Recognition Agreement	
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Morgans Group LLC		07/28/2011	LIMITED LIABILITY COMPANY: DELAWARE
RECEIVING PARTY DATA			
Name:	Deutsche Bank Trust Company Americas, as agent		
Street Address:	60 Wall Street		
City:	New York		
State/Country:	NEW YORK		
Postal Code:	10005		
Entity Type:	New York bank: NEW YORK		
PROPERTY NUMBERS Total: 4			
Property Type	Number	Word Mark	
Registration Number:	3891645	DELANO	
Registration Number:	2115849	DELANO	
Serial Number:	76698283	DELANO	
Serial Number:	75179802	DELANO	
CORRESPONDENCE DATA			
Fax Number:	(212)354-8113		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	2128198200		
Email:	fcutajar@whitecase.com		
Correspondent Name:	White & Case LLP		
Address Line 1:	1155 Avenue of the Americas		
Address Line 2:	Patents & Trademarks		
Address Line 4:	New York, NEW YORK 10036		
ATTORNEY DOCKET NUMBER:	1111779-2180		

OP \$1115.00 3891645

900199663

**TRADEMARK
 REEL: 004604 FRAME: 0433**

NAME OF SUBMITTER:	Frances B. Cutajar
Signature:	/Frances B. Cutajar/
Date:	08/15/2011
Total Attachments: 6 source=DBDelano IP Estoppel Certificate#page1.tif source=DBDelano IP Estoppel Certificate#page2.tif source=DBDelano IP Estoppel Certificate#page3.tif source=DBDelano IP Estoppel Certificate#page4.tif source=DBDelano IP Estoppel Certificate#page5.tif source=DBDelano IP Estoppel Certificate#page6.tif	

ESTOPPEL CERTIFICATE AND RECOGNITION AGREEMENT

THIS ESTOPPEL CERTIFICATE AND RECOGNITION AGREEMENT (this “**Agreement**”) is made as of July 28, 2011, by the undersigned Morgans Group LLC, a Delaware limited liability company (“**Owner**”), to and for the benefit of Deutsche Bank Trust Company Americas, in its capacity as agent (“**Agent**”) for itself and Lenders (as defined below) together with their successors and assigns in such capacities. Each of Owner and Agent is sometimes referred to herein as “**Party**,” and both of them together are sometimes referred to herein as “**Parties**.”

WHEREAS, Owner owns the trademark for “Delano” serial numbers 76698283 and 75179802 and registration numbers 3,891,645 and 2,115,849 (together with any other application or registration for trademark protection in the use of the name “Delano” or designs depicting such name, collectively, the “**Mark**”);

WHEREAS, Owner has licensed the Mark to Morgans Hotel Group Management LLC, a Delaware limited liability company (“**Management Company**”), pursuant to the License Agreement, effective as of February 17, 2006 (the “**License Agreement**”), between Owner and Management Company;

WHEREAS, pursuant to the Amended and Restated Management Agreement, dated June 23, 2011 (the “**Delano Management Agreement**”), between Beach Hotel Associates LLC, a Delaware limited liability company (“**Florida Borrower**”) and Management Company, Management Company is the manager of the Delano Hotel and Manager has granted Florida Borrower the right to use the Mark in connection with the operation of the Delano Hotel; and

WHEREAS, Owner has entered into that certain Credit Agreement, dated as of July 28, 2011 (as amended, supplemented or otherwise modified from time to time, the “**Credit Agreement**”), by and among Owner, Florida Borrower, Morgans Hotel Group Co., the lenders party thereto (“**Lenders**”) and Deutsche Bank Trust Company Americas, as Agent.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Defined Terms.
 - 1.1 “**Applicable Law**” means all applicable provisions of constitutions, statutes, laws, rules, regulations and orders of all Governmental Authorities, the common law, and all orders and decrees of all courts, tribunals and arbitrators.
 - 1.2 “**Florida Property**” means the Delano Hotel located at 1685 Collins Avenue Miami Beach, Florida.

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- 1.3 “**Governmental Authority**” means any national, state or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, agency, bureau, commission, board, department or other entity (including, without limitation, the Federal Deposit Insurance Corporation, the Comptroller of the Currency or the Federal Reserve Board, any central bank or any comparable authority) or any arbitrator with authority to bind a party at law.
2. Estoppel. Owner hereby represents and acknowledges that (A) certain requirements of Applicable Law may prohibit removal of certain exterior signage displaying the “Delano” name on the Florida Property; (B) the continued display of the “Delano” name on exterior signage on the Florida Property, as required by Applicable Law, or use of photographic or other visual renderings of the Florida Property in which such exterior signage incidentally appears or providing information about the retention of any exterior signage on the Florida Property following request for such information by a third party, without any other use of the Mark, would solely constitute a fair use of the word “Delano” under the Lanham Act and other Applicable Law governing trademarks; (C) the continued display of the “Delano” name on exterior signage on the Florida Property as required by Applicable Law as well as any photographic or other visual renderings of the exterior of the Florida Property, including, without limitation, the use of photographs in which such exterior signage incidentally appears in connection with promotional materials and/or commercial advertising, would not constitute (i) the use of the Mark in commerce as any kind of indicia of origin for any products or services offered at the Florida Property, including, but not limited to, hotel services or other hospitality or real estate services, or (ii) any type of unfair competition, breach of contract or any other violation of Applicable Law in connection with the operation of any business at the Florida Property; (D) there is no signage on the interior of the Florida Property displaying the “Delano” name that is prohibited by Applicable Law from being removed from the Florida Property; and (E) Agent has entered into the Credit Agreement and the Loan Documents (as defined in the Credit Agreement) in reliance upon the representations and acknowledgements set forth herein.
3. Recognition. Notwithstanding anything to the contrary in the Delano Management Agreement, the License Agreement or otherwise, in the event that the Delano Management Agreement or the License Agreement is terminated for any reason (including, without limitation, in connection with the exercise of remedies by Agent under the Credit Agreement): (i) Owner shall not object to the retention by any present or future owner, operator or lessee of the Florida Property (including, without limitation, any purchaser of the Florida Property at the foreclosure of the mortgage executed and delivered to Agent pursuant to the Credit Agreement) or any of their agents (collectively, “**Florida Property Owners**”), of any exterior signage on the Florida Property at the time of the termination of the Delano Management Agreement or the License Agreement, as applicable, displaying the Delano name the removal of which is prohibited by Applicable Law, and (ii) neither the Owner nor any of its

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- affiliates shall file any lawsuit or otherwise take any legal or other action on account of trademark infringement or otherwise in respect of any exterior signage displaying the Delano name at the time of the termination of the Delano Management Agreement or the License Agreement, as applicable, that is prohibited by Applicable Law from being removed from the Florida Property. Except as otherwise expressly provided in this Agreement, no Florida Property Owner shall be authorized to refer to or use the Mark in any way in connection with the operation of the Florida Property.
4. Reliance. Owner hereby acknowledges that (i) Agent, Lenders and Florida Property Owners may rely on this Agreement, (ii) Sections 2 and 3 of this Agreement inure to the benefit of any Florida Property Owner as an expressed third party beneficiary and (iii) the provision of the financing pursuant to the Credit Agreement constitutes adequate consideration for Owner's entry into this Agreement.
 5. Successors, Transferees, and Assigns. Except as otherwise provided in this Agreement, every covenant, term and provision of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns. In any sale, assignment, or other disposition of the Mark, Owner shall notify (i) any party acquiring any right, title or interest in, or to, such Mark of the acknowledgements, representations, terms, conditions and obligations set forth herein; and (ii) require such party to agree in writing to such acknowledgements, representations, terms, conditions and obligations.
 6. Sections and Headings. Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision hereof.
 7. Modification. This Agreement may only be amended or modified by a writing signed by the Parties.
 8. Governing Law. This Agreement and the rights and obligations of the Parties hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.
 9. Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if all of the Parties had signed the same document. All counterparts shall be construed together and shall constitute one agreement.
 10. Severability. If any provision of this Agreement shall be held invalid, illegal or unenforceable in any jurisdiction or in any respect, then the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired, and the Parties shall use their best efforts to amend or substitute such invalid, illegal or unenforceable provision with enforceable and valid provisions which would produce as nearly as possible the rights and obligations previously

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intended by the Parties without renegotiation of any material terms and conditions stipulated herein.

11. Waiver. A waiver must be in writing signed by the Party waiving its right. A waiver of any term, provision or condition of this Agreement in one or more instances will not be deemed to be or construed as a further or continuing waiver of any term, provision or condition, or of any other term, provision or condition of this Agreement.
12. Further Assurances. Owner shall, at Owner's cost and expense and upon request of Agent, execute and deliver or cause to be executed and delivered to Agent such further instruments, documents and certificates, and do and cause to be done such further acts, that may be necessary or advisable in the reasonable opinion of Agent to carry out the provisions and purposes of this Agreement.

[Signature Pages Follow]

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IN WITNESS WHEREOF, the Parties have executed and delivered this instrument as of the date first above written.

MORGANS GROUP LLC,
a Delaware limited liability company

By: Morgans Hotel Group Co.,
its managing member

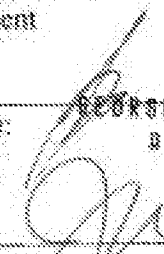
By: 
Name: Richard Szymanski
Title: Chief Financial Officer & Secretary

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NEW YORK 8223005 (2K)

TRADEMARK
REEL: 004604 FRAME: 0439

DEUTSCHE BANK TRUST COMPANY
AMERICAS,
as Agent

By: 
Name: GEORGE R. REYNOLDS
Title: DIRECTOR

By: 
Name: JAMES ROLISON
Title: MANAGING DIRECTOR

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NEW YORK COUNTY CLERK