

MUD RE 7.2.98

07-08-1998

HEET



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To the Honorable Commissioner of F

100756673

ached original documents or copy thereof.

1. Name of conveying party(ies):

Garment Corporation of America

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

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

3. Nature of conveyance:

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

Execution Date: June 9, 1998

2. Name and address of receiving party(ies)

Congress Financial
Name: Corporation (Florida)

Internal Address:

Street Address: 777 Brickell Avenue, Ste. 808

City: Miami State: FL ZIP: 33131

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

1,122,849 1,232,009
1,404,172 2,077,687

Additional numbers attached? Yes No

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

Name: Michele P. Schwartz

Internal Address:

Street Address: Stroock & Stroock & Lavan LLP
180 Maiden Lane

City: New York State: NY ZIP: 10036

6. Total number of applications and registrations involved: 4

7. Total fee (37 CFR 3.41).....\$ 115.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

19-4709

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

07/02/1998 JSHWBAZZ 00000072 194709 1122849

DO NOT USE THIS SPACE

01 FE:481
02 FE:462

40.00 CH
75.00 CH

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.

Michele P. Schwartz

Name of Person Signing

Signature

June 29, 1998

Date

Total number of pages including cover sheet, attachments, and document: 7

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

TRADEMARK
REEL: 1748 FRAME: 0785

COLLATERAL ASSIGNMENT OF TRADEMARKS

THIS ASSIGNMENT (the "Agreement") is made on the 9th of June, 1998 between Garment Corporation of America, a Florida corporation, having a mailing address at 3820 Investment Lane, Riviera Beach, Florida 33149 ("Assignor") and Congress Financial Corporation (Florida), having a mailing address at 777 Brickell Avenue, Suite 808, Miami, Florida 33131 ("Lender").

BACKGROUND. Assignor has executed and delivered that certain Loan and Security Agreement dated of even date herewith, by and between Assignor, certain affiliates of Assignor, and Lender (the "Loan Agreement"; all capitalized terms used but not defined herein shall have the meanings set forth therein). In order to induce the Lender to execute and deliver the Loan Agreement, Assignor has agreed to assign to Lender certain trademark rights. This Agreement is being executed contemporaneous with the Loan Agreement under which the Lender is granted a lien on and security interest in and to the Collateral, including, without limitation, the Trademarks (as defined below), relating to, inter alia, products sold under the Trademarks.

NOW, THEREFORE, in consideration of the premises, Assignor hereby agrees with Lender as follows:

1. To secure the payment and performance of all Obligations, Assignor hereby grants, assigns and conveys to Lender the entire right, title and interest in and to the trademarks listed in Schedule A hereto (as the same may be amended pursuant hereto from time to time), including without limitation all renewals thereof, all proceeds of infringement suits, the right to sue for past, present and future infringements and all rights corresponding thereto whenever arising (all of the foregoing are collectively called the "Trademarks"), and the good will of the business to which each of the Trademarks relates (collectively, the "Trademark Collateral").

2. Assignor covenants and warrants that:

(a) The Trademarks are subsisting and have not been adjudged invalid or unenforceable;

(b) To the best of Assignor's knowledge, each of the Trademarks is valid and enforceable;

(c) There is no claim that the use of any of the Trademarks violates the rights of any third person;

(d) Assignor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, free and clear of any liens, charges and encumbrances, including, without limitation, pledges assignments, licenses, registered user agreements and covenants by Assignor not to sue third persons;

(e) Assignor has the unqualified right to enter into this Agreement and perform its terms;

(f) Assignor has used, and will continue to use for the duration of this Agreement proper statutory notice in connection with its use of the Trademarks; and

(g) Assignor has used, and will continue to use for the duration of this Agreement, consistent standards of quality in the products sold under the Trademarks.

3. Assignor hereby grants to Lender and its employees and agents the right to visit Assignor's plants and facilities which manufacture, inspect or store products sold under any of the Trademarks, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours. Assignor shall do any and all acts required by Lender to ensure Assignors compliance with paragraph 2(g).

4. Assignor agrees that, until all of the Obligations shall have been satisfied in full, it will not enter into any agreement, including, without limitation, any license agreement) which is inconsistent with Assignor's obligations under this Agreement, without Lender's prior written consent.

5. If, before the Obligations shall have been satisfied in full, Assignor shall obtain rights to any new trademarks, the provisions of paragraph 1 shall automatically apply thereto and Assignor shall give Lender prompt written notice thereof.

6. Assignor authorizes Lender to modify this Agreement by amending Schedule A to include any future trademarks and trademark applications covered by paragraphs 1 and 5 hereof.

7. Unless and until there shall have occurred and be continuing an Event of Default (as defined in the Loan Agreement), Lender hereby grants to Assignor the exclusive, nontransferable right and license to use the Trademarks on and in connection with products sold by Assignor, for Assignor's own benefit and account and for none other. Assignor agrees not to sell or assign its interest in, or grant any sublicense under, the license granted to Assignor in this paragraph 7, without the prior written consent of Lender.

8. If any Event of Default shall have occurred and be continuing, Assignors license under the Trademarks, as set forth in paragraph 7 shall terminate forthwith and the Lender shall have, in addition to all other rights and remedies given it by this Agreement, those allowed by the other Financing Agreements and under applicable law, including, without limitation, the rights and remedies of a secured party under the Uniform Commercial Code as from time to time in effect in the State of Florida.

9. At such time as Assignor shall completely satisfy all of the Obligations, and all Financing Agreements are terminated, this Agreement shall terminate and Lender shall execute and deliver to Assignor all deeds, assignments and other instruments as may be necessary or proper to re-vest in Assignor full title to the Trademarks, subject to any disposition thereof which may have been made by Lender pursuant hereto.

10. Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorney's 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 otherwise protecting, maintaining or preserving the Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks shall be borne and paid by Assignor on demand by Lender and until so paid shall be added to the principal amount of the Liabilities and shall bear interest at the highest rate prescribed in the Loan Agreement.

11. Assignor shall have the duty, through counsel acceptable to Lender, to prosecute diligently any trademark applications of the Trademarks pending as of the date of this Agreement or thereafter until the Obligations shall have been paid in full, to make federal application on registrable but unregistered Trademarks, to file and prosecute opposition and cancellation proceedings and to do any and all acts which are necessary or desirable to preserve and maintain all rights in the Trademarks. Any expenses incurred in connection with the Trademarks shall be borne by Assignor. The Assignor shall not abandon any Trademark without the consent of the Lender which consent shall not be unreasonably withheld.

12. Assignor shall have the right, with the prior written consent of Lender, which will not be unreasonably withheld, to bring any opposition proceedings, cancellation proceedings or lawsuit in its own name to enforce or protect the Trademarks, in which event Lender may, if necessary, be joined as a nominal party to such suit if Lender shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder. Assignor shall promptly upon demand reimburse and indemnify Lender for all damages, costs and expenses, including reasonable attorney's fees incurred by Lender in the fulfillment of the provisions of this paragraph 12.

13. In the event of the occurrence of an Event of Default under the Loan Agreement, Assignor hereby authorizes and empowers Lender to make, constitute and appoint any officer or agent of Lender as Lender may select, in its exclusive discretion as Assignors true and lawful attorney-in-fact, with the power to endorse Assignor's name on all applications, documents, papers and instruments necessary for Lender to use the Trademarks, or to grant or issue any exclusive or nonexclusive license under the Trademarks to anyone else, or necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else. Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Agreement.

14. If Assignor fails to comply with any of its obligations hereunder, Lender may do so in Assignor's name or in Lender's name, but at Assignor's expense, and Assignor hereby agrees to reimburse Lender in full for all reasonable expenses, including reasonable attorney's fees, incurred by Lender in protecting, defending and maintaining the Trademarks.

15. No course of dealing between Assignor and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right power or privilege hereunder or under the Loan Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

16. All of Lender's rights and remedies with respect to the Trademarks, whether established hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently.

17. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

18. This Agreement is subject to modification only by a writing signed by the parties, except as provided in paragraph 6.

19. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties hereto.

20. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws of the State of Florida, without giving effect to principles of conflict of laws.

21. This Agreement is subject to all terms and conditions of the Loan Agreement, including, without limitation, the jurisdiction and venue provisions set forth therein. To the extent of any inconsistency or conflict with the Loan Agreement, the document which more fully assures the repayment of the Obligations or most enlarges the interest of the Lender in the Trademark Collateral, or its rights and remedies in respect thereof, shall govern and control.

22. ASSIGNOR HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (A) ARISING UNDER THIS OR ANY OF THE OTHER FINANCING AGREEMENTS OR (B) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF ASSIGNOR AND LENDER IN RESPECT OF THIS OR ANY OF THE OTHER FINANCING AGREEMENTS OR THE TRANSACTIONS RELATED HERETO OR THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY OR OTHERWISE. ASSIGNOR HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT ASSIGNOR OR LENDER MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF ASSIGNOR AND LENDER HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

WITNESS the execution hereof under seal as of the day and year first above written.

ATTEST-CORPORATE SEAL

~~_____~~
JTS

ASSIGNOR:

GARMENT CORPORATION OF AMERICA

By: James H. [Signature]
Title: PRESIDENT

LENDER:

CONGRESS FINANCIAL CORPORATION
(FLORIDA)

By: Monty Calos [Signature]
Title: Vice President

June 9

Schedule A to a Trademark Collateral Assignment
dated April 9, 1998 between
Congress Financial Corporation (Florida) and Garment Corporation of America

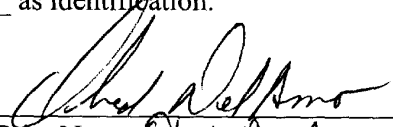
<u>TRADEMARK NAME</u>	<u>DATE OF REGISTRATION</u>	<u>REGISTRATION NUMBER</u>
GCA	July 24, 1979	1,122,849
ENGINEERED WORK GARMENTS	March 22, 1983	1,232,009
GCA LOGO	August 5, 1986	1,404,172
CLASSIC WEAR BY GCA	July 8, 1997	2,077,687

CERTIFICATE OF ACKNOWLEDGMENT

STATE OF FLORIDA

COUNTY OF DADE

The foregoing instrument was acknowledged before me this 9th day of June, 1998 by David J. Shulewitz of Garment Corporation of America, a Michigan corporation, on behalf of the corporation. He/she is personally known to me or has produced a Florida Driver's License as identification.


Print Name: Obed DeLamo
Title: Notary Public
Commission No. CC-512089
(if any)

My Commission Expires: 11/28/99

