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Form PTO-1594 (Rev. 10/02) OMB No. 0651-0027 (exp. 6/30/2005) Tab settings



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U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

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

1. Name of conveying party(ies): Singer Sewing Company

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

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

3. Nature of conveyance:

- Assignment Merger Security Agreement Change of Name Other

Execution Date:

2. Name and address of receiving party(ies)

Name: Wells Fargo Foothill, Inc. (f/k/a Foothill Capital Corporation) Address: Suite 1450

Street Address: 1000 Abernathy Road

City: Atlanta State: GA Zip: 30328

- Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State California 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 registration number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s) 1,510,161

Additional number(s) attached Yes No

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

Name: Amanda Jane Elliott, Esq.

Internal Address: Paul, Hastings, Janofsky & Walker LLP

Street Address: 1299 Pennsylvania Ave., NW 10th Floor

City: Washington State: DC Zip: 20007

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41) \$ 40.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number: 16-0752

DO NOT USE THIS SPACE

9. Signature.

Amanda Jane Elliott Name of Person Signing

Amanda Jane Elliott Signature

10/9/03 Date

Total number of pages including cover sheet, attachments, and document: 40

10/21/2003 6TON11 00000076 1510161

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

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04-15-2003



Form PTO-1594 (Rev. 10/02) 4-10-03  
OMB No. 0651-0027 (exp. 6/30/2005)

REC 102419446  
TRADEMARKS ONLY

J.S. 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):

Singer Sewing Company

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

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

3. Nature of conveyance:

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

Execution Date: 3/31/03

2. Name and address of receiving party(ies)

Name: Foothill Capital Corporation

Internal Address: Suite 1450

Street Address: 1000 Abernathy Road

City: Atlanta State: GA Zip: 30328

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

OFFICE OF PUBLIC RECORDS  
2003 APR 10 AM 10:48  
FINANCE SECTION

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

A. Trademark Application No.(s) 74,255,041  
73,827,845

B. Trademark Registration No.(s) 2,656,566  
1,540,161, 1,577,729 760,617

Additional number(s) attached  Yes  No

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

Name: Amanda Jane Elliott, Esq.

Internal Address:

Street Address: 1299 Pennsylvania Ave., NW  
10th Floor

City: Washington State: DC Zip: 20004-2400

6. Total number of applications and registrations involved:

6

7. Total fee (37 CFR 3.41).....\$ 165.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

16-0752

04/14/2003 DDYRME 00000110 74255041

DO NOT USE THIS SPACE

01 FC:0521 40.00 DP  
02 FC:0522 125.00 DP

9. Signature.

Amanda Jane Elliott  
Name of Person Signing

*Amanda Jane Elliott*  
Signature

4/10/03  
Date

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

15

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

TRADEMARK  
REEL: 002853 FRAME: 0548

## INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Agreement") is made as of March 31, 2003, between SINGER SEWING COMPANY, a Delaware corporation ("Pledgor") and FOOTHILL CAPITAL CORPORATION, a California corporation, as lender ("Lender").

WITNESSETH:

WHEREAS, pursuant to that certain Loan and Security Agreement of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement") between Pledgor and Lender, Lender has agreed to make loans and other financial accommodations to Pledgor from time to time pursuant to the terms and conditions thereof, and

WHEREAS, Lender is willing to make the loans and other financial accommodations to Pledgor as provided for in the Loan Agreement and the other Loan Documents (as defined in the Loan Agreement), but only upon the condition, among others, that Pledgor shall have executed and delivered this Agreement, to secure the prompt and complete payment, observance and performance of all of the Obligations (as defined in the Loan Agreement) of Pledgor arising under the Loan Agreement (including, without limitation, any interest, fees and other charges in respect of the Loan Agreement and the other Loan Documents that would accrue but for the filing of an Insolvency Proceeding (as defined in the Loan Agreement) and whether such obligations, now exist or are hereafter incurred, are absolute or contingent, or are matured or unmatured with respect to Pledgor, whether or not such claim is allowed in such Insolvency Proceeding);

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Defined Terms.

(a) Capitalized terms used herein shall have the meanings ascribed to such terms in the Loan Agreement to the extent not otherwise defined or limited herein.

(b) The words "hereof," "herein" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and paragraph references are to this Agreement unless otherwise specified.

(c) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

2. Incorporation of Premises. The premises set forth above are incorporated into this Agreement by this reference thereto and are made a part hereof.

3. Incorporation of the Loan Agreement. The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.

4. Grant of Security Interest in Trademarks, Patents, Copyrights and Licenses. To secure the complete and timely payment, performance and satisfaction of all of the Obligations, Pledgor hereby grants to Lender, a continuing security interest in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, in all of Pledgor's right, title and interest in and to Pledgor's now owned or existing and hereafter acquired or arising:

(a) (i) trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, including, without limitation, trade names, registered trademarks, trademark applications, registered service marks and service mark applications listed on Schedule 1 attached hereto and made a part hereof, and (A) all renewals thereof, (B) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (C) the right to sue for past, present and future infringements and dilutions thereof, (D) the goodwill of Pledgor's business symbolized by the foregoing and connected therewith, and (E) all of Pledgor's rights corresponding thereto throughout the world (all of the foregoing trademarks, trade names, registered trademarks and trademark applications, service marks, registered service marks and service mark applications, together with the items described in clauses (A)-(E) in this paragraph 4(a)(i), are sometimes hereinafter individually and/or collectively referred to as the "Trademarks"); and (ii) all proceeds of any and all of the foregoing, including, without limitation, license royalties and proceeds of infringement suits.

(b) (i) patents and patent applications, including, without limitation, the patents and patent applications listed on Schedule 2 attached hereto and made a part hereof, and (A) all renewals thereof, (B) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (C) the right to sue for past, present and future infringements and dilutions thereof, and (D) all of Pledgor's rights corresponding thereto throughout the world (all of the foregoing patents and patent applications, together with the items described in clauses (A)-(D) in this paragraph 4(b)(i), are sometimes hereinafter individually and/or collectively referred to as the "Patents"); and (ii) all proceeds of any and all of the foregoing, including, without limitation, license royalties and proceeds of infringement suits.

(c) (i) copyrights and copyright registrations, including, without limitation, the copyright registrations and recordings thereof and all applications in connection therewith listed on Schedule 3 attached hereto and made a part hereof, and (A) all reissues, continuations, extensions or renewals thereof, (B) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (C) the right to sue for past, present and future infringements and dilutions thereof, (D) the goodwill of Pledgor's business symbolized by the foregoing and connected therewith, and (E) all of Pledgor's rights corresponding thereto throughout the world (all of the foregoing copyrights and copyright registrations, together with the items described in clauses (A)-(E) in this paragraph 4(c)(i), are sometimes hereinafter individually and/or collectively referred to as the "Copyrights"); and (ii) all products and

proceeds of any and all of the foregoing, including, with limitation, licensed royalties and proceeds of infringement suits.

(d) rights under or interest in any patent, trademark or copyright license agreements with any other party, whether Pledgor is a licensee or licensor under any such license agreement, including, without limitation, the license agreements listed on Schedule 4 attached hereto and made a part hereof, and the right to use the foregoing in connection with the enforcement of Lender's rights under the Loan Agreement, including without limitation, the right to prepare for sale and sell any and all Inventory and Equipment now or hereafter owned by Pledgor and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Licenses"). Notwithstanding the foregoing provisions of this paragraph 4(d), the grant of a security interest in the Licenses shall not include any license agreement in effect as of the date hereof which by its terms prohibits the grant of the security interest contemplated by this Agreement except for the License Agreement and any other license agreement with any Affiliate of Pledgor; provided, however, that upon the termination of such prohibitions for any reason whatsoever, the provisions of this paragraph 4(d) shall be deemed to apply thereto automatically; and provided, further however, that Pledgor shall fully disclose to Lender all such prohibitions contained in the Licenses listed on Schedule 4 and shall promptly notify Lender upon the termination of such prohibitions.

5. Restrictions on Future Agreements. Pledgor shall not, without Lender's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and Pledgor further agrees that it will not take any action, and will use its best efforts not to permit any action to be taken by others subject to its control, including, without limitation, licensees, or fail to take any action, which would in any material respect adversely affect the validity or enforcement of the rights granted to Lender under this Agreement or the rights associated with the Trademarks, Patents, Copyrights or Licenses.

6. New Trademarks, Copyrights, Patents and Licenses. Pledgor represents and warrants that, from and after the date hereof, (a) the Trademarks listed on Schedule 1 include all of the trade names, registered trademarks, trademark applications, registered service marks and service mark applications now owned or held by Pledgor, (b) the Patents listed on Schedule 2 include all of the patents and patent applications now owned or held by Pledgor, (c) the Copyrights listed on Schedule 3 include all of the copyright registrations now owned or held by Pledgor in whole or in part and that the Copyrights are subsisting and have not been adjudged invalid or unenforceable, (d) the Licenses listed on Schedule 4 include all of the patent, trademark or copyright license agreements under which Pledgor is the licensee or licensor, and (e) no Liens, claims or security interests, charges or encumbrances in such Trademarks, Patents, Copyrights or Licenses have been granted by Pledgor to any Person other than Lender and except as disclosed in the Loan Agreement. If, prior to the termination of this Agreement, Pledgor shall (i) obtain rights to or become entitled to the benefit of any new trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks or service mark applications, (ii) obtain rights to or become entitled to the benefit of any new patent or patent application or any reissue, division, continuation, renewal, extension or continuation-in-part of any Patent or any improvement on any Patent, (iii) obtain rights to or become entitled to the benefit of any new copyrights or copyright registrations, (iv) obtain rights to or become

entitled to the benefit of any new trademark, patent or copyright license agreements, whether as licensee or licensor, or license renewals, or (v) enter into any new license agreement, the provisions of paragraph 4 above shall automatically apply thereto (to the extent permitted by licensors under agreements in connection with the granting of such licenses). Pledgor shall give to Lender prompt written notice of events described in clauses (i), (ii), (iii), (iv) and (v) of the preceding sentence. Pledgor hereby authorizes Lender to modify this Agreement unilaterally (i) by amending Schedule 1 to include any future trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications that are Trademarks under paragraph 4 above or under this paragraph 6, (ii) by amending Schedule 2 to include any future patents and patent applications, which are Patents under paragraph 4 above or under this paragraph 6, (iii) by amending Schedule 3 to include any future copyrights and copyright registrations and recordings thereof and all applications in connection therewith, which are Copyrights under paragraph 4 above or under this paragraph 6, (iv) by amending Schedule 4 to include any future trademark, patent or copyright license agreements that are Licenses under paragraph 4 above or under this paragraph 6, and (v) by filing, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule 1 thereto, as the case may be, such future trademarks, tradenames, registered trademarks, trademark applications, service marks, registered service marks and service mark applications and containing on Schedule 2 thereto, as the case may be, such future patents and patent applications, and containing on Schedule 3, as the case may be, such future copyrights and copyright registrations, and containing on Schedule 4 thereto, as the case may be, such future license agreements.

7. Royalties. Pledgor hereby agrees that the use by Lender of the Trademarks, Patents, Copyrights and Licenses as authorized hereunder in connection with Lender's exercise of its rights and remedies under paragraph 16 or pursuant to any Loan Document shall be coextensive with Pledgor's rights thereunder and with respect thereto and without any liability for royalties or other related charges from Lender to Pledgor.

8. Further Assignments and Security Interest. Pledgor agrees (a) not to sell or assign any of its interests in, or grant any security interest in or license under, the Trademarks, Copyrights or Patents in favor of any Person other than Lender without the prior and express written consent of Lender and (b) not to sell or assign its respective interests in the Licenses without the prior and express written consent of Lender.

9. Nature and Continuation of Lender's Security Interest; Termination of Lender's Security Interest. This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Trademarks, Patents, Copyrights and Licenses and shall remain in full force and effect until satisfactory collateralization of all Letters of Credit, the payment in full of all other Obligations and termination of Lender's obligations to make Advances or issue or cause the issuance of Letters of Credit under the Loan Agreement and termination of the other Loan Documents, in each case, to the satisfaction of Lender. When this Agreement has terminated, Lender shall promptly execute and deliver to Pledgor, at Pledgor's expense, all termination statements and other instruments as may be necessary or proper to terminate Lender's security interest in the Trademarks, Patents, Copyrights and Licenses, subject to any disposition thereof which may have been made by Lender pursuant to this Agreement or any other Loan Document between Pledgor and Lender.

10. Duties of Pledgor. Pledgor shall have the duty, to the extent desirable in the normal conduct of Pledgor's business, (a) to prosecute diligently any trademark application or service mark application that is part of the Trademarks pending as of the date hereof or hereafter until the termination of this Agreement, (b) to prosecute diligently any patent application that is part of the Patents pending as of the date hereof or hereafter until the termination of this Agreement, and (c) to take all reasonable and necessary action to preserve and maintain all of Pledgor's rights in the Trademarks, Patents, Copyrights and Licenses. Pledgor further agrees (i) not to abandon any Trademark, Patent, Copyright or License that is necessary or economically desirable in the operation of Pledgor's business without the prior written consent of Lender, and (ii) to use its commercially reasonable efforts to maintain in full force and effect the Trademarks, Patents, Copyrights and Licenses that are or shall be necessary or economically desirable in the operation of Pledgor's business. Any expenses incurred in connection with the foregoing shall be borne by Pledgor. Lender shall have no duties with respect to the Trademarks, Patents, Copyrights or Licenses. Without limiting the generality of the foregoing, Lender shall not be under any obligation to take any steps necessary to preserve rights in the Trademarks, Patents, Copyrights or Licenses against any other Person, but Lender may do so at its option from and after the occurrence and during the continuance of a Default or an Event of Default, and all expenses incurred in connection therewith (including, without limitation, fees and expenses of attorneys and other professionals for Lender) shall be for the sole account of Pledgor and shall be added to the Obligations secured hereby.

11. Indemnification by Pledgor. Pledgor hereby agrees to indemnify and hold harmless Lender for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements (including, without limitation, attorneys' fees) of any kind whatsoever which may be imposed on, incurred by or asserted against Lender in connection with or in any way rising out of any suits, proceedings or other actions, relating to any or all of the Trademarks, Patents, Copyrights or Licenses (including, without limitation, whether brought by Pledgor or any other Person, suits, proceedings or other actions in which an allegation of liability, strict or otherwise, is or may be made by any Person who alleges or may allege having suffered damages as a consequence of alleged improper, imprudent, reckless, negligent, willful, faulty, defective or substandard design, testing, specification, manufacturing supervision, manufacturing defect, manufacturing deficiency, publicity or advertisement or improper use, howsoever arising or by whomsoever caused, of any inventions disclosed and claimed in the Patents or any of them); unless with respect to any of the above, such Person to be indemnified is judicially determined to have acted or failed to act with gross negligence or willful misconduct. The indemnification in this paragraph shall survive the termination of this Agreement.

12. Lender's Right to Sue. From and after the occurrence and during the continuance of an Event of Default, Lender shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Trademarks, Patents, Copyrights and Licenses and, if Lender shall commence any such suit, Pledgor shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents reasonably required by Lender in aid of such enforcement. Pledgor shall, upon demand, promptly reimburse Lender for all costs and expenses incurred by Lender in the exercise of its rights under this paragraph 12 (including, without limitation, fees and expenses of attorneys and other professionals for Lender).

13. Waivers. Lender's failure, at any time or times hereafter, to require strict performance by Pledgor of any provision of this Agreement shall not waive, affect or diminish any right of Lender thereafter to demand strict compliance and performance therewith nor shall any course of dealing between Pledgor and Lender have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of Pledgor contained in this Agreement shall be deemed to have been suspended or waived by Lender unless such suspension or waiver is in writing signed by an officer of Lender, and directed to Pledgor and specifying such suspension or waiver.

14. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but 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 hereof, 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.

15. Modification. Neither this Agreement nor any provision hereof may be altered, amended or modified in any way, except as specifically provided in paragraph 6 hereof or in a written instrument signed by the parties hereto.

16. Power of Attorney; Cumulative Remedies.

(a) Pledgor hereby irrevocably designates, constitutes and appoints Lender (and all officers and agents of Lender designated by Lender in its sole and absolute discretion) as Pledgor's true and lawful attorney-in-fact, and authorizes Lender and any of Lender's designees, in Pledgor's or Lender's name, upon the occurrence and during the continuation of an Event of Default to take any action and execute any instrument necessary or reasonably advisable to accomplish the purposes of this Agreement, including, without limitation, to (i) endorse Pledgor's name on all applications, documents, papers and instruments necessary or desirable for Lender in the use of the Trademarks, Patents, Copyrights or Licenses, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks, the Patents, the Copyrights or the Licenses to any Person, (iii) grant or issue any exclusive or nonexclusive license under the Trademarks, Patents, Copyrights or Licenses to any Person, and (iv) take any other actions with respect to the Trademarks, Patents, Copyrights or Licenses as Lender deems in its best interest for the payment of the Obligations. Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until this Agreement is terminated. Pledgor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Lender under the Loan Agreement or any other Loan Document, but rather is intended to facilitate the exercise of such rights and remedies.

(b) Lender shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks, Patents, Copyrights or Licenses may be located or deemed located. Upon the



occurrence and during the continuance of an Event of Default, Lender shall have such (i) rights and remedies as are set forth in the Loan Agreement (and as applied to the Collateral), this Agreement, or any of the other Loan Documents, (ii) all the rights, powers and privileges of a secured party under Section 9-504 or Section 9-505 of the Uniform Commercial Code, or Section 9-610, Section 9-620 or other equivalent provisions of revised Article 9 of the Uniform Commercial Code as in effect in any jurisdiction with respect to the Trademarks, Patents, Copyrights or Licenses and (iii) all other rights and remedies available to Lender at law or in equity. Pledgor agrees to assign, convey and otherwise transfer title in and to the Trademarks, Patents, Copyrights and Licenses, to Lender or any transferee of Lender and to execute and deliver to Lender or any such transferee all such agreements, documents and instruments as may be necessary, in Lender's sole discretion, to effect such assignment, conveyance and transfer. All of Lender's rights and remedies with respect to the Trademarks, Patents, Copyrights and Licenses, whether established hereby, by the Loan Agreement or by any other Loan Documents or by law, shall be cumulative and may be exercised separately or concurrently. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence and during the continuance of an Event of Default, the Lender may exercise any of the rights and remedies provided in this Agreement, the Loan Agreement or any of the other Loan Documents. To the extent permitted by applicable law, Pledgor agrees that any notification of intended disposition of any of the Trademarks, Patents, Copyrights or Licenses required by law shall be deemed reasonably and properly given if given at least ten (10) days before such disposition; provided, however, that Lender may give any shorter notice that is commercially reasonable under the circumstances.

17. Successors and Assigns. This Agreement shall be binding upon Pledgor, its successors and assigns, and shall inure to the benefit of Lender and its nominees, successors and assigns. Pledgor's successors and assigns shall include, without limitation, a receiver or a trustee; provided, however, that Pledgor shall not voluntarily assign or transfer its rights or obligations hereunder without Lender's prior written consent.

18. Binding Agreement; Choice of Law.

(a) THE VALIDITY OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (UNLESS EXPRESSLY PROVIDED TO THE CONTRARY IN ANOTHER LOAN DOCUMENT IN RESPECT OF SUCH OTHER LOAN DOCUMENT), THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF AND THEREOF, AND THE RIGHTS OF THE PARTIES HERETO AND THERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR THEREUNDER OR RELATED HERETO OR THERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

(b) THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS MAY BE TRIED AND LITIGATED IN THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK, STATE OF NEW YORK PROVIDED, HOWEVER, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT LENDER'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE LENDER ELECTS TO BRING SUCH

ACTION OR WHERE SUCH COLLATERAL OR OTHER PROPERTY MAY BE FOUND. PLEDGOR AND LENDER WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 13(b).

19. PLEDGOR AND LENDER HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF ANY OF THE LOAN DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. PLEDGOR AND LENDER REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

20. Notices. All notices or other communications hereunder shall be given in the form and manner and to the addresses set forth in the Loan Agreement.

21. Paragraph Titles. The paragraph titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

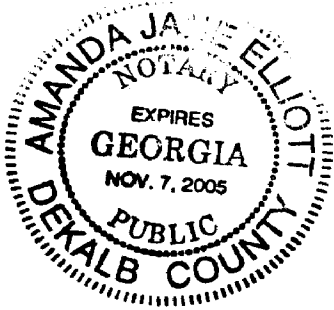
22. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of a counterpart hereof via facsimile transmission shall be effective as delivery of a manually executed counterpart of this Agreement hereof.

23. Merger. This Agreement, together with the other Loan Documents, represents the final agreement of Pledgor and Lender with respect to the matters contained herein and may not be contradicted by evidence of prior or contemporaneous agreements, or subsequent oral agreements, between Pledgor and Lender.

24. Effectiveness. This Agreement shall become effective on the date and year first written above.

[Remainder of this page is intentionally left blank.]

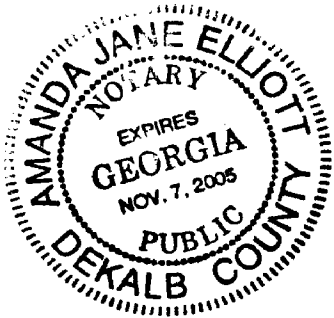
IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.



**SINGER SEWING COMPANY**, a Delaware corporation, as Pledgor

By: Wm. Keith Burke  
Name: Wm Keith Burke  
Title: VP Finance

NOTARY PUBLIC  
Amanda J. Elliott  
Sworn to and subscribed before me  
this 28<sup>th</sup> day of March, 2003.  
My Commission Expires 11/7/05



**FOOTHILL CAPITAL CORPORATION**,  
as Lender

By: Renee D. Lefebvre  
Name: Renee D. Lefebvre  
Title: VP

NOTARY PUBLIC  
Amanda J. Elliott  
Sworn to and subscribed before me  
this 28<sup>th</sup> day of March, 2003.  
My Commission Expires 11/7/05

**SCHEDULE 1**

**Current Trademarks and Trademark Applications**

**U.S. Trademarks**

<b>Mark</b>	<b>Registration or Serial Number</b>	<b>Registration or Application Date</b>	<b>Owner</b>	<b>Status</b>
IZEK	2,656,566	12/3/02	Singer Sewing Company	Live

**Trade Names**

None

**Trademarks Not Currently In Use**

<b>Mark</b>	<b>Registration or Serial Number</b>	<b>Registration or Application Date</b>	<b>Owner</b>	<b>Status</b>
Quantum	74,255,041	3/13/92	Singer Sewing Company	Abandoned
Vari Steam	73,827,845	9/27/89	Singer Sewing Company	Abandoned
Fuzy-Wuz	1,510,161	10/25/98	Singer Sewing Company	Cancelled
Cutters Exchange Serving the Apparel Industry Internationally Since 1914 and Design	1,577,729	1/16/90	Singer Sewing Company	Cancelled
Scissors & Disc Design	760,617	11/23/63	Singer Sewing Company	

**Canadian Trademarks**

<b>Mark</b>	<b>Registration or Serial Number</b>	<b>Registration or Application Date</b>	<b>Owner</b>	<b>Status</b>
Izek	N/A	9/7/00	Singer Sewing Company	

**SCHEDULE 2**

**Patents**

None

**Patent Applications**

None

**SCHEDULE 3**

**Copyrights**

None.

## SCHEDULE 4

### Licenses

- (1) Pursuant to that certain Distribution Agreement with The Singer Company N.V. dated September 14, 2000, with respect to the distribution of industrial sewing machine parts and accessories supplied by third parties (together with such other products as may be agreed between the parties from time to time (other than any Distribution Agreement Products), the "License Agreement Products"), in the United States and, as applicable, worldwide; and
- (2) Pursuant to that certain License Agreement with The Singer Company B.V. dated September 14, 2000, with respect to the exclusive distribution of household, artisan and industrial sewing machines, parts and accessories for household and artisan sewing machines, vacuum cleaners and clothing care products (but not household needles and other sewing notions and small appliances) in the United States (together with the industrial sewing machine products and such other products as may be agreed between the parties from time to time in the United States or worldwide, the "Distribution Agreement Products"),

The Borrower has a license to use the following trademarks:

Owner	Mark	Reg. or Serial Number	Reg. or App. Date	Status
The Singer Company Limited <sup>1</sup>	Singer	2,003,972	10/1/96	Live
The Singer Company <sup>2</sup>	Singer	64,950	8/27/07	Live
	Singer	50,195	3/6/06	Live
	Singer	54,023	6/19/06	Live
	Singer	49,599	2/13/06	Live
	Singer	49,600	2/13/06	Live
	Singer	49,601	2/13/06	Live

<sup>1</sup> Rights to these trademarks have been licensed to Singer N.V. pursuant to that certain Trademark License dates of July 18, 1986 between The Singer Company, as predecessor in interest to The Singer Company Limited and SSMC Inc., as predecessor in interest to Singer N.V. and licensed to The Singer Company B.V. pursuant to that certain License Agreement dated as of March 28, 1991 between SSMC Inc. NV, as predecessor in interest to Singer N.V. and Regnis II BV as predecessor in interest to The Singer Company B.V.

<sup>2</sup> Rights to these trademarks are owned by The Singer Company Limited. Rights to these trademarks have been licensed to Singer N.V. pursuant to that certain Trademark License dates of July 18, 1986 between The Singer Company, as predecessor in interest to The Singer Company Limited and SSMC Inc., as predecessor in interest to Singer N.V. and licensed to The Singer Company B.V. pursuant to that certain License Agreement dated as of March 28, 1991 between SSMC Inc. NV, as predecessor in interest to Singer N.V. and Regnis II BV as predecessor in interest to The Singer Company B.V.

Owner	Mark	Reg. or Serial Number	Reg. or App. Date	Status
	Singer	49,602	2/13/06	Live



## INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Agreement") is made as of March 31, 2003, between SINGER SEWING COMPANY, a Delaware corporation ("Pledgor") and FOOTHILL CAPITAL CORPORATION, a California corporation, as lender ("Lender").

WITNESSETH:

WHEREAS, pursuant to that certain Loan and Security Agreement of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement") between Pledgor and Lender, Lender has agreed to make loans and other financial accommodations to Pledgor from time to time pursuant to the terms and conditions thereof, and

WHEREAS, Lender is willing to make the loans and other financial accommodations to Pledgor as provided for in the Loan Agreement and the other Loan Documents (as defined in the Loan Agreement), but only upon the condition, among others, that Pledgor shall have executed and delivered this Agreement, to secure the prompt and complete payment, observance and performance of all of the Obligations (as defined in the Loan Agreement) of Pledgor arising under the Loan Agreement (including, without limitation, any interest, fees and other charges in respect of the Loan Agreement and the other Loan Documents that would accrue but for the filing of an Insolvency Proceeding (as defined in the Loan Agreement) and whether such obligations, now exist or are hereafter incurred, are absolute or contingent, or are matured or unmatured with respect to Pledgor, whether or not such claim is allowed in such Insolvency Proceeding);

NOW, THEREFORE, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Defined Terms.

(a) Capitalized terms used herein shall have the meanings ascribed to such terms in the Loan Agreement to the extent not otherwise defined or limited herein.

(b) The words "hereof," "herein" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and paragraph references are to this Agreement unless otherwise specified.

(c) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

2. Incorporation of Premises. The premises set forth above are incorporated into this Agreement by this reference thereto and are made a part hereof.

3. Incorporation of the Loan Agreement. The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.

4. Grant of Security Interest in Trademarks, Patents, Copyrights and Licenses. To secure the complete and timely payment, performance and satisfaction of all of the Obligations, Pledgor hereby grants to Lender, a continuing security interest in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale to the extent permitted by applicable law, in all of Pledgor's right, title and interest in and to Pledgor's now owned or existing and hereafter acquired or arising:

(a) (i) trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, including, without limitation, trade names, registered trademarks, trademark applications, registered service marks and service mark applications listed on Schedule 1 attached hereto and made a part hereof, and (A) all renewals thereof, (B) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (C) the right to sue for past, present and future infringements and dilutions thereof, (D) the goodwill of Pledgor's business symbolized by the foregoing and connected therewith, and (E) all of Pledgor's rights corresponding thereto throughout the world (all of the foregoing trademarks, trade names, registered trademarks and trademark applications, service marks, registered service marks and service mark applications, together with the items described in clauses (A)-(E) in this paragraph 4(a)(i), are sometimes hereinafter individually and/or collectively referred to as the "Trademarks"); and (ii) all proceeds of any and all of the foregoing, including, without limitation, license royalties and proceeds of infringement suits.

(b) (i) patents and patent applications, including, without limitation, the patents and patent applications listed on Schedule 2 attached hereto and made a part hereof, and (A) all renewals thereof, (B) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (C) the right to sue for past, present and future infringements and dilutions thereof, and (D) all of Pledgor's rights corresponding thereto throughout the world (all of the foregoing patents and patent applications, together with the items described in clauses (A)-(D) in this paragraph 4(b)(i), are sometimes hereinafter individually and/or collectively referred to as the "Patents"); and (ii) all proceeds of any and all of the foregoing, including, without limitation, license royalties and proceeds of infringement suits.

(c) (i) copyrights and copyright registrations, including, without limitation, the copyright registrations and recordings thereof and all applications in connection therewith listed on Schedule 3 attached hereto and made a part hereof, and (A) all reissues, continuations, extensions or renewals thereof, (B) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (C) the right to sue for past, present and future infringements and dilutions thereof, (D) the goodwill of Pledgor's business symbolized by the foregoing and connected therewith, and (E) all of Pledgor's rights corresponding thereto throughout the world (all of the foregoing copyrights and copyright registrations, together with the items described in clauses (A)-(E) in this paragraph 4(c)(i), are sometimes hereinafter individually and/or collectively referred to as the "Copyrights"); and (ii) all products and

proceeds of any and all of the foregoing, including, with limitation, licensed royalties and proceeds of infringement suits.

(d) rights under or interest in any patent, trademark or copyright license agreements with any other party, whether Pledgor is a licensee or licensor under any such license agreement, including, without limitation, the license agreements listed on Schedule 4 attached hereto and made a part hereof, and the right to use the foregoing in connection with the enforcement of Lender's rights under the Loan Agreement, including without limitation, the right to prepare for sale and sell any and all Inventory and Equipment now or hereafter owned by Pledgor and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Licenses"). Notwithstanding the foregoing provisions of this paragraph 4(d), the grant of a security interest in the Licenses shall not include any license agreement in effect as of the date hereof which by its terms prohibits the grant of the security interest contemplated by this Agreement except for the License Agreement and any other license agreement with any Affiliate of Pledgor; provided, however, that upon the termination of such prohibitions for any reason whatsoever, the provisions of this paragraph 4(d) shall be deemed to apply thereto automatically; and provided, further however, that Pledgor shall fully disclose to Lender all such prohibitions contained in the Licenses listed on Schedule 4 and shall promptly notify Lender upon the termination of such prohibitions.

5. Restrictions on Future Agreements. Pledgor shall not, without Lender's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and Pledgor further agrees that it will not take any action, and will use its best efforts not to permit any action to be taken by others subject to its control, including, without limitation, licensees, or fail to take any action, which would in any material respect adversely affect the validity or enforcement of the rights granted to Lender under this Agreement or the rights associated with the Trademarks, Patents, Copyrights or Licenses.

6. New Trademarks, Copyrights, Patents and Licenses. Pledgor represents and warrants that, from and after the date hereof, (a) the Trademarks listed on Schedule 1 include all of the trade names, registered trademarks, trademark applications, registered service marks and service mark applications now owned or held by Pledgor, (b) the Patents listed on Schedule 2 include all of the patents and patent applications now owned or held by Pledgor, (c) the Copyrights listed on Schedule 3 include all of the copyright registrations now owned or held by Pledgor in whole or in part and that the Copyrights are subsisting and have not been adjudged invalid or unenforceable, (d) the Licenses listed on Schedule 4 include all of the patent, trademark or copyright license agreements under which Pledgor is the licensee or licensor, and (e) no Liens, claims or security interests, charges or encumbrances in such Trademarks, Patents, Copyrights or Licenses have been granted by Pledgor to any Person other than Lender and except as disclosed in the Loan Agreement. If, prior to the termination of this Agreement, Pledgor shall (i) obtain rights to or become entitled to the benefit of any new trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks or service mark applications, (ii) obtain rights to or become entitled to the benefit of any new patent or patent application or any reissue, division, continuation, renewal, extension or continuation-in-part of any Patent or any improvement on any Patent, (iii) obtain rights to or become entitled to the benefit of any new copyrights or copyright registrations, (iv) obtain rights to or become

entitled to the benefit of any new trademark, patent or copyright license agreements, whether as licensee or licensor, or license renewals, or (v) enter into any new license agreement, the provisions of paragraph 4 above shall automatically apply thereto (to the extent permitted by licensors under agreements in connection with the granting of such licenses). Pledgor shall give to Lender prompt written notice of events described in clauses (i), (ii), (iii), (iv) and (v) of the preceding sentence. Pledgor hereby authorizes Lender to modify this Agreement unilaterally (i) by amending Schedule 1 to include any future trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications that are Trademarks under paragraph 4 above or under this paragraph 6, (ii) by amending Schedule 2 to include any future patents and patent applications, which are Patents under paragraph 4 above or under this paragraph 6, (iii) by amending Schedule 3 to include any future copyrights and copyright registrations and recordings thereof and all applications in connection therewith, which are Copyrights under paragraph 4 above or under this paragraph 6, (iv) by amending Schedule 4 to include any future trademark, patent or copyright license agreements that are Licenses under paragraph 4 above or under this paragraph 6, and (v) by filing, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule 1 thereto, as the case may be, such future trademarks, tradenames, registered trademarks, trademark applications, service marks, registered service marks and service mark applications and containing on Schedule 2 thereto, as the case may be, such future patents and patent applications, and containing on Schedule 3, as the case may be, such future copyrights and copyright registrations, and containing on Schedule 4 thereto, as the case may be, such future license agreements.

7. Royalties. Pledgor hereby agrees that the use by Lender of the Trademarks, Patents, Copyrights and Licenses as authorized hereunder in connection with Lender's exercise of its rights and remedies under paragraph 16 or pursuant to any Loan Document shall be coextensive with Pledgor's rights thereunder and with respect thereto and without any liability for royalties or other related charges from Lender to Pledgor.

8. Further Assignments and Security Interest. Pledgor agrees (a) not to sell or assign any of its interests in, or grant any security interest in or license under, the Trademarks, Copyrights or Patents in favor of any Person other than Lender without the prior and express written consent of Lender and (b) not to sell or assign its respective interests in the Licenses without the prior and express written consent of Lender.

9. Nature and Continuation of Lender's Security Interest; Termination of Lender's Security Interest. This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Trademarks, Patents, Copyrights and Licenses and shall remain in full force and effect until satisfactory collateralization of all Letters of Credit, the payment in full of all other Obligations and termination of Lender's obligations to make Advances or issue or cause the issuance of Letters of Credit under the Loan Agreement and termination of the other Loan Documents, in each case, to the satisfaction of Lender. When this Agreement has terminated, Lender shall promptly execute and deliver to Pledgor, at Pledgor's expense, all termination statements and other instruments as may be necessary or proper to terminate Lender's security interest in the Trademarks, Patents, Copyrights and Licenses, subject to any disposition thereof which may have been made by Lender pursuant to this Agreement or any other Loan Document between Pledgor and Lender.

10. Duties of Pledgor. Pledgor shall have the duty, to the extent desirable in the normal conduct of Pledgor's business, (a) to prosecute diligently any trademark application or service mark application that is part of the Trademarks pending as of the date hereof or hereafter until the termination of this Agreement, (b) to prosecute diligently any patent application that is part of the Patents pending as of the date hereof or hereafter until the termination of this Agreement, and (c) to take all reasonable and necessary action to preserve and maintain all of Pledgor's rights in the Trademarks, Patents, Copyrights and Licenses. Pledgor further agrees (i) not to abandon any Trademark, Patent, Copyright or License that is necessary or economically desirable in the operation of Pledgor's business without the prior written consent of Lender, and (ii) to use its commercially reasonable efforts to maintain in full force and effect the Trademarks, Patents, Copyrights and Licenses that are or shall be necessary or economically desirable in the operation of Pledgor's business. Any expenses incurred in connection with the foregoing shall be borne by Pledgor. Lender shall have no duties with respect to the Trademarks, Patents, Copyrights or Licenses. Without limiting the generality of the foregoing, Lender shall not be under any obligation to take any steps necessary to preserve rights in the Trademarks, Patents, Copyrights or Licenses against any other Person, but Lender may do so at its option from and after the occurrence and during the continuance of a Default or an Event of Default, and all expenses incurred in connection therewith (including, without limitation, fees and expenses of attorneys and other professionals for Lender) shall be for the sole account of Pledgor and shall be added to the Obligations secured hereby.

11. Indemnification by Pledgor. Pledgor hereby agrees to indemnify and hold harmless Lender for any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements (including, without limitation, attorneys' fees) of any kind whatsoever which may be imposed on, incurred by or asserted against Lender in connection with or in any way rising out of any suits, proceedings or other actions, relating to any or all of the Trademarks, Patents, Copyrights or Licenses (including, without limitation, whether brought by Pledgor or any other Person, suits, proceedings or other actions in which an allegation of liability, strict or otherwise, is or may be made by any Person who alleges or may allege having suffered damages as a consequence of alleged improper, imprudent, reckless, negligent, willful, faulty, defective or substandard design, testing, specification, manufacturing supervision, manufacturing defect, manufacturing deficiency, publicity or advertisement or improper use, howsoever arising or by whomsoever caused, of any inventions disclosed and claimed in the Patents or any of them); unless with respect to any of the above, such Person to be indemnified is judicially determined to have acted or failed to act with gross negligence or willful misconduct. The indemnification in this paragraph shall survive the termination of this Agreement.

12. Lender's Right to Sue. From and after the occurrence and during the continuance of an Event of Default, Lender shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Trademarks, Patents, Copyrights and Licenses and, if Lender shall commence any such suit, Pledgor shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents reasonably required by Lender in aid of such enforcement. Pledgor shall, upon demand, promptly reimburse Lender for all costs and expenses incurred by Lender in the exercise of its rights under this paragraph 12 (including, without limitation, fees and expenses of attorneys and other professionals for Lender).

13. Waivers. Lender's failure, at any time or times hereafter, to require strict performance by Pledgor of any provision of this Agreement shall not waive, affect or diminish any right of Lender thereafter to demand strict compliance and performance therewith nor shall any course of dealing between Pledgor and Lender have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of Pledgor contained in this Agreement shall be deemed to have been suspended or waived by Lender unless such suspension or waiver is in writing signed by an officer of Lender, and directed to Pledgor and specifying such suspension or waiver.

14. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but 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 hereof, 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.

15. Modification. Neither this Agreement nor any provision hereof may be altered, amended or modified in any way, except as specifically provided in paragraph 6 hereof or in a written instrument signed by the parties hereto.

16. Power of Attorney; Cumulative Remedies.

(a) Pledgor hereby irrevocably designates, constitutes and appoints Lender (and all officers and agents of Lender designated by Lender in its sole and absolute discretion) as Pledgor's true and lawful attorney-in-fact, and authorizes Lender and any of Lender's designees, in Pledgor's or Lender's name, upon the occurrence and during the continuation of an Event of Default to take any action and execute any instrument necessary or reasonably advisable to accomplish the purposes of this Agreement, including, without limitation, to (i) endorse Pledgor's name on all applications, documents, papers and instruments necessary or desirable for Lender in the use of the Trademarks, Patents, Copyrights or Licenses, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks, the Patents, the Copyrights or the Licenses to any Person, (iii) grant or issue any exclusive or nonexclusive license under the Trademarks, Patents, Copyrights or Licenses to any Person, and (iv) take any other actions with respect to the Trademarks, Patents, Copyrights or Licenses as Lender deems in its best interest for the payment of the Obligations. Pledgor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until this Agreement is terminated. Pledgor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Lender under the Loan Agreement or any other Loan Document, but rather is intended to facilitate the exercise of such rights and remedies.

(b) Lender shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks, Patents, Copyrights or Licenses may be located or deemed located. Upon the

occurrence and during the continuance of an Event of Default, Lender shall have such (i) rights and remedies as are set forth in the Loan Agreement (and as applied to the Collateral), this Agreement, or any of the other Loan Documents, (ii) all the rights, powers and privileges of a secured party under Section 9-504 or Section 9-505 of the Uniform Commercial Code, or Section 9-610, Section 9-620 or other equivalent provisions of revised Article 9 of the Uniform Commercial Code as in effect in any jurisdiction with respect to the Trademarks, Patents, Copyrights or Licenses and (iii) all other rights and remedies available to Lender at law or in equity. Pledgor agrees to assign, convey and otherwise transfer title in and to the Trademarks, Patents, Copyrights and Licenses, to Lender or any transferee of Lender and to execute and deliver to Lender or any such transferee all such agreements, documents and instruments as may be necessary, in Lender's sole discretion, to effect such assignment, conveyance and transfer. All of Lender's rights and remedies with respect to the Trademarks, Patents, Copyrights and Licenses, whether established hereby, by the Loan Agreement or by any other Loan Documents or by law, shall be cumulative and may be exercised separately or concurrently. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence and during the continuance of an Event of Default, the Lender may exercise any of the rights and remedies provided in this Agreement, the Loan Agreement or any of the other Loan Documents. To the extent permitted by applicable law, Pledgor agrees that any notification of intended disposition of any of the Trademarks, Patents, Copyrights or Licenses required by law shall be deemed reasonably and properly given if given at least ten (10) days before such disposition; provided, however, that Lender may give any shorter notice that is commercially reasonable under the circumstances.

17. Successors and Assigns. This Agreement shall be binding upon Pledgor, its successors and assigns, and shall inure to the benefit of Lender and its nominees, successors and assigns. Pledgor's successors and assigns shall include, without limitation, a receiver or a trustee; provided, however, that Pledgor shall not voluntarily assign or transfer its rights or obligations hereunder without Lender's prior written consent.

18. Binding Agreement; Choice of Law.

(a) THE VALIDITY OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS (UNLESS EXPRESSLY PROVIDED TO THE CONTRARY IN ANOTHER LOAN DOCUMENT IN RESPECT OF SUCH OTHER LOAN DOCUMENT), THE CONSTRUCTION, INTERPRETATION, AND ENFORCEMENT HEREOF AND THEREOF, AND THE RIGHTS OF THE PARTIES HERETO AND THERETO WITH RESPECT TO ALL MATTERS ARISING HEREUNDER OR THEREUNDER OR RELATED HERETO OR THERETO SHALL BE DETERMINED UNDER, GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

(b) THE PARTIES AGREE THAT ALL ACTIONS OR PROCEEDINGS ARISING IN CONNECTION WITH THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS MAY BE TRIED AND LITIGATED IN THE STATE AND FEDERAL COURTS LOCATED IN THE COUNTY OF NEW YORK, STATE OF NEW YORK PROVIDED, HOWEVER, THAT ANY SUIT SEEKING ENFORCEMENT AGAINST ANY COLLATERAL OR OTHER PROPERTY MAY BE BROUGHT, AT LENDER'S OPTION, IN THE COURTS OF ANY JURISDICTION WHERE LENDER ELECTS TO BRING SUCH

ACTION OR WHERE SUCH COLLATERAL OR OTHER PROPERTY MAY BE FOUND. PLEDGOR AND LENDER WAIVE, TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, ANY RIGHT EACH MAY HAVE TO ASSERT THE DOCTRINE OF FORUM NON CONVENIENS OR TO OBJECT TO VENUE TO THE EXTENT ANY PROCEEDING IS BROUGHT IN ACCORDANCE WITH THIS SECTION 13(b).

19. PLEDGOR AND LENDER HEREBY WAIVE THEIR RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF ANY OF THE LOAN DOCUMENTS OR ANY OF THE TRANSACTIONS CONTEMPLATED THEREIN, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. PLEDGOR AND LENDER REPRESENT THAT EACH HAS REVIEWED THIS WAIVER AND EACH KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

20. Notices. All notices or other communications hereunder shall be given in the form and manner and to the addresses set forth in the Loan Agreement.

21. Paragraph Titles. The paragraph titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

22. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of a counterpart hereof via facsimile transmission shall be effective as delivery of a manually executed counterpart of this Agreement hereof.

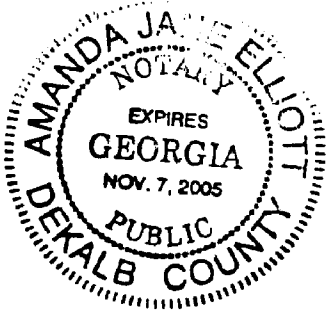
23. Merger. This Agreement, together with the other Loan Documents, represents the final agreement of Pledgor and Lender with respect to the matters contained herein and may not be contradicted by evidence of prior or contemporaneous agreements, or subsequent oral agreements, between Pledgor and Lender.

24. Effectiveness. This Agreement shall become effective on the date and year first written above.

[Remainder of this page is intentionally left blank.]



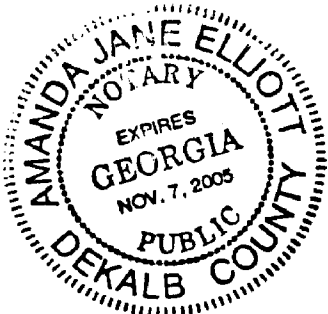
IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.



SINGER SEWING COMPANY, a Delaware corporation, as Pledgor

By: Wm. Keith Burke  
Name: Wm Keith Burke  
Title: VP Finance

NOTARY PUBLIC  
Amanda J. Elliott  
Sworn to and subscribed before me  
this 28 day of March, 2003.  
My Commission Expires 11/7/05



FOOTHILL CAPITAL CORPORATION,  
as Lender

By: Renee D. Lefebvre  
Name: Renee D. Lefebvre  
Title: VP

NOTARY PUBLIC  
Amanda J. Elliott  
Sworn to and subscribed before me  
this 28 day of March, 2003.  
My Commission Expires 11/7/05

**SCHEDULE 1**

**Current Trademarks and Trademark Applications**

**U.S. Trademarks**

<b>Mark</b>	<b>Registration or Serial Number</b>	<b>Registration or Application Date</b>	<b>Owner</b>	<b>Status</b>
IZEK	2,656,566	12/3/02	Singer Sewing Company	Live

**Trade Names**

None

**Trademarks Not Currently In Use**

<b>Mark</b>	<b>Registration or Serial Number</b>	<b>Registration or Application Date</b>	<b>Owner</b>	<b>Status</b>
Quantum	74,255,041	3/13/92	Singer Sewing Company	Abandoned
Vari Steam	73,827,845	9/27/89	Singer Sewing Company	Abandoned
Fuzy-Wuz	1,510,161	10/25/98	Singer Sewing Company	Cancelled
Cutters Exchange Serving the Apparel Industry Internationally Since 1914 and Design	1,577,729	1/16/90	Singer Sewing Company	Cancelled
Scissors & Disc Design	760,617	11/23/63	Singer Sewing Company	

**Canadian Trademarks**

<b>Mark</b>	<b>Registration or Serial Number</b>	<b>Registration or Application Date</b>	<b>Owner</b>	<b>Status</b>
Izek	N/A	9/7/00	Singer Sewing Company	

**SCHEDULE 2**

**Patents**

None

**Patent Applications**

None

SCHEDULE 3

Copyrights

None.

## SCHEDULE 4

### Licenses

- (1) Pursuant to that certain Distribution Agreement with The Singer Company N.V. dated September 14, 2000, with respect to the distribution of industrial sewing machine parts and accessories supplied by third parties (together with such other products as may be agreed between the parties from time to time (other than any Distribution Agreement Products), the "License Agreement Products"), in the United States and, as applicable, worldwide; and
- (2) Pursuant to that certain License Agreement with The Singer Company B.V. dated September 14, 2000, with respect to the exclusive distribution of household, artisan and industrial sewing machines, parts and accessories for household and artisan sewing machines, vacuum cleaners and clothing care products (but not household needles and other sewing notions and small appliances) in the United States (together with the industrial sewing machine products and such other products as may be agreed between the parties from time to time in the United States or worldwide, the "Distribution Agreement Products"),

The Borrower has a license to use the following trademarks:

Owner	Mark	Reg. or Serial Number	Reg. or App. Date	Status
The Singer Company Limited <sup>1</sup>	Singer	2,003,972	10/1/96	Live
The Singer Company <sup>2</sup>	Singer	64,950	8/27/07	Live
	Singer	50,195	3/6/06	Live
	Singer	54,023	6/19/06	Live
	Singer	49,599	2/13/06	Live
	Singer	49,600	2/13/06	Live
	Singer	49,601	2/13/06	Live

<sup>1</sup> Rights to these trademarks have been licensed to Singer N.V. pursuant to that certain Trademark License dates of July 18, 1986 between The Singer Company, as predecessor in interest to The Singer Company Limited and SSMC Inc., as predecessor in interest to Singer N.V. and licensed to The Singer Company B.V. pursuant to that certain License Agreement dated as of March 28, 1991 between SSMC Inc. NV, as predecessor in interest to Singer N.V. and Regnis II BV as predecessor in interest to The Singer Company B.V.

<sup>2</sup> Rights to these trademarks are owned by The Singer Company Limited. Rights to these trademarks have been licensed to Singer N.V. pursuant to that certain Trademark License dates of July 18, 1986 between The Singer Company, as predecessor in interest to The Singer Company Limited and SSMC Inc., as predecessor in interest to Singer N.V. and licensed to The Singer Company B.V. pursuant to that certain License Agreement dated as of March 28, 1991 between SSMC Inc. NV, as predecessor in interest to Singer N.V. and Regnis II BV as predecessor in interest to The Singer Company B.V.

Owner	Mark	Reg. or Serial Number	Reg. or App. Date	Status
	Singer	49,602	2/13/06	Live