

10-30-2003

10-29-03

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

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



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Tab settings

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

1. Name of conveying party(ies): Pony International, LHC, a CA limited liability company (see attached schedule A for FKA)
Other CA limited liability company
Additional name(s) of conveying party(ies) attached? Yes

2. Name and address of receiving party(ies) Name: The CIT Group Commercial Services, Inc. Address: Third Floor Street Address: 300 S. Grand Avenue City: Los Angeles State: CA Zip: 90071
Corporation-State New York

3. Nature of conveyance: Security Agreement
Execution Date: 08/29/2003

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

See attached Addendum TO Schedule B OF Security Agreement

Additional number(s) attached Yes

5. Name and address of party to whom correspondence

Attn: Penelope J.A. Agodoa Federal Research Company, LLC 1030 15th Street, NW, Suite 920 Washington, DC 20005 202.783.2700

6. Total number of applications and registrations involved:

39

7. Total fee (37 CFR 3.41) \$990.00

Enclosed Authorized to be charged to deposit account

8. Deposit account number:

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

DO NOT USE THIS SPACE

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Sharlene Desousa Name of Person Signing

Sharlene Desousa Signature

10-27-2003 Date

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

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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**SCHEDULE A TO
RECORDATION FORM COVER SHEET
TRADEMARKS ONLY**

1. Name of conveying party(ies):

Pony International, LLC, a CA limited liability company, successor by purchase of the assets of The Firm Shoes, Inc., fka Pony International, Inc., a Delaware corporation

Addendum to Schedule B

Trademark	Case Number/Subcase Country Name	Status Class(es)	Application Number/Date	Registration Number/Date
CHEVRON (4706)	T00679US/ United States of America	Published 9	76424182 24-Jun-2002	
CHEVRON (4706)	T00686US/ United States of America	Pending 28	76424183 24-Jun-2002	
CHEVRON (4706)	T00723US/ United States of America	Pending 18	76377049 01-Mar-2002	
CHEVRON (4706)	T00725US/ United States of America	Pending 25	76376978 01-Mar-2002	
CHEVRON (4752)	T00618US/ United States of America	Registered 25	73247809 28-Jan-1980	1193225 06-Apr-1982
CHEVRON (4758)	T00617US/ United States of America	Renewed 25	73226124 06-Aug-1979	1224322 18-Jan-1983
CHEVRON (4842)	T00606US/ United States of America	Registered 25	73380543 18-Aug-1982	1286086 17-Jul-1984
CHEVRON (4901)	T00605US/ United States of America	Registered 25	73380542 18-Aug-1982	1286085 17-Jul-1984
CHEVRON (4908)	T00708US/ United States of America	Published 25	76461199 24-Oct-2002	
CHEVRON (5333)	T00603US/ United States of America	Registered 18, 25	75214975 18-Dec-1996	2478265 14-Aug-2001
CHEVRON (5333)	T00604US/ United States of America	Registered 25	75978150 18-Dec-1996	2248372 25-May-1999
MY LITTLE PONY	T00607US/ United States of America	Registered 25	73512558 07-Dec-1984	1377333 07-Jan-1986
MY LITTLE PONY	T00741US/ United States of America	Pending 18	76472250 04-Dec-2002	
PONY	T00681US/ United States of America	Pending 9	76424773 24-Jun-2002	
PONY	T00682US/ United States of America	Published 14	76424187 24-Jun-2002	

Initials: CIT

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TRADEMARK

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Trademark	Case Number/Subcase Country Name	Status Class(es)	Application Number/Date	Registration Number/Date
PONY	T00685US/ United States of America	Pending 28	76424186 24-Jun-2002	
PONY	T00709US/ United States of America	Registered 25	76376982 01-Mar-2002	2666380 24-Dec-2002
PONY	T00721US/ United States of America	Registered 18	76376981 01-Mar-2002	2741220 29-Jul-2003
PONY & CHEVRON (4754)	T00612US/ United States of America	Registered 14	73529785 01-Apr-1985	1394817 27-May-1986
PONY & CHEVRON (4754)	T00678US/ United States of America	Pending 28	76424184 24-Jun-2002	
PONY & CHEVRON (4754)	T00680US/ United States of America	Published 9	76424774 24-Jun-2002	
PONY & CHEVRON (4754)	T00713US/ United States of America	Registered 25	76377048 01-Mar-2002	2668890 31-Dec-2002
PONY & CHEVRON (4754)	T00724US/ United States of America	Pending 18	76377047 01-Mar-2002	
PONY & CHEVRON (5331)	T00614US/ United States of America	Registered 18, 25	75215272 18-Dec-1996	2478267 14-Aug-2001
PONY & CHEVRON (5331)	T00615US/ United States of America	Registered 25	75978151 18-Dec-1996	2248373 25-May-1999
PONY GIRL	T00719US/ United States of America	Pending 25	76301158 17-Aug-2001	
PONY STYLIZED (4704)	T00611US/ United States of America	Registered 25	73011177 17-Jan-1974	1040116 25-May-1976
PONY STYLIZED (4704)	T00684US/ United States of America	Pending 28	76424188 24-Jun-2002	
PONY STYLIZED (4704)	T00710US/ United States of America	Registered 25	76376980 01-Mar-2002	2666379 24-Dec-2002
PONY STYLIZED (4704)	T00722US/ United States of America	Pending 18	76376979 01-Mar-2002	

Initials: CIT

Client

TRADEMARK

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Trademark	Case Number/Subcase Country Name	Status Class(es)	Application Number/Date	Registration Number/Date
PONY STYLIZED (5332)	T00609US/ United States of America	Registered 18, 25	75214990 18-Dec-1996	2478266 14-Aug-2001
PONY STYLIZED (5332)	T00610US/ United States of America	Registered 25	75978149 18-Dec-1996	2248371 25-May-1999
PONY WITH CHEVRON OVER 'O' (4906)	T00683US/ United States of America	Pending 28	76424185 24-Jun-2002	
PONY WITH CHEVRON OVER 'O' (4906)	T00717US/ United States of America	Published 25	76376983 01-Mar-2002	
PONY WITH CHEVRON OVER 'O' (4906)	T00720US/ United States of America	Published 18	76376984 01-Mar-2002	
PONY.ARCHIVE	T00816US/ United States of America	Pending 18, 25, 28	76/519,608 20-May-2003	
PONY.COMPETE	T00823US/ United States of America	Pending 18 Int. 25 Int. 28 Int.	78278005 22-Jul-2003	
PONY.MOVE	T00815US/ United States of America	Pending 18, 25, 28	76/519,609 20-May-2003	
PONY.STYLE	T00814US/ United States of America	Pending 18, 25, 28	76/519,610 20-May-2003	

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IRREVOCABLE POWER OF ATTORNEY

PONY INTERNATIONAL, LLC, a California limited liability company, with offices at 6500 Hollister Avenue, Santa Barbara, California 93117, (hereinafter referred to as the "Company"), hereby grants to **THE CIT GROUP/COMMERCIAL SERVICES, INC.**, a New York corporation, with offices at 300 South Grand Avenue, Los Angeles, California 90071 (hereinafter referred to as "CIT"), the exclusive Irrevocable Power of Attorney to transfer to CIT or to any designee of CIT all Intellectual Property Collateral listed on the Schedules attached to the Grant of Security Interest in Patents, Trademarks and Licenses (the "PTL Agreement"), dated as of the date hereof, between the Company and CIT including, without limitation, all patents, patent applications and/or registrations, trademarks, trademark applications and/or registrations, and licenses together with the goodwill of the business connected with or symbolized by such Intellectual Property Collateral and the Company's entire inventory of labels and decals bearing any trademarks not affixed to its products, and the right to operate and control, sell, assign, and transfer the business under those trademarks under the following terms and conditions:

1. The Power of Attorney granted hereunder shall be effective as of the date hereof and shall last for as long as any now existing or hereafter arising indebtedness, liabilities or obligations of the Company to CIT are outstanding under the PTL Agreement, dated on or about the date hereof, between the Company and CIT.

2. The Power of Attorney granted herein shall be irrevocable throughout the duration of its life as specified in Paragraph 1 hereinabove;

3. The Power of Attorney granted herein shall only be exercisable by CIT after the occurrence of an Event of Default under the Agreement or the PTL Agreement between CIT and the Company; and

4. CIT shall give the Company ten (10) business days prior written notice of the exercise of this power, and the waiver by CIT of any particular Event of Default as set forth in Paragraph 3 hereinabove shall have no force or effect unless in writing and signed by an authorized officer of CIT. Even then such waiver shall not constitute or be considered a waiver of any other Event of Default then existing or thereafter arising whether similar or not.

IN WITNESS WHEREOF, the Company has caused this Power of Attorney to be executed as of the 21 day of August, 2003.

Company:

PONY INTERNATIONAL, LLC

By: _____

Name: Sudipto Datta

Title: President

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Initials: CIT

Client

**GRANT OF SECURITY INTEREST IN
PATENTS, TRADEMARKS AND LICENSES**

THIS GRANT OF SECURITY INTEREST IN PATENTS, TRADEMARKS AND LICENSES (herein the "PTL Agreement") made as of this 21st day of August, 2003, by **PONY INTERNATIONAL, LLC**, a California limited liability company, successor by purchase of the assets of The Firm Shoes, Inc., fka Pony International, Inc., a Delaware corporation, with its principal place of business at 6500 Hollister Avenue, Santa Barbara, California 93117 (herein the "Company"), and **THE CIT GROUP/COMMERCIAL SERVICES, INC.**, a New York corporation, with offices at 300 South Grand Avenue, Los Angeles, California 90071 (herein "CIT").

W I T N E S E T H:

WHEREAS, the Company and CIT are parties to a certain factoring and/or financing arrangement, pursuant to which CIT may make certain loan and advances to the Company, all as further set forth in the loan and security documents executed in connection herewith, dated of even date herewith and as the same may be amended from time to time (herein collectively, the "Agreement"), which Agreement provides (i) for CIT to purchase, at its discretion certain accounts receivable of the Company and/or make certain loans, advances and extensions of credit, all to or for the benefit and account of the Company, and (ii) for the grant by the Company to CIT, as collateral security therefor, a security interest in certain of the Company's assets, including, without limitation, its trademarks, trademark applications and/or registrations, tradenames, goodwill and licenses, and, if applicable, any patents, patent applications and/or registrations, all as more fully set forth herein and in the Agreement;

NOW THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the Company agrees as follows:

1. **Definitions.** Capitalized terms used herein and defined in the Agreement shall have the meanings set forth therein unless otherwise specifically defined herein.

2. **Grant of Security Interest.** To secure the payment of the "Obligations" (as defined in the Agreement), the Company hereby grants to CIT a security interest, effective immediately, in all of the Company's right, title and interest in and to all of the following described property, whether now owned or hereafter acquired (collectively herein the "Intellectual Property Collateral") and whether or not applied for or registered in the United States Patent and Trademark Office:

- (i) Trademarks, trademark registrations, recordings and/or applications, tradenames, trade styles, service marks, prints and labels on which any of the foregoing have or may appear, designs, general intangibles pertaining to any of the foregoing, including, without limitation, the trademarks and applications, if any, listed on Schedule B attached hereto and made a part hereof, and any and all reissues

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and/or renewals thereof, and all income, royalties, damages and payments now and hereafter due and/or payable in connection therewith including, without limitation, damages and payments for past or future infringements thereof (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Trademark Collateral");

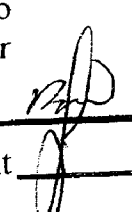
- (ii) Patents and patent applications and/or registrations together with the inventions and improvements described and claimed therein including, without limitation, the patents and applications, if any, listed on Schedule A, attached hereto and made a part hereof, and any and all reissues and renewals thereof and all income, royalties, damages and payments now and hereafter due and/or payable in connection therewith including, without limitation, damages and payments for past or future infringements thereof (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Patent Collateral");
- (iii) Any license agreement in which the Company is or becomes licensed to use any patents and/or trademarks owned by a third party including, without limitation, the licenses, if any, listed on Schedule C attached hereto and made a part hereof (all of the foregoing are sometimes referred to herein individually and/or collectively as the "License Collateral");
- (iv) The goodwill of the Company's business connected with and symbolized by the Intellectual Property Collateral;
- (v) Any and all of the Company's rights and interests in any of the foregoing as they relate to the Company's Accounts, Inventory, Equipment and General Intangibles, or any Collateral bearing any of the foregoing, including without limitation the right to sell Inventory, goods and property bearing or covered by any of the foregoing Intellectual Property; and
- (vi) All cash and non-cash proceeds, royalties and income of the foregoing, including without limitation any amounts obtained pursuant to any infringement action.

3. **CIT' Rights.** Upon the occurrence of any Event of Default hereunder, CIT shall have all the rights and remedies of a secured party under the Uniform Commercial Code and any other applicable state or federal laws. CIT will give the Company reasonable notice of the time and place of any public sale of the Intellectual Property Collateral or the time after which any private sale of the Intellectual Property Collateral or any other intended disposition thereof is to be made. Unless otherwise provided by law, the requirement of reasonable notice shall be met if such notice is mailed, postage prepaid to the address of the Company set forth above at least ten (10) days before the date of such sale or disposition. In addition to the foregoing and all other rights and remedies of CIT upon the occurrence of any Event of Default hereunder, CIT shall thereupon have the immediate right to transfer to itself or to sell, assign and transfer to any other person all right, title and interest in and to all or any part of the Intellectual Property Collateral. A formal irrevocable power of attorney (in the form annexed hereto) is being executed and delivered by the Company to CIT concurrently with this PTL Agreement to enable such rights to be carried out. The Company agrees that, in the event CIT exercises its rights hereunder and/or

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Initials: CIT

Client



pursuant to said power of attorney in accordance with its terms, after written notification of such exercise from CIT to the Company, the Company shall never thereafter, without the prior written authorization of the owner or owners of such Intellectual Property Collateral, use any of such Intellectual Property Collateral. The condition of the foregoing provision is such that unless and until there occurs an Event of Default under this PTL Agreement, the Company shall continue to own and use the Intellectual Property Collateral in the normal course of its business and to enjoy the benefits, royalties and profits therefrom provided, however, that from and after the occurrence of an Event of Default such right will, upon the exercise by CIT of the rights provided by this PTL Agreement, be revoked and the right of the Company to enjoy the uses, benefits, royalties and profits of said Intellectual Property Collateral will wholly cease, whereupon CIT or its transferee(s) shall be entitled to all of the Company's right, title and interest in and to the Intellectual Property Collateral hereby so assigned. This PTL Agreement will not operate to place upon CIT any duty or responsibility to maintain the Intellectual Property Collateral.

4. **Fees.** The Company will pay all filing fees with respect to the security interest created hereby which CIT may deem necessary or advisable in order to perfect and maintain the perfection of its security interest in the Intellectual Property Collateral.

5. **Representations and Warranties.** The Company represents and warrants: that the Company lawfully possesses and owns the Intellectual Property Collateral and that except for the security interest granted hereby, the Intellectual Property Collateral will be kept free from all liens, security interests, claims and encumbrances whatsoever; that the Company has not made or given any prior assignment, transfer or security interest in the Intellectual Property Collateral or any of the proceeds thereof; that the Intellectual Property Collateral is and will continue to be, in all respects, in full force and effect; and that other than what is of record or disclosed by the Company to CIT in writing, there are no known infringements of the Intellectual Property Collateral. The Company agrees not to take any action inconsistent with the terms and intent hereof, provided that the Company may enter into licensing agreements in the ordinary course of its business on fair and reasonable terms, provided further that no Event of Default (as defined herein below) has occurred and that any such agreement does not adversely effect CIT' rights and interests hereunder. The Company hereby further agrees to provide notice to CIT of any hereafter acquired Intellectual Property Collateral, provided that any such Collateral shall be automatically subject to the terms hereof and provided that the Company shall take any such additional action as CIT shall reasonably request with respect thereto.

6. **Application of Proceeds.** The proceeds of any sale, transfer or disposition of the Intellectual Property Collateral shall be applied first to all costs and expenses, including, but not limited to, reasonable attorneys' fees and expenses and court costs, incurred by CIT in connection with such sale and the exercise of CIT' rights and remedies hereunder and under the Agreement; next, such proceeds shall be applied to the payment, in whole or in part, of the Obligations due CIT in such order as CIT may elect; and the balance, if any, shall be paid to the Company or as a court of competent jurisdiction may direct.

7. **Defense of Claims.** The Company will defend at its own cost and expense any action, claim or proceeding affecting the Intellectual Property Collateral or the interest of CIT

therein. The Company agrees to reimburse CIT for all costs and expenses incurred by CIT in defending any such action, claim or proceeding.

8. **Rights Cumulative.** This PTL Agreement shall be in addition to the Agreement and shall not be deemed to affect, modify or limit the Agreement or any rights that CIT has under the Agreement. The Company agrees to execute and deliver to CIT (at the Company's expense) any further documentation or papers necessary to carry out the intent or purpose of this PTL Agreement including, but not limited to, financing statements under the Uniform Commercial Code.

9. **Construction and Invalidity.** Any provisions hereof contrary to, prohibited by or invalid under any laws or regulations shall be inapplicable and deemed omitted here from, but shall not invalidate the remaining provisions hereof.


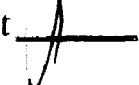
10. **CHOICE OF LAW.** THE COMPANY AGREES THAT THE VALIDITY, INTERPRETATION AND ENFORCEMENT OF THIS PTL AGREEMENT AND ALL RIGHTS HEREUNDER SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA. THIS PTL AGREEMENT TOGETHER WITH THE AGREEMENT CONSTITUTES THE ENTIRE "AGREEMENT" OF THE COMPANY AND CIT WITH RESPECT TO THE INTELLECTUAL PROPERTY COLLATERAL, CAN ONLY BE CHANGED OR MODIFIED IN WRITING AND SHALL BIND AND BENEFIT THE COMPANY, CIT AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS. THE COMPANY AND CIT EACH HEREBY EXPRESSLY WAIVES ANY RIGHT OF TRIAL BY JURY ON ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING HEREUNDER.

11. **Events of Default.** Any of the following constitutes an Event of Default under this PTL Agreement:

- (i) The Company fails to perform or observe any agreement, covenant or condition required under this PTL Agreement;
- (ii) Any warranty or representation made by Company, in this PTL Agreement shall be or becomes false or misleading in any material respect; or
- (iii) The occurrence of any Event of Default under the Agreement which is not waived in writing by CIT.

12. **Notices.** The Company covenants and agrees that, with respect to the Intellectual Property Collateral, it will give CIT written notice in the manner provided in the Agreement of:

- (i) any claim by a third party that the Company has infringed on the rights of a third party;
- (ii) any suspected infringement by a third party on the rights of the Company; or

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Client 

(iii) any Intellectual Property Collateral created, arising or acquired by the Company after the date hereof.

13. **Further Assurances.** The Company will take any such action as CIT may reasonably require to further confirm or protect CIT' rights under this PTL Agreement in the Intellectual Property Collateral. In furtherance thereof, the Company hereby grants to CIT a power of attorney coupled with an interest which shall be irrevocable during the term of this PTL Agreement to execute any documentation or take any action in the Company's behalf required to effectuate the terms, provisions and conditions of this PTL Agreement.

14. **Termination.** This PTL Agreement shall terminate upon termination of the Agreement and full, final and indefeasible payment in cash of all Obligations of the Company thereunder. Upon the Company's request, CIT shall within a reasonable time after any such termination execute and deliver to the Company (at the Company's expense) such documents and instruments as are reasonably necessary to evidence such termination and release of the security interest granted herein on any applicable public record.

IN WITNESS WHEREOF, the parties hereto have duly executed this PTL Agreement as of the 29 day of AUGUST, 2003.

Company:

PONY INTERNATIONAL, LLC, both as successor by purchase of the assets of, and as owner by contribution of assets from, The Firm Shoes, Inc., aka Pony International, Inc.

By: [Signature]
Name: Sudipto Datta
Title: President

Agreed and Accepted this 5th day of September, 2003

THE CIT GROUP/COMMERCIAL SERVICES, INC.

By: [Signature]
Name: Sydnee Breuer
Title: V.P.

Initials: CIT [Signature]
Client [Signature]

**SCHEDULE A TO GRANT OF SECURITY INTEREST IN PATENTS,
TRADEMARKS AND LICENSES**

between

**PONY INTERNATIONAL, LLC, a California limited liability company,
successor by purchase of the assets of The Firm Shoes, Inc.,
fka Pony International, Inc., a Delaware corporation**

and

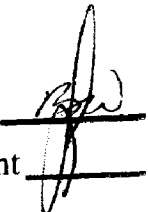
THE CIT GROUP/COMMERCIAL SERVICES, INC.

U.S. PATENTS

None

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Initials: CIT 

Client 

**TRADEMARK
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**SCHEDULE B TO GRANT OF SECURITY INTEREST IN PATENTS,
TRADEMARKS AND LICENSES**

between

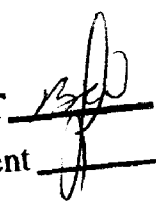
**PONY INTERNATIONAL, LLC, a California limited liability company,
successor by purchase of the assets of The Firm Shoes, Inc.,
fka Pony International, Inc., a Delaware corporation**

and

THE CIT GROUP/COMMERCIAL SERVICES, INC.

U.S. TRADEMARKS

**Those Trademarks including but not limited to the Trademarks
listed on Addendum to Schedule B attached hereto**

Initials: CIT 

Client 

**SCHEDULE C TO GRANT OF SECURITY INTEREST IN PATENTS,
TRADEMARKS AND LICENSES**

between

**PONY INTERNATIONAL, LLC, a California limited liability company,
successor by purchase of the assets of The Firm Shoes, Inc.,
fka Pony International, Inc., a Delaware corporation**

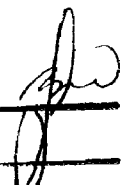

and

THE CIT GROUP/COMMERCIAL SERVICES, INC.

U.S. LICENSES

**Those Licenses included but not limited to the licensed names
on Addendum to Schedule C attached hereto.**

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initials: CIT 
Client 

Addendum to Schedule C

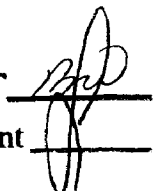
Wear Me Apparel Corp.

Title Boxing L.L.C.

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Initials: CIT

Client

A handwritten signature in black ink, appearing to be 'CIT', is written over two horizontal lines. The signature is stylized and cursive.

RECORDED: 10/29/2003

**TRADEMARK
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