

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST
EFFECTIVE DATE:	11/23/2004

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Mirador Group International, LLC		11/23/2004	limited liability company: NORTH CAROLINA

RECEIVING PARTY DATA

Name:	The CIT Group/Commercial Services, Inc.
Street Address:	301 S. Tryon Street
City:	Charlotte
State/Country:	NORTH CAROLINA
Postal Code:	28202
Entity Type:	CORPORATION: NEW YORK

PROPERTY NUMBERS Total: 1

Property Type	Number	Word Mark
Registration Number:	2636383	

CORRESPONDENCE DATA

Fax Number: (704)378-4890
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: 704-378-4700
 Email: hbarnes@hunton.com
 Correspondent Name: Haywood Barnes, Esq.
 Address Line 1: 101 S. Tryon Street
 Address Line 2: Suite 3500
 Address Line 4: Charlotte, NORTH CAROLINA 28280

NAME OF SUBMITTER:	Ann Vandiver, Paralegal
Signature:	/Ann Vandiver, Paralegal/

Date:

12/20/2004

Total Attachments: 9

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TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT ("Agreement"), is made and entered into this 23rd day of November, 2004, between MIRADOR GROUP INTERNATIONAL, LLC, a North Carolina limited liability company ("Borrower"), and THE CIT GROUP/COMMERCIAL SERVICES, INC., a New York corporation ("Lender").

WITNESSETH:

WHEREAS, Borrower proposes to enter into a certain Amended and Restated Factoring Agreement and a certain Inventory Security Agreement, each dated of even date herewith (the Amended and Restated Factoring Agreement and the Inventory Security Agreement, as they each may hereafter be amended, modified, supplemented or restated from time to time, being herein called collectively the "Factoring Documents"), with Lender pursuant to which Lender will make loans and extend credit and other financial accommodations to Borrower, all as more particularly described therein; and

WHEREAS, as a condition precedent to Lender's entering into the Factoring Documents and making loans and extending credit to Borrower pursuant thereto, Lender has required the execution of this Agreement by Borrower in favor of Lender.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, Borrower agrees with Lender as follows:

1. Defined Terms. All capitalized terms used herein without definition shall have the meaning ascribed to such terms in the Factoring Documents.

2. Grant of Security Interest. As security for the payment and performance of the Obligations, Borrower hereby assigns, grants, transfers and conveys to Lender, for security purposes, all of Borrower's right, title and interest in, to and under the following property, in each case whether now existing or hereafter acquired or arising and whether registered and unregistered and wherever the same may be located (the "Trademark Collateral"):

(a) all state (including common law), federal and foreign trademarks, service marks and trade names, corporate names, company names, business names, fictitious business names, trade styles, trade dress, logos, other source or business identifiers, domain names, designs and general intangibles of like natures, now existing or hereafter adopted or acquired, together with and including all licenses therefor held by Borrower (unless otherwise prohibited by any license or related licensing agreement under circumstances where the granting of the security interest would have the effect under applicable law of the termination or permitting termination of the license for breach and where the licensor has elected such termination remedy), and all registrations and recordings thereof, and all applications filed or to be filed in connection therewith, including registrations and applications in the United States Patent and Trademark Office, any State of the United States or any other country or any political subdivision thereof, and all extensions or renewals thereof, including any of the foregoing identified on

Schedule A hereto (as the same may be amended, modified or supplemented from time to time), and the right (but not the obligation) to register claims under any state or federal trademark law or regulation or any trademark law or regulation of any foreign country and to apply for, renew and extend any of the same, to sue or bring opposition or cancellation proceedings in the name of Borrower or in the name of Lender for past, present or future infringement or unconsented use thereof, and all rights arising therefrom throughout the world (collectively, the "Trademarks");

(b) all claims, causes of action and rights to sue for past, present or future infringement or unconsented use of any Trademarks and all rights arising therefrom and pertaining thereto;

(c) all general intangibles related to or arising out of any of the Trademarks and all the goodwill of Borrower's business symbolized by the Trademarks or associated therewith; and

(d) all proceeds of any and all of the foregoing Trademark Collateral, including, without limitation, license royalties, rights to payment, accounts receivable, proceeds of infringement suits and all payments under insurance or any indemnity, warranty or guaranty payable by reason or loss or damage to or otherwise with respect to the foregoing Trademark Collateral.

3. Representations, Warranties and Covenants of Borrower. Borrower represents, warrants and covenants that:

(a) The Trademark Collateral is, to the best of its knowledge, subsisting and has not been judged invalid or unenforceable;

(b) Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Trademark Collateral, free and clear of any liens, charges and encumbrances;

(c) Borrower has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Trademark Collateral;

(d) Borrower will maintain the quality of the products associated with the Trademark Collateral, generally at a level consistent with the quality as of the effective date of this Agreement, subject to the introduction of new products from time to time, and product modifications in the ordinary course of business; and

(e) Borrower has the unqualified right to enter into this Agreement and perform its terms and has entered and will enter into written agreements with each of its present and future employees, agents and consultants which will enable it to comply with the covenants herein contained.

4. Visits and Inspections. Borrower hereby grants to Lender and its employees and agents the right on prior notice to Borrower to visit Borrower's plants and facilities which

manufacture, inspect or store products sold under any of the Trademarks, and to inspect the products and quality control records relating thereto at reasonable times during regular business hours. Borrower shall do any and all acts required by Lender to ensure Borrower's compliance with paragraph 2(d) of this Agreement.

5. Restrictions on Future Agreements. Borrower agrees that, until all of the Obligations have been satisfied in full and the Factoring Documents have been terminated in writing, it will not without Lender's prior written consent, enter into any agreement which is inconsistent with Borrower's duties under this Agreement, and Borrower further agrees that it will not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would affect the validity and enforcement of the rights granted to Lender under this Agreement.

6. After-Acquired Trademark Rights. If, before the Obligations have been satisfied in full, Borrower shall obtain rights to any new trademarks, or become entitled to the benefit of any trademark application or trademark for any renewal of any Trademark, the provisions of paragraph 1 hereof shall automatically apply thereto, and Borrower shall give to Lender prompt notice thereof in writing. Borrower authorizes Lender to modify this Agreement by amending Schedule A to include any future trademarks and trademark applications which are Trademark Collateral under paragraph 1 hereof or this paragraph 6.

7. Borrower's Rights Prior to Event of Default. Unless and until there shall have occurred and be continuing an Event of Default (as defined in the Factoring Documents), Borrower shall continue to own, and may use and enjoy the Trademark Collateral in connection with its business operations, but only in a manner consistent with the presentation of their current substance, validity and registration.

8. Remedies Upon Event of Default. If an Event of Default shall have occurred and be continuing, Lender shall have, in addition to all other rights and remedies given it by this Agreement, those allowed by law and, specifically, those of a Lender under the Code. Notice of any sale or other disposition of the Trademark Collateral shall be deemed reasonable and sufficient if given the Borrower at least ten (10) days before the time of any intended public or private sale or other disposition of any of the Trademark Collateral is to be made.

9. Power of Attorney. Borrower hereby makes, constitutes and appoints Lender and any officer or agent of Lender as Lender may select as Borrower's true and lawful attorney-in-fact, with full power to do any or all of the following if an Event of Default shall occur and be continuing: to endorse Borrower's name on all applications, documents, papers and instruments necessary for Lender to use the Trademark Collateral, or to grant or issue any exclusive or nonexclusive license under the Trademark Collateral to anyone else as necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Trademark Collateral to anyone else. Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until all of the Obligations shall have been satisfied in full and the Factoring Documents shall have been terminated in writing.

10. Release of Security Interest. At such time as all of the Obligations shall have been satisfied and paid in full, Lender shall execute and deliver to Borrower all releases,

termination statements, and other instruments as may be necessary or proper to release or reflect the release of Lender's security interest in the Trademark Collateral, including all documentation necessary to reflect such release in the United States Patent and Trademark Office.

11. Costs and Expenses. Any and all fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by Lender in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining, or preserving the Trademark Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademark Collateral, shall be borne and paid by Borrower on demand by Lender and until so paid shall be added to the amount of the Obligations and shall bear interest at the rate prescribed in the Factoring Documents.

12. Litigation and Proceedings.

(a) Borrower shall have the duty, through counsel acceptable to Lender, to prosecute diligently any trademark application of the Trademarks pending as of the date of this Agreement or thereafter, other than those discontinued or abandoned in the ordinary course of business, until the Obligations shall have been paid in full and to preserve and maintain all rights in trademark applications and trademarks of the Trademarks in the ordinary course of business. Any expenses incurred in connection with such an application shall be borne by Borrower. Borrower shall not abandon any right to file a trademark application, or any pending trademark application or trademark, other than those discontinued or abandoned in the ordinary course of business without the consent of Lender, which consent shall not be unreasonably withheld.

(b) Lender shall have the right, but shall in no way be obligated, to bring suit in its own name, as the holder of a security interest in the Trademark Collateral, to enforce the Trademarks, and any license thereunder, in which event Borrower shall at the request of Lender do any and all lawful acts (including bringing suit) and execute any and all proper documents required by Lender in aid of such enforcement and Borrower shall promptly, upon demand, reimburse and indemnify the Lender for all costs and expenses incurred in the exercise of its rights under this paragraph 12. Nothing herein shall be deemed to prohibit Borrower from bringing any such suit in its own name at any time that an Event of Default does not exist, if Lender declines to institute suit.

13. Lender May Perform. If Borrower fails to comply with any of its obligations hereunder, Lender may do so in Borrower's name or in Lender's name, but at Borrower's expense, and Borrower agrees to reimburse Lender in full for all expenses, including reasonable attorney's fees, incurred by Lender in prosecuting, defending or maintaining the Trademarks or Lender's interest therein pursuant to this Agreement.

14. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in

such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

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

16. Binding Effect; Benefits. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

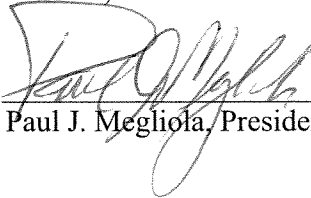
17. Governing Law. The validity, interpretation and enforcement of this Agreement is governed by the laws of the State of North Carolina, excluding the conflict laws of such State.

18. Waiver of Jury Trial. **To the extent permitted by applicable law, Borrower and Lender each hereby waive any right to a trial by jury in any action or proceeding arising directly or indirectly out of this Agreement, or any other agreement or transaction between us or to which we are parties.**


[signatures on next page]

WITNESS the execution hereof on the day and year first above written.

MIRADOR GROUP INTERNATIONAL, LLC
("Borrower")

By: 
Paul J. Megliola, President

THE CIT GROUP/COMMERCIAL SERVICES,
INC.
("Lender")

By: 
Kenneth R. Williams, Vice President

STATE OF NORTH CAROLINA

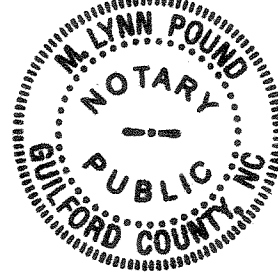
COUNTY OF GUILFORD

I, M. Lynn Pound, a Notary Public of the State and County aforesaid, certify that Paul Megliola personally appeared before me this day and acknowledged that he is President of MIRADOR GROUP INTERNATIONAL, LLC, a North Carolina limited liability company, and that by authority duly given and as the act of said limited liability company, the foregoing instrument was signed by him in said limited liability company's name.

WITNESS my hand and official stamp or seal, this 23 day of November, 2004.

M. Lynn Pound
Notary Public

My Commission Expires: 7/25/2007



STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

I, BEVERLY A. SCOTT, a Notary Public of the State and County aforesaid, certify that Kenneth R. Williams personally appeared before me this day and acknowledged that he is a Vice President of THE CIT GROUP/COMMERCIAL SERVICES, INC., a New York corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed by him in the corporation's name.

WITNESS my hand and official stamp or seal, this 30th day of November, 2004.

Beverly A. Scott
Notary Public

My Commission Expires: 9-15-2006

SCHEDULE A TO
TRADEMARK SECURITY AGREEMENT

TRADEMARKS

Trademark	Registration Number	Registration Date
MIRADOR	2,636,383	10/15/02

TRADEMARK APPLICATIONS

None