TRADEMARK ASSIGNMENT

Electronic Version v1.1
Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Security Agreement

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
JD Design, LLC		10/13/2006	LIMITED LIABILITY COMPANY: CALIFORNIA

RECEIVING PARTY DATA

Name:	The CIT Group/Commercial Services, Inc.
Street Address:	300 S. Grand Avenue
City:	Los Angeles
State/Country:	CALIFORNIA
Postal Code:	90071
Entity Type:	CORPORATION: NEW YORK

PROPERTY NUMBERS Total: 6

Property Type	Number	Word Mark
Registration Number:	2653566	JD
Registration Number:	2715038	JOE'S
Registration Number:	3114334	THE LOVER
Serial Number:	78308448	JOE'S JD
Serial Number:	78308471	JOE'S
Serial Number:	78683296	THE SOCIALITE

CH $165.00 2653566

CORRESPONDENCE DATA

Fax Number: (866)826-5420
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 3016380511
Email: ipresearchplus@comcast.net
Correspondent Name: IP Research Plus, Inc.
Address Line 1: 21 Tadcaster Circle
Address Line 2: Attn: Penelope J.A. Agodoa
Address Line 4: Waldorf, MARYLAND 20602

NAME OF SUBMITTER:	Penelope J.A. Agodoa
Signature:	/pja/
Date:	11/09/2006

Total Attachments: 11
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GRANT OF SECURITY INTEREST IN
PATENTS, TRADEMARKS AND LICENSES

THIS GRANT OF SECURITY INTEREST IN PATENTS, TRADEMARKS AND LICENSES (herein the "Trademark Agreement") made as of this 13th day of October, 2006, by JD Design, LLC, a California limited liability company, with its principal place of business at 1810 Rising Glen Road, Los Angeles, California 90069 (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's licensee, Joe's Jeans, Inc., a Delaware corporation (herein "Joe's Jeans") and CIT are parties to certain factoring and/or financing arrangements all as further set forth in the loan and security documents dated June 1, 2001, by and between CIT and Joe's Jeans, as the same may be amended from time to time (herein the "Agreement"), and the Company has guaranteed the payment thereof to CIT pursuant to a Guaranty dated of even date herewith (the "Guaranty"). The Agreement provides, among other things, for CIT to purchase, at its discretion certain accounts receivable of Joe's Jeans and/or make certain loans, advances and extensions of credit, all to or for the benefit and account of Joe's Jeans;

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 Guaranty), 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"):

(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 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

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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 and Joe's Jeans' 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's Rights**. Upon the occurrence and continuance of any Event of Default hereunder for a period of thirty (30) days after delivery of written notice to the Company, 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 and continuance of any Event of Default hereunder for a period of thirty (30) days after delivery of written notice to the Company, 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 Trademark Agreement to enable such rights to be carried out. The Company agrees that, in the event CIT exercises its rights hereunder and/or 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 Trademark Agreement which remains uncured for a period of thirty (30) days, 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 which remains uncured for a period of thirty (30) days, such right will, upon the exercise by CIT of the rights provided by this Trademark 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

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Intellectual Property Collateral hereby so assigned. This Trademark 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 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's 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 Trademark Agreement shall be in addition to the Agreement and shall not be deemed to affect, modify or limit this 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 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. **JURY WAIVER/CHOICE OF LAW. TO THE EXTENT PERMITTED BY APPLICABLE LAW, EACH PARTY HERETO HEREBY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING DIRECTLY OR INDIRECTLY OUT OF**

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THIS TRADEMARK AGREEMENT, OR ANY OTHER AGREEMENT OR TRANSACTION BETWEEN THE PARTIES HERETO. NOTWITHSTANDING THE PLACE OF EXECUTION HEREOF, EACH PARTY HERETO AGREES THAT THE VALIDITY, INTERPRETATION AND ENFORCEMENT OF THIS TRADEMARK AGREEMENT AND ALL RIGHTS HEREUNDER SHALL BE GOVERNED BY THE LAWS OF THE STATE OF CALIFORNIA.

The parties to this Trademark Agreement prefer that any dispute between or among them be resolved in litigation subject to the above jury trial waiver. If, and only if, a pre-dispute jury trial waiver of the type provided for herein is unenforceable in litigation to resolve any dispute, claim, cause of action or controversy under this Trademark Agreement or any other document (each, a "Claim") in the venue where the Claim is being brought pursuant to the terms of this Trademark Agreement, then, upon the written request of any party, such Claim, including any and all questions of law or fact relating thereto, shall be determined exclusively by a judicial reference proceeding. Except as otherwise provided herein, venue for any such reference proceeding shall be in the state or federal court in the County or District where venue is appropriate under applicable law (the "Court"). The parties shall select a single neutral referee, who shall be a retired state or federal judge. If the parties cannot agree upon a referee within 30 days, the Court shall appoint the referee. The referee shall report a statement of decision to the Court. Notwithstanding the foregoing, nothing in this paragraph shall limit the right of any party at any time to exercise self-help remedies, foreclose against collateral or obtain provisional remedies (including without limitation, requests for temporary restraining orders, preliminary injunctions, writs of possession, writs of attachment, appointment of a receiver, or any orders that a court may issue to preserve the status quo, to prevent irreparable injury or to allow a party to enforce its liens and security interests). The parties shall bear the fees and expenses of the referee equally unless the referee orders otherwise. The referee also shall determine all issues relating to the applicability, interpretation, and enforceability of this section. The parties acknowledge that any Claim determined by reference pursuant to this section shall not be adjudicated by a jury.

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

(i) The Company fails to perform or observe any agreement, covenant or condition required under this Trademark Agreement;

(ii) Any warranty or representation made by Company, in this Trademark Agreement shall be or becomes false or misleading in any material respect;

(iii) The failure by the Company to honor any of the terms of the Guaranty or a payment demand thereunder; or

(iv) 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 Trademark Agreement of:

(i) any claim by a third party that the Company has infringed on the rights of a third party;

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(ii) any suspected infringement by a third party on the rights of the Company; or

(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 Trademark 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 Trademark Agreement to execute any documentation or take any action in the Company's behalf required to effectuate the terms, provisions and conditions of this Trademark Agreement.

14. **Termination.** This Trademark Agreement shall terminate upon termination of the Guaranty together with 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 termination of this Trademark Agreement 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 Trademark Agreement as of the _____ day of October, 2006.

Company:

JD DESIGN, LLC

By: _____

Name: JOE DAHAN

Title: Managing Member

Agreed and Accepted this 13th day of October, 2006

THE CIT GROUP/COMMERCIAL SERVICES, INC.

By: Kulwant Kaur

Name: Kulwant Kaur

Title: Vice President

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IRREVOCABLE POWER OF ATTORNEY

JD Design, LLC, with offices at 1810 Rising Glen Road, Los Angeles, California 90069 (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 "Trademark 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 Joe's Jeans to CIT are outstanding under the Agreement, dated on or about June 1, 2001, between Joe's Jeans 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 (a) an Event of Default under the Agreement between CIT and Joe's Jeans which remains uncured for a period of thirty (30) days, or (b) an Event of Default under the Trademark Agreement which remains uncured for a period of thirty (30) days; and

4. CIT shall give the Company ten (10) 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 _____ day of October, 2006.

Company:

JD DESIGN, LLC

By: _____

Name: JOE DAHAN

Title: Managing Member

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SCHEDULE A TO GRANT OF SECURITY INTEREST IN PATENTS, TRADEMARKS AND LICENSES
between
JD DESIGN, LLC, a California limited liability company
and
THE CIT GROUP/COMMERCIAL SERVICES, INC.

U.S. PATENTS

Title	Patent No.	Issue Date
	N/A	

SCHEDULE B TO GRANT OF SECURITY INTEREST IN PATENTS,
TRADEMARKS AND LICENSES
between
JD DESIGN, LLC, a California limited liability company
and
THE CIT GROUP/COMMERCIAL SERVICES, INC.

U.S. TRADEMARKS

Title or Mark	Registration No./Serial Number	Registration Date/Publication Date; File Date
JD	R2,653,566/76-225,411	November 26, 2002
JOE'S	R2,715,038/76-225,409	May 13, 2003
THE LOVER	R3,114,334/78-683,266	July 11, 2006
JOE'S JD	PUBLISHED FOR OPPOSITION; SERIAL NUMBER 78-308,448	June 29, 2004
JOE'S	PUBLISHED FOR OPPOSITION; SERIAL NUMBER 78-308,471	June 29, 2004
THE SOCIALITE	PENDING; SERIAL NUMBER 78-683,296	August 2, 2005

SCHEDULE C TO GRANT OF SECURITY INTEREST IN PATENTS, TRADEMARKS AND LICENSES
between
JD DESIGN, LLC, a California limited liability company and
THE CIT GROUP/COMMERCIAL SERVICES, INC.

U.S. LICENSES

Name	Registration No.	Registration Date
	N/A	