

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Ford Models, Inc.		11/09/2006	CORPORATION:

RECEIVING PARTY DATA

Name:	The CIT/Group Commercial Services, Inc.
Street Address:	11 West 42nd Street
City:	New York
State/Country:	NEW YORK
Postal Code:	10036
Entity Type:	CORPORATION:

PROPERTY NUMBERS Total: 13

Property Type	Number	Word Mark
Registration Number:	1296761	FORD MODELS
Registration Number:	2679087	FORD MODELS
Registration Number:	2893809	FORD MODELS
Registration Number:	2730669	FORD MODELS SUPERMODEL OF THE WORLD
Registration Number:	2890037	FORD MODELS SUPERMODEL OF THE WORLD
Registration Number:	2481166	S SUPER MODEL OF THE WORLD
Serial Number:	78083315	FORD MODELS SUPERMODEL OF THE WORLD
Serial Number:	78083309	FORD MODELS SUPERMODEL OF THE WORLD
Serial Number:	76635382	FORD MODELS
Serial Number:	76656612	FORD MODELS 360
Serial Number:	76656436	FORD MODELS
Serial Number:	76583115	FORD MODELS SUPERMODEL OF THE WORLD
Serial Number:	76648458	FORD MODELS SUPERMODEL OF THE WORLD

CORRESPONDENCE DATA

900062544

**TRADEMARK
 REEL: 003427 FRAME: 0517**

OP \$340.00 1296761

Fax Number: (973)966-1015
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 973-966-6300
Email: jajohnson@pitneyhardin.com
Correspondent Name: Jennifer A. Johnson, Esq.
Address Line 1: P.O. Box 1945
Address Line 2: Pitney Hardin LLP
Address Line 4: Morristown, NEW JERSEY 07962

NAME OF SUBMITTER:	Jennifer A. Johnson
Signature:	/s/ Jennifer A. Johnson
Date:	11/14/2006

Total Attachments: 9
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**GRANT OF SECURITY INTEREST IN
TRADEMARKS**

THIS GRANT OF SECURITY INTEREST IN TRADEMARKS (herein the "Trademark Collateral Agreement") made as of this 9th day of November, 2006, by **FORD MODELS, INC.**, a Delaware corporation, with its principal place of business at 111 Fifth Avenue, New York, New York 10003 (herein the "Company"), and **THE CIT GROUP/COMMERCIAL SERVICES, INC.**, a New York corporation, with offices at 11 West 42nd Street, New York, New York 10036 (herein "CIT").

W I T N E S E T H:

WHEREAS, the Company and CIT are parties to a certain financing arrangement, pursuant to which CIT may make certain loans 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 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 U.S. trademarks, U.S. trademark applications and/or registrations, tradenames, and associated goodwill, 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. To the extent that these definitions are inconsistent with any definitions in the Agreement, the definitions herein shall prevail.
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"):
 - (i) U.S. trademarks, U.S. trademark registrations, recordings and/or applications, tradenames, trade styles, U.S. 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 U.S. trademarks registrations and applications listed on **Schedule A** 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;

- (ii) The goodwill of the Company's business connected with and symbolized by the Intellectual Property Collateral;
- (iii) 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 Collateral; and
- (iv) 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. Upon the occurrence of an Event of Default, CIT will give the Company reasonable written 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 faxed or sent by overnight delivery 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, and after written notice thereof to the Company, CIT shall thereupon have the 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 Collateral Agreement to enable such rights to be carried out upon the occurrence of an Event of Default. The Company agrees that, upon the occurrence of an Event of Default, and 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 Collateral Agreement and the Company receives written notice thereof, 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 and written notice thereof to the Company, such right will, upon the exercise by CIT of the rights provided by this Trademark Collateral 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 Trademark Collateral 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 reasonably 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, except for (i) any interest granted to CIT prior hereto and (ii) that certain security interest granted in favor of National Westminster Bank USA against Registration No. 1,296, 761 (the "NatWest Lien") (which Company shall provide CIT with evidence of release of the NatWest Lien, in form and substance satisfactory to CIT, not later than ninety (90) days from the date of this Agreement), 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 that have not been disclosed by the Company to CIT in writing prior to the date of this Trademark Collateral Agreement. 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.
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.** Except as set forth in the next sentence, 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 (collectively, the "IP Claim"). So long as there shall have occurred no Event of Default hereunder, the Company shall not be required to defend any such IP Claim if, in the Company's good faith business judgment, an adverse ruling, order or award in any such IP Claim would not reasonably be expected to have a material adverse effect on the financial condition of the Company, the operations of the Company, the ability of the Company to perform its obligations under the Agreement or this Trademark Collateral Agreement, or the value of the Intellectual Property Collateral (taken as a whole). The Company shall provide written notice to CIT of its assessment regarding any such IP Claim, and unless CIT sends its objections to the Company in writing within ten (10) days of receiving such notice from the Company, it will be assumed that CIT concurs with such assessment. In the event CIT, acting in its reasonable business judgment, disputes any determination by the Company not to defend any such IP Claim and notifies the Company of

such objection within the ten (10) day period specified in the immediately preceding sentence, then CIT shall have the right to defend such IP Claim in order to protect CIT's interest in the Intellectual Property Collateral and the value of such interest as collateral security for the Obligations and the Company agrees to reimburse CIT for all costs and expenses incurred by CIT in so defending such IP Claim.


8. **Rights Cumulative.** This Trademark Collateral 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 Trademark Collateral 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 TRADEMARK COLLATERAL AGREEMENT AND ALL RIGHTS HEREUNDER SHALL BE GOVERNED BY THE LAWS OF THE UNITED STATES, INCLUDING WITHOUT LIMITATION, FEDERAL TRADEMARK LAWS, AND WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS ENTERED INTO AND TO BE PERFORMED THEREIN, WITHOUT REGARD TO ANY CONFLICT OF LAWS PRINCIPLES. THIS TRADEMARK COLLATERAL 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 Trademark Collateral Agreement:
 - (i) The Company fails to perform or observe any agreement, covenant or condition required under the Trademark Collateral Agreement;
 - (ii) Any warranty or representation made by Company, in this Trademark Collateral 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 intellectual property of the Company has infringed on the rights of a third party; or
 - (ii) any infringement by a third party on the intellectual property rights of the Company that is within the Company's knowledge.
13. **Further Assurances.** The Company will take any such action as CIT may reasonably require to further confirm or protect CIT's rights under this Trademark Collateral Agreement in the Intellectual Property Collateral. In furtherance thereof, the Company hereby grants to CIT a power of attorney coupled with an interest which may be exercised upon the occurrence of an Event of Default and after ten (10) days prior written notice thereof (as set forth in the power of attorney) and shall be irrevocable during the term of this Trademark Collateral 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 Collateral Agreement.
14. **Termination.** This Trademark Collateral 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.

[Signature Page Follows.]


IN WITNESS WHEREOF, the parties hereto have duly executed this Trademark Collateral Agreement as of the 9th day of November, 2006.

FORD MODELS, INC.

By 
Name: John Caplan
Title: PRESIDENT

Agreed and Accepted this
9th day of November, 2006.

THE CIT GROUP/COMMERCIAL SERVICES, INC.

By 
Name: John A. Swartz
Title: Vice President

IRREVOCABLE POWER OF ATTORNEY

FORD MODELS, INC., with offices at 111 Fifth Avenue, New York, New York 10003, (hereinafter referred to as the "Company"), hereby grants to **THE CIT GROUP/COMMERCIAL SERVICES, INC.**, a New York corporation, with offices at 11 West 42nd Street, New York, New York 10036 (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 Trademarks (the "Agreement"), dated as of the date hereof, between the Company and CIT including, without limitation, all trademarks, trademark applications and/or registrations 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 upon the occurrence of an Event of Default (but shall only be exercisable after prior written notice thereof as set forth below) 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 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 between CIT and the Company and after written notice thereof as set forth below; 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 9th day of November, 2006.

FORD MODELS, INC.

By

Name:

Title:

JOHN CAPLAN

PRESIDENT

STATE OF New York)
) ss.:
COUNTY OF New York

On November 9th, 2006, before me, the undersigned, a notary public in and for said State, personally appeared JOHN CAPLAN known to me to be the PRESIDENT of, FORM LOGS, INC. the corporation that executed the within instrument, and acknowledged to me that such corporation executed the within instrument pursuant to its by-laws and a resolution of its board of directors.

WITNESS my hand and official seal.

Daphne Tchad
Notary Public
My Commission Expires:

DAPHNE TCHAD
Notary Public, State of New York
No. 02TC6108786
Qualified in New York County
Commission Expires April 19, 2008

**SCHEDULE A TO GRANT OF SECURITY INTEREST
IN TRADEMARKS**

between

FORD MODELS, INC.

and

THE CIT GROUP/COMMERCIAL SERVICES, INC.

U.S. TRADEMARKS

<u>Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
Ford Models	1,296,761	September 18, 1984
Ford Models	2,679,087	January 21, 2003
Ford Models	2,893,809	October 12, 2004
Ford Models Supermodel of the World	2,730,669	June 24, 2003
Ford Models Supermodel of the World	2,890,037	September 28, 2004
Supermodel of the World & S Design	2,481,166	August 28, 2001

<u>Mark</u>	<u>Application No.</u>	<u>Filing Date</u>
Ford Models Supermodel of the World	78/083315	September 10, 2001
Ford Models Supermodel of the World	78/083309	September 10, 2001
Ford Models	76/635,382	April 7, 2005
Ford Models 360	76/656,612	March 9, 2006
Ford Models	76/656,436	March 13, 2006
Ford Models Supermodel of the World	76/583,115	March 24, 2004
Ford Models Supermodel of the World	76/648,458	October 14, 2005