

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Notice of Grant of Security Interest in Trademarks (Junior Lien)		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Hot Cotton, Inc.		06/28/2007	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	MCG Capital Corporation		
Street Address:	1100 Wilson Boulevard, Suite 3000		
City:	Arlington		
State/Country:	VIRGINIA		
Postal Code:	22209		
Entity Type:	CORPORATION: DELAWARE		
PROPERTY NUMBERS Total: 3			
Property Type	Number	Word Mark	
Serial Number:	77347741	MARC WARE	
Serial Number:	77277242	COTTON STUDIO	
Serial Number:	77277951	HOT COTTON	
CORRESPONDENCE DATA			
Fax Number:	(919)416-8328		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	9192868041		
Email:	pto_tmconfirmation@mvalaw.com		
Correspondent Name:	Moore & Van Allen PLLC		
Address Line 1:	430 Davis Drive		
Address Line 2:	Suite 500		
Address Line 4:	Morrisville, NORTH CAROLINA 27560		
ATTORNEY DOCKET NUMBER:	020286.000006 JES		
NAME OF SUBMITTER:	John E. Slaughter		

OP \$90.00 77347741

Signature:	/John E. Slaughter/
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Date:	02/24/2009
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<p>Total Attachments: 4 source=NGSI-T (Jr) Hot Cotton to MCG Capital#page1.tif source=NGSI-T (Jr) Hot Cotton to MCG Capital#page2.tif source=NGSI-T (Jr) Hot Cotton to MCG Capital#page3.tif source=NGSI-T (Jr) Hot Cotton to MCG Capital#page4.tif</p>
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NOTICE
OF
GRANT OF SECURITY INTEREST
IN
TRADEMARKS

United States Patent and Trademark Office

Ladies and Gentlemen:

Please be advised that pursuant to the Amended and Restated Junior Security Agreement dated as of June 28, 2007 (as the same may be amended, modified, extended or restated from time to time, the "Agreement") by and among the Grantors party thereto (each a "Grantor" and collectively, the "Grantors") and MCG Capital Corporation, in its capacity as administrative agent (in such capacity, the "Administrative Agent") for the holders of the secured obligations identified therein, the undersigned Grantor has granted a continuing security interest in and continuing lien upon the trademarks and trademark applications shown on Schedule 1 hereto to the Administrative Agent for the benefit of the holders of the secured obligations identified therein.

The undersigned Grantor and the Administrative Agent hereby acknowledge and agree that the security interest in the foregoing trademarks and trademark applications (i) may only be terminated in accordance with the terms of the Agreement and (ii) is not to be construed as an assignment of any trademark or trademark application.

Very truly yours,

HOT COTTON, INC.,
a Delaware corporation

By: *Paul Palmeri*
Name: Paul Palmeri
Title: Chief Executive Officer

Junior Notice of Grant of Security Interest in Trademarks

TRADEMARK
REEL: 003940 FRAME: 0731

Acknowledged and Accepted:

MCG CAPITAL CORPORATION,
as Administrative Agent

By: 

Name: Andrew Jacobson

Title: Managing Director and Vice President

Junior Notice of Grant of Security Interest in Trademarks

TRADEMARK
REEL: 003940 FRAME: 0732

Schedule 1

**Hot Cotton, Inc.
(Delaware Corporation)**

U.S. Trademarks

Registered Marks

Mark	Registration No.	Registration Date
MARC WARE	77347741	12/10/07
COTTON STUDIO	77277242	09/12/07
HOT COTTON	77277951	09/12/07