

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
Hudson Clothing, LLC		07/02/2010	LIMITED LIABILITY COMPANY: CALIFORNIA

RECEIVING PARTY DATA

Name:	Webster Capital II-QP, L.P.
Street Address:	950 Winter Street
Internal Address:	c/o Webster Capital, Suite 4200
City:	Waltham
State/Country:	MASSACHUSETTS
Postal Code:	02451
Entity Type:	LIMITED PARTNERSHIP: DELAWARE

Name:	Webster Capital II, L.P.
Street Address:	950 Winter Street
Internal Address:	c/o Webster Capital, Suite 4200
City:	Waltham
State/Country:	MASSACHUSETTS
Postal Code:	02451
Entity Type:	LIMITED PARTNERSHIP: DELAWARE

PROPERTY NUMBERS Total: 2

Property Type	Number	Word Mark
Registration Number:	3385499	HUDSON
Registration Number:	3273129	HUDSON

CORRESPONDENCE DATA

Fax Number: (212)355-3333
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: 212-813-8800

900167787

**TRADEMARK
 REEL: 004248 FRAME: 0284**

CH \$65.00 3385499

Email: NY-TM-Admin@goodwinprocter.com
Correspondent Name: GOODWIN PROCTER LLP/Attn: Janis Nici
Address Line 1: 620 Eighth Avenue
Address Line 4: New York, NEW YORK 10018

ATTORNEY DOCKET NUMBER:	122969191091
NAME OF SUBMITTER:	Janis Nici
Signature:	/janis nici/
Date:	07/26/2010

Total Attachments: 8
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GRANT OF SECURITY INTEREST IN PATENTS, TRADEMARKS AND LICENSES

THIS GRANT OF SECURITY INTEREST IN PATENTS, TRADEMARKS AND LICENSES (herein, this "Security Agreement") made as of this 2nd day of July, 2010, by Hudson Clothing, LLC, a California limited liability company, with its principal place of business at 6409 Gayhart Street, Commerce, California 90040 (herein the "Company"), in favor of Webster Capital II-QP, L.P., a Delaware limited partnership, and Webster Capital II, L.P., a Delaware limited partnership, each with offices at c/o Webster Capital, 950 Winter Street, Suite 4200, Waltham, MA 02451 (collectively, "Webster").

WITNESSETH:

WHEREAS, the Company and Webster are parties to certain financing arrangements, pursuant to which Webster has made certain financial accommodations to the Company, all as further set forth in the promissory notes executed by the Company in favor of Webster, as all of the same may be amended from time to time (herein collectively, the "Agreement"), which Agreement provides for the grant by the Company to Webster, as collateral security therefor, a subordinated 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) (herein the "Secured Obligations"), the Company hereby grants to Webster a security interest, effective immediately, in all of the Company's right, title and interest in or relating to the Company's intellectual property (the "Intellectual Property Collateral"), whether arising under the laws of the United States or any other country or any political subdivision thereof or multinational laws or any other requirement of law, whether now owned or hereafter acquired, including:
 - (i) all copyrights, mask work rights, database rights and design rights, whether registered or unregistered and whether published or unpublished, all registrations and recordings thereof and all applications in connection therewith, together with all renewals, continuations, reversions and extensions thereof and all rights to obtain such renewals, continuations, reversions and extensions;
 - (ii) all letters patent, all applications for such letters patent and all divisionals, continuations and continuations-in-part thereof, together with all reissues, reexaminations, renewals and

extensions thereof and all rights to obtain such reissues, reexaminations, renewals, extensions, divisionals, continuations and continuations-in-part;

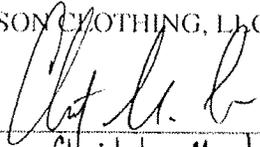
- (iii) all trademarks, trade names, corporate names, Internet domain names, company names, business names, fictitious business names, trade styles, service marks, logos and other source or business identifiers (and, in each case, all goodwill associated therewith and all registrations and recordings thereof and all applications in connection therewith), together with all renewals and extensions thereof and all rights to obtain such renewals and extensions;
 - (iv) all trade secrets and confidential and proprietary information;
 - (v) all Contractual Obligations and other agreements, whether written or oral, providing for the grant of any right under any of the foregoing (including the grant of any right to use, copy, publicly perform, create derivative works, manufacture, distribute, exploit or sell materials derived from any of the copyrights and related items described in clause (i) above and the grant of any right to manufacture, have manufactured, use, import, sell or offer for sale any invention covered in whole or in part by any patent and related items described in clause (ii) above); and
 - (vi) all income, royalties, proceeds, damages and other Obligations now or hereafter due or payable or asserted under and with respect to any of the foregoing, including all rights to sue and recover at law or in equity for any past, present and future infringement, misappropriation, dilution, violation or other impairment thereof.
3. **Rights Cumulative.** This Security Agreement shall be in addition to the Agreement and shall not be deemed to affect, modify or limit the Agreement or any rights that Webster has under the Agreement.
 4. **Notices.** The Company agrees that it will give Webster notice of the registration of any Intellectual Property Collateral after the date hereof.
 5. **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.
 6. **Termination.** This Security 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, Webster 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.
 7. **Assignment.** This Security Agreement binds and benefits each of us and our respective successors and assigns; provided, however, neither the Company nor Webster may assign this Security Agreement or its rights hereunder without the prior written consent of the

other party (not to be unreasonably withheld, delayed or conditioned); provided further that in the event that Webster is entitled to assign the Note pursuant to Section 11(a) of the Agreement, then Webster may assign its rights hereunder to any person who acquires the Note.

8. **Miscellaneous.** This Security Agreement, together with the Agreement constitutes the entire agreement of the Company and Webster with respect to the subject matter hereof and supersedes and prior agreements or understandings. This Security Agreement can be changed only by a writing signed by both the Company and Webster and Webster's failure or delay in exercising any of its rights hereunder will not constitute a waiver thereof, unless such waiver is in writing and signed by Webster, or bar Webster from exercising any of its rights at any time. No course of dealing between the Company and Webster shall change or modify this Security Agreement. A waiver on anyone occasion shall not be construed as a bar to or waiver of any right or remedy on any future occasion.
9. **Subordination.** Notwithstanding anything set forth herein, Webster's rights hereunder are subject to the terms and provisions of the Subordination Agreement executed by Webster in favor of The CIT Group/Commercial Services, Inc., and shall in all cases be subordinated to liens in favor of any non-affiliated lenders to any Note Party pursuant to any Financing Agreement with respect to any Collateral that secures such Financing Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Security Agreement
as of the 2nd day of July, 2010.

HUDSON CLOTHING, LLC

By: 
Name: Christopher M. Lynch
Title: CFO

Agreed and Accepted this
___ day of _____, 2010.

WEBSTER CAPITAL II-QP, L.P.

By: _____
Name: _____
Title: _____

WEBSTER CAPITAL II, L.P.

By: _____
Name: _____
Title: _____

[Signature Page to Intellectual Property Security Agreement]

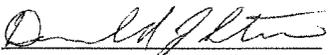
IN WITNESS WHEREOF, the parties hereto have duly executed this Security Agreement
as of the ___ day of _____, 2010.

HUDSON CLOTHING, LLC

By: _____
Name: _____
Title: _____

Agreed and Accepted this
2nd day of July, 2010.

WEBSTER CAPITAL II-QP, L.P.

By: 
Name: Donald Steiner
Title: Managing Partner

WEBSTER CAPITAL II, L.P.

By: 
Name: Donald Steiner
Title: Managing Partner

[Signature Page to Intellectual Property Security Agreement]

TRADEMARK
REEL: 004248 FRAME: 0290

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

U.S. PATENTS

Title

Patent No.

Issue Date

NOT APPLICABLE

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

U.S. TRADEMARKS

<u>Title</u>	<u>Registration Number</u>	<u>Serial Number</u>	<u>Registration Date</u>
HUDSON	3,385,499	78-873343	February 19, 2008
HUDSON	3,273,129	76-397437	August 2, 2007

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

U.S. LICENSES

Title

Registration No.

Registration Date

NOT APPLICABLE

LIBNY/4893505.4

RECORDED: 07/26/2010

**TRADEMARK
REEL: 004248 FRAME: 0293**