

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
The Comet Clothing Company Co., LLC		04/18/2011	LIMITED LIABILITY COMPANY: MINNESOTA
RECEIVING PARTY DATA			
Name:	Zubaz, LLC		
Street Address:	37 MacArthur Drive		
City:	Old Greenwich		
State/Country:	CONNECTICUT		
Postal Code:	06870		
Entity Type:	LIMITED LIABILITY COMPANY: CONNECTICUT		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Registration Number:	1699188	ZUBAZ	
Registration Number:	1591046	ZUBAZ	
CORRESPONDENCE DATA			
Fax Number:	(212)916-2940		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Email:	nytrademark@daypitney.com		
Correspondent Name:	Richard D. Harris		
Address Line 1:	7 Times Square		
Address Line 2:	Day Pitney LLP		
Address Line 4:	New York, NEW YORK 10036		
ATTORNEY DOCKET NUMBER:	110739.000000		
NAME OF SUBMITTER:	Justin Welch		
Signature:	/Justin Welch/		

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**TRADEMARK
 REEL: 004534 FRAME: 0661**

Date:

05/05/2011

Total Attachments: 7

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TRADEMARK AND DOMAIN NAME SECURITY AGREEMENT

This **TRADEMARK AND DOMAIN NAME SECURITY AGREEMENT** (this "Grant") is made and entered into as of April 18, 2011, (the "Effective Date") by and between The Comet Clothing Co., LLC, a Minnesota limited liability company having a place of business at 126 North Third Street, Suite 350, Minneapolis, Minnesota 55401 ("Grantor"), and Zubaz, LLC a Connecticut limited liability company having a place of business at 37 MacArthur Drive, Old Greenwich, Connecticut 06870 ("Grantee"). Grantor and Grantee are sometimes referred to individually herein as a "Party" and collectively as the "Parties."

Grantor and Grantee are parties to an Asset Purchase Agreement of even date herewith.

Pursuant to the terms of the Asset Purchase Agreement, Grantor has acquired from Grantee all of Grantee's right, title and interest in and to the U.S. Federal Trademark registrations, and applications for registration described in Schedule A hereto and the *zubaz.com* domain name.

As a condition to the Asset Purchase Agreement, Grantee has required that Grantor execute this Grant to evidence a security interest granted to Grantee in the Trademarks (as hereinafter defined), Trademark Licenses (as hereinafter defined) and the Domain Name(s) (as hereinafter defined).

ACCORDINGLY, in consideration of the agreements of Grantee set forth in the Asset Purchase Agreement, Grantor hereby agrees as follows:

1. **Definitions.** Unless otherwise defined herein, terms used herein have the meanings ascribed thereto in the Asset Purchase Agreement; the following terms which are defined in the Uniform Commercial Code in effect in the State of Minnesota on the date hereof are used herein as so defined: General Intangibles and Proceeds; and the following terms shall have the following meanings:

"Code": the Uniform Commercial Code as from time to time in effect in the State of Minnesota.

"Domain Name(s)": the *zubaz.com* domain name as well as any domain name owned by Grantor which incorporates any of the Trademarks described in Schedule A, including those now owned or at anytime hereafter acquired by Grantor.

"Trademarks": the trademark "ZUBUS", the trademark "ZUBAZ" and any every other trademark, service mark and/or trade name, which consists of, or includes, the letter string ZUBAZ irrespective of letter case, color, form and/or format, including without limitation any and all stylized forms, logos, slogans, and/or tag lines (the marks "ZUBUS," "ZUBAZ" and the others of the foregoing collectively, the "Marks"); all goodwill of the business associated with each of the Marks; any and all common law rights associated with any or all of the Marks to the full substantive and geographic scope as to such rights may subsist in any and every jurisdiction or region of the world; any and

all United States, state, foreign, regional and/or international registrations for any of the Marks, including, without limitation, U.S. Trademark Reg. No. 1591046 for "ZUBAZ" and U.S. Trademark Reg. No. 1699188 for "ZUBAZ" listed in Schedule A attached hereto; and, any and all United States, state, foreign, regional and/or international applications for registration of any or all of the Marks which may have been filed anywhere in the world at any time for any of the Marks.

"Trademark License": any agreement, written or oral, providing for the grant by Grantor of any right to use any Trademark.

"Default": a Default, as defined in the Asset Purchase Agreement.

"Second Installment": as it is defined in the Asset Purchase Agreement.

2. Security Interest. In order to secure the Second Installment:

(a) Grantor hereby confirms and acknowledges that it has granted and created (and, to the extent not previously granted under the Asset Purchase Agreement, does hereby irrevocably grant and create) a security interest, with power of sale to the extent permitted by law, in all of the following property now owned or at any time now owned or at any time hereafter acquired by Grantor or in which Grantor now has or at any time in the future may acquire any right, title or interest:

- (i) all Trademarks;
- (ii) all Trademark Licenses;
- (iii) all General Intangibles connected with the use of, and symbolized by, the Trademarks;
- (iv) the Domain Name;
- (v) to the extent not otherwise included, all proceeds of infringement suits or actions, all royalties, and all of the rights and benefits of all causes of action which may exist by reason of any infringement arising on or after the date of occurrence of any Default; and
- (vi) all Proceeds and products of any and all of the foregoing.

(b) In addition, Grantor has executed in blank and delivered to Grantee an assignment of the federally registered trademarks in substantially the form of Exhibit 1 hereto (the "Assignment of Trademarks"). Grantor hereby authorizes Grantee to complete as assignee and record with the PTO the Assignment of Trademarks upon the occurrence and during the continuance of a Default and the proper exercise of Grantee's remedies under this Grant.

(c) In addition to, and not by way of limitation of, the grant of the Trademarks provided in Paragraph 2(a) and (b), Grantor grants, assigns, transfers, conveys and sets over to Grantee Grantor's entire right, title and interest in and to the Trademarks; provided that such

grant, assignment, transfer and conveyance shall be and become of force and effect only upon or after the occurrence and during the continuance of a Default.

(d) Grantor agrees that Grantee will have exclusive control of the Domain Name(s), including the ability to transfer the Domain Name(s). Grantor will provide Grantee the online registrar account information, including passwords, necessary to control the Domain Name(s). Grantor will remain listed as the Registrant, Technical and Administrative Contact listed on the WHOIS records. Upon full payment and satisfaction of the Second Installment by Grantor, Grantee will transfer to Grantor full control of online registrar account information for the Domain Name(s).

In no event shall the grant, assignment, transfer and conveyance of the Trademarks under Paragraphs 2(b) or 2(c) above, or the recordation of this Grant (or any document hereunder) with the PTO, adversely affect or impair, in any way or to any extent, the Asset Purchase Agreement, the attachment and perfection of Grantee's continuing security interest under the Uniform Commercial Code, or any present or future rights and interests of Grantee in and to the Trademarks under or in connection with this Grant or the Uniform Commercial Code. Any and all rights and interests of Grantee in and to the Trademarks (and any and all obligations of Grantee with respect to the Trademarks) provided herein under Paragraphs 2(b) and 2(c) above, or arising hereunder or in connection herewith, shall only supplement and be cumulative and in addition to the rights and interests of the Grantee (and the obligations of the Grantor) in, to or with respect to the Trademarks provided in or arising under or in connection with the continuing security interest in and lien on the Trademarks and shall not be in derogation thereof.

3. Representations and Warranties. Grantor represents and warrants that (a) Grantor owns each of the Trademarks and rights listed in Schedule A, free and clear of any lien arising after the Effective Date, and (b) the Trademarks listed in Schedule A include all registrations and applications contemplated or assigned by the Asset Purchase Agreement as of the Effective Date.

4. Satisfaction. Upon full payment or satisfaction of the Second Installment, this Grant, and the rights granted hereunder, shall be terminated, automatically, without further action. Upon request of Grantor, Grantee will execute and deliver a release of this Grant in form and substance reasonably satisfactory to Grantor, which release shall state that that Grantee no longer claims a security interest under this Grant or any other rights with respect to the Trademarks or Domain Name(s). Such obligation to execute and deliver a release shall survive the termination of this Grant.

5. Maintenance and Protection of the Trademarks.

(a) Grantor shall assume full and complete responsibility for the prosecution, defense or any other necessary or desirable actions in connection with the Trademarks, and shall hold Grantee harmless from any and all costs, damages, liabilities and expenses that may be incurred by Grantee in connection with Grantee's interest in the Trademarks or any other action or failure to act in connection with this Grant or the transactions contemplated hereby. In respect of such responsibility, Grantor shall retain Gray Robinson, P.A. or other trademark counsel acceptable to Grantee.

(b) Grantor shall have the right and the duty, through trademark counsel acceptable to Grantee, to properly maintain, protect, preserve, care for and enforce the Trademarks, including the filing of appropriate renewal applications and other instruments to maintain in effect the registration of the Trademarks and the payment when due of all registration renewal fees and other fees, taxes and other expenses that shall be incurred or that shall accrue with respect to any of the Trademarks. Grantor shall not abandon any filed trademark application, or any trademark registration or Trademarks, without the consent of Grantee. Grantor shall not take or fail to take any action, nor permit any action to be taken or not taken by others under its control, that would adversely affect the validity, grant or enforcement of the Trademarks.

(c) Grantor shall have the right, but not the obligation, to bring suit or other action in Grantor's own name to maintain and enforce the Trademarks. Grantor may require Grantee to join in such suit or action as necessary to ensure Grantor's ability to bring and maintain any such suit or action in any proper forum if (but only if) Grantee is completely satisfied that such joinder will not subject Grantee to any risk of liability. Grantee shall promptly, upon demand, reimburse and indemnify Grantee for all damages, costs and expenses, including legal fees, incurred by Grantee pursuant to this paragraph.

(d) Grantor will (i) maintain quality control over all products manufactured, distributed or sold, and all services offered under each of the Trademarks, (ii) not knowingly do or omit to do anything which may result in the invalidation of any of the Trademarks, and (iii) take all steps which in its business judgment are necessary to prevent a licensee from doing or omitting to do any act which may result in the invalidation of any of the Trademarks.

(e) Promptly upon obtaining knowledge thereof, Grantor will notify Grantee in writing of the institution of, or any final adverse determination in, any proceeding in the PTO or any similar office or agency of the United States or any foreign country, or any court, regarding the validity of any of the Trademarks or Grantor's rights, title or interests in and to the Trademarks, and of any event that does or reasonably could materially adversely affect the value of any of the Trademarks, the ability of Grantor or Grantee to dispose of any of the Trademarks or the rights and remedies of Grantee in relation thereto (including but not limited to the levy of any legal process against any of the Trademarks).

6. Maintenance and Protection of the Domain Name(s). Grantor covenants that it will at its own expense protect, defend and maintain the Domain Name registration(s) to the extent reasonably advisable in its business, and if Grantor fails to do so, Grantee may (but shall have no obligation to) do so in Grantor's name or in Grantee's name, but at Grantor's expense, and Grantor shall reimburse Grantee in full for all expenses, including reasonable attorney's fees incurred by Grantee in protecting, defending and maintaining the Domain Name(s). Grantor further covenants that it will give notice to Grantee sufficient to allow Grantee to timely carry out the provisions of this paragraph.

7. Remedies. Upon the occurrence of a Default, Grantee may, at its option, exercise any one or more of the following remedies, in addition to all other rights and remedies given it

by this Grant (including, without limitation, those set forth in Paragraph 2(b): (a) exercise all rights and remedies available under the UCC, or under any applicable law; (b) sell, assign, transfer, pledge, encumber or otherwise dispose of any of the Trademarks or the Domain Name(s); (c) enforce any Trademark and Domain Name(s), and any Trademark Licenses thereunder; and (d) exercise or enforce any or all other rights or remedies available to Grantee by law or agreement against the Trademarks and Domain Name(s), against Grantor or against any other person or property. Upon the exercise of any remedy by Grantee hereunder, Grantor shall be deemed to have waived all of its rights in and to the Trademarks and Domain Name(s). If Grantee shall exercise any remedy under this Grant, Grantor shall, at the request of Grantee, do any and all lawful acts and execute any and all proper documents required by Grantee in aid of thereof. For the purposes of this paragraph, Grantor appoints Grantee as its attorney with the right, but not the duty, to endorse such Grantor's name on all applications, documents, papers and instruments necessary for Grantee to (i) act in its own name or enforce or use the Domain Name(s). Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable and coupled with an interest until satisfaction of this Grant in accordance with Paragraph 4. Grantor shall reimburse Grantee for all reasonable attorney's fees and expenses of all types incurred by Grantee, or its counsel, together with the liquidated damages and interest thereon from the date or dates the same were incurred as specified in the Asset Purchase Agreement.

8. Recordation. Grantor agrees to record this Grant of Grantee's security interest in the Trademarks with the U.S. Patent and Trademark Office and shall bear all fees, taxes and other expenses associated with such recordation. Grantor hereby authorizes the Grantee to execute and file one or more financing statements (and similar documents) or copies thereof, or of this Grant with respect to the Trademarks and Domain Name(s) signed only by Grantee. At any time that Grantee may reasonably request, Grantor shall cooperate with Grantee by executing all other or further documents necessary to effect, at that time, a grant of a security interest in the Trademarks and Domain Name(s), as secured hereunder. Upon execution and delivery by Grantee of a release in accordance with Paragraph 4 hereof, Grantee hereby authorizes Grantor, at Grantor's expense, to record such release with the U.S. Patent and Trademark Office.

9. General Rights and Obligations. Except as expressly set forth herein, the rights and obligations of Grantor and Grantee with respect to the shall in all respects be governed by the Asset Purchase Agreement, the terms of which are incorporated as fully as if set forth at length herein.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Grantor has executed this Grant as of the date first above-written.

THE COMET CLOTHING CO., LLC.

By [Signature]
Name: Robert Traux
Title: Chief Manager

STATE OF MN)
COUNTY OF Ramsey) ss.

On this the 18 day of April, 2011, before me appeared Robert Traux, the person who signed this instrument, who acknowledged that he/she is the Chief Manager of The Comet Clothing Co., LLC and that being duly authorized he/she signed such instrument as a free act on behalf of The Comet Clothing Co., LLC.




[Signature]
Notary Public

My commission expires: 1/31/15

Schedule A

U.S. Trademark Registrations

	<u>Mark</u>	<u>Registration No.</u>	<u>Reg. Date</u>
(1)	ZUBAZ (Stylized) 	1,699,188	July 7, 1992
(2)	ZUBAZ	1,591,046	April 10, 1990

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