

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
Direct Brands, Inc.		04/11/2012	CORPORATION: DELAWARE

RECEIVING PARTY DATA	
Name:	Bank of Montreal, as Agent
Street Address:	111 West Monroe Street
City:	Chicago
State/Country:	ILLINOIS
Postal Code:	60603
Entity Type:	Bank: CANADA

PROPERTY NUMBERS Total: 4		
Property Type	Number	Word Mark
Registration Number:	2234018	CDNOW
Registration Number:	2372087	CD NOW
Registration Number:	3100783	CH.COM
Registration Number:	2667702	NEVER MISS A BEAT

CORRESPONDENCE DATA	
Fax Number:	8668265420
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>	
Phone:	301-638-0511
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

ATTORNEY DOCKET NUMBER:	37880
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OP \$115.00 2234018

NAME OF SUBMITTER:	Penelope J.A. Agodoa
Signature:	/pja/
Date:	04/17/2012
Total Attachments: 6 source=37880#page1.tif source=37880#page2.tif source=37880#page3.tif source=37880#page4.tif source=37880#page5.tif source=37880#page6.tif	

TRADEMARK SECURITY AGREEMENT

This 11th day of April, 2012, Direct Brands, Inc., a Delaware corporation ("Debtor"), with its principal place of business and mailing address at One Penn Plaza, 250 W. 34th Street, New York, NY 10119, in consideration of ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, assigns, mortgages and pledges to BANK OF MONTREAL, a Canadian chartered bank acting through its Chicago Branch ("BMO"), with its mailing address at 111 West Monroe Street, Chicago, Illinois 60603, as successor to Harris N.A., acting as administrative agent for the Secured Creditors defined in that certain Security Agreement hereinafter defined (BMO acting as such administrative agent and any successor or successors to BMO acting in such capacity being hereinafter referred to as "Agent"), and grants to the Agent for the benefit of the Secured Creditors, a lien on and a continuing security interest in, the following property:

(i) Each trademark, trademark registration and trademark application listed on Schedule A hereto, and all of the goodwill of the business connected with the use of, and symbolized by, each such trademark, trademark registration and trademark application; and

(ii) All proceeds of the foregoing, including without limitation any claim by Debtor against third parties for damages by reason of past, present or future infringement of any trademark, trademark registration or trademark application listed on Schedule A hereto or by reason of injury to the goodwill associated with any such trademark, trademark registration or trademark application, in each case together with the right to sue for and collect said damages;

to secure performance of all Secured Obligations of Debtor as set out in that certain Security Agreement dated as of December 1, 2005 among Debtor, the other debtors party thereto and Agent, as successor to Harris N.A., as the same may be amended, modified, supplemented or restated from time to time (the "Security Agreement").

Notwithstanding anything herein to the contrary, this Trademark Security Agreement shall not operate as a sale, transfer, conveyance or other assignment to Agent of any applications by Debtor for a trademark based on an intent to use the same if and so long as such application is pending without a Statement of Use having been filed and accepted (such pending applications which are based on intent to use being hereinafter referred to collectively as "Intent-To-Use Applications"), but rather, if and so long as Debtor's Intent-To-Use Application is pending without a Statement of Use having been filed and accepted, then this Trademark Security Agreement shall operate only to create a security interest for collateral purposes in favor of Agent, for the ratable benefit of the Secured Creditors, on such Intent-To-Use Application as collateral security for the Secured Obligations. When a Statement of Use is filed and accepted by the Trademark Office, then that application shall cease to be partly exempted from this Agreement.

Debtor does hereby further acknowledge and affirm that the rights and remedies of Agent with respect to the assignment, mortgage, pledge and security interest in

the trademarks, trademark registrations, and trademark applications made and granted hereby are more fully set forth in the Security Agreement.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, Debtor has caused this Trademark Security Agreement to be duly executed as of the date and year last above written.

DIRECT BRANDS, INC., a Delaware corporation

By: Clif B. Knight Jr
Name: Clifton B. Knight, Jr.
Title: EVP, Legal & Business Affairs

BANK OF MONTREAL, as Agent


By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, Debtor has caused this Trademark Security Agreement to be duly executed as of the date and year last above written.

DIRECT BRANDS, INC., a Delaware corporation

By: _____
Name: _____
Title: _____

BANK OF MONTREAL, as Agent

By: 
Name: Stephanie J. Starvin
Title: Director

**SCHEDULE A
TO TRADEMARK SECURITY AGREEMENT**

**U.S. REGISTERED TRADEMARKS AND TRADEMARK APPLICATIONS
FEDERAL TRADEMARK REGISTRATIONS**

TRADEMARKS	FILED	SERIAL #	REG. DATE	REG. #
CDNOW	01/28/1998	75425306	03/23/1999	2234018
CDNOW & Design	08/24/1998	75542030	08/01/2000	2372087
CH.COM	06/29/2005	78660832	06/06/2006	3100783
NEVER MISS A BEAT	05/22/2000	76053209	12/31/2002	2667702

PENDING FEDERAL TRADEMARK APPLICATIONS

NONE

FOREIGN REGISTERED TRADEMARKS

NONE