

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
LL Brand Holdings LLC		12/20/2013	LIMITED LIABILITY COMPANY: NEW YORK

RECEIVING PARTY DATA

Name:	Bank Hapoalim B.M.
Street Address:	1177 Avenue of the Americas
City:	New York
State/Country:	NEW YORK
Postal Code:	10036
Entity Type:	CORPORATION: ISRAEL

PROPERTY NUMBERS Total: 15

Property Type	Number	Word Mark
Registration Number:	3618904	CLASSICS BY LARRY LEVINE
Registration Number:	3031335	LL LARRY LEVINE SPORT
Registration Number:	2822812	LARRY LEVINE DESIGN
Registration Number:	2827465	LARRY LEVINE DESIGNS
Registration Number:	2827464	LARRY LEVINE SPORT
Registration Number:	2827463	LARRY LEVINE PETITES
Registration Number:	1744606	LARRY LEVINE
Registration Number:	2827462	LEVINE CLASSICS
Serial Number:	86011954	LARRY LEVINE
Serial Number:	86011788	SIGNATURE BY LARRY LEVINE
Serial Number:	86011869	PLATINUM BY LARRY LEVINE
Serial Number:	86115790	LARRY LEVINE
Serial Number:	86115766	LARRY LEVINE
Serial Number:	86115747	LARRY LEVINE

TRADEMARK

Serial Number:

86115731

LARRY LEVINE

CORRESPONDENCE DATA

Fax Number: 3026365454

Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.

Phone: 800-927-9801 x 62348

Email: jpaterso@cscinfo.com

Correspondent Name: Corporation Service Company

Address Line 1: 1090 Vermont Avenue NW, Suite 430

Address Line 4: Washington, DISTRICT OF COLUMBIA 20005

ATTORNEY DOCKET NUMBER:

937886

NAME OF SUBMITTER:

Jean Paterson

Signature:

/jep/

Date:

12/23/2013

Total Attachments: 36

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT is made as of December 20, 2013 (this "IP Security Agreement"), by **LL BRAND HOLDINGS LLC**, a New York limited liability company ("Grantor"), in favor of **BANK HAPOALIM B.M.** ("Bank").

RECITALS

WHEREAS, the Grantor will enter into credit facilities with the Bank, evidenced by the various loan documents (each, as amended and in effect from time to time, a "Loan Document" and together, as amended and in effect from time to time, the "Loan Documents"), including an additional separate and distinct credit facility with the Bank dated as of this date (as may be amended and in effect from time to time, the "Credit Agreements", which such Credit Agreements shall constitute Loan Documents) with the Bank pursuant to which the Bank, subject to the terms and conditions contained therein, is to make loans or otherwise to extend credit to the Grantor; and

WHEREAS, it is a condition precedent to the Bank's making credit available to the Grantor under the Credit Agreements and to make any loans or otherwise extend credit to the Grantor under the Loan Documents, that the Grantor execute and deliver to the Bank an intellectual property security agreement in substantially the form hereof; and

WHEREAS, the Grantor wishes to grant a security interest in favor of the Bank as herein provided.

AGREEMENT

NOW, THEREFORE, in consideration of the promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, Grantor hereby represents, warrants, covenants and agrees with Bank, as follows:

1. **DEFINED TERMS.** When used in this IP Security Agreement the following terms shall have the following meanings (such meanings being equally applicable to both the singular and plural forms of the terms defined):

1.1 "Collateral" shall have the meaning assigned to such term in Section 2 of this IP Security Agreement.

1.2 "Copyright License" means any written agreement in which Grantor now holds or hereafter acquires any right, title or interest, which agreement grants any right in or to any Copyright or Copyright registration (whether Grantor is the licensee or the licensor thereunder) including, without limitation, licenses pursuant to which Grantor has obtained the exclusive right to use a copyright owned by a third party, a sublicense to use a copyright, a distribution agreement regarding copyrighted works and the right to prepare for sale, sell or

advertise for sale, all of the inventory now or hereafter owned by Grantor and now or hereafter covered by such license agreements.

1.3 “Copyrights” means all of the following in which Grantor now holds or hereafter acquires any right, title or interest: (a) all copyrights, whether registered or unregistered, held or existing pursuant to the laws of the United States, any State thereof or any other country; (b) registrations, applications and recordings in the United States Copyright Office or in any similar office or agency of the United States, any State thereof or any other country; (c) any continuations, renewals or extensions of any copyright; (d) any registrations to be issued in any pending applications; (e) any prior versions of works covered by copyright and all works based upon, derived from or incorporating such works; (f) any original embodiments of a work that are necessary for the manufacture or production of a copyrighted work including, without limitation, molds, master tapes, master film reels, master CDs, master DVDs, master disks or other master magnetic or electronic media; (g) any income, royalties, damages, claims and payments now and hereafter due and/or payable with respect to copyrights, including, without limitation, damages, claims and recoveries for past, present or future infringement; (h) any rights to sue for past, present and future infringements of any copyright; and (i) any other rights corresponding to any of the foregoing rights throughout the world.

1.4 “Core Trademarks” shall have the meaning set forth in the Letter Agreement.

1.5 “Event of Default” means the failure of the Grantor to pay or to perform any of the Secured Obligations, or any of the other terms or conditions, as and when due to be paid or performed under the terms of any Loan Document, or a default as set forth in any Loan Document.

1.6 “Letter Agreement” means the line letter agreement, dated as of the date hereof and as may be amended, restated, supplemented or otherwise modified from time to time, between the Grantor and the Bank.

1.7 “License” means any Copyright License, Patent License, Trademark License or other license of trade secrets now held or hereafter acquired by Grantor.

1.8 “Lien” means any mortgage, lien, deed of trust, charge, pledge, security interest or other encumbrance.

1.9 “Litigation” means any suits, actions, proceedings (administrative, judicial or in arbitration, mediation or alternative dispute resolution), claims or counterclaims for infringement, misappropriation, or other violation of any of the Copyrights, Patents, Trademarks and/or Licenses.

1.10 “Patent License” means any written agreement in which Grantor now holds or hereafter acquires any right, title or interest, which agreement grants any right with respect to any Patent (whether Grantor is the licensee or the licensor thereunder) including, without limitation, licenses pursuant to which Grantor has obtained the exclusive right to use a patent owned by a third party, a sublicense to use a patent, a distribution agreement regarding one or more patented products or processes and the right to prepare for sale, sell or advertise for

sale, all of the inventory now or hereafter owned by Grantor and now or hereafter covered by such license agreements.

1.11 “Patents” means all of the following in which Grantor now holds or hereafter acquires any right, title or interest: (a) all United States or foreign patents (including, without limitation, utility, design and plant patents), all registrations and recordings thereof and all applications for United States or foreign patents, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country; (b) all reissues, divisions, continuations, renewals, continuations in part or extensions of any patent; (c) all petty patents, divisionals and patents of addition; (d) all patents to issue in any such applications; (e) all means of manufacturing patented products, including, without limitation, trade secrets, formulas, customer lists, manufacturing processes, mask works, molds and prototypes, (f) any income, royalties, damages, claims and payments now and hereafter due and/or payable with respect to patents, including, without limitation, damages, claims and recoveries for past, present or future infringement; and (g) any rights to sue for past, present and future infringements of any patent.

1.12 “Secured Obligations” means all of the indebtedness, obligations and liabilities of the Grantor to the Bank, individually or collectively, whether direct or indirect, joint or several, absolute or contingent, due or to become due, now existing or hereafter arising under or in respect of any of the Loan Documents, any promissory notes or other instruments or agreements executed and delivered pursuant thereto or in connection therewith, or pursuant to this IP Security Agreement.

1.13 “Trademark License” means any written agreement in which Grantor now holds or hereafter acquires any right, title or interest, which agreement grants any license right in and to any Trademark (whether Grantor is the licensee or the licensor thereunder) including, without limitation, licenses pursuant to which Grantor has obtained the exclusive right to use a trademark owned by a third party, a sublicense to use a trademark, a distribution agreement relating to goods or services covered by one or more trademarks and the right to prepare for sale, sell or advertise for sale, all of the inventory now or hereafter owned by Grantor and now or hereafter covered by such license agreements.

1.14 “Trademarks” means any of the following in which Grantor now holds or hereafter acquires any right, title or interest: (a) any United States or foreign trademarks, trade names, corporate names, company names, business names, trade styles, trade dress, service marks, logos, other source or business identifiers, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof and any applications in connection therewith, including, without limitation, registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country (collectively, the “Marks”); (b) any reissues, extensions or renewals of any Marks, (c) the goodwill of the business symbolized by or associated with the Marks, (d) all domain names, (e) all means of manufacturing goods or offering services covered by the Marks, including, without limitation, trade secrets, formulas, recipes, customer lists, manufacturing processes, molds, designs, plans and prototypes, (f) any income, royalties, damages, claims and payments now and hereafter due and/or payable with

respect to the Marks, including, without limitation, payments under all licenses entered into in connection with the Marks and damages, claims, payments and recoveries for past, present or future infringement and (g) any rights to sue for past, present and future infringements of the Marks.

1.15 “UCC” means the Uniform Commercial Code as the same may, from time to time, be in effect in the State of New York; provided, however, in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of Bank’s security interest in any Collateral is governed by the Uniform Commercial Code as in effect in a jurisdiction other than the State of New York, the term “UCC” shall mean the Uniform Commercial Code as in effect in such other jurisdiction for purposes of the provisions hereof relating to such attachment, perfection or priority and for purposes of definitions related to such provisions.

1.16 In addition, the following terms shall be defined terms having the meaning set forth for such terms in the UCC: “accounts,” “account debtor,” “deposit account,” “general intangibles,” and “proceeds”. Each of the foregoing defined terms shall include all of such items now owned or existing, or hereafter arising or acquired by Grantor.

1.17 All capitalized terms used herein and not otherwise defined herein shall have the respective meanings given to them in the Loan Documents.

2. GRANT OF SECURITY INTEREST. As collateral security for the prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of all the Secured Obligations and in order to induce Bank to enter into the Credit Agreements, Grantor hereby grants to Bank a security interest in all of Grantor’s right, title and interest, if any, in, to and under the following, whether now owned or existing or hereafter arising or acquired and wheresoever located (collectively, the “Collateral”):

2.1 All Copyrights, Patents and Trademarks including, without limitation, the Copyrights, Patents and Trademarks listed in Schedule A, all Licenses including, without limitation, the Licenses listed in Schedule B, and any presently pending Litigation including, without limitation, the Litigation listed in Schedule C;

2.2 All accounts, contract rights and general intangibles arising under or relating to each and every License (including, without limitation, (A) all moneys due and to become due under any License, (B) any damages arising out of or for breach or default in respect of any such License, (C) all other amounts from time to time paid or payable under or in connection with any such License, and (D) the right of Grantor to terminate any such License or to perform and to exercise all remedies thereunder); and

2.3 To the extent not otherwise included, all proceeds of each of the foregoing and all accessions to, substitutions and replacements for and rents, profits and products of each of the foregoing.

Notwithstanding the foregoing, the Collateral shall not include any intent-to-use application for a Trademark to the extent that, and solely during the period in which, the grant of

a security interest therein would impair the validity or enforceability of such intent-to-use application under United States federal law.

3. RIGHTS OF SECURED PARTY; COLLECTION OF ACCOUNTS.

3.1 Notwithstanding anything contained in this IP Security Agreement to the contrary, Grantor expressly agrees that it shall remain liable under each of its Licenses to observe and perform in all material respects all the conditions and obligations to be observed and performed by it thereunder and that it shall perform all of its duties and obligations thereunder, all in accordance with and pursuant to the terms and provisions of each such License. Bank shall not have any obligation or liability under any License by reason of or arising out of this IP Security Agreement or the granting to Bank of a Lien therein or the receipt by Bank of any payment relating to any License pursuant hereto, nor shall Bank be required or obligated in any manner to perform or fulfill any of the obligations of Grantor under or pursuant to any License, or to make any payment, or to make any inquiry as to the nature or the sufficiency of any payment received by it or the sufficiency of any performance by any party under any License, or to present or file any claim, or to take any action to collect or enforce any performance or the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times. Grantor agrees that any rights granted under this IP Security Agreement to Bank with respect to all of the Collateral shall be worldwide and without any liability for royalties or other related charges from Bank to Grantor.

3.2 Bank authorizes Grantor to collect its accounts related to the sale, license, settlement, judgment or other disposition of, or otherwise arising from, any of the Collateral, provided that such collection is performed in a commercially reasonable manner, and Bank may, upon the occurrence and during the continuation of any Event of Default and with prior written notice to Grantor, limit or terminate said authority at any time. Upon the occurrence and during the continuation of any Event of Default (beyond any applicable cure period), at the request of Bank, Grantor shall deliver all original and other documents evidencing and relating to such accounts, including, without limitation, all original orders, invoices and shipping receipts.

3.3 Bank may at any time, upon the occurrence and during the continuation of any Event of Default (beyond any applicable cure period), with prior written notice to Grantor of its intention to do so, notify any account debtors of Grantor or any parties to the Licenses of Grantor that the accounts and the right, title and interest of Grantor in and under such Licenses have been assigned to Bank and that payments shall be made directly to Bank. Upon the request of Bank at any time after the occurrence and during the continuation of an Event of Default (beyond any applicable cure period), Grantor shall so notify such account debtors and parties to such Licenses. Upon the occurrence and during the continuation of any Event of Default, Bank may, in its name or in the name of others, communicate with such account debtors and parties to such Licenses to verify with such parties, to Bank's reasonable satisfaction, the existence, amount and terms of any such accounts or Licenses.

4. REPRESENTATIONS AND WARRANTIES. Grantor hereby represents and warrants to Bank that:

4.1 Except for the security interest granted to Bank under this IP Security Agreement, Grantor is the sole legal and equitable owner of all right, title and interest in and to each item of the Collateral in which it purports to grant a security interest hereunder, having good and marketable title thereto, free and clear of any and all Liens, and will continue to be the sole legal and equitable owner of all right, title and interest in and to each item of the Collateral, so long as the Copyrights, Patents, Trademarks and Licenses shall continue in force, except to the extent that dispositions are permitted pursuant to the Letter Agreement.

4.2 Except for this IP Security Agreement, (i) no effective security agreement, financing statement, equivalent security or lien instrument or continuation statement covering all or any part of the Collateral exists, and (ii) Grantor has made no previous assignment, transfer or agreements in conflict herewith or constituting a present or future assignment, transfer or encumbrance on any of the Collateral.

4.3 This IP Security Agreement creates a legal and valid security interest on and in all of the Collateral in which Grantor now has rights. Upon the filing of appropriate financing statements and the filing of a copy of this IP Security Agreement with the United States Copyright Office, Bank will have a fully perfected first priority security interest in all of the Collateral in which Grantor now has rights in the United States. This IP Security Agreement will create a legal and valid and fully perfected first priority security interest in the Collateral in which Grantor later acquires rights when Grantor acquires those rights and additional filings to be made with the United States Copyright Office, Patent and Trademark Office and/or other offices as are necessary to perfect Bank's security interest in subsequent ownership rights and interests of Grantor in the Collateral are made.

4.4 So long as any Secured Obligation remains outstanding, Grantor will not execute, and there will not be on file in any public office, any effective financing statement or other document or instrument covering the Collateral.

4.5 On the date hereof, Grantor's chief executive office, principal place of business and the place where Grantor maintains its records concerning the Collateral are located at the address set forth on the signature page hereof on the date hereof, and Grantor's name, type of organization, jurisdiction of organization, and organizational identification number set forth on the signature page hereof on the date hereof are all true and correct.

4.6 Grantor has the full right and power to grant the security interest in the Collateral made hereby.

4.7 All information furnished to Bank concerning the Collateral and proceeds thereof, for the purpose of inducing Bank to enter into the Credit Agreements and the transactions contemplated thereby, is or will be at the time the information is furnished, accurate and correct in all respects.

4.8 To the best of Grantor's knowledge and belief following diligent inquiry, no infringement, breach or unauthorized use presently is being made of any of the Collateral which has or may reasonably be expected to have, alone or in the aggregate, an adverse effect on the value or enforceability of, or any rights of Grantor or Bank in, any Collateral. Grantor has

advised Bank of the existence of all contractual restrictions on the use of the Collateral, including, without limitation, those set forth on Schedule 4.8 hereto.

4.9 To the best of Grantor's knowledge and belief following diligent inquiry, (i) there are no obligations to, covenants to or restrictions (other than those disclosed pursuant to Section 4.8) from third parties affecting Grantor's use, disclosure, enforcement, transfer or licensing of the Collateral (other than this IP Security Agreement); (ii) Grantor has taken all actions necessary to maintain and protect all Collateral and no loss of such Collateral is pending, reasonably foreseeable or threatened; (iii) there has been no claim made or threatened by or against Grantor asserting the invalidity, misuse or unenforceability of any item of Collateral or challenging Grantor's right to use or ownership of any item of Collateral, and there are no grounds for any such claim or challenge; (iv) there is not and has not been any actual or threatened infringement, misappropriation, breach or other violation of any Collateral, and there are no facts raising a likelihood of infringement, misappropriation, breach or other violation; (v) the consummation of the transactions contemplated by (A) this IP Security Agreement and (B) the Credit Agreements will not alter, impair or extinguish any rights of Grantor in the Collateral; (vi) Grantor has not infringed, misappropriated or otherwise violated, and Grantor does not infringe, misappropriate, or otherwise violate, any intellectual property or proprietary right of any other person or entity; and (vii) there has been no claim made or, to Grantor's knowledge, threatened against Grantor alleging infringement, misappropriation or other violation of intellectual property.

5. COVENANTS. Grantor covenants and agrees with Bank that from and after the date of this IP Security Agreement and until the Secured Obligations have been performed and paid in full:

5.1 **Disposition of Collateral.** Grantor shall not sell, lease, assign, transfer or otherwise dispose of any of the Collateral, or contract to do so, except as permitted by the Letter Agreement. Grantor agrees to maintain the quality of any and all merchandise and/or services in connection with which the Trademarks are used, substantially consistent with or better than the quality of said merchandise and/or services as of the date hereof.

5.2 **Relocation of Business or Collateral.** Grantor shall not relocate its chief executive office, principal place of business or its records from such address(es) provided to Bank pursuant to Section 4.5 above without prior written notice to Bank.

5.3 **Limitation on Liens on Collateral.** Grantor shall not, directly or indirectly, create, permit or suffer to exist, and shall defend the Collateral against and take such other action as is necessary to remove, any Lien on the Collateral.

5.4 **Maintenance of Records.** Grantor shall keep and maintain at its own cost and expense records of the Collateral that are complete in all material respects.

5.5 **Registration and Maintenance of Intellectual Property Rights.** Except as would not have an adverse effect on the value or enforceability of, or any rights of Grantor or Bank in, any Collateral, Grantor shall (i) use commercially reasonable efforts to prosecute any Patent, Core Trademark or Copyright pending as of the date hereof or thereafter, (ii) promptly

make applications for, register or cause to be registered (to the extent not already registered and consistent with good faith business judgment) any Copyright, Copyright License, any Patent, Patent License, any Core Trademark or Trademark License, which is (a) set forth in Schedule A or Schedule B or (b) is individually or in the aggregate, material to the conduct of Grantor's business, with the United States Copyright Office or Patent and Trademark Office, as applicable, including, without limitation, in all such cases the filing and payment of maintenance, registration and/or renewal fees, the filing of applications for renewal, affidavits of use, affidavits of noncontestability, the filing and diligent prosecution of opposition, interference and cancellation proceedings, and promptly responding to all United States Copyright Office or Patent and Trademark Office requests and inquiries. Except as would not have an adverse effect on the value or enforceability of, or any rights of Grantor or Bank in, any Collateral, Grantor also agrees to preserve and maintain all rights in the Collateral. Any expenses incurred in connection with prosecution, registration and maintenance shall be borne by Grantor. Grantor further agrees to retain experienced patent, trademark and copyright attorneys for the filing and prosecution of all such applications and other proceedings when and if applicable. Except as would not have an adverse effect on the value or enforceability of, or any rights of Grantor or Bank in, any Collateral, no Grantor shall, without Bank's prior written consent, abandon any rights in or fail to pay any maintenance or renewal fee for any Patent, Core Trademark or Copyright listed in Schedule A or breach, terminate, fail to renew or extend, or fail to perform any duties or obligations for any License listed in Schedule B. Grantor further agrees that it will not take any action, or permit any action to be taken by any person or entity to the extent that such person or entity is subject to its control, including licensees, or fail to take any action, which would affect the validity, priority, perfection or enforcement of the rights granted to Bank under this IP Security Agreement, and any such action if it shall take place shall be null and void and of no effect whatsoever. If Grantor fails to comply with any of the foregoing provisions of this Section 5.5, Bank shall have the right (but shall not be obligated) to do so on behalf of Grantor to the extent permitted by law, but at Grantor's expense, and Grantor hereby agrees to reimburse Bank in full for all expenses, including the fees and disbursements of counsel incurred by Bank in procuring, protecting, defending and maintaining the Collateral. In the event that Grantor shall fail to pay when due any fees required to be paid by it hereunder, or shall fail to comply with any other duty under this IP Security Agreement, Bank may, but shall not be required to, pay, satisfy, discharge or bond the same for the account of Grantor, and all monies so paid out shall be Secured Obligations of Grantor repayable on demand, together with interest at the rate in effect pursuant to the Credit Agreements at such time.

5.6 Notification Regarding Changes in Intellectual Property. Grantor shall promptly advise Bank of any right, title or interest of Grantor obtained after the date hereof in or to any Copyright, Patent, Trademark or License not specified on Schedule A or Schedule B hereto, the provisions of Section 2 above shall automatically apply thereto, and Grantor hereby authorizes and appoints Bank as Grantor's attorney-in-fact solely to the extent necessary to modify or amend such Schedule, as necessary, to reflect any addition or deletion to such ownership rights, and pursuant to Schedule D, to make any additional filings. Grantor hereby authorizes Bank to modify this IP Security Agreement by amending Schedules A and B to include any future Copyrights, Patents, Trademarks or Licenses that are Collateral under Section 2 above. Bank will make good faith efforts to provide copies of such amended Schedules A and B to Grantor, provided that, Bank's failure to provide such copies shall not constitute a breach of this Agreement nor render such amendments ineffective. In addition to any requirements in this

IP Security Agreement for notification, Grantor shall also provide Bank with quarterly reports within thirty (30) days of the end of each calendar quarter that identify the status of the Collateral, any new Copyrights, Patents, Trademarks and/or Licenses, any newly filed applications, the status of any pending applications, the payment of any maintenance or renewal fees, the status of Litigation and licensing, any threats of Litigation, the identification of any known or suspected infringers and the discovery of any prior art or any other information that may affect the validity or enforceability of the Collateral.

5.7 Defense of Intellectual Property. Grantor shall (i) protect, defend and maintain the validity and enforceability of all current and future Copyrights, Patents and Core Trademarks, (ii) use its commercially reasonable efforts to detect infringements of such Copyrights, Patents and Core Trademarks and promptly advise Bank in writing of infringements detected and (iii) not allow any Copyrights, Patents or Core Trademarks to be abandoned, forfeited or dedicated to the public. Grantor shall not commence, or cause to be commenced, any action, proceeding, lawsuit, mediation or arbitration relating to the Collateral without the prior written consent of Bank, such consent not to be unreasonably withheld, nor shall Grantor engage in any activity or conduct that could give rise to declaratory judgment jurisdiction. At Grantor's sole expense, Bank shall have the right (but shall not be obligated) to select counsel and/or participate in any action, proceeding, lawsuit, mediation or arbitration that could affect the rights in, validity or enforceability of the Collateral. In addition, any proposed settlement or compromise of any action, proceeding, lawsuit, mediation or arbitration that could affect value, validity or enforceability of, or any rights of Grantor or Bank in, the Collateral must be approved, in writing, by Bank.

5.8 Further Assurances; Pledge of Instruments. At any time and from time to time, upon the written request of Bank, and at the sole expense of Grantor, Grantor shall promptly and duly execute and deliver any and all such further instruments and documents (including, without limitation, control agreements) and take such further action as Bank may reasonably deem necessary or desirable to obtain the full benefits of this IP Security Agreement, including, without limitation, facilitating the filing of UCC-1 Financing Statements in all applicable jurisdictions and this IP Security Agreement (and any amendment hereto) or any other document that Bank may reasonably deem necessary, including, without limitation, any filing described in Schedule D or any other collateral assignment, (and any amendments thereto) with the United States Copyright Office, Patent and Trademark Office and/or the state or foreign equivalents of these offices, as applicable.

5.9 Right of Inspection and Audit. Upon reasonable notice to Grantor (unless an Event of Default has occurred and is continuing, in which case no notice is necessary), Bank shall at all times have full and free access during normal business hours (or during an Event of Default at any time) to all the books, records, correspondence, office, facilities and operations of Grantor, including, without limitation, Grantor's quality control processes, and Bank or any agents or representatives of Bank may examine the same, take extracts therefrom and make photocopies thereof, and Grantor agrees to render to Bank, at Grantor's cost and expense, such clerical and other assistance as may be reasonably requested with regard thereto, provided, however, that (unless an Event of Default has occurred and is continuing) (a) Grantor shall have the right to be present during Bank's examination and (b) such examination shall not unreasonably interfere with the conduct of Grantor's business.

5.10 Continuous Perfection. Grantor shall not change its name, identity, corporate structure, jurisdiction of organization or corporation identification number in any manner which might make any financing or continuation statement filed in connection herewith seriously misleading within the meaning of Section 9-506 of the UCC (or any other then applicable provision of the UCC) unless Grantor gives Bank thirty (30) days prior written notice thereof and takes all action necessary or reasonably requested by Bank to amend such financing statement or continuation statement so that it is not seriously misleading.

5.11 Power of Attorney. Grantor hereby irrevocably appoints Bank (and any of Bank's designated officers or employees) as Grantor's true and lawful attorney to in accordance with the terms hereof: (a) send requests for verification of accounts and Licenses or notify account debtors or licensees of Bank's security interest in the accounts and Licenses; (b) endorse Grantor's name on any checks or other forms of payment or security that may come into Bank's possession in connection with the Collateral; (c) sign Grantor's name on any invoice or bill of lading relating to any account, drafts against account debtors, schedules and assignments of accounts and Licenses, verifications of accounts and Licenses, and notices to account debtors and licensees, (d) make, settle and adjust all claims under and decisions with respect to Grantor's policies of insurance relating to the Collateral; (e) settle and adjust disputes and claims respecting the accounts and Licenses directly with account debtors and licensees, for amounts and upon terms which Bank determines to be reasonable; (f) modify, in its sole discretion, any intellectual property security agreement entered into between Grantor and Bank without first obtaining Grantor's approval of or signature to such modification by amending reference to any right, title or interest in any Copyright, Patent, Trademark or License, acquired by Grantor after the execution hereof or to delete any reference to any right, title or interest in any Copyright, Patent, Trademark or License, in which Grantor no longer has or claims any right, title or interest; (g) endorse Grantor's name on all applications, documents, papers and instruments necessary or desirable for Bank in the use of the Collateral, (h) take any other actions with respect to the Collateral as Bank deems in the best interest of Bank (consistent with any enforceable restrictions in Licenses to Grantor); (i) grant or issue any exclusive or non-exclusive license under the Collateral to anyone (consistent with any enforceable restrictions in Licenses to Grantor) or (j) assign, pledge, convey or transfer title in or dispose of the Collateral to anyone, including Bank or a third party to the extent permitted under the UCC, free and clear of any encumbrance upon title thereof (other than any encumbrance created by this IP Security Agreement and consistent with any enforceable restrictions in Licenses to Grantor). Grantor hereby irrevocably appoints Bank (and any of Bank's designated officers or employees) as Grantor's true and lawful attorney to and in accordance with the terms hereof: (x) file, in its sole discretion, one or more financing or continuation statements and amendments thereto, relative to any of the Collateral without the signature of Grantor where permitted by law; and (y) with respect to the Trademarks, file a copy of this IP Security Agreement with the U.S. Patent and Trademark Office. The appointment of Bank as Grantor's attorney in fact, and each and every one of Bank's rights and powers, being coupled with an interest, is irrevocable until all of the Secured Obligations have been fully repaid and performed and Bank's obligation to provide advances hereunder is terminated. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue of this IP Security Agreement.

5.12 Intent-to-Use Trademark Applications. To the extent that any of the Core Trademarks consist of intent-to-use based trademark applications, if at any time Grantor

commences using such Core Trademarks in its business, Grantor shall convert, within the time provided by the United States Patent and Trademark Office, such intent-to-use trademark application to a use-based application.

6. RIGHTS AND REMEDIES UPON DEFAULT.

6.1 If any Event of Default shall occur and be continuing (beyond any applicable cure period), Bank may exercise in addition to all other rights and remedies granted to it under this IP Security Agreement and under any other instrument or agreement securing, evidencing or relating to the Secured Obligations, all rights and remedies of a secured party under the UCC. Without limiting the generality of the foregoing, Grantor expressly agrees that in any such event, and during the existence and continuation of an Event of Default, Bank, without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon Grantor or any other Person (all and each of which demands, advertisements and notices are hereby expressly waived to the maximum extent permitted by the UCC and other applicable law), may forthwith maintain, collect, receive, appropriate and realize upon the Collateral, or any part thereof, and may forthwith sell, lease, license, assign, give an option or options to purchase or sell or otherwise dispose of and deliver said Collateral (or contract to do so), or any part thereof (consistent with any enforceable restrictions in Licenses to Grantor), in one or more parcels at public or private sale or sales, at any exchange or broker's board or at any of Bank's offices or elsewhere at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. Bank shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of said Collateral so sold, free of any right or equity of redemption, which equity of redemption Grantor hereby releases. During the period of any Event of Default, all use of the Trademarks by Grantor shall inure to the benefit of Bank. Bank shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale as provided in Section 6.4 hereof, Grantor remaining liable for any deficiency remaining unpaid after such application, and to the extent required by the UCC, only after so paying over such net proceeds and after the payment by Bank of any other amount required by any provision of law, need Bank account for the surplus, if any, to Grantor. To the maximum extent permitted by applicable law, Grantor waives all claims, damages, and demands against Bank arising out of the repossession, retention or sale of the Collateral except such as arise out of the gross negligence or willful misconduct of Bank. Grantor agrees that Bank need not give more than ten (10) days' notice (which notification shall be deemed given when mailed or delivered on an overnight basis, postage prepaid, addressed to Grantor at its address set forth on the signature page hereof) of the time and place of any public sale or of the time after which a private sale may take place and that such notice is reasonable notification of such matters. Grantor shall remain liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay all amounts to which Bank is entitled, Grantor also being liable for the reasonable fees of any attorneys employed by Bank to collect such deficiency. Notwithstanding anything to the contrary in this IP Security Agreement or any other Loan Document, in no event shall Bank foreclose on any of the Collateral or exercise its rights pursuant to Section 3.3 of this IP Security Agreement without affording written notice and a five (5) Business Day period for Grantor to pay the accelerated (or any other) amount due Bank.

6.2 Grantor also agrees, jointly and severally, to pay all fees, costs and expenses of Bank, including, without limitation, reasonable attorneys' fees, reasonably incurred in connection with the enforcement of any of its rights and remedies hereunder.

6.3 Grantor hereby waives presentment, demand, protest or any notice (to the maximum extent permitted by applicable law) of any kind in connection with this IP Security Agreement or any Collateral.

6.4 The proceeds of any sale, disposition or other realization upon all or any part of the Collateral shall be distributed by Bank in the following order of priorities:

FIRST, to Bank in an amount sufficient to pay in full the reasonable costs of Bank in connection with such sale, disposition or other realization, including all fees, costs, expenses, liabilities and advances reasonably incurred or made by Bank in connection therewith, including, without limitation, reasonable attorneys' fees;

SECOND, to Bank in an amount equal to the then unpaid Secured Obligations;
and

FINALLY, upon payment in full of the Secured Obligations, to Grantor or its representatives, in accordance with the UCC or as a court of competent jurisdiction may direct.

7. **BANK'S RIGHT TO SUE.** From and after the occurrence and during continuation of an Event of Default, Bank shall have a right, but shall in no way be obligated, to bring suit for past, present and future damages in its own name and for its own benefit to enforce the Copyrights, Patents, Trademarks and Licenses, and if Bank commence any such suit, Grantor shall, at the request of Bank, use commercially reasonable efforts to do any and all lawful acts and execute any and all proper documents required by Bank in aid of such enforcement.

8. **LIMITATION ON BANK'S DUTY IN RESPECT OF COLLATERAL.** Bank shall deal with the Collateral in the same manner as it deals with similar property for its own account. Bank shall be deemed to have acted reasonably in the custody, preservation and disposition of any of the Collateral if it takes such action as Grantor requests in writing, but failure of Bank to comply with any such request shall not in itself be deemed a failure to act reasonably and no failure of Bank to do any act not so requested shall be deemed a failure to act reasonably.

9. **MISCELLANEOUS.**

9.1 **No Waiver; Cumulative Remedies.**

9.1.1 Bank shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies hereunder, nor shall any single or partial exercise of any right or remedy hereunder on any one occasion preclude the further exercise thereof or the exercise of any other right or remedy.

9.1.2 The rights and remedies hereunder provided are cumulative and may be exercised singly or concurrently and are not exclusive of any rights and remedies

provided by law. Grantor acknowledges and agrees that this IP Security Agreement is not intended to limit or restrict in any way the rights and remedies of Bank but rather is intended to facilitate the exercise of such rights and remedies. Bank shall have, in addition to all other rights and remedies given it by the terms of the Security Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the UCC. Recourse to security will not be required at any time.

9.1.3 None of the terms or provisions of this IP Security Agreement may be waived, altered, modified or amended except by an instrument in writing, duly executed by Grantor and Bank.

9.2 Releases.

9.2.1 This IP Security Agreement is made for collateral purposes only. Subject to Section 9.2.2 below, at such time as the Secured Obligations shall have been paid and performed in full and Grantor has no further obligations under or with respect to the Credit Agreements, the Collateral shall be automatically released from the Liens created hereby, and this IP Security Agreement and all obligations of Bank and Grantor hereunder shall automatically terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Collateral shall revert to Grantor. At the request and sole expense of Grantor following any such termination, Bank shall deliver to Grantor all termination statements, releases or other instruments as may be necessary or proper to revest in Grantor (without recourse to or warranty by Bank, except for encumbrances created by Bank, provided that no such recourse or warranty shall apply to any Collateral sold or otherwise disposed of by Bank pursuant to this IP Security Agreement) full title to the Collateral granted in this IP Security Agreement, subject to any acceptance or disposition of Collateral which may have been made by Bank pursuant to this IP Security Agreement.

9.2.2 This IP Security Agreement and the security interests granted herein shall remain in full force and effect and continue to be effective if at any time payment and performance of the Secured Obligations, or any part thereof, is, pursuant to applicable law, avoided, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Secured Obligations, whether as a "voidable preference," "fraudulent conveyance" or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is avoided, rescinded, reduced, restored or returned, the Secured Obligations and the security interests granted herein shall be reinstated and the Secured Obligations shall be deemed reduced only by such amount paid and not so avoided, rescinded, reduced, restored or returned. The provisions of this Section 9.2.2 shall survive repayment of all of the Secured Obligations, and the termination of this IP Security Agreement in any manner.

9.3 **Successor and Assigns.** This IP Security Agreement and all obligations of Grantor hereunder shall be binding upon the successors and permitted assigns of Grantor, and shall, together with the rights and remedies of Bank hereunder, inure to the benefit of Bank, any future holder of any of the Secured Obligations and their respective successors and assigns. Bank may, without cost or expense to Grantor, assign all or any part of, or any interest (undivided or divided) in, Bank's rights and benefits under this IP Security Agreement including, without limitation, the right, title or interest in and to the Collateral. To the extent of any

assignment by Bank, the assignee shall have the same rights and benefits against Grantor hereunder as it would have had if such assignee were Bank. Grantor may not assign this IP Security Agreement without the prior written consent of Bank, which consent may be granted or withheld at the sole discretion of Bank. No sales of participations, other sales, assignments, transfers or other dispositions of any agreement governing or instrument evidencing the Secured Obligations or any portion thereof or interest therein shall in any manner affect the lien granted to Bank hereunder.

9.4 **Notices.** All notifications and other communications permitted or required under this Agreement shall be in writing and shall be delivered in accordance with the terms of Paragraph M of the Note.

9.5 **Counterparts.** This IP Security Agreement may be executed in any number of separate counterparts, each of which, when so executed, shall be deemed an original, and all of said counterparts taken together shall be deemed to constitute but one and the same instrument.

9.6 **Severability.** If any provision of this IP Security Agreement is held to be unenforceable under applicable law for any reason, it shall be adjusted, if possible, rather than voided in order to achieve the intent of the parties to the extent possible. In any event, all other provisions of this IP Security Agreement shall be deemed valid and enforceable to the fullest extent possible under applicable law.

9.7 **Governing Law; Consent to Jurisdiction.** THIS IP SECURITY AGREEMENT IS INTENDED TO TAKE EFFECT AS A SEALED INSTRUMENT AND SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK. The Grantor agrees that any suit for the enforcement of this IP Security Agreement may be brought in the courts of the State of New York sitting in New York County, or any federal court sitting therein, and consents to the non-exclusive jurisdiction of such courts and to service of process in any such suit being made upon the Grantor, by mail, at the address specified on the signature page of this IP Security Agreement, or at any address specified for the Grantor in any Loan Document. The Grantor hereby waives any objection that it may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient court.

9.8 **Waiver of Jury Trial.** THE GRANTOR WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS IP SECURITY AGREEMENT, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THE PERFORMANCE OF ANY SUCH RIGHTS OR OBLIGATIONS. Except as prohibited by law, the Grantor waives any right which it may have to claim or recover in any litigation referred to in the preceding sentence any special, exemplary, punitive or consequential damages or any damages other than, or in addition to, actual damages. The Grantor (i) certifies that neither the Bank nor any representative, agent or attorney of the Bank has represented expressly or otherwise, that the Bank would not, in the event of litigation, seek to enforce the foregoing waivers and (ii) acknowledges that, in entering into the Credit Agreement and the other Loan Documents to which the Bank is a party, the Bank is relying upon, among other things, the waivers and certifications contained in this Section 9.8.

9.9 **Advice of Counsel.** Grantor represents to Bank that Grantor's attorneys have reviewed this IP Security Agreement and that it has discussed this IP Security Agreement with its attorneys.

9.10 **Section and Heading Titles.** The section and heading titles are for convenience and reference only and shall not affect in any way the interpretation of any of the provisions of this IP Security Agreement.

(Remainder of page intentionally left blank)

ACCEPTED AND ACKNOWLEDGED BY:

BANK HAPOALIM B.M.

By: Mitchell Barnett
Name: MITCHELL BARNETT
Title:

By: Jan E
Name: JANE EISENBERG
Title: JVP

ADDRESS:

1177 Avenue of the Americas
New York, New York 10036-2790
Attention: _____

Schedule 4.8 To Security Agreement

RESTRICTIONS ON USE OF THE COLLATERAL

NONE

Schedule A To Security Agreement

INTELLECTUAL PROPERTY

Copyrights

None.

Trademarks

I. United States Trademarks

(a) Registered Trademarks

Serial Number	Reg. Number	Word Mark	Check Status
1	77572436	CLASSICS BY LARRY LEVINE	TSDR
2	76628997	LL LARRY LEVINE SPORT	TSDR
3	76509479	LARRY LEVINE DESIGN	TSDR
4	76509342	LARRY LEVINE DESIGNS	TSDR
5	76509341	LARRY LEVINE SPORT	TSDR
6	76509338	LARRY LEVINE PETITES	TSDR
7	74239119	LARRY LEVINE	TSDR
8	76509335	LEVINE CLASSICS	TSDR

(b) Trademark Applications

Serial Number	Reg. Number	Word Mark	Check Status
1	86011954	LARRY LEVINE	TSDR LIVE
2	86011788	SIGNATURE BY LARRY LEVINE	TSDR LIVE
3	86011869	PLATINUM BY LARRY LEVINE	TSDR LIVE
4	86115790	LARRY LEVINE	TSDR LIVE
5	86115766	LARRY LEVINE	TSDR LIVE
6	86115747	LARRY LEVINE	TSDR LIVE
7	86115731	LARRY LEVINE	TSDR LIVE

II. Foreign Trademarks

Mark	Country of Registration	Application No.	Application Date	Registration No.	Date of Registration	Goods and Services
NONE	N/A	N/A	N/A	N/A	N/A	N/A

Patents

I. United States

None.

II. Foreign

None.

Schedule B To Security Agreement

LICENSES

Copyrights

None.

Trademarks

1. License Agreement dated October 9, 2013 between LL Brand Holdings LLC, as licensor and S. Rothschild & Co., Inc., as licensee
2. License Agreement dated October 10, 2013 between LL Brand Holdings LLC, as licensor and LL Sportswear Group, LLC, as licensee
3. License Agreement dated November 13, 2013 between LL Brand Holdings LLC, as licensor and Under Where Intimates Inc., as licensee
4. License Agreement dated November 21, 2013 between LL Brand Holdings LLC, as licensor and Soxland International Inc., as licensee

Patents

None.

Schedule C To Security Agreement

PENDING LITIGATION

Trademark Registration in China for LARRY LEVINE in Class 25 by Beijing Qu Shi Zhi Xing Science and Technology Ltd. (Reg. No. 8316248).

Schedule D To Security Agreement

UCC Filing Jurisdictions

➤ New York

Other Filings

Schedule E To Security Agreement

Form Assignment Documents

1. FORM OF COPYRIGHT ASSIGNMENT

COPYRIGHT ASSIGNMENT

This Assignment Agreement (this “Assignment”) is made this ___ day of _____, 20___, by and between LL BRAND HOLDINGS LLC, a New York limited liability company (“Assignor”), and BANK HAPOALIM B.M. (“Assignee”) for good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged.

Assignor hereby assigns, grants and delivers (and hereby further agrees to assign, grant and deliver) exclusively unto Assignee all rights, titles and interests of every kind and nature whatsoever in and to the [DESCRIBE COPYRIGHTED MATERIAL], Copyright Registration Nos. _____, copies of which are attached hereto as Annex 1 and incorporated herein by reference, and all copies, versions, and derivatives thereof, (collectively, the “Works”), including all copyrights therein and thereto, all licenses to or for the Works, all renewals thereof, and all copyright registrations therefor. The rights assigned include, but are not limited to, all rights to secure copyright registration, renewals and extensions for those copyrights in the United States and every other country of the world, as well as all rights of publication, right to license, rights to create derivative works and all other rights which are incident to copyright ownership, together with all claims for damages and other remedies by reason of past infringement of any of the foregoing intellectual property rights, with the right to sue for, and collect, the same for Assignee’s own use and benefit. Assignor hereby waives and transfers to Assignee any and all moral rights that Assignor may have under the law of any jurisdiction to the maximum extent permissible under law, and acknowledges that Assignee shall have the right to add to, subtract from, rearrange, edit and/or change the Works.

Assignor further agrees to execute and deliver to Assignee, its successors and assigns, such other and further instruments and documents as Assignee reasonably may request for the purpose of establishing, evidencing and enforcing or defending its complete, exclusive, perpetual and worldwide ownership of all rights, titles and interests of every kind and nature whatsoever, including all copyrights, in and to any Work, and Assignor hereby constitutes and appoints Assignee as its agent and attorney-in-fact, with full power of substitution, to execute and deliver such documents or instruments as Assignor may fail or refuse to execute and deliver, this power and agency being coupled with an interest and being irrevocable.

Should there be any conflict between any provision of this Assignment and any present or future law (statutory or common law), contrary to which the parties have no legal or enforceable right to contract, the latter shall prevail, but in such event the provision of this Assignment affected shall be curtailed and limited only to the extent necessary to bring it within legal and enforceable requirements, and the other provisions of this Assignment shall not be affected but shall remain in full force and effect.

Agreed to and accepted this ___ day of _____ 20__

LL BRAND HOLDINGS LLC
By: **LL BRAND GROUP LLC**
Its Manager

BANK HAPOALIM B.M.

By: _____
Name:
Title:

By: _____
Name:
Title:

By: _____
Name:
Title:

ANNEX 1

[PHOTO OR COPY OF THE WORK PLUS REGISTRATION INFO]

2. FORM OF CONDITIONAL ASSIGNMENT OF PATENTS

CONDITIONAL ASSIGNMENT OF PATENTS

THIS CONDITIONAL ASSIGNMENT is made this ____ day of _____, 20____, by and between BANK HAPOALIM B.M. ("Assignee"), and LL BRAND HOLDINGS LLC, a New York limited liability company having its principal offices at 1370 Broadway, New York, NY 10018 ("Assignor").

WITNESSETH:

WHEREAS, Assignor is the sole owner of all right, title and interest in and to or the licensee of the patents, patent applications and inventions identified on attached Annex 1, which is incorporated by reference, and all corresponding patents and patent applications in all jurisdictions worldwide, and divisions, continuations, continuations-in-part, reissues, reexaminations, renewals or extensions thereof, any patent issuing thereon, and all licenses to or for such patents (collectively, the "Patents");

WHEREAS, simultaneously with the execution of this Conditional Assignment, Assignor received certain financing arrangements from the Assignee pursuant to that certain loan documents dated _____, 20____, between the Assignor and Assignee (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Documents");

WHEREAS, as a material inducement to the Assignee entering into the Loan Documents, Assignor has simultaneously executed an Intellectual Property Security Agreement, dated as of the date hereof, by and between Assignor and Assignee (the "IP Security Agreement"), among other matters, granting a lien in and a conditional assignment of the Patents;

WHEREAS, pursuant to the IP Security Agreement and 37 C.F.R. §3.56, Assignor desires to assign to Assignee, upon an Event of Default (as defined in the IP Security Agreement) the entire right, title and interest in and to the Patents and Assignee wishes to obtain, upon an Event of Default, the entire right, title and interest in and to the Patents;

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Assignor, pursuant to 37 C.F.R. §3.56, conditionally assigns all right, title and interest in and to the Patents, including all rights to sue and recover for the past infringement thereof, and any and all causes of action related thereto, to Assignee, provided that such assignment is conditioned upon the occurrence of an Event of Default. Upon the occurrence of an Event of Default, all right, title and interest in and to the Patents along with any and all rights of enforcement with respect to the Patents, including all rights to sue and recover for the past infringement thereof, and any and all causes of action related thereto shall be, and are hereby, immediately and irrevocably assigned, transferred, set over and conveyed to Assignee.

2. Assignor also agrees at any time to execute and to deliver upon request of Assignee such additional documents as the Assignee may deem necessary or desirable to secure

patent protection throughout the world, and otherwise to do whatever necessary to give the full effect to and perfect the rights of the Assignee under this Assignment, including the execution, delivery and procurement of such other documents evidencing this Assignment as the Assignee may deem necessary or desirable.

3. The parties acknowledge and agree that this assignment is conditional upon the occurrence of an Event of Default and that presently, and until the occurrence of an Event of Default, there has been no assignment of the Patents. Therefore, until an Event of Default has occurred, the Assignor enjoys all of the substantive rights of patent ownership, including, without limitation, the right to sue for infringement, the right to prosecute any pending related applications and the duty to pay all maintenance fees for the Patents.

4. In the event Assignee was, is or becomes a party to or other participant in, or is threatened to be made a party to or other participant in, a threatened, pending or completed action, claim, suit or proceeding by reason of (or arising or allegedly arising in any manner out of or relating to in whole or in part) this Conditional Assignment or the Loan Documents, Assignor to the fullest extent permitted by applicable law shall indemnify and hold harmless the Assignee from and against any and all losses, damages, judgments, awards, fines, penalties, amounts paid or payable in settlement, deficiencies and expenses (including, without limitation, all reasonable attorney's fees, costs, witness fees and expenses, interest, assessments, and other charges) suffered, incurred or sustained by the Assignee or to which the Assignee becomes subject, resulting from, arising out of or relating to such action, claim, suit or proceeding (it being understood that any such losses, damages, judgments, awards, fines, penalties, amounts, deficiencies and expenses shall be paid or reimbursed (as applicable) by Assignor as soon as practicable but in any event no later than 15 days after written request is made to Assignor accompanied by supporting documentation). The Assignee shall give Assignor written notice of any action, claim, suit or proceeding (accompanied by such reasonable supporting documentation as may be in the Assignee's possession) as soon as practicable after the Assignee becomes aware thereof; provided that the failure of the Assignee to give such notice shall not relieve Assignor of its indemnification obligations under this Conditional Assignment.

5. Upon the occurrence of an Event of Default, all of the foregoing Patents shall be held and enjoyed by Assignee for its own use and for the use of its successors, assigns or other legal representatives, as fully and entirely as the same would have been held and enjoyed by Assignor if this conditional transfer to Assignee had not been made. This Assignment is not intended to limit Assignor's obligation pursuant to the IP Security Agreement to assign patents and patent applications that have not been included in Schedule 1.

IN WITNESS WHEREOF, Assignor has caused this instrument of Conditional Assignment to be executed and its corporate seal to be hereunto affixed.

Agreed to and accepted this ____ day of _____ 20__.

LL BRAND HOLDINGS LLC
By: **LL BRAND GROUP LLC**
Its Manager

By: _____
Name:
Title:

BANK HAPOALIM B.M.

By: _____
Name:
Title:

By: _____
Name:
Title:

ANNEX 1

<u>Country</u>	<u>Patent No.</u>	<u>Issue Date</u>	<u>Title</u>
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<u>Country</u>	<u>Application No.</u>	<u>Filing Date</u>	<u>Title</u>
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3. FORM OF TRADEMARK ASSIGNMENT

TRADEMARK ASSIGNMENT

WHEREAS, LL BRAND HOLDINGS LLC, a New York limited liability company, having its principal place of business at 1370 Broadway, New York, NY 10018 (“Assignor”) has used the trademarks, registered in the United States Patent and Trademark Office as set forth on the attached Annex 1, which is incorporated herein by reference (collectively, the “Marks”); and

WHEREAS, BANK HAPOALIM B.M., having its principal place of business at 1177 Avenue of the Americas, New York, New York 10036-2790 (“Assignee”), is desirous of acquiring any and all rights that Assignor may have in and to the Marks and the registrations thereof, together with the goodwill of the business in connection with which any of the Marks is used and which is symbolized by such Mark, along with the right to pursue claims and recover damages and profits for past infringements thereof;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor does hereby assign, transfer, convey and deliver (and agrees further to assign, transfer, convey and deliver) unto Assignee all right, title and interest in and to each Mark, including the registration therefor and any common law rights therein, in the United States and throughout the world, and any and all similar designations thereto, together with the goodwill of the business in connection with which such Mark is used and which is symbolized by such Mark, along with any and all licenses to or for such Mark and the right to pursue claims and recover damages and profits for past infringements thereof.

Assignor agrees to execute and deliver at the request of the Assignee, all papers, instruments, and assignments, and to perform any other reasonable acts that Assignee may require in order to vest all of Assignor’s right, title, and interest in and to each Mark in Assignee and/or to provide evidence to support any of the foregoing in the event such evidence is deemed necessary by Assignee, to the extent such evidence is in the possession or control of Assignor.

Agreed to and accepted this ___ day of _____ 20__.

LL BRAND HOLDINGS LLC
By: **LL BRAND GROUP LLC**
Its Manager

By: _____
Name:
Title:

BANK HAPOALIM B.M.

By: _____
Name:
Title:

By: _____
Name:
Title:

ANNEX 1

Registrant:

Mark:

Reg. No.:

Classes:

Reg. Date: