

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM625861

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Hollywoodlife.com, LLC		02/01/2021	Limited Liability Company: DELAWARE
RECEIVING PARTY DATA			
Name:	Penske Media Corporation		
Street Address:	11175 Santa Monica Blvd.		
City:	Los Angeles		
State/Country:	CALIFORNIA		
Postal Code:	90025		
Entity Type:	Corporation: DELAWARE		
PROPERTY NUMBERS Total: 6			
Property Type	Number	Word Mark	
Registration Number:	4050075	HOLLYWOOD LIFE	
Registration Number:	4126019	HOLLYWOOD LIFE	
Registration Number:	4448006	HOLLYWOOD LIFE	
Registration Number:	2795944	HOLLYWOOD LIFE	
Registration Number:	2551953	HOLLYWOOD STYLE	
Registration Number:	4132374	HOLLYWOODLIFE	
CORRESPONDENCE DATA			
Fax Number:			
	<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.</i>		
Phone:	2152799389		
Email:	jordan.lavine@flastergreenberg.com		
Correspondent Name:	Jordan A LaVine		
Address Line 1:	100 Front Street, Suite 100		
Address Line 2:	One Tower Bridge		
Address Line 4:	Conshohocken, PENNSYLVANIA 19428		
NAME OF SUBMITTER:	Jordan LaVine		
SIGNATURE:	/jordan lavine/		
DATE SIGNED:	02/11/2021		

OP \$165.00 4050075

Total Attachments: 23

source=Hollywood Life SA#page1.tif

source=Hollywood Life SA#page2.tif

source=Hollywood Life SA#page3.tif

source=Hollywood Life SA#page4.tif

source=Hollywood Life SA#page5.tif

source=Hollywood Life SA#page6.tif

source=Hollywood Life SA#page7.tif

source=Hollywood Life SA#page8.tif

source=Hollywood Life SA#page9.tif

source=Hollywood Life SA#page10.tif

source=Hollywood Life SA#page11.tif

source=Hollywood Life SA#page12.tif

source=Hollywood Life SA#page13.tif

source=Hollywood Life SA#page14.tif

source=Hollywood Life SA#page15.tif

source=Hollywood Life SA#page16.tif

source=Hollywood Life SA#page17.tif

source=Hollywood Life SA#page18.tif

source=Hollywood Life SA#page19.tif

source=Hollywood Life SA#page20.tif

source=Hollywood Life SA#page21.tif

source=Hollywood Life SA#page22.tif

source=Hollywood Life SA#page23.tif

EXECUTION VERSION

PLEDGE AND SECURITY AGREEMENT

THIS PLEDGE AND SECURITY AGREEMENT (as it may be amended, restated, supplemented or otherwise modified from time to time, this "Security Agreement") is entered into, and shall be deemed to be effective, on and as of February 1, 2021 (the "Execution Date"), by and between HOLLYWOODLIFE.COM, LLC, a Delaware limited liability company (the "Debtor"), and PENSKE MEDIA CORPORATION, a Delaware corporation (the "Secured Party"), collectively with the Debtor, the "Parties" and each individually a "Party"), with reference to the following facts:

A. The Debtor has, concurrently herewith, executed and delivered to Secured Party, and Secured Party has received and accepted from Debtor, that certain Secured Promissory Note (Seller Note) of even date herewith in the stated maximum principal amount of [REDACTED], naming the Debtor as "Borrower" thereunder and Secured Party as "Lender" thereunder (as it may be amended, restated, supplemented or otherwise modified from time to time, the "Secured Seller Note").

B. The Debtor has, concurrently herewith, executed and delivered to Secured Party, and Secured Party has received and accepted from Debtor, that certain Secured Promissory Note (Revolving Facility) of even date herewith in the stated maximum principal amount of [REDACTED] naming the Debtor as "Borrower" thereunder and Secured Party as "Lender" thereunder (as it may be amended, restated, supplemented or otherwise modified from time to time, the "Secured Revolver Note", with the Secured Seller Note, the "Secured Note").

C. The Debtor is entering into this Security Agreement in order to: (i) induce the Secured Party to enter into and extend credit to the Debtor under, pursuant to, or as provided in the Secured Note, in each case and as to each such extension of credit, in the sole and absolute discretion of the Secured Party, and (ii) to secure the Secured Obligations (as hereinafter defined).

D. The Parties hereto are entering into this Security Agreement in order to provide for the grant of a security interest in all Collateral (as hereinafter defined) to secure payment and performance of all Secured Obligations and to otherwise provide for certain rights of Secured Party and duties and obligations of Debtor with respect to the Collateral and in support of the Secured Obligations.

NOW THEREFORE, FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

ARTICLE I
DEFINITIONS

1.1. Terms Defined in Secured Note. All capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Secured Note.

1.2. Terms Defined in UCC. Capitalized terms defined in the UCC which are not otherwise defined in this Security Agreement are used herein as defined in Article 9 of the UCC, except where such terms expressly related to another Article of the UCC.

1.3. Definitions of Certain Terms Used Herein. As used in this Security Agreement, in addition to the terms defined in the first paragraph hereof and in the recitals preceding this Article I, the following terms shall have the following meanings:

“Applicable IP Office” means the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency within or, solely in the case of Section 4.3, outside the United States.

“Article” means a numbered article of this Security Agreement, unless another document is specifically referenced.

“Collateral” shall have the meaning set forth in Article II.

“Commercial Tort Claims” means the commercial tort claims as defined in Article 9 of the UCC.

“Copyrights” means all rights, title and interests (and all related IP Ancillary Rights) arising under any Requirement of Law in or relating to copyrights and all mask works, database and design rights, whether or not registered or published, all registrations and recordings thereof and all applications in connection therewith.

“Default” means any event or condition which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

“Equity Interests” means shares of capital stock and other Securities, partnership interests, limited liability company interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any of the foregoing.

“Event of Default” means an Event of Default as that term is defined in the Secured Note.

“Governmental Authority” means the government of the U.S., any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“Indebtedness” means all indebtedness and other obligations now or any anytime hereafter owing to a Person.

“Intellectual Property” means all rights, title and interests in or relating to intellectual property and industrial property arising under any Requirement of Law and all IP Ancillary Rights relating thereto, including all Copyrights, Patents, Software, Trademarks, Internet Domain Names,

Trade Secrets and any licenses or other contractual obligations (and all related IP Ancillary Rights), whether written or oral, granting any right, title and interest in or relating to any Intellectual Property.

"Internet Domain Name" means all right, title and interest (and all related IP Ancillary Rights) arising under any Requirement of Law in or relating to internet domain names.

"IP Ancillary Rights" means, with respect to any Intellectual Property, as applicable, all foreign counterparts to, and all divisionals, reversions, continuations, continuations-in-part, reissues, reexaminations, renewals and extensions of, such Intellectual Property and all income, royalties, proceeds and Liabilities at any time due or payable or asserted under or with respect to any of the foregoing or otherwise with respect to such Intellectual Property throughout the world, including all rights to sue or recover at law or in equity for any past, present or future infringement, misappropriation, dilution, violation or other impairment thereof, and, in each case, all rights to obtain any other IP Ancillary Right throughout the world.

"IP Security Agreements" means those certain trademark security agreements, copyright security agreements and patent security agreements, filed with the Applicable IP Office to create a Lien on the Trademarks, Copyrights and Patents.

"Liabilities" mean all claims, actions, suits, judgments, damages, losses, liability, obligations, responsibilities, fines, penalties, sanctions, costs, fees, Taxes, commissions, charges, disbursements and expenses (including those incurred upon any appeal or in connection with the preparation for and/or response to any subpoena or request for document production relating thereto), in each case of any kind or nature (including interest accrued thereon or as a result thereto and fees, charges and disbursements of financial, legal and other advisors and consultants), whether joint or several, whether or not indirect, contingent, consequential, actual, punitive, treble or otherwise.

"Lien" means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

"Loan Document" means this Agreement, the Secured Seller Note, the Secured Revolver Note and each other agreement, instrument, document and certificate executed and delivered to, or in favor of, the Secured Party in connection with or in support of the Secured Obligations.

"Patents" mean all rights, title and interests (and all related IP Ancillary Rights) arising under any Requirement of Law in or relating to letters patent and applications therefor.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"Pledged Collateral" means all Instruments, Securities, Equity Interests and other Investment Property of the Debtor that constitute Collateral, whether or not physically delivered to the Secured Party pursuant to this Security Agreement.

"Receivables" means the Accounts, Chattel Paper, Documents, Investment Property, Instruments and any other rights or claims to receive money which are General Intangibles or which are otherwise included as Collateral.

"Requirement of Law" shall mean any mandate, obligation, duty or requirement of any federal, state and local laws, or regulations thereunder, governing or otherwise applicable to the Debtor or its Subsidiaries.

"Secured Obligations" means all indebtedness and other obligations now or at anytime hereafter owing by the Debtor to Secured Party under or arising out of the Secured Note, this Security Agreement or any other Loan Document.

"Secured Party" means the Secured Party or its transferee, endorsee, successors, and assigns.

"Security" or "Securities" shall have the meaning of such term as set forth in Article 8 of the UCC.

"Software" means (a) all computer programs, including source code and object code versions, (b) all data, databases and compilations of data, whether machine readable or otherwise, and (c) all documentation, training materials and configurations related to any of the foregoing.

"Subsidiary" means any Person, and collectively "Subsidiaries", the majority of whose voting Equity Interests are at any time owned, directly or indirectly, by Debtor or by one or more Subsidiaries of Debtor.

"Taxes" or "Tax" means any and all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), value added taxes, or any other goods and services, use or sales taxes, assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"Trade Secrets" mean all right, title and interest (and all related IP Ancillary Rights) arising under any Requirement of Law in or relating to proprietary, confidential and/or non-public information, however documented, including but not limited to confidential ideas, know-how, concepts, methods, processes, formulae, reports, data, customer lists, mailing lists, business plans and all other trade secrets.

"Trademarks" mean all rights, title and interests (and all related IP Ancillary Rights) arising under any Requirement of Law in or relating to trademarks, trade names, corporate 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, all registrations and recordations thereof and all applications in connection therewith.

"UCC" means the Uniform Commercial Code, as in effect from time to time, of the State of New York or of any other state the laws of which are required as a result thereof to be applied in connection with the attachment, perfection or priority of, or remedies with respect to, Secured Party's Lien on any Collateral.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

ARTICLE II GRANT OF SECURITY INTEREST

The Debtor hereby pledges, assigns and grants to the Secured Party a security interest in all of Debtors' right, title and interest in, to and under all personal property and other assets, whether now owned by or owing to, or hereafter acquired by or arising in favor of the Debtor (including under any trade name or derivations thereof), and whether owned or consigned by or to, or leased from or to, the Debtor, and regardless of where located (all of which will be collectively referred to as the "Collateral"), including, but not limited to all Accounts, Chattel Paper, Intellectual Property, Documents, Equipment, Equity Interests, Fixtures, General Intangibles, Goods, Instruments, Inventory, Investment Property, cash or cash equivalents, Letter-of-Credit Rights and Supporting Obligations; Deposit Accounts, Commercial Tort Claims and all of the proceeds and products of the foregoing, together with all books and records, customer lists, credit files, computer files, programs, printouts and other computer materials and records related thereto and any General Intangibles at any time evidencing or relating to any of the foregoing; to secure the prompt and complete payment and performance of the Secured Obligations. Notwithstanding the foregoing, the "Collateral" shall not include and the Debtor shall not be deemed to have granted a security interest in, any of the following items (collectively, the "Excluded Assets"): (i) any asset or property to the extent that a grant of such security interest is prohibited by applicable law or would require a consent not obtained of any Governmental Authority pursuant to such applicable law; provided, that any such limitation described in the foregoing clause (i) on the security interests granted hereunder shall only apply to the extent that any such prohibition or requirement for consent is not rendered ineffective pursuant to the UCC (including Sections 9-406 through 9-409 thereof) or any other applicable law or principles of equity; and (ii) any lease, license or other agreement or contract, or any asset or property subject to a purchase money security interest, lien securing a capitalized lease or similar arrangement, in each case permitted to be incurred under the Secured Note, to the extent that a grant of such security interest would require a consent not obtained of any other party thereto (other than any subsidiary or other affiliate of the Debtor) or would violate or invalidate such lease, license or other agreement or contract or create a right of termination in favor of any such other party thereto; provided, that any such limitation described in the foregoing clause (ii) on the security interests granted hereunder shall only apply to the extent that any such prohibition, requirement for consent or right to terminate would not be rendered ineffective pursuant to the UCC (including Sections 9-406 through 9-409 thereof) or any other applicable law or principles of equity; provided, that the proceeds, products, substitutions or replacements of any Excluded Assets, and any accounts arising under any Excluded Assets, shall be "Collateral" (unless and to the extent that such proceeds, products, substitutions or replacements would themselves otherwise constitute Excluded Assets);

and provided further, that any of the foregoing items that cease to satisfy the criteria for Excluded Assets shall no longer be Excluded Assets and shall automatically and without any further action by any Person be subject to the security interest granted herein and to the terms and conditions of this Security Agreement as "Collateral".

ARTICLE III REPRESENTATIONS AND WARRANTIES

The Debtor represents and warrants to the Secured Party that:

3.1. Title, Authorization, Validity, Enforceability, Perfection and Priority. The Debtor has good and valid rights in or the power to transfer the Collateral and title to the Collateral with respect to which it has purported to grant a security interest hereunder, free and clear of all Liens, and has full power and authority to grant to the Secured Party the security interest in the Collateral pursuant hereto. The execution and delivery by the Debtor of this Security Agreement has been duly authorized by proper limited liability company proceedings of the Debtor, and this Security Agreement constitutes a legal valid and binding obligation of the Debtor and creates a security interest which is enforceable against the Debtor in all Collateral it now owns or hereafter acquires, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law. When financing statements identifying the Debtor, as debtor, and Secured Party, as secured party, and describing such Collateral, have been filed in the appropriate offices against the Debtor, the Secured Party will have a fully perfected first priority security interest in that Collateral of the Debtor, subject only to any Permitted Liens (as defined in the Secured Note), in which a security interest may be perfected by the filing of a financing statement in such jurisdiction.

3.2. Intellectual Property, Exhibit A contains a complete and accurate listing of the Intellectual Property the Debtor owns, licenses or otherwise has the right to use which is registered or subject to applications for registration, and any Internet Domain Names. All of the U.S. registrations, applications for registration or applications for issuance of the Intellectual Property are in good standing and are recorded or in the process of being recorded in the name of the Debtor.

3.3. No Financing Statements, Security Agreements. No financing statement or security agreement describing all or any portion of the Collateral which has not lapsed or been terminated (by a filing authorized by the secured party in respect thereof) naming the Debtor as debtor has been filed or is of record in any jurisdiction except for financing statements or security agreements naming the Secured Party as the secured party.

3.4. Pledged Collateral. The Debtor is the direct, sole beneficial owner and sole holder of record of the Pledged Collateral, free and clear of any Liens, except for the security interest granted to the Secured Party hereunder. The Debtor further represents and warrants that to its knowledge (i) all Pledged Collateral owned by it constituting an Equity Interest has been (to the extent such concepts are relevant with respect to such Pledged Collateral) duly authorized, validly issued, fully paid and non-assessable, (ii) all Pledged Collateral which represents Indebtedness

owed to the Debtor has been duly authorized, authenticated or issued and delivered by the issuer of such indebtedness, is the legal, valid and binding obligation of such issuer and such issuer is not in default thereunder, and (iii) none of the Pledged Collateral is subject to any restrictions in any articles, bylaws, operating agreement or other governing document, or that any such restrictions have been validly waived, as to the pledge, and as to any subsequent assignment, transfer or sale, by public or private sale, of the Pledged Collateral, and as to any substitution of Secured Party or any Person or third party for the Debtor that owns any Pledged Collateral following an Event of Default and the related enforcement of Secured Party's remedies in any Pledged Collateral.

ARTICLE IV COVENANTS

From the date of this Security Agreement and thereafter until this Security Agreement is terminated pursuant to the terms hereof, the Debtor agrees that:

4.1. General.

(a) Collateral Records/Notice of Loss. The Debtor will maintain complete and accurate books and records with respect to the Collateral owned by it, and furnish to the Secured Party such reports relating to such Collateral as the Secured Party shall from time to time request. Should the Debtor at any time become aware of the occurrence of any loss, damage, destruction or waste of any personal property, the Debtor shall notify Secured Party promptly and shall provide Secured Party with any such other information related to such loss, damage, destruction or waste.

(b) Authorization to File Financing Statements; Ratification. The Debtor hereby authorizes the Secured Party to file, and if requested will deliver to the Secured Party, all financing statements and other documents and take such other actions as may from time to time be requested by the Secured Party in order to maintain a first priority perfected security interest in the Collateral owned by the Debtor, subject only to any Permitted Liens (as defined in the Secured Note). Any financing statement filed by the Secured Party may be filed in any filing office in Delaware or in any UCC jurisdiction applicable to Debtor and may (i) indicate the Debtor's Collateral (1) as all assets of the Debtor or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the UCC of such jurisdiction, or (2) by any other description which reasonably approximates the description contained in this Security Agreement, and (ii) contain any other information required by Chapter 5 of Article 9 of the UCC for the sufficiency or filing office acceptance of any financing statement or amendment, including whether the Debtor is an organization, the type of organization and any organization identification number issued to the Debtor. The Debtor also agrees to furnish any such information described in the foregoing sentence to the Secured Party promptly upon request. The Debtor also ratifies its authorization for the Secured Party to have filed in Delaware or in any applicable UCC jurisdiction any initial financing statements or amendments thereto if filed prior to the date hereof.

(c) Further Assurances. The Debtor will, if so requested by the Secured Party, furnish to the Secured Party, as often as the Secured Party requests, statements and schedules

further identifying and describing the Collateral owned by it and such other reports and information in connection with its Collateral as the Secured Party may reasonably request, all in such detail as the Secured Party may specify. The Debtor also agrees to take any and all actions necessary to defend title to the Collateral against all persons and to defend the security interest and perfected status of the security interest of the Secured Party in its Collateral and the priority thereof against any Lien not expressly permitted hereunder.

(d) Disposition of Collateral. The Debtor will not sell, lease or otherwise dispose of the Collateral or any interest therein (including any participation, options or membership interest) except: (i) de minimis sales or dispositions of obsolete, damaged, uneconomic or worn out furniture or equipment no longer used or useful in the conduct of the Debtor's business; (ii) mergers or consolidations of any Subsidiary of the Debtor with or into the Debtor so long as the Debtor shall be the continuing or surviving entity (provided that at the time of each such merger or consolidation, both before and after giving effect thereto, no Default or Event of Default shall have occurred and be continuing or result from such merger or consolidation); (iii) any Subsidiary of Debtor may liquidate or dissolve into the Debtor if the Debtor determines in good faith that such liquidation or dissolution is in the best interests of Debtor, and so long as no Default or Event of Default has occurred and is continuing or would result therefrom; (iv) sales or transfers, including without limitation upon voluntary liquidation, from any Subsidiary of the Debtor to the Debtor, provided, that the Debtor takes such actions as the Secured Party may reasonably request to ensure the perfection and priority of the Liens in favor of the Secured Party over such transferred assets; and (v) other asset sales specifically approved in writing by the Secured Party in its sole discretion.

(e) Liens. The Debtor will not create, incur, or suffer to exist any Lien on the Collateral except the security interest created by this Security Agreement and any Permitted Liens (as defined in the Secured Note).

(f) Other Financing Statements. The Debtor will not authorize the filing of any financing statement naming it as debtor covering all or any portion of the Collateral owned by it, except for financing statements naming the Secured Party as the secured party. The Debtor acknowledges that it is not authorized to file any financing statement or amendment or termination statement with respect to any financing statement, including upon any payment in full of the Secured Obligations or the termination of this Security Agreement or the Secured Note, without the prior written consent of the Secured Party, subject to the Debtor's rights under Section 9-509(d)(2) of the UCC.

(g) Locations. The Debtor will not (i) maintain any Collateral owned by it at any location other than those locations disclosed to the Secured Party, (ii) otherwise change, or add to, such locations without prior written notice thereof to the Secured Party, or (iii) change its principal place of business or chief executive office without prior written notice to the Secured Party.

(h) Compliance with Terms. The Debtor will perform and comply with all obligations in respect of the Collateral owned by it and all agreements to which it is a party or by which it is bound relating to such Collateral.

4.2. Pledged Collateral. Debtor will at all times be the sole holder of record and the legal and beneficial owner, free and clear of all Liens, encumbrances and claims of any kind or nature other than Permitted Liens, of the Pledged Collateral, whether now owned or hereafter acquired. Debtor will cause all Pledged Collateral (and all Equity Interests owned by Debtor or any Subsidiary, and all assets of Debtor that would otherwise constitute Pledged Collateral), whether issued, acquired or transferred to Debtor as of or after the date hereof, whether by merger, consolidation or otherwise, at all times to be subject to the security interest granted hereunder and will take all actions, as requested by Secured Party, to ensure the proper perfection of Secured Party's security interest as granted herein. The Debtor will permit any registerable Pledged Collateral to be registered in the name of the Secured Party or its nominee at any time. Prior to the occurrence of an Event of Default, Debtor shall have all voting or other rights related to the Pledged Collateral, and shall have the right to receive distributions and dividends paid in respect of the Pledged Collateral. Following the occurrence of an Event of Default (unless such Event of Default shall have been waived in writing by Secured Party), the Debtor will permit the Secured Party or its nominee to exercise all voting rights or other rights related to the Pledged Collateral and to receive all distributions and dividends on account of the Pledged Collateral. The Debtor agrees that no ownership interests in a limited liability company or a limited partnership which are included within the Collateral owned by the Debtor shall at any time constitute a Security under Article 8 of the UCC of the applicable jurisdiction.

4.3. Intellectual Property. The Debtor shall take all actions that are necessary or reasonably requested by the Secured Party to maintain and pursue each application (and to obtain the relevant registration or recordation) and to maintain each registration and recordation included in the Intellectual Property owned by it. The Debtor shall execute and deliver to the Secured Party in form and substance reasonably acceptable to the Secured Party and suitable for filing in the Applicable IP Office the applicable IP Security Agreement in form and substance acceptable to the Secured Party for all Copyrights, Trademarks and Patents of the Debtor.

4.4. Insurance. The Debtor shall maintain insurance coverage with respect to the Collateral with financially sound and reputable insurance companies on physical assets and against other business risks in such amounts and of such types as are customarily carried by companies similar in size and nature (including without limitation casualty and public liability and property damage insurance), and in the event of acquisition of additional property, real or personal, or of the incurrence of additional risks of any nature, increase such insurance coverage in such manner and to such extent as prudent business judgment and present practice or any applicable Requirements of Law would dictate.

4.5. Change of Name or Location. The Debtor shall not (a) change its name as it appears in official filings in the state of its incorporation or organization, (b) change its chief executive office, principal place of business, mailing address, corporate offices or warehouses or locations at which Collateral is held or stored, or the location of its records concerning the Collateral as set forth in this Security Agreement, (c) change the type of entity that it is, (d) change its organization identification number, if any, issued by its state of incorporation or other organization, or (e) change its state of incorporation or organization, in each case, unless the Secured Party shall have

received at least thirty (30) days prior written notice of such change and shall have consented to any such change.

ARTICLE V EVENTS OF DEFAULT AND REMEDIES

5.1. Events of Default. The occurrence of any "Event of Default" under, and as defined in, the Secured Note (whether such Event of Default occurs under the Secured Seller Note and/or the Secured Revolver Note) shall constitute an Event of Default hereunder.

5.2. Remedies.

(a) Upon the occurrence of an Event of Default (and unless such Event of Default shall have been waived in writing by Secured Party), the Secured Party may exercise any or all of the following rights and remedies:

(i) those rights and remedies provided in this Security Agreement, the Secured Note, or any other Loan Document; provided, that, this Section 5.2(a) shall not be understood to limit any rights or remedies available to the Secured Party prior to an Event of Default;

(ii) those rights and remedies available to a secured party under the UCC (whether or not the UCC applies to the affected Collateral) or under any other applicable law (including, without limitation, any law governing the exercise of a bank's right of setoff or bankers' lien) when a debtor is in default under a security agreement;

(iii) without notice, demand or advertisement of any kind to the Debtor or any other Person, enter the premises of the Debtor where any Collateral is located (through self-help and without judicial process) to collect, receive, assemble, process, appropriate, sell, lease, assign, grant an option or options to purchase or otherwise dispose of, deliver, or realize upon, the Collateral or any part thereof in one or more parcels at public or private sale or sales (which sales may be adjourned or continued from time to time with or without notice and may take place at the Debtor's premises or elsewhere), for cash, on credit or for future delivery without assumption of any credit risk, and upon such other terms as the Secured Party may deem commercially reasonable;

(iv) apply proceeds of any Collateral, including from any sale or disposition of any Collateral, in any manner; and

(v) concurrently with written notice to the Debtor, transfer and register in its name or in the name of its nominee the whole or any part of the Pledged Collateral, exchange certificates or instruments representing or evidencing Pledged Collateral for certificates or instruments of smaller or larger denominations, exercise the voting and all other rights as a holder with respect thereto, to collect and receive all cash dividends, interest, principal and other distributions made thereon (including distributions made in the

form of securities) and to otherwise act with respect to the Pledged Collateral as though the Secured Party was the outright owner thereof.

(b) The Secured Party shall comply with any applicable state or federal law requirements in connection with a disposition of the Collateral and compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral.

(c) The Secured Party 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 for the benefit of the Secured Party, the whole or any part of the Collateral so sold, free of any right of equity redemption, which equity redemption the Debtor hereby expressly releases and Secured Party shall expressly have the right to "credit bid" or setoff its debt in any such sale.

(d) Until the Secured Party is able to effect a sale, lease, or other disposition of Collateral, the Secured Party shall have the right to hold or use Collateral, or any part thereof, to the extent that it deems appropriate for the purpose of preserving Collateral or its value or for any other purpose deemed appropriate by the Secured Party. The Secured Party may, if it so elects, seek the appointment of a receiver or keeper to take possession of Collateral and to enforce any of the Secured Party's remedies (for the benefit of the Secured Party), with respect to such appointment without prior notice or hearing as to such appointment.

(e) Notwithstanding the foregoing, the Secured Party shall not be required to (i) make any demand upon, or pursue or exhaust any of its rights or remedies against, the Debtor, any other obligor, guarantor, pledgor or any other Person with respect to the payment of the Secured Obligations or to pursue or exhaust any of its rights or remedies with respect to any Collateral therefor or any direct or indirect guarantee thereof, (ii) marshal the Collateral or any guarantee of the Secured Obligations or to resort to the Collateral or any such guarantee in any particular order, or (iii) effect a public sale of any Collateral.

(f) The Debtor recognizes that the Secured Party may be unable to effect a public sale of any or all the Pledged Collateral and may be compelled to resort to one or more private sales thereof in accordance with clause (a) above. The Debtor also acknowledges that any private sale may result in prices and other terms less favorable to the seller than if such sale were a public sale and, notwithstanding such circumstances, agrees that any such private sale shall not be deemed to have been made in a commercially unreasonable manner solely by virtue of such sale being private. The Secured Party shall be under no obligation to delay a sale of any of the Pledged Collateral for the period of time necessary to permit the Debtor or the issuer of the Pledged Collateral to register such securities for public sale under the Securities Act of 1933, as amended, or under applicable state securities laws, even if the Debtor and the issuer would agree to do so.

5.3. The Debtor's Obligations Upon an Event of Default. Upon the request of the Secured Party after the occurrence of an Event of Default (and unless such Event of Default shall have been waived in writing by Secured Party), the Debtor will:

(a) assemble and make available to the Secured Party the Collateral and all books and records relating thereto at any place or places specified by the Secured Party, whether at the Debtor's premises or elsewhere;

(b) permit the Secured Party, by the Secured Party's representatives and agents, to enter, occupy and use any premises where all or any part of the Collateral, or the books and records relating thereto, or both, are located, to take possession of all or any part of the Collateral or the books and records relating thereto, or both, to remove all or any part of the Collateral or the books and records relating thereto, or both, and to conduct sales of the Collateral, without any obligation to pay the Debtor for such use and occupancy;

(c) prepare and file, or cause an issuer of Pledged Collateral to prepare and file with any applicable government agency, registration statements, a prospectus and such other documentation in connection with the Pledged Collateral as the Secured Party may request, all in form and substance satisfactory to the Secured Party, and furnish to the Secured Party, or cause an issuer of Pledged Collateral to furnish to the Secured Party, any information regarding the Pledged Collateral in such detail as the Secured Party may specify;

(d) take, or cause an issuer of Pledged Collateral to take, any and all actions necessary to register or qualify the Pledged Collateral to enable the Secured Party to consummate a public sale or other disposition of the Pledged Collateral; and

(e) at its own expense, cause the independent certified public accountants then engaged by the Debtor to prepare and deliver to the Secured Party, at any time, and from time to time, promptly upon the Secured Party's request, the following reports with respect to the Debtor, as applicable: (i) a reconciliation of all Accounts; (ii) an aging of all Accounts; (iii) trial balances; and (iv) a test verification of such Accounts.

5.4. Grant of Intellectual Property License. For the purpose of enabling the Secured Party to exercise the rights and remedies under this Article V at such time as the Secured Party shall be lawfully entitled to exercise such rights and remedies (including in order to take possession of, collect, receive, assemble, process, appropriate, remove, realize upon, sell, assign, convey, transfer or grant options to purchase any Collateral), the Debtor hereby (a) grants to the Secured Party, for the benefit of the Secured Party, an irrevocable, nonexclusive worldwide license (exercisable without payment of royalty or other compensation to the Debtor), including in such license the right to use, license, sublicense or practice any Intellectual Property now owned or hereafter acquired by any the Debtor, and wherever the same may be located, and including in such license access to all media in which any of the licensed items may be recorded or stored and to all computer Software and programs used for the compilation or printout thereof and (b) irrevocably agrees that the Secured Party may sell any of the Debtor's Inventory directly to any person, including without limitation persons who have previously purchased the Debtor's Inventory from the Debtor and in connection with any such sale or other enforcement of the Secured Party's rights under this Security Agreement, may sell Inventory which bears any Trademark owned by or licensed to the Debtor and any Inventory that is covered by any Copyright owned by or licensed to the Debtor and the Secured Party may (but shall have no obligation to)

finish any work in process and affix any Trademark owned by or licensed to the Debtor and sell such Inventory as provided herein.

ARTICLE VI
ACCOUNT VERIFICATION; ATTORNEY IN FACT; PROXY

6.1. Authorization for Secured Party to Take Certain Action.

(a) The Debtor irrevocably authorizes the Secured Party at any time and from time to time in the sole discretion of the Secured Party and appoints the Secured Party as its attorney-in-fact (i) to endorse and collect any cash proceeds of the Collateral, (ii) to file any financing statement with respect to the Collateral and to file any other financing statement or amendment of a financing statement (which does not add new collateral or add a debtor) in such offices as the Secured Party in its sole discretion deems necessary or desirable to perfect and to maintain the perfection and priority of the Secured Party's security interest in the Collateral, (iii) in the case of any Intellectual Property owned by or licensed to the Debtor, execute, deliver and have recorded any document that the Secured Party may request to evidence, effect, publicize or record the Secured Party's security interest in such Intellectual Property and the goodwill and General Intangibles of the Debtor relating thereto or represented thereby, including but not limited to any IP Security Agreements, (iv) to discharge past due taxes, assessments, charges, fees or Liens on the Collateral, (v) to contact Account Debtors for any reason, (vi) to demand payment or enforce payment of the Receivables in the name of the Secured Party or the Debtor and to endorse any and all checks, drafts, and other instruments for the payment of money relating to the Receivables, (vii) to sign the Debtor's name on any invoice or bill of lading relating to the Receivables, drafts against any Account Debtor of the Debtor, assignments and verifications of Receivables, (viii) to exercise all of the Debtor's rights and remedies with respect to the collection of the Receivables and any other Collateral, (ix) to settle, adjust, compromise, extend or renew the Receivables, (x) to settle, adjust or compromise any legal proceedings brought to collect Receivables, (xi) to prepare, file and sign the Debtor's name on a proof of claim in bankruptcy or similar document against any Account Debtor of the Debtor or any issuer of any Pledged Collateral, (xii) to prepare, file and sign the Debtor's name on any notice of Lien, assignment or satisfaction of Lien or similar document in connection with the Receivables, (xiii) to change the address for delivery of mail addressed to the Debtor to such address as the Secured Party may designate and to receive, open and dispose of all mail addressed to the Debtor, (xiv) cause the appropriate issuers (and, if held with a securities intermediary, such securities intermediary) of securities or other types of Pledged Collateral owned by the Debtor to mark their books and records with the numbers and face amounts of all such securities or other types of Pledged Collateral not represented by certificates and all rollovers and replacements therefor to reflect the Lien of the Secured Party granted pursuant to this Security Agreement, and (xv) to do all other acts and things necessary to carry out this Security Agreement; and the Debtor agrees to reimburse the Secured Party within fifteen (15) days of demand for any payment made or any expense incurred by the Secured Party in connection with any of the foregoing; provided, that this authorization shall not relieve the Debtor of any of its obligations under this Security Agreement, the Secured Note or any other Loan Document.

(b) The powers conferred on the Secured Party under this Section 6.1 are solely to protect the Secured Party's interests in the Collateral and shall not impose any duty upon the

Secured Party to exercise any such powers. The Secured Party agrees that, except for the powers granted in Section 6.1(a)(ii)-(v) and (xiv), it shall not exercise any power or authority granted to it unless an Event of Default has occurred.

6.2. Proxy. The Debtor hereby irrevocably constitutes and appoints the Secured Party as its proxy and attorney-in-fact (as set forth in Section 6.1 above) of the Debtor with respect to its Pledged Collateral, including the right to vote such Pledged Collateral, with full power of substitution to do so. In addition to the right to vote any such Pledged Collateral, the appointment of the Secured Party as proxy and attorney-in-fact shall include the right to exercise all other rights, powers, privileges and remedies to which a holder of such Pledged Collateral would be entitled (including giving or withholding written consents of shareholders, calling special meetings of shareholders and voting at such meetings). Such proxy shall be effective, automatically and without the necessity of any action (including any transfer of any such Pledged Collateral on the record books of the issuer thereof) by any person (including the issuer of such Pledged Collateral or any officer or agent thereof), upon the occurrence of an Event of Default.

6.3. Nature of Appointment; Limitation of Duty. The appointment of the Secured Party as proxy and attorney-in-fact in this Article VI is coupled with an interest and shall be irrevocable until the date on which this Security Agreement is terminated in accordance with Section 7.13. Notwithstanding anything contained herein, none of the Secured Party or any of its affiliates, or its officers, directors, employees, agents or representatives shall have any duty to exercise any right or power granted hereunder or otherwise or to preserve the same and shall not be liable for any failure to do so or for any delay in doing so, except in respect of damages attributable solely to such party's own gross negligence or willful misconduct as finally determined by a court of competent jurisdiction; provided, that, in no event shall they be liable for any punitive, exemplary, indirect or consequential damages.

ARTICLE VII GENERAL PROVISIONS

7.1 Waivers. To the extent such notice may not be waived under applicable law, any notice made shall be deemed reasonable if sent to the Debtor, addressed as set forth in Article VIII, at least ten days prior to (i) the date of any such public sale or (ii) the time after which any such private sale or other disposition may be made. To the maximum extent permitted by applicable law, the Debtor waives all claims, damages, and demands against the Secured Party arising out of the repossession, retention or sale of any of the Collateral, except such as arise solely out of the gross negligence or willful misconduct of the Secured Party as finally determined by a court of competent jurisdiction. To the extent it may lawfully do so, the Debtor absolutely and irrevocably waives and relinquishes the benefit and advantage of, and covenants not to assert against the Secured Party, any valuation, stay, appraisal, extension, moratorium, redemption or similar laws and any and all rights or defenses it may have as a surety now or hereafter existing which, but for this provision, might be applicable to the sale of any Collateral made under the judgment, order or decree of any court, or privately under the power of sale conferred by this Security Agreement, or otherwise. Except as otherwise specifically provided herein, the Debtor hereby waives presentment, demand, protest or any notice (to the maximum extent permitted by applicable law) of any kind in connection with this Security Agreement or any Collateral.

7.2. Limitation on Secured Party's Duty with Respect to the Collateral. The Secured Party shall have no obligation to clean-up or otherwise prepare the Collateral for sale. The Secured Party shall use reasonable care with respect to the Collateral in its possession or under its control. The Secured Party shall not have any other duty as to any Collateral in its possession or control or in the possession or control of any agent or nominee of the Secured Party, or any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto. To the extent that applicable law imposes duties on the Secured Party to exercise remedies in a commercially reasonable manner, the Debtor, as applicable, acknowledges and agrees that it is commercially reasonable for the Secured Party (i) to fail to incur expenses deemed significant by the Secured Party to prepare Collateral for disposition or otherwise to transform raw material or work in process into finished goods or other finished products for disposition, (ii) to fail to obtain third party consents for access to Collateral to be disposed of, or to obtain or, if not required by other law, to fail to obtain governmental or third party consents for the collection or disposition of Collateral to be collected or disposed of, (iii) to fail to exercise collection remedies against account debtors or other Persons obligated on Collateral or to remove Liens on or any adverse claims against Collateral, (iv) to exercise collection remedies against account debtors and other Persons obligated on Collateral directly or through the use of collection agencies and other collection specialists, (v) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature, (vi) to contact other Persons, whether or not in the same business as the Debtor, for expressions of interest in acquiring all or any portion of such Collateral, (vii) to hire one or more professional auctioneers to assist in the disposition of Collateral, whether or not the Collateral is of a specialized nature, (viii) to dispose of Collateral by utilizing internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capacity of doing so, or that match buyers and sellers of assets, (ix) to dispose of assets in wholesale rather than retail markets, (x) to disclaim disposition warranties, such as title, possession or quiet enjoyment, (xi) to purchase insurance or credit enhancements to insure the Secured Party against risks of loss, collection or disposition of Collateral or to provide to the Secured Party a guaranteed return from the collection or disposition of Collateral, or (xii) to the extent deemed appropriate by the Secured Party, to obtain the services of other brokers, investment bankers, consultants and other professionals to assist the Secured Party in the collection or disposition of any of the Collateral. The Debtor acknowledges that the purpose of this Section 7.2 is to provide non-exhaustive indications of what actions or omissions by the Secured Party would be commercially reasonable in the Secured Party's exercise of remedies against the Collateral and that other actions or omissions by the Secured Party shall not be deemed commercially unreasonable solely on account of not being indicated in this Section 7.2. Without limitation upon the foregoing, nothing contained in this Section 7.2 shall be construed to grant any rights to the Debtor or to impose any duties on the Secured Party that would not have been granted or imposed by this Security Agreement or by applicable law in the absence of this Section 7.2.

7.3. Compromises and Collection of Collateral. The Debtor and the Secured Party recognize that setoffs, counterclaims, defenses and other claims may be asserted by obligors with respect to certain of the Receivables, that certain of the Receivables may be or become uncollectible in whole or in part and that the expense and probability of success in litigating a disputed Receivable may exceed the amount that reasonably may be expected to be recovered with

respect to a Receivable. In view of the foregoing, the Debtor agrees that the Secured Party may at any time and from time to time, if an Event of Default has occurred, compromise with the obligor on any Receivable, accept in full payment of any Receivable such amount as the Secured Party in its sole discretion shall determine or abandon any Receivable, and any such action by the Secured Party shall be commercially reasonable so long as the Secured Party acts in good faith based on information known to it at the time it takes any such action.

7.4. Secured Party Performance of Debtor' Obligations. Without having any obligation to do so, the Secured Party may perform or pay any obligation which the Debtor has agreed to perform or pay in this Security Agreement and the Debtor shall reimburse the Secured Party for any amounts paid by the Secured Party pursuant to this Section 7.4. The Debtor's obligation to reimburse the Secured Party pursuant to the preceding sentence shall be a Secured Obligation payable on demand.

7.5 No Waiver; Amendments; Cumulative Remedies. No failure or delay by the Secured Party in exercising any right or power under this Security Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Secured Party are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Security Agreement or consent to any departure by the Debtor therefrom shall in any event be effective unless in writing signed by the Secured Party, and then only to the extent in such writing specifically set forth.

7.7. Severability of Provisions. Any provision in this Security Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions thereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction, and to this end the provisions of this Security Agreement are declared to be severable.

7.8 Reinstatement. This Security Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against the Debtor for liquidation or reorganization, should the Debtor become insolvent or make an assignment for the benefit of any creditor or creditors or should a receiver or trustee be appointed for all or any significant part of the Debtor's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Secured Obligations, or any part thereof (including a payment effected through exercise of a right of setoff), is, pursuant to applicable law, 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 (including pursuant to any settlement entered into by a Secured Party in its discretion), all as though such payment or performance had not been made. In the event that any payment, or any part thereof (including a payment effected through exercise of a right of setoff), is rescinded, reduced, restored or returned, the Secured Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

7.9. Benefit of Agreement. The terms and provisions of this Security Agreement shall be binding upon and inure to the benefit of the Debtor, the Secured Party and its respective successors and assigns (including all Persons who become bound as the Debtor to this Security Agreement), except that the Debtor shall not have the right to assign its rights or delegate its obligations under this Security Agreement or any interest herein, without the prior written consent of the Secured Party. No sales of participations, assignments, transfers, or other dispositions of any agreement governing the Secured Obligations or any portion thereof or interest therein shall in any manner impair the Lien granted to the Secured Party, for the benefit of the Secured Party, hereunder.

7.10. Survival of Representations. All representations and warranties of the Debtor contained in this Security Agreement and any other Loan Document shall survive the execution and delivery of this Security Agreement.

7.11. Taxes and Expenses. Any taxes (including income taxes) payable or ruled payable by Federal or State authority in respect of this Security Agreement shall be paid by the Debtor, together with interest and penalties, if any. The Debtor shall reimburse the Secured Party for any and all out-of-pocket expenses and internal charges (including reasonable attorneys', auditors' and accountants' fees and reasonable time charges of attorneys, paralegals, auditors and accountants who may be employees of the Secured Party) paid or incurred by the Secured Party in connection with the preparation, execution, delivery, administration, collection and enforcement of this Security Agreement and, to the extent provided in the Secured Note in the audit, analysis, administration, collection, preservation or sale of the Collateral (including the expenses and charges associated with any periodic or special audit of the Collateral). Any and all costs and expenses incurred by the Debtor in the performance of actions required pursuant to the terms hereof shall be borne solely by the Debtor.

7.12. Headings. The title of and section headings in this Security Agreement are for convenience of reference only, and shall not govern the interpretation of any of the terms and provisions of this Security Agreement.

7.13. Termination. This Security Agreement and the security interest in the Collateral described herein shall continue in effect (notwithstanding the fact that from time to time there may be no Secured Obligations outstanding) until (i) the Secured Note has terminated pursuant to its express terms and (ii) all of the Secured Obligations have been paid in full. Upon termination of this Security Agreement as aforesaid, the Secured Party, at the Debtor's sole cost and expense, shall execute and deliver such releases and discharges as the Debtor may reasonably request and shall return to the Debtor any and all Collateral in its possession.

7.14. Entire Agreement. This Security Agreement and the other Loan Documents embody the entire agreement and understanding between the Debtor and the Secured Party relating to the Collateral and supersedes all prior agreements and understandings between the Debtor and the Secured Party relating to the Collateral.

7.15. Choice of Law. This Security Agreement shall be governed by and construed in accordance with the laws of the State of New York without giving effect to its principles of conflict of laws.

7.16. Consent to Jurisdiction. The Debtor hereby irrevocably submits, for itself and its property, to the exclusive jurisdiction of any U.S. federal or New York state court sitting in New York County (Manhattan), New York in any action or proceeding arising out of or relating to this Security Agreement or any other loan document or for recognition or enforcement of any judgment, and Debtor hereby irrevocably and unconditionally agrees that all claims in respect of such action or proceeding may be heard and determined in any such court and irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection it may now or hereafter have as to the venue of any such suit, action or proceeding brought in such a court or that such court is an inconvenient forum. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing herein shall affect the right of the Secured Party to bring proceedings against the Debtor in the courts of any other jurisdiction. Any judicial proceeding by the Debtor against the Secured Party or any affiliate of the Secured Party involving, directly or indirectly, any matter in any way arising out of, related to, or connected with this Security Agreement or any other Loan Document shall be brought only in a court in New York County (Manhattan), New York as herein provided.

7.17. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

7.18. Indemnity. The Debtor hereby agrees to indemnify the Secured Party, and its successors, assigns, agents and employees, from and against any and all liabilities, damages, penalties, suits, fees, costs, and expenses of any kind and nature (including, without limitation, all expenses of litigation or preparation therefor whether or not the Secured Party is a party thereto and any and all attorneys' fees of Secured Party) imposed on, incurred by or asserted against the Secured Party, or its respective successors, assigns, agents and employees, in any way relating to or arising out of this Security Agreement or any other Loan Document, or the manufacture, purchase, acceptance, rejection, ownership, delivery, lease, possession, use, operation, condition, sale, return or other disposition of any Collateral (including, without limitation, latent and other defects, whether or not discoverable by the Secured Party or the Debtor, and any claim for Patent,

Trademark or Copyright infringement) or enforcement of Secured Party's security interest in the Collateral.

7.19. Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, the Debtor shall not assert, and it waives, any claim against Secured Party or any successor or assign on any theory of liability for special, indirect, consequential or punitive damages arising out of, in connection with, or as a result of, this Security Agreement or any other Loan Document or any of the transactions contemplated herein or therein.

7.20. Counterparts. This Security Agreement may be executed in counterparts, all of which taken together shall constitute one agreement, and any of the parties hereto may execute this Security Agreement by signing any such counterpart. Delivery of an executed counterpart of a signature page of this Security Agreement by facsimile or other electronic transmission shall be effective as delivery of a manually executed counterpart of this Security Agreement.

ARTICLE VIII NOTICES

8.1. Sending Notices. Any notice required or permitted to be given under this Security Agreement shall be delivered in accordance with those provisions of the Secured Note expressly governing notices to be given to the parties.

8.2. Change in Address for Notices. Each of the Debtor and the Secured Party may change the address for service of notice upon it by a notice in writing to the other Party.

[Signatures Immediately Follow]

IN WITNESS WHEREOF, the Debtor and the Secured Party have executed this Security Agreement as of the date first above written.

DEBTOR:

HOLLYWOODLIFE.COM, LLC

By: Bonnie Fuller

Name: Bonnie Fuller

Title: President and Editor-in-Chief

SECURED PARTY:

PENSKE MEDIA CORPORATION

By: _____

Name: Todd Greene

Title: EVP Business Affairs

Signature Page to Pledge and Security Agreement

TRADEMARK

REEL: 007189 FRAME: 0583

IN WITNESS WHEREOF, the Debtor and the Secured Party have executed this Security Agreement as of the date first above written.

DEBTOR:

HOLLYWOODLIFE.COM, LLC


By: _____

Name: Bonnie Fuller

Title: President and Editor-in-Chief

SECURED PARTY:

PENSKE MEDIA CORPORATION

By:  _____

Name: Todd Greene

Title: EVP Business Affairs

Signature Page to Pledge and Security Agreement

TRADEMARK
REEL: 007189 FRAME: 0584

EXHIBIT A

INTELLECTUAL PROPERTY RIGHTS

U.S. Trademarks

Owned by HOLLYWOODLIFE.COM, LLC:

Mark	Country	Serial No.	Reg. Date	Reg. No.	Status
HOLLYWOOD LIFE	United States	77/982,530	11/1/2011	4,050,075	Registered
HOLLYWOOD LIFE	United States	77/983,036	4/10/2012	4,126,019	Registered
HOLLYWOOD LIFE	United States	77/515,492	12/10/2013	4,448,006	Registered
HOLLYWOOD LIFE	United States	76/468,238	12/16/2003	2,795,944	Registered
HOLLYWOOD STYLE	United States	76/068,870	3/26/2002	2,551,953	Registered
HOLLYWOODLIFE	United States	77/982,571	4/24/2012	4,132,374	Registered

U.S. Patents

None.

U.S. Copyrights

None.

Internet Domain Names

hollybaby.com
hollywoodlife.ca
hollywoodlife.co.uk
hollywoodlife.com
hollywood-life.com
hollywoodlife.in
hollywoodlife.net
hollywood-life.net
hollywoodlife.tv
hollywood-life.tv
hollywoodlifechannel.com
hollywoodlifeentertainment.com
hollywoodlifeevents.com
hollywoodlifehair.com
hollywoodlifehouse.com
hollywoodlifeinetwork.com
hollywoodlifemagonline.com
hollywoodlifenetwork.com
hollywoodlifenetwork.net
hollywoodlifeonline.com
hollywoodlifepub.com
hollywoodlifepublication.com
hollywoodlifepublications.com
hollywoodlifesays.com
hollywoodlifestyleawards.com
hollywoodlifetv.com
hollywoodlifeweekend.net
hollywoodlifeworkouts.net
hollywoodlifeworld.net