

11-1-01



Form PTO-1594
(Rev. 03/01)
OMB No. 0651-0027 (exp. 5/31/2002)

U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

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Tab settings

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
Foothill Capital Corporation

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State California
 Other _____

Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)
 Name: Eliot Roberts and Susan Naber
 Internal
 Address: 4240 Fulton Avenue
 Street Address: #108
 City: Studio City State: CA Zip: 91604

Individual(s) citizenship California
 Association
 General Partnership
 Limited Partnership
 Corporation-State
 Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
 (Designations must be a separate document from assignment)
 Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other Bill of Sale

Execution Date: September 19, 2001

4. Application number(s) or registration number(s):
 A. Trademark Application No.(s)
 B. Trademark Registration No.(s) 664,456

Additional number(s) attached Yes No

6. Total number of applications and registrations involved: 1

5. Name and address of party to whom correspondence concerning documents should be mailed:
 Name: George M. Borababy, Esq.
 Internal Address: Patton Boggs LLP
 Street Address: 2550 M Street, N.W.
 City: Washington State: DC Zip: 20037

7. Total fee (37 CFR 3.41) \$ 40.00
 Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:
50-0709

(Attach duplicate copy of this page if paying by deposit account)

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9. Statement and signature.
To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

George M. Borababy
 Name of Person Signing

George M. Borababy
 Signature

10/31/01
 Date

Total number of pages including coversheet, attachments, and document: 10

11/01/2001 DBYRME 00000124 500709 664456
01 FC:481 40.00 CH

Mail documents to be recorded with required coversheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

SECURED PARTY'S BILL OF SALE

September 19, 2001

KNOW ALL MEN BY THESE PRESENTS that Foothill Capital Corporation, a California corporation, with an office at 2450 Colorado Avenue, Suite 3000 West, Santa Monica, California 90404 (the "Secured Party"), pursuant to its rights as a secured party under: (i) the Loan and Security Agreement, dated as of September 5, 2000 (as amended or otherwise modified from time to time, the "Loan Agreement"), by and between The Sirena Apparel Group, Inc. (the "Borrower"), and Secured Party, pursuant to which, among other things, Borrower granted to Secured Party a security interest in and to, among other things, all of Borrower's accounts, books, equipment, general intangibles, inventory, investment property, negotiable collateral, real property collateral, money or other assets of Borrower, and all products and proceeds thereof (collectively, the "Collateral"), and (ii) the other Loan Documents (as defined in the Loan Agreement), and pursuant to and in exercise of its rights as a secured party under the Uniform Commercial Code as in effect in the State of California, for and in consideration of the amount of (the "Purchase Price") plus any sales or use tax attributable to such Purchase Price, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Secured Party hereby (i) sells, transfers, and conveys to Eliot Roberts and Susan Naber (the "Purchaser"), all of Borrower's right, title and interest in and to the property and assets described in Exhibit A annexed hereto and made a part hereof (the "Purchased Assets"), which Purchased Assets represent only a portion of the Collateral, it being understood and agreed that Secured Party is not selling, and Purchaser is not buying, the property and assets described in Exhibit B annexed hereto (the "Excluded Assets"), (ii) discharges Secured Party's security interest in the Purchased Assets, and (iii) discharges any subordinate security interest in the Purchased Assets, other than sales or use tax liens arising from the transfer of the Purchased Assets, any tax liens arising from successor liability for other unpaid taxes of Borrower, and claims or liens arising from unpaid wages.

TO HAVE AND TO HOLD the same unto Purchaser, its successors and assigns.

1. Secured Party warrants and represents that:

(a) Secured Party was granted by Borrower, and currently holds, a valid, perfected security interest in all of the Purchased Assets.

(b) Secured Party is entitled pursuant to the terms of the Loan Documents, the Uniform Commercial Code, and other applicable laws to sell the Purchased Assets to Purchaser and to receive the proceeds from such sale.

(c) Secured Party has not previously (i) sold, assigned or transferred the Purchased Assets, or (ii) consensually subordinated or released its liens on any Purchased Assets.

(d) Secured Party's sale is conducted in accordance with Section 9-610 of the Uniform Commercial Code in effect in California as of the date hereof.

(e) Secured Party is a corporation validly existing and in good standing under the laws of the State of California and has full power and authority to execute, deliver and perform this Secured Party's Bill of Sale and its agreements set forth herein and to convey to Purchaser the Purchased Assets, and the person executing and delivering this Secured Party's Bill of Sale in the name of, and on behalf of, Secured Party has been duly authorized to do so.

2. Purchaser acknowledges and agrees that, except as expressly provided in Paragraph 1 above:

(a) Secured Party's sale is made **WITHOUT** any representation or warranty whatsoever by Secured Party, whether expressed, implied, or imposed by law. Without limiting the generality of the foregoing exclusion of representations and warranties, Secured Party's sale is made **WITHOUT ANY WARRANTY AS TO TITLE, POSSESSION, QUIET ENJOYMENT OR THE LIKE, ANY WARRANTY OF MERCHANTABILITY AND WITHOUT ANY WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE.**

(b) Purchaser acknowledges and agrees that Secured Party is selling all of Borrower's right, title and interest in the Purchased Assets, and not any items of leased property or other property in the possession of Borrower, but not owned by Borrower, unless Borrower's interest in such leased property or other property can be transferred to Purchaser without the consent of or notice to the applicable lessor or owner of such property.

(c) Purchaser warrants and represents that Purchaser (i) has made its own independent investigation and evaluation as to the nature and value of the Purchased Assets, (ii) is acquiring the Purchased Assets **AS IS** and **WHERE IS**, (iii) has entered into this transaction after consultation with independent counsel of Purchaser's own selection, and (iv) except as expressly set forth in Paragraph 1 above, is not relying upon any representation or warranty of Secured Party in consummating this transaction.

(d) Upon delivery of this Secured Party's Bill of Sale, all risk of loss with respect to the Purchased Assets shall transfer to Purchaser. Purchaser further acknowledges and agrees that by accepting this Secured Party's Bill of Sale, Purchaser has purchased all of the Purchased Assets to be transferred hereunder and Secured Party has performed all of its obligations to Purchaser in connection with the Secured Party's Bill of Sale or otherwise in any way relating to this

transaction or the Purchased Assets, except that the representations and warranties contained in this Secured Party's Bill of Sale shall survive delivery of same.

(e) Purchaser's sole and exclusive remedy, both at law and in equity, for any breach of this Secured Party's Bill of Sale by Secured Party shall be limited to a refund of all or a portion, as may be appropriate, of the Purchase Price actually paid by Purchaser to Secured Party. In no event shall Secured Party ever be liable to Purchaser (or any of its successors or assigns) for any incidental, consequential, special or punitive damages arising out of any breach by Secured Party of the terms and conditions of this Secured Party's Bill of Sale or otherwise in any way relating to this transaction or the Purchased Assets.

(f) Purchaser warrants and represents that Purchaser has full power and authority to execute, deliver and perform this Secured Party's Bill of Sale and its agreements set forth herein, and the person executing and delivering this Secured Party's Bill of Sale in the name of, and on behalf of, Purchaser has been duly authorized to do so.

(g) Purchaser acknowledges and agrees that it is not purchasing, and Secured Party is not selling, the Excluded Assets described in Exhibit B annexed hereto.


3. All other assets of Borrower received by Purchaser and not otherwise constituting Purchased Assets shall be received in trust for the benefit of Secured Party, shall be segregated from the Purchased Assets and shall be forthwith delivered to Secured Party in the same form as so received (with any necessary endorsement).

4. This Secured Party's Bill of Sale shall be governed by and construed in accordance with the laws of the state of California.

Dated as of the first date written above.

"SECURED PARTY"

FOOTHILL CAPITAL CORPORATION, a
California corporation

By: 
Title: Senior V.P. Sales

Accepted on the terms set forth herein:

"PURCHASER"


ELIOT ROBERTS


SUSAN NABER

Exhibit A
to Secured Party's Bill of Sale
("PURCHASED ASSETS")

All inventory of raw material and finished goods together with the equipment relating thereto set forth on Schedule A-1 to this Exhibit A, which are owned by Borrower on the date hereof and are clearly intended for use in manufacturing goods for the product lines of Borrower known as Jezebel, Renee of Hollywood & Design, Renee of Hollywood & Design ("Stylized"), and Body Jewels (the "Jezebel Product Line"), and all goods sold or marketed under names containing any of the Jezebel Product Line.

All of Borrower's customer records, supplier records, customer lists, price quotes, order files, vendor files and vendor lists, including any records which are in electronic storage in both hardcopy and electronic media, which relate exclusively to the Jezebel Product Line.

All patterns, specifications, diagrams, design lines, drawings, diagrams, schematics and designs, relating to or used by Borrower exclusively in connection with the Jezebel Product Line, whether located on Borrower's premises or elsewhere.

The following:

- a. All trademarks and servicemarks of Borrower listed on Schedule A-2 attached hereto.
- b. The ongoing concern value and good will of Borrower relating exclusively to the Jezebel Product Line.
- c. All claims against third parties arising out of the Purchased Assets and all insurance proceeds relating to any of the Purchased Assets.

SCHEDULE A-1
to
Exhibit A to
Secured Party's Bill of Sale
("Purchased Assets")

INVENTORY AND EQUIPMENT

Lectra System – lots 864, 865, 866, 867, 871 (one system)

Gerber System – lots 938, 941, 942, 872 (one system)

Plotter paper winder – lot 875

Clicker w/ dyes – lots 514, 515

Manual Spreaders – lots 549, 551, 552

Manual Cutters/drill – lots 490, 492, 498

1 pallet misc. Jezebel trim – lot 605

1 light box for Jezebel – lot 463

16 sewing machines for Jezebel – lots 274, 802, 813, 816, 817, 818, 819, 820, 821, 824, 832, 841, 845, 846, 847 and 848.

SCHEDULE A-2
to
Exhibit A to
Secured Party's Bill of Sale
("Purchased Assets")

TRADEMARKS

<u>Registration No. or Application No.</u>	<u>Registration Date</u>	<u>Mark</u>
377684	5/14/40 (Renewed 5/18/80)	RENEE OF HOLLYWOOD & DESIGN
664456	7/15/58	JEZEBEL
688012	11/10/59	RENEE OF HOLLYWOOD & DESIGN (STYLIZED)
2111987	11/11/97	BODY JEWELS

Exhibit B
to Secured Party's Bill of Sale
("EXCLUDED ASSETS")

The Excluded Assets include, without limitation, the following property of
Borrower:

All inventory of raw material and finished goods owned by Borrower on the date hereof, which are clearly intended for use in manufacturing goods for the product lines of Borrower (other than the Jezebel Product Line) and all goods sold or marketed under the product lines of Borrower (other than the Jezebel Product Line).

All of Borrower's customer records, supplier records, customer lists, price quotes, order files, vendor files and vendor lists, including any records which are in electronic storage in both hardcopy and electronic media, which relate to any product line (other than the Jezebel Product Line).

All patterns, specifications, diagrams, design lines, drawings, diagrams, schematics and designs, relating to or used by Borrower exclusively in connection with any product line (other than the Jezebel Product Line), whether located on Borrower's premises or elsewhere.

The following:

- a. All trademarks and servicemarks of Borrower (other than those listed on Schedule A-1 hereto), and all licenses to use any trademarks and servicemarks, and all goodwill associated with all such trademarks, tradenames and servicemarks; and all patents, copyrights, trade secrets, general intangibles and other intellectual property rights owned by Borrower on the date hereof, or used by Borrower in the conduct of its business.
- b. All of Borrower's Accounts Receivable.
- c. The ongoing concern value and good will of Borrower relating to any product line (other than that associated with the Jezebel Product Line).
- d. All claims against third parties (other than those associated with the Purchased Assets), and all insurance proceeds relating to any such claims (other than those associated with the Purchased Assets).