

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
The Neiman Marcus Group, Inc.		01/16/2007	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	Cusp LLC		
Street Address:	Unit 1, 127 Congress Street		
City:	Brooklyn		
State/Country:	NEW YORK		
Postal Code:	11201		
Entity Type:	LIMITED LIABILITY COMPANY: NEW YORK		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Serial Number:	78950389	CUSP	
CORRESPONDENCE DATA			
Fax Number:	(202)344-8300		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	2023444000		
Email:	jjkaufman@venable.com		
Correspondent Name:	Joshua Kaufman		
Address Line 1:	Venable, P.O. Box 34385		
Address Line 4:	Washington, DISTRICT OF COLUMBIA 20043		
ATTORNEY DOCKET NUMBER:	74524-235232		
NAME OF SUBMITTER:	Joshua Kaufman		
Signature:	/joshua kaufman/		
Date:	01/22/2007		

CH \$40.00 78950389

Total Attachments: 4

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SECURITY AGREEMENT

Agreement, made on this 16 day of January, 2007 between The Neiman Marcus Group, Inc., a Delaware corporation whose principal place of business is located at One Marcus Square, 1618 Main Street, Dallas, Texas 75201 ("NMG"), and Cusp LLC, a New York limited liability company having its principal place of business at Unit 1, 127 Congress Street, Brooklyn, New York 11201 ("Cusp").

For Good and Valuable Consideration, receipt and sufficiency of which are hereby acknowledged, NMG hereby assigns, grants and mortgages to Cusp a security interest in all of NMG's right, title and interest in and to the United States trademark CUSP and the trademark application with the serial number of 78950389 ("the Mark") and the resulting registration, and the goodwill of the business symbolized by the Mark.

1. **Security Interest.** To secure the full and punctual payment, and to secure the performance of all of the obligations of NMG under the parties' Settlement Agreement dated January 12, 2007.

2. **Representations, Warranties and Covenants.** NMG hereby warrants and covenants:

(a) NMG has not performed any acts which might prevent Cusp from enforcing any of the terms of this Agreement or which would limit Cusp in any such enforcement. No financing statement, mortgage, security agreement or similar or equivalent document or instrument covering all or any part of the Mark, for which the trademark application is pending in the United States Patent and Trademark Office ("USPTO") as serial number 78950389 or subsequent registration, is on file or of record in any jurisdiction in which such filing or recording would be effective to perfect a lien on the Mark.

(b) When a Financing Statement on Form UCC-1 in proper form has been filed in the appropriate office, it shall constitute valid and perfected security interest in the Mark to the extent that a security interest therein may be perfected by filing pursuant to the UCC, prior to all other Liens and rights of others therein.

(c) NMG will not change the location of its chief executive office or chief place of business if such change would cause the security interest in the Mark to lapse or cease to be perfected, and NMG will immediately notify Cusp in writing of any change in or discontinuance of NMG's place of business.

(d) NMG will, from time-to-time, at its expense, execute, deliver, file and record any statement, assignment, instrument, document, security agreement, or other agreement or other paper and take any other action (including, without limitation, any filings with the USPTO and any filings of Financing Statements on Form UCC-1 or Continuation Statements on Form UCC-2 or UCC-3 under the Uniform Commercial Code ("UCC")) that from time-to-time may be necessary or desirable, or that Cusp may request, to enable

Cusp to obtain the full benefits of this Agreement, or to enable Cusp to exercise and enforce any of its rights, powers and remedies hereunder with respect to the Mark. NMG agrees that a carbon, photographic, photostatic or other reproduction of this Agreement or of a Financing Statement is sufficient as a Financing Statement. NMG shall pay the costs of or incidental to, any recording or filing any Financing or Continuation Statements or any filing or recording of any document or agreement at the USPTO concerning the Mark.

(e) In the event the Mark is infringed, misappropriated or diluted by a third party, the NMG shall notify Cusp promptly after learns thereof and shall, unless Cusp shall reasonably determine that any such action would be of negligible economic value, promptly sue for infringement, misappropriation or dilution and to recover any and all damages for such infringement, misappropriation or dilution, and take such other actions as Cusp shall reasonably deem appropriate under the circumstances to protect the Mark.

3.. **Default.** NMG shall be in default under this Agreement upon the happening of any of the following:

- (a) Material breach of the parties Settlement Agreement dated January 12, 2007
- (b) Any material misrepresentation in connection with this Agreement on the part of NMG.
- (c) Any material noncompliance with or nonperformance of the NMG's obligations under this Agreement.
- (d) if NMG is involved in any financial difficulty as evidenced by (i) an assignment for the benefit of creditors, or (ii) an attachment or receivership of assets not dissolved within thirty (30) days, or (iii) the institution of Bankruptcy proceedings, whether voluntary or involuntary, which is not dismissed within thirty (30) days from the date on which it is filed. Upon default and at any time thereafter, Cusp may declare all obligations secured hereby immediately due and payable and shall have the remedies of a secured party under the Uniform Commercial Code.

Additionally, upon default, all of NMG's right, title and interest in the Mark will vest in and be transferred to Cusp. No waiver by Cusp of any default shall operate as a waiver of any other default or of the same default on a future occasion

4. **Breach.** Cusp shall provide NMG with written notice of Cusp's belief that NMG is in breach of any obligation regarding any of its commitments under this Agreement or of the parties' Settlement Agreement. Said written notice shall provide in detail the basis for Cusp's position. In the event of a dispute under this agreement the Arbitration provisions provided for in the parties' Settlement Agreement shall apply to the resolution of said dispute.

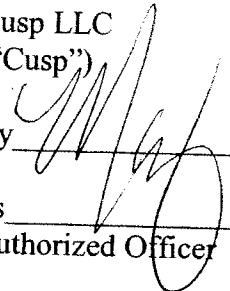
5. **Termination.** Upon the fulfillment of the obligations of NMG under this Agreement and the parties' Settlement Agreement, the security interest shall terminate and all rights to the Mark shall vest in NMG.
6. **Successors and Assigns.** This Agreement shall inure to the benefit up and bind the heirs, executors, administrators, successors, and assigns of the parties. This Agreement shall have the effect of an instrument under seal. Each party hereby covenants and agrees on behalf of itself, its successors and assigns, without further consideration, to prepare, execute, acknowledge, verify, file, record, publish, and deliver such other documents, instruments, and statements and to take such other action as may be required by law or reasonably necessary to effectively carry out the terms of this Agreement.
7. **Capacity.** Each of the parties represents and warrants that, at the time of executing this Agreement, the party is the owner of the rights, claims and actions that are the subject of this Agreement and has not sold, assigned, or otherwise transferred those rights, claims or actions to any third party.
8. **Authority.** Each of the undersigned represents and warrants that the undersigned has the authority to execute this Agreement on his or her own behalf, or on behalf of the entities the undersigned purports to represent.
9. **Legal Counsel.** Each party has carefully read this Agreement and has consulted with (or has had the opportunity to consult with) legal counsel before approving it. This Agreement has been executed by an officer of each party who has the power and authority to unconditionally bind the corporation to the terms hereof. .
10. **Changes in Writing.** Neither this Agreement nor any provisions hereof may be changed, waived, discharged or terminated orally, but only in writing signed by NMG and Cusp.
11. **Merger Clause.** This Agreement constitutes the entire agreement between the parties regarding the subject matter hereof and merges and supersedes all prior representations and communications, whether oral or written, between the parties relating thereto.
12. **Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of New York.
13. **Consent to Jurisdiction and Forum Selection.** The parties hereto agree that all actions or proceedings arising in connection with this Agreement shall be arbitrated and if equitable relief is sought tried and litigated exclusively in the State and Federal courts located in the County of New York, State of New York. The aforementioned choice of venue is intended by the parties to be mandatory and not permissive in nature, thereby precluding the possibility of litigation between the parties with respect to or arising out of this Agreement in any jurisdiction other than that specified in this paragraph. Each party hereby waives any right it may have to assert the doctrine of forum non conveniens or

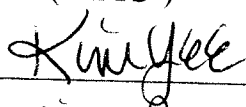
similar doctrine or to object to venue with respect to any proceeding brought in accordance with this paragraph, and stipulates that the State and Federal courts located in the County of New York, State of New York shall have in personam jurisdiction and venue over each of them for the purpose of litigating any dispute, controversy, or proceeding arising out of or related to this Agreement. Each party hereby authorizes and accepts service of process sufficient for personal jurisdiction in any action against it as contemplated by this paragraph by registered or certified mail, return receipt requested, postage prepaid, to its address for the giving of notices as set forth in this Agreement. Any final judgment rendered against a party in any action or proceeding shall be conclusive as to the subject of such final judgment and may be enforced in other jurisdictions in any manner provided by law.

14. **Severability.** If any part, term or provision of this Agreement shall be declared invalid, void or unenforceable, then all remaining parts, terms and provisions shall remain in full force and effect and shall not be invalidated, impaired or affected.

15. **Original Signatures.** This agreement may be signed in counterpart and fax signatures shall be deemed originals.

IN WITNESS WHEREOF, Cusp and NMG have executed this Security Agreement on the date first mentioned above.

Cusp LLC
("Cusp")
By 
Its _____
Authorized Officer

The Neiman Marcus Group, Inc.
("NMG")
By 
Its Vice President
Authorized Officer