

	<u>SERIAL NUMBER</u>	<u>REG. NUMBER</u>	<u>WORD MARK</u>
1)	78964585	3258734	CAPELLI
2)	78851919	3285994	JOHNNIE
3)	78921503		CHARLOTTE
4)	78935382	3242358	CHARLOTTE
5)	78776018	3173856	CAP 3
6)	77364972		CHARLOTTE
7)	77209167		CAPELLI
8)	77012104		CHARLOTTE
9)	77314487		CHARLOTTE
10)	77009900	3322312	CAPELLI
11)	77010143	3273451	CAPELLI
12)	77041971	3248875	CAPELLI
13)	77016511	3246017	CAPELLI
14)	77017351	3241184	CAPELLI
15)	77016426	3241182	CAPELLI
16)	76212347	2544630	GROOVY GLO
17)	76136632	2524676	HOT ACCESSORIES
18)	76136631	2519749	HOT ACCESSORIES
19)	76382562	2674795	GAMA
20)	76224647	2549773	GROOVY GLO
21)	76136633	2679657	HOT ACCESSORIES
22)	75857218	2412359	CHARLOTTE & FRIENDS
23)	75857224	2561025	CHARLOTTE
24)	75857222	2535454	CHARLOTTE

	<u>SERIAL NUMBER</u>	<u>REG. NUMBER</u>	<u>WORD MARK</u>
25)	75896575	2423297	HOT ACCESSORIES
26)	75857221	2682145	CHARLOTTE & FRIENDS
27)	75857219	2412360	CHARLOTTE & FRIENDS
28)	75857223	2412362	CHARLOTTE & FRIENDS
29)	75857217	2444120	CHARLOTTE & FRIENDS
30)	75736162	2362068	INSTANT ROOM
31)	75736166	2415348	GROOVY GLO
32)	75736163	2362069	ROOM ON THE RUN
33)	75710647	2341138	JOHNNIE
34)	75710646	2335956	JOHNNIE
35)	75693230	2332654	HAIR DROPS
36)	75736164	2345500	CANNED FUN
37)	75403213	2209072	FUZZLINS
38)	75403212	2216405	CHARLOTTE
39)	75403211	2217341	CHARLOTTE
40)	75326248	2175087	TUCK ME IN'S
41)	75326247	2175086	SITTING SAC
42)	73480413	1346461	FLOPPY FRIENDS

TRADEMARK SECURITY AGREEMENT

AGREEMENT made on the 7th day of March, 2008, among **GMA ACCESSORIES INC.**, having its chief executive office at 1 East 33rd Street, 9th Floor, New York, New York 10016 ("**Debtor**"), and **BANK LEUMI USA**, as agent for certain institutional lenders (collectively, "**Lenders**"), having an office at 562 Fifth Avenue, New York, New York 10036 (in its capacity as agent, "**Secured Party**").

A. SECURITY INTEREST.

WHEREAS, Debtor has adopted, used and is using, and is the owner of the entire right, title, and interest in and to the trademarks, trade names, terms, designs and applications therefor described in Schedule A annexed hereto and made a part hereof; and

WHEREAS, Secured Party and Lenders have agreed to enter into, or have entered into, financing arrangements with Debtor pursuant to a Loan and Security Agreement of even date herewith (the "**Loan Agreement**") and various documents, instruments, notes, mortgages, guaranties and agreements delivered contemporaneously herewith in connection therewith, and may enter into "**Hedge Agreements**" from time to time as defined in the Loan Agreement (all of the foregoing, together with this Agreement, as the same may now exist or may hereafter be amended, modified, renewed, extended or supplemented, are collectively referred to herein as the "**Agreements**").

NOW, THEREFORE, in order to induce Secured Party and Lenders to enter into the Agreements and in consideration thereof, Debtor hereby grants to Secured Party, for the ratable benefit of Lenders and Hedge Counterparties, a security interest in: (a) all of Debtor's now existing or hereafter acquired right, title, and interest in and to: all of Debtor's trademarks, trade names, trade styles and service marks; all prints and labels on which said trademarks, trade names, trade styles and service marks appear, have appeared or will appear, and all designs and general intangibles of a like nature; all applications, registrations and recordings relating to the foregoing in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof, any political subdivision thereof or in any other countries, and all reissues, extensions and renewals thereof including those trademarks, terms, design and applications described in Schedule A hereto (the "**Trademarks**"); (b) the goodwill of the business symbolized by each of the Trademarks, including, without limitation, all customer lists and other records relating to the distribution of products or services bearing the Trademarks; and (c) any and all proceeds of any of the foregoing, including, without limitation, any claims by Debtor against third parties for infringement of the Trademarks or any licenses with respect thereto (all of the foregoing are collectively referred to herein as the "**Collateral**"). (Each capitalized term herein not otherwise defined shall have the meaning ascribed thereto in the Loan Agreement.)

B. OBLIGATIONS SECURED.

The security interests granted to Secured Party in this Agreement for the ratable benefit of the Lenders and Hedge Counterparties shall secure the prompt and indefeasible

payment and performance of all now existing and future obligations, liabilities and indebtedness of Debtor to Secured Party and Lenders of every kind, nature and description, direct or indirect, absolute or contingent, whether arising under the Loan Agreement, this Agreement, the other Agreements, or any other agreement, document or instrument or by operation of law or otherwise, including, without limitation, "Obligations" as defined in the Loan Agreement, together with all obligations to Hedge Counterparties under Hedge Agreements (all the foregoing hereinafter collectively referred to as "Obligations").

C. WARRANTIES AND COVENANTS.

Debtor hereby covenants, represents and warrants, all of such covenants, representations and warranties being continuing in nature so long as any of the Obligations are outstanding, that:

1. Debtor will pay and perform all of the Obligations according to their terms.
2. All of the existing Collateral is valid and subsisting in full force and effect to Debtor's knowledge, and Debtor owns sole, full, and clear title thereto, and has the right and power to grant the security interests granted hereunder. Debtor will, at Debtor's expense, perform all acts and execute all documents necessary to maintain the existence of the Trademarks as valid, subsisting and registered trademarks including without limitation the filing of any renewal applications. None of the Collateral is subject to any liens, claims, mortgages, assignments, licenses, security interests, or encumbrances of any nature whatsoever except the security interests granted hereunder, and the licenses, if any, which are specifically described in Schedule B hereto.
3. Debtor will not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon, or encumber any Trademark or the use thereof (a "License"), except to Secured Party, or otherwise dispose of any of the Collateral without the prior written consent of Secured Party; provided, however, that Debtor may grant exclusive or non-exclusive licenses of Trademarks in the ordinary course of its business, so long as such licenses are on commercially reasonable terms and do not impair the rights of Secured Party hereunder.
4. Debtor will, at Debtor's expense, perform all acts and execute all documents requested at any time by Secured Party to evidence, perfect, maintain, record, or enforce the security interest in the Collateral granted hereunder or to otherwise further the provisions of this Agreement. Debtor authorizes Secured Party to have this or any other similar Security Agreement filed with the Commissioner of Patents and Trademarks or other appropriate federal, state or government office.
5. Debtor will, concurrently with the execution and delivery of this Agreement, execute and deliver to Secured Party five (5) originals of a Power of Attorney in the form of Exhibit 1 annexed hereto for the implementation of the assignment, sale or other disposition of the Collateral pursuant to Secured Party's exercise of the rights and remedies granted to Secured Party hereunder.

6. Secured Party may, in its sole discretion, pay on behalf of Lenders any amount or do any act which Debtor fails to pay or do as required hereunder or as requested by Secured Party to maintain and preserve the Collateral, defend, protect, record, amend or enforce the Obligations, the Collateral, or the security interest granted hereunder including but not limited to, all filing or recording fees, court costs, collection charges and reasonable attorneys' fees. Debtor will be liable to Lenders for any such payment, which payment shall be deemed a borrowing by Debtor from Lenders, and shall be payable on demand together with interest at the Default Rate applicable to Advances that are Reference Rate Loans and shall be part of the Obligations secured hereby.

7. As of the date hereof, Debtor does not have any Trademarks registered or subject to pending applications, in the United States Patent and Trademark Office or any similar office or agency in the United States other than those described in Schedule A annexed hereto.

8. Debtor shall notify Secured Party in writing of the filing of any application for the registration of a Trademark with the United States Patent and Trademark Office or any similar office or agency in the United States or any state therein within thirty (30) days of such filing. Upon request of Secured Party, Debtor shall execute and deliver to Secured Party any and all assignments, agreements, instruments, documents, and such other papers as may be requested by Secured Party to evidence the security interests of Secured Party in such Trademark.

9. Debtor has not abandoned any of the Trademarks material to the conduct of the business and Debtor will not do any act, nor omit to do any act, whereby the Trademarks may become abandoned, canceled, invalidated, unenforceable, avoided, or avoidable. Debtor shall notify Secured Party immediately if Debtor knows or has reason to know of any reason why any application, registration, or recording may become abandoned, canceled, invalidated, unenforceable, avoided, or avoidable.

10. Debtor will render any assistance, as Secured Party may determine is necessary, to Secured Party in any proceeding before the United States Patent and Trademark Office, any federal or state court, or any similar office or agency in the United States or any state therein or any other country to maintain such application and registration of the Trademarks as Debtor's exclusive property and to protect Secured Party's interest therein, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference, and cancellation proceedings.

11. Debtor will promptly notify Secured Party if Debtor (or any affiliate or subsidiary thereof) learns of any use by any person of any term or design likely to cause confusion with any Trademark or of any use by any person of any tradename which infringes upon any Trademark. If requested by Secured Party, Debtor, at Debtor's expense, shall join with Secured Party in such action as Secured Party, in Secured Party's discretion, may deem advisable for the protection of Secured Party's interest in and to the Trademarks.

12. Debtor assumes all responsibility and liability arising from the use of the Trademarks and Debtor hereby indemnifies and holds Secured Party harmless from and against any claim, suit, loss, damage, or expense (including reasonable attorneys' fees) arising out of any alleged defect in any product manufactured, promoted, or sold by Debtor (or any affiliate or

subsidiary thereof) in connection with any Trademark or out of the manufacture, promotion, labeling, sale or advertisement of any such product by Debtor (or any affiliate or subsidiary thereof).

13. In any action or proceeding instituted by Secured Party in connection with any matters arising at any time out of or with respect to this Agreement, Debtor will not interpose any counterclaim of any nature.

14. Prior to an Event of Default, Secured Party hereby grants to Debtor the exclusive nontransferable right and license to use the Trademarks and the goodwill of the business symbolized by the Trademarks for Debtor's own benefit. Debtor will maintain the quality of the products associated with the Trademarks at a level consistent with the quality at the time of this Agreement. Debtor will not change the quality of the products associated with the Trademarks without the Secured Party's prior written consent. Debtor hereby grants to Secured Party and each Lender the right to visit Debtor's plants and facilities which manufacture or store products sold under any of the Trademarks and to inspect the products and quality-control records relating thereto at any time during regular business hours, or at such other times as Secured Party or such Lender may reasonably request.

D. EVENTS OF DEFAULT.

All Obligations shall, at Secured Party's option, become immediately due and payable without notice of demand upon the occurrence of any of the following events of default ("Events of Default"):

1. Debtor fails to pay or perform any Obligations when due.
2. Debtor defaults in the observance or performance of any agreements, covenants or conditions contained herein or in any of the Agreements or in any other document or instrument referred to herein or therein.
3. Any present or future representation or warranty made by or on behalf of the Debtor, whether contained herein or in any of the other Agreements or in any other document or instrument referred to herein or therein in connection with any of the transactions contemplated herein or therein, shall be false or incorrect in any material respect.
4. Any other event of default pursuant to the Agreements shall have occurred, including, but not limited to, any event of default under the Loan Agreement.

E. RIGHTS AND REMEDIES.

Upon the occurrence of any such Event of Default and at any time thereafter, in addition to all other rights and remedies of Secured Party and Lenders, whether provided under law, the Agreements or otherwise, and after expiration of any grace period, Secured Party and Lenders shall have the following rights and remedies which may be exercised without notice to, or consent by, Debtor except as such notice or consent is expressly provided for hereunder.

1. Secured Party may require that neither Debtor nor any affiliate or subsidiary of Debtor make any use of the Trademarks or any marks similar thereto for any purpose whatsoever. Secured Party may make use of any Trademarks for the sale of goods, or rendering of services in connection with enforcing any other security interest granted to Secured Party by Debtor or any subsidiary of Debtor.

2. Secured Party may grant such License or Licenses for such term or terms, on such conditions, and in such manner, as Secured Party shall in its sole discretion deem appropriate. Such License or Licenses may be general, special, or otherwise, and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and all foreign countries.

3. Secured Party may assign, sell, or otherwise dispose of the Collateral or any part thereof, either with or without special conditions or stipulations, except that Secured Party agrees to provide Debtor with ten (10) days prior written notice of any proposed disposition of the Collateral. Secured Party shall have the power to buy the Collateral or any part thereof, and Secured Party shall also have the power to execute assurances and perform all other acts which Secured Party may, in Secured Party's sole discretion, deem appropriate or proper to complete such assignment, sale or disposition. In any such event, Debtor shall be liable for any deficiency.

4. In addition to the foregoing, in order to implement the assignment, sale, or other disposition of any of the Collateral pursuant to subparagraph E.3 hereof, Secured Party may at any time execute and deliver on behalf of Debtor, pursuant to the authority granted in the Powers of Attorney described in subparagraph C.5 hereof, one or more instruments of assignment of the Trademarks (or any application, registration, or recording relating thereto), in form suitable for filing, recording or registration. Debtor agrees to pay Secured Party (for the ratable benefit of Lenders) on demand all costs incurred in any such transfer of the Collateral, including, but not limited to, any taxes, fees and attorneys' fees.

5. Secured Party may apply the proceeds actually received from any such license, assignment, sale, or other disposition of Collateral first to the reasonable costs and expenses thereof, including, without limitation, reasonable attorneys' fees and all legal, travel, and other expenses which may be incurred by Secured Party or Lenders. Thereafter, Secured Party may apply any remaining proceeds in accordance with the priorities specified in Section 11.2 of the Loan Agreement. Debtor shall remain liable to Secured Party and Lenders for any expenses or obligations remaining unpaid after the application of such proceeds, and Debtor will pay Secured Party on demand any such unpaid amount, together with interest at the rate set forth in the Agreements.

6. In the event that any such license, assignment, sale or disposition of the Collateral (or any part thereof) is made after the occurrence of an Event of Default, Debtor shall supply to Secured Party or Secured Party's designee Debtor's knowledge and expertise relating to the manufacture and sale of the products and services bearing the Trademarks and Debtor's customer lists and other records relating to products bearing the Trademarks and the distribution thereof.

Nothing contained herein shall be construed as requiring Secured Party to take any such action at any time. All of Secured Party's rights and remedies, whether provided under law, this Agreement, the other Agreements, or otherwise, shall be cumulative and none is exclusive. Such rights and remedies may be enforced alternatively, successively, or concurrently.

F. MISCELLANEOUS.

1. Any failure or delay by Secured Party to require strict performance by Debtor of any of the provisions, warranties, terms and conditions contained herein or in any other agreement, document, or instrument, shall not affect Secured Party's and Lenders' right to demand strict compliance and performance therewith, and any waiver of any default shall not waive or affect any other default, whether prior or subsequent thereto, and whether of the same or of a different type. None of the warranties, conditions, provisions, and terms contained herein or in any other agreement, document, or instrument shall be deemed to have been waived by any act or knowledge of Secured Party, its agents, officers, or employees, but only by an instrument in writing, signed by an officer of Secured Party and directed to Debtor, specifying such waiver.

2. All notices, requests and demands to or upon the respective parties hereto shall be deemed to have been duly given or made: if by hand, immediately upon delivery; if by electronically confirmed telecopy (fax) transmission, immediately upon receipt; if by any overnight reputable delivery service, one day after dispatch; and if mailed by certified mail, return receipt requested, five (5) days after mailing. All notices, requests and demands are to be given or made to the respective parties at the following addresses (or to such other addresses as either party may designate by notice in accordance with the provisions of this paragraph):

If to Debtor: **GMA ACCESSORIES INC.**
1 East 33rd Street, 9th Floor
New York, New York 10016
Attn: Mr. George Altirs
Facsimile No.: (212) 686-4895

If to Secured Party: **BANK LEUMI USA**
562 Fifth Avenue
New York, New York 10036
Attn: Mr. Ralph Mascia
Facsimile No.: (212) 626-1329

3. In the event any term or provision of this Agreement conflicts with any term or provision of the Loan Agreement, the term or provision of the Loan Agreement shall control.

4. In the event that any provision hereof shall be deemed to be invalid by any court, such invalidity shall not affect the remainder of this Agreement.

5. This Agreement shall be binding upon and for the benefit of the parties hereto and their respective legal representatives, successors and assigns. No provision hereof

shall be modified, altered or limited except by a written instrument expressly referring to this Agreement signed by the party to be charged thereby.

6. The security interest granted to Secured Party hereunder shall terminate, and the Collateral will be reassigned to Debtor, at Debtor's sole expense, upon termination of the Loan Agreement and indefeasible payment in full to Secured Party and Lenders of all Obligations thereunder.

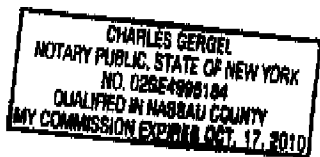
7. The validity, interpretation and effect of this Agreement shall be governed by the laws of the United States of America and the laws of the State of New York. Debtor hereby irrevocably submits and consents to the nonexclusive jurisdiction of the State and Federal Courts located in the State of New York any other State where any Collateral is located with respect to any action or proceeding arising out of this Agreement, the Obligations, or any matter arising therefrom or relating thereto. In any such action or proceeding, Debtor waives personal service of the summons and complaint or other process and papers therein and agrees that the service thereof may be made by mail directed to Debtor at its chief executive office set forth hereinabove or other address thereof of which Secured Party has received notice as provided herein, service to be deemed complete five (5) days after mailing, or as permitted under the rules of either of said Courts. Any such action or proceeding commenced by Debtor against Secured Party will be litigated only in a Federal Court located in the Southern District of New York, or a New York State Court located in New York County and Debtor waives any objection based on forum non conveniens and any objection to venue in connection therewith.

8. The parties hereto waive trial by jury in any action or proceeding of any kind or nature in any court whether arising out of, under or by reason of this Agreement, the other Agreements or any matter or proceeding relating thereto.

[SIGNATURE PAGE FOLLOWS]

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this 14 day of February, 2008, before me personally came MASOUD ALTIRS, to me known, who being duly sworn, did depose and say, that he is the VICE President of GMA ACCESSORIES INC., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.



Charles Gergel
Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this ___ day of February, 2008, before me personally came _____, to me known, who being duly sworn, did depose and say, that he is the _____ of BANK LEUMI USA, the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Notary Public

Trademark Security Agreement

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

GMA ACCESSORIES INC.

By: _____

Title: _____

BANK LEUMI USA, as agent

By: *[Signature]*

Title: *Vice President*

Trademark Security Agreement

TRADEMARK
REEL: 003745 FRAME: 0421

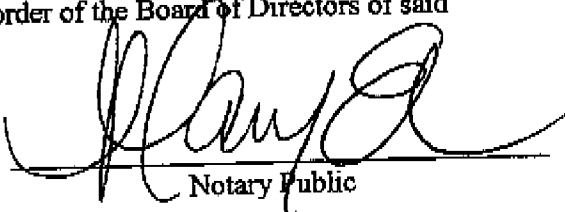
STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

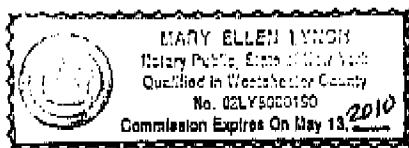
On this ____ day of March, 2008, before me personally came _____, to me known, who being duly sworn, did depose and say, that he is the _____ of **GMA ACCESSORIES INC.**, the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Notary Public

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this 7th day of March, 2008, before me personally came Ralph Masco to me known, who being duly sworn, did depose and say, that he is the Vice President of **BANK LEUMI USA**, the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.


Notary Public



Trademark Security Agreement

EXHIBIT 1

SPECIAL POWER OF ATTORNEY

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

KNOW ALL MEN BY THESE PRESENTS, that **GMA ACCESSORIES INC.**, having an office at 1 East 33rd Street, 9th Floor, New York, New York 10016 (hereinafter "**Debtor**"), hereby appoints and constitutes **BANK LEUMI USA**, as agent (in such capacity, "**Secured Party**"), and each officer thereof, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on behalf of Debtor:

1. Execution and delivery of any and all agreements, documents, instruments of assignment, or other papers which Secured Party, in its sole discretion, deems necessary or advisable for the purpose of assigning, selling, or otherwise disposing of all of right, title, and interest of Debtor in and to any trademarks and all registrations, recordings, and renewals thereof, or for the purpose of recording, registering and filing of, or accomplishing any other formality with respect to the foregoing.

2. Execution and delivery of any and all documents, statements, certificates or other papers which Secured Party, in its sole discretion, deems necessary or advisable to further the purposes described in paragraph 1 hereof.

This Power of Attorney, being a power coupled with an interest, is made pursuant to a Trademark Security Agreement between Debtor and Secured Party dated of even date herewith and may not be revoked until indefeasible payment in full of all of Debtor's "**Obligations**", as such term is defined in said Trademark Security Agreement.

Dated as of March ___, 2008

GMA ACCESSORIES INC.

By: _____

Title: _____

Trademark Security Agreement

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this ____ day of March, 2008, before me personally came _____, to me known, who being duly sworn, did depose and say, that (s)he is the _____ of GMA ACCESSORIES INC., the corporation described in and which executed the foregoing instrument; and that (s)he signed his/her name thereto by order of the Board of Directors of said corporation.

Notary Public

Trademark Security Agreement

TRADEMARK
REEL: 003745 FRAME: 0424

SCHEDULE A
to
TRADEMARK SECURITY AGREEMENT

Trademarks and Applications

See Attached.

Trademark Security Agreement

TRADEMARK
REEL: 003745 FRAME: 0425

SCHEDULE B
to
TRADEMARK SECURITY AGREEMENT

Permitted Licenses

None.

Trademark Security Agreement