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08-05-2010

Form PTO-1594 (Rev. 01-09)  
OMB Collection 0651-0027 (exp. 02/28)

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



103603560

To the Director of the U. S. Patent and Trademark Office, please return the attached documents or the new address(es) below.

1. Name of conveying party(ies):

Vincent Longo

- Individual(s)
- General Partnership
- Corporation- State: \_\_\_\_\_
- Other \_\_\_\_\_
- Association
- Limited Partnership

Citizenship (see guidelines) \_\_\_\_\_

Additional names of conveying parties attached?  Yes  No

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached?  Yes  No

Name: PMW Acquisition Company, LLC

Internal

Address: \_\_\_\_\_

Street Address: 421 North Queens Avenue

City: Massapequa

State: NY

Country: \_\_\_\_\_ Zip: 11758

- Association
- General Partnership
- Limited Partnership
- Corporation
- Other LLC

Citizenship New York

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)

3. Nature of conveyance (Execution Date(s) :

Execution Date(s) July 19, 2010

- Assignment
- Security Agreement
- Other \_\_\_\_\_
- Merger
- Change of Name

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

AUG 4 2010

B. Trademark Registration No.(s)

1916503 77421941 75225137  
74532541 77111056

Additional sheet(s) attached?  Yes  No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

5. Name & address of party to whom correspondence concerning document should be mailed:

Name: Ruskin Mscou Faltischeck, PC

Internal Address: Sandra L. McGrath

Street Address: 1425 BXR Plaza, 15th Floor

City: Uniondale

State: NY Zip: 11556

Phone Number: 516-663-6881

Fax Number: 516-663-6881

Email Address: smcgrath@mfpc.com

6. Total number of applications and registrations involved:

5

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 140.00

- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

Deposit Account Number \_\_\_\_\_

Authorized User Name \_\_\_\_\_

9. Signature:

Sandra L. McGrath

Signature

July 22, 2010

Date

Sandra L. McGrath

Name of Person Signing

Total number of pages including cover sheet, attachments, and document:

7

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to: Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

## TRADEMARK SECURITY AGREEMENT

This Agreement, dated as of July 19, 2010, is made by and between Vincent Longo, an individual having a location at the address set forth below next to its signature (the "Debtor"), and PMW Acquisition Company, LLC (the "Secured Party"), having a business location at the address set forth below next to its signature.

### Recitals

The Debtor has executed a commercial Guaranty dated as of May 2, 2007, in favor of Secured Party, successor-in-interest to Citibank, N.A. (as the same may hereafter be amended, supplemented or restated from time to time, the "Guaranty") pursuant to which Guarantor has guaranteed certain indebtedness as set forth therein and as modified by the Forbearance Agreement (as defined herein).

As a condition to entering into that certain Forbearance Agreement, dated on or about May 25, 2010, by and among the Debtor, the Secured Party and other parties (the "Forbearance Agreement"), the Secured Party has required the execution and delivery of this Agreement by the Debtor.

ACCORDINGLY, the parties hereby agree as follows:

1. Definitions. All terms defined in the Recitals hereto or in the Guaranty that are not otherwise defined herein shall have the meanings given to them therein. In addition, the following terms have the meanings set forth below:

"Guaranteed Obligation" shall have the meaning as set forth in Section 11 of the Forbearance Agreement.

"Prestige Cosmetics Business" means the target markets that Vincent Longo, Inc. has historically pursued such as Barney's, Neiman-Marcus, Bloomingdales, Macy's and Beauty 360.

"Prestige Cosmetics Business Trademarks" means all of the Debtor's right, title and interest in and to (A) (i) those marks listed on Exhibit A attached hereto, and (ii) any future marks created by the Debtor for which the Debtor designates for the Prestige Cosmetics Business including applications for registration, and (B) the following all as presently existing or hereafter arising (i) the respective goodwill associated with each mark; (ii) licenses, fees or royalties with respect to each mark, and (iii) the right to sue for past, present and future infringement, dilution and damages therefor.

"Security Interest" has the meaning given in Section 2.

2. Security Interest. The Debtor hereby pledges and assigns to, and grants the Secured Party a security interest in the Prestige Cosmetics Business Trademarks to secure payment of the Guaranteed Obligation (the "Security Interest"). This Agreement grants only the Security Interest herein described, is not intended to and does not affect any other mark or other rights of Debtor now owned or hereafter created or acquired.

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VC PMW

TRADEMARK

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3. Representations, Warranties and Agreements. The Debtor represents, warrants and agrees as follows, subject to the License Agreement:

(a) *Intentionally Omitted.*

(b) *Intentionally Omitted.*

(c) *Intentionally Omitted.*

(d) *Intentionally Omitted.*

(e) *Title.* The Debtor has absolute title to each Prestige Cosmetics Business Trademark listed on Exhibit A, free and clear of all security interests other than the security interest created by this Agreement.

(f) *No Sale.* Except for the agreements between the Debtor and ZAIMU Holdings, LLC ("ZAIMU") the Debtor will not assign, transfer, encumber or otherwise dispose of the Prestige Cosmetics Business Trademarks listed on Exhibit A, or any interest therein, without the Secured Party's prior written consent.

(g) *Defense.* Subject to the Trademark License Agreement between the Debtor and ZAIMU (the "License Agreement"), the Debtor will at its own expense and using commercially reasonable efforts, protect and defend the Prestige Cosmetics Business Trademarks listed on Exhibit A against all claims or demands.

(h) *Maintenance.* Subject to the License Agreement, the Debtor will at its own expense maintain the Prestige Cosmetics Business Trademarks to the extent reasonably advisable in its business including, but not limited to, filing all. The Debtor covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Prestige Cosmetics Business Trademark listed on Exhibit A, nor fail to file any required affidavit or renewal in support thereof, without first providing the Secured Party sufficient written notice, of at least 30 days, to allow the Secured Party to timely pay any such maintenance fees or annuities which may become due on any Prestige Cosmetics Business Trademark listed on Exhibit A, or to file any affidavit or renewal with respect thereto.

(i) *Secured Party's Right to Take Action.* Subject to the License Agreement, if the Debtor fails to perform or observe any of its covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days after the Secured Party gives the Debtor written notice thereof (or, in the case of the agreements contained in subsection (h), immediately upon the occurrence of such failure, without notice or lapse of time), or if the Debtor notifies the Secured Party that it intends to abandon a Prestige Cosmetics Business Trademark, the Secured Party may (but need not) perform or observe such covenant or agreement or take steps to prevent such intended abandonment on behalf and in the name, place and stead of the Debtor (or, at the Secured Party's option, in the Secured Party's own name) and may (but need not) take any and all other actions which the Secured Party may reasonably deem necessary to cure or correct such failure or prevent such intended abandonment.

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(j) **Costs and Expenses.** Except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, the Debtor shall pay the Secured Party on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees and disbursements) incurred by the Secured Party in connection with or as a result of the Secured Party's taking action under subsection (i) or exercising its rights under Section 6.

4. **Debtor's Use of the Prestige Cosmetics Business Trademarks.** Subject to the terms of the License Agreement, the Debtor shall be permitted to control and manage the Prestige Cosmetics Business Trademarks, including the right to exclude others from making, using or selling items covered by the Prestige Cosmetics Business Trademarks and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Event of Default occurs and remains uncured.

5. **Events of Default.** Each of the following occurrences shall constitute an event of default under this Agreement (herein called "Event of Default"): (a) an Event of Default, as defined in the Guaranty (subject to the terms of the Forbearance Agreement), shall occur and continue; or (b) the Debtor shall fail to observe or perform any material covenant or agreement contained in this Agreement after ten (10) days written notice from Secured Party to Debtor; or (c) any of the representations or warranties contained in Sections 3(e), (f), (g) and (h) shall prove to have been incorrect in any material respect when made.

6. **Remedies.** Upon the occurrence of an Event of Default and after ten (10) days written notice to the Debtor, the Secured Party may, at its option, take any or all of the following actions with respect to the Prestige Cosmetics Business Trademarks:

(a) The Secured Party may exercise any or all remedies available under the Guaranty (subject to the terms of the Forbearance Agreement).

(b) Subject to the terms of the License Agreement, The Secured Party may sell, assign, transfer, pledge, encumber or otherwise dispose the Prestige Cosmetics Business Trademarks in accordance with the Uniform Commercial Code as adopted in the State of New York.

(c) Subject to the terms of the License Agreement, the Secured Party may enforce the Prestige Cosmetics Business Trademarks and any licenses thereunder, and if Secured Party shall commence any suit for such enforcement, the Debtor shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents required by Secured Party in aid of such enforcement.

(d) Upon the occurrence and after the continuance of an Event of Default, to facilitate the Secured Party's taking action upon exercising its rights hereunder, the Debtor hereby irrevocably appoints (which appointment is coupled with an interest) the Secured Party, or its delegate, as the attorney-in-fact of the Debtor with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of the Debtor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by the Debtor

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to enforce or use the Prestige Cosmetics Business Trademarks or to grant or issue any exclusive or non-exclusive license under the Prestige Cosmetics Business Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Prestige Cosmetics Business Trademarks to any third party. The Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the termination of the Guaranty as provided therein and the payment and performance of the Guaranteed obligation in all cases, subject to the terms of the Forbearance Agreement.

7. Miscellaneous. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by the Secured Party. A waiver signed by the Secured Party shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of the Secured Party's rights or remedies. All rights and remedies of the Secured Party shall be cumulative and may be exercised singularly or concurrently, at the Secured Party's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. All notices to be given to Debtor under this Agreement shall be given in the manner and with the effect provided in the Guaranty. This Agreement shall be binding upon and inure to the benefit of the Debtor and the Secured Party and their permitted successors and assigns. Notwithstanding the foregoing, the Secured Party is prohibited from assigning this Agreement without first obtaining the express written permission of the Debtor. This Agreement shall be governed by the internal law of the State of New York without regard to conflicts of law provisions. If any provision of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Guaranteed Obligation in accordance with the Forbearance Agreement or otherwise. The Security Interest shall be released upon payment in full of the Guaranteed Obligation in accordance with the Forbearance Agreement or otherwise.

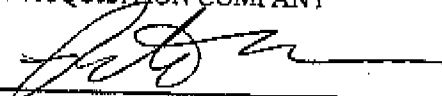
8. License Agreement. Notwithstanding anything to the contrary contained in this Agreement, this Agreement and the rights and remedies of the Secured Party hereunder are expressly subject and subordinate to the terms of the License Agreement and the rights of the Debtor and ZAIMU thereunder; and, any action by Secured Party hereunder shall have no impact on the License Agreement and the rights of the Debtor and ZAIMU thereunder. In the event of a conflict or inconsistency between the terms of this Agreement and the License Agreement, the terms of the License Agreement shall prevail.

**THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.**

IN WITNESS WHEREOF, the parties have executed this Trademark Security Agreement as of the date written above.

  
\_\_\_\_\_  
Vincent Longo

FMW ACQUISITION COMPANY

By:   
\_\_\_\_\_  
Peter D. Wagner, Managing Member

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EXHIBIT A  
REGISTRATIONS

<u>Mark</u>	<u>Serial Number</u>	<u>Filing Date</u>
VINCENT LONGO	1916503	06/13/1995
VINCENT LONGO NEW YORK	74532541	06/02/1994
OXYGEN CANVAS	77421941	03/14/2008
WAKE UP YOUR MAKEUP!	77111056	02/20/2007
WATER CANVAS	75225137	01/13/1997

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*(Handwritten initials: VL and PW)*