

COPYRIGHT SECURITY AGREEMENT

This Copyright Security Agreement (this "Agreement") dated as of May 31, 2012, is made by and among Frederick's of Hollywood Inc., a Delaware corporation ("Frederick's"), and Hollywood Mail Order, LLC, a Nevada limited liability company ("Mail Order" and together with Frederick's, each individually, a "Grantor", and collectively, the "Grantors"), and Salus Capital Partners, LLC ("Secured Party").

WITNESSETH

WHEREAS, reference is made to that certain Credit and Security Agreement, dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"), by and among the Grantors, as Borrowers and Secured Party, as Lender; and

WHEREAS, pursuant to the terms of the Credit Agreement, each of the Grantors has granted to Secured Party a security interest in all of its assets, including all right, title and interest of such Grantor in, to and under all now owned and hereafter acquired Copyrights and all products and proceeds thereof, to secure payment and performance of the Obligations; and

WHEREAS, Secured Party has required that the Grantors execute this Agreement to evidence the security interest granted to Secured Party in any Copyrights and for recording with the United States Office of Copyrights.

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Definitions. Terms defined in the Credit Agreement and not otherwise defined herein shall have the meanings given them in the Credit Agreement. In addition, the following terms have the meanings set forth below:

"Copyrights" means all right, title and interest in and to all copyrightable works and all copyrights of any Grantor and licenses thereunder, whether presently existing or hereafter arising, including but not

limited to the registered copyrights, applications to register copyrights, and unregistered works (if any) listed on **Schedule A** attached hereto.

"Event of Default" means an Event of Default, as defined in the Credit Agreement or any other loan agreement or security agreement now in existence or hereafter entered into by the Grantors.

2. Security Interest. In order to secure the Obligations, each Grantor hereby confirms and acknowledges that it has granted and created (and, to the extent not previously granted under the Credit Agreement, does hereby irrevocably grant and create) a security interest, with power of sale to the extent permitted by law, in the Copyrights. This security interest is in any and all rights that may exist or hereafter arise under any copyright law now or hereinafter in effect in the United States of America or in any other country.

3. Representations and Warranties. Each Grantor represents and warrants that it owns each of the Copyrights listed on **Schedule A** attached hereto, free and clear of any Lien other than Permitted Liens, and (b) the Copyrights listed on **Schedule A** attached hereto include all copyrightable works owned or controlled by such Grantor as of the effective date hereof.

4. Administration of Copyrights. So long as no Event of Default shall have occurred and be continuing, the Grantors may control and manage the Copyrights, including the right to make and distribute copies of the works covered thereby, and may receive and use the income, revenue, profits, and royalties that arise from the use of the Copyrights and any licenses thereunder, in the same manner and to the same extent as if this Agreement had not been entered into. Each Grantor shall give Secured Party prompt notice of any change in the status of said Copyrights or such Grantor's rights thereunder.

5. Protection of Copyrights. Each Grantor covenants that it will at its own expense protect, defend and maintain the Copyrights to the extent reasonably advisable in its business as determined by Grantors in its sole discretion, provided that if such Grantor fails to do so, Secured Party may (but shall have no obligation to) do so in such Grantor's name or in Secured Party's name, but at such Grantor's expense, and such Grantor shall reimburse Secured Party in full for all expenses,

including reasonable attorney's fees incurred by Secured Party in protecting, defending and maintaining the Copyrights.

6. Remedies. Upon the occurrence of an Event of Default and during the continuation thereof, Secured Party may, at its option, exercise any one or more of the following remedies: (a) exercise all rights and remedies available under the UCC, or under any applicable law; (b) sell, assign, transfer, pledge, encumber or otherwise dispose of any Copyright; (c) enforce any Copyright, and any licenses thereunder; and (d) exercise or enforce any or all other rights or remedies available to Secured Party by law or agreement against the Copyrights, against any Grantor or against any other person or property. Upon the exercise of any remedy by Secured Party hereunder, each Grantor shall be deemed to have waived all of its rights provided in 17 U.S.C. § 106A or any other "moral rights of authors." If Secured Party shall exercise any remedy under this Agreement, the Grantors shall, at the reasonable request of Secured Party, do any and all lawful acts and execute any and all proper documents required by Secured Party in aid thereof. For the purposes of this Section 6, upon the occurrence of an Event of Default and during the continuation thereof, each Grantor appoints Secured Party as its attorney with the right, but not the duty, to endorse such Grantor's name on all applications, documents, papers and instruments necessary for Secured Party to (i) act in its own name or enforce or use the Copyrights, (ii) grant or issue any exclusive or non-exclusive licenses under the Copyrights to any third party, and/or (iii) sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of any Copyright. Each Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done pursuant to the powers granted in this Section 6. This power of attorney shall be irrevocable until the termination of the Credit Agreement and satisfaction of the Obligations. The Grantors shall reimburse Secured Party for all reasonable attorney's fees and expenses of all types incurred by Secured Party, or its counsel, in connection with the exercise of the rights of Secured Party under this Agreement.

7. Incorporation of the Credit Agreement. Except as expressly set forth herein, the rights and obligations of the Grantors and Secured Party with respect to the Copyrights shall in all respects be governed by the Credit Agreement, the terms of which are incorporated as fully as if set forth at length herein.

8. Counterparts. This Agreement may be executed in one or more counterparts, each of which, when executed and delivered, shall be deemed an

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original, and all of which, when taken together, shall constitute but one and the same agreement.

[SIGNATURES APPEAR ON FOLLOWING PAGES]

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

GRANTORS:

FREDERICK'S OF HOLLYWOOD, INC.

By: s/ Thomas Rende
Thomas Rende
Chief Financial Officer

HOLLYWOOD MAIL ORDER, LLC

By: s/ Thomas Rende
Thomas Rende
Chief Financial Officer

[Signature Page to Copyright Security Agreement]

SECURED PARTY:

SALUS CAPITAL PARTNERS, LLC

By: s/ Kyle C. Shonak
Kyle C. Shonak
Senior Vice President

[Signature Page to Copyright Security Agreement]

SCHEDULE A

Copyrights

1. CLASS: TX (Textual Works)
RETRIEVAL CODE: B (Monographic Works of a Non-dramatic Literary Nature)

STATUS: Registered
REGISTRATION DATE: March 26, 1991
REGISTRATION NUMBER: TX-3-055-731
CREATED: 1991
PUBLICATION DATE: February 25, 1991
NEW MATTER: New textual and pictorial material and compilation of previous publication material.

NOTES: Catalog
PREVIOUS REGISTRATION: Prev. reg.
2. CLASS: TX (Textual Works)
RETRIEVAL CODE: B (Monographic Works of a Non-dramatic Literary Nature)

STATUS: Registered
REGISTRATION DATE: May 29, 1987
REGISTRATION NUMBER: TX-2-083-789
PUBLICATION DATE: December 1, 1986
NEW MATTER: compilation and additions
REGISTRATION DEPOSIT: 61 p.
3. APPLICATION AUTHOR: Hollywood Mail Order

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| CLASS: | Corporation d.b.a. Frederick's of Hollywood, employer for hire TX (Textual Works) |
| REGISTRATION DATE: | May 20, 1991 |
| REGISTRATION NUMBER: | TX-3-068-104 |
| ISSUE: | Vol. 59, Issue No. 334 |
| PUBLICATION DATE: | June 6, 1988 |
| NEW MATTER: | additions and compilation |
| PUB FREQUENCY: | Other |
| IMPRINT: | Hollywood: Frederick's of Hollywood |
| NOTES: | Frequency unknown. Description based on: Vol. 34, issue no. 242. |
| MISCELLANEOUS: | Issue ti.: Summer fashion sale. |

[NB: Many entries on this Schedule A have been deleted. The entries that are included should give you some idea of the detail needed to complete a copyright security agreement schedule.]

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| 54. | PARTY OF THE FIRST: | Hollywood Mail Order Corporation d.b.a. Frederick's of Hollywood. Crédit Agricole Indosuez |
| | PARTY OF THE SECOND: | |
| | DOCUMENT TYPE: | Assignment of Copyright |
| | REGISTRATION DATE: | 1990 |
| | EXECUTED: | September 29, 1997 |
| | RECORDED DATE: | October 9, 1997 |
| | NOTES: | Frederick's of Hollywood: grab bag special sale (catalog) and 131 other |

- MICROFILM: titles. Subsidiary intellectual property security agreement. V003405 P125
55. APPLICATION TIME: Intimate details by Frederick's of Hollywood.
APPLICATION AUTHOR: Hollywood Mail Order Corporation d.b.a. Frederick's of Hollywood.
CLASS: TX (Textual Works)
REGISTRATION DATE: October 24, 1990
ISSUE: Vol. 1, issue no. 1
PUBLICATION DATE: September 19, 1990
NEW MATTER: additions and compilation
PUB FREQUENCY: Other
NOTES: Frequency unknown.
56. OWNER: Private Moments, Inc.
APPLICATION AUTHOR: New textual and pictorial material; Private Moments, employer for hire.
CLASS: TX (Textual Works)
RETRIEVAL CODE: B (Monographic Works of a Non-dramatic Literary Nature)
STATUS: Registered
REGISTRATION DATE: September 23, 1982
REGISTRATION NUMBER: TX-1-085-885
PUBLICATION DATE: September 17, 1982
NEW MATTER: "new textual and pictorial material."
REGISTRATION DEPOSIT: 23 p.
IMPRINT: Los Angeles: Private Moments, c1982.

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| | MISCELLANEOUS: | C.O. corres. |
| 57. | CLASS: | TX (Textual Works) |
| | RETRIEVAL CODE: | B (Monographic Works of a Non-dramatic Literary Nature) |
| | STATUS: | Registered |
| | REGISTRATION DATE: | June 1, 1987 |
| | PUBLICATION DATE: | February 23, 1987 |
| | NEW MATTER: | additions and compilation |
| 58. | PARTY OF THE FIRST: | Hollywood Mail Order Corporation d.b.a. Frederick's of Hollywood. |
| | PARTY OF THE SECOND: | Hollywood Mail Order Corporation d.b.a. Frederick's of Hollywood |
| | DOCUMENT TYPE: | Assignment of Copyright |
| | REGISTRATION DATE: | 1987 |
| | EXECUTED: | September 29, 1997 |
| | RECORDED DATE: | October 9, 1997 |
| | NOTES: | Frederick's of Hollywood: grab bag special sale (catalog) and 131 other titles. Subsidiary intellectual property security agreement. |
| | MICROFILM: | V003405 P125 |