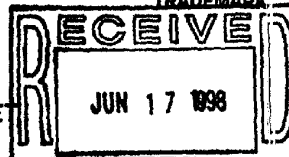


06-19-1998



100742441

SHEET



U.S. Department of Commerce  
Patent and Trademark Office

TRADEMARK

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

**Submission Type**

- ☒ New
- ☐ Resubmission (Non-Recordation)  
Document ID #
- ☐ Correction of PTO Error  
Reel #  Frame #
- ☐ Corrective Document  
Reel #  Frame #

**Conveyance Type**

- ☐ Assignment ☐ License
- ☒ Security Agreement ☐ Nunc Pro Tunc Assignment  
Effective Date  
Month Day Year
- ☐ Merger
- ☐ Change of Name
- ☐ Other

**Conveying Party**

☐ Mark if additional names of conveying parties attached

Name

Execution Date  
Month Day Year  
04 28 98

Formerly

- ☐ Individual ☐ General Partnership ☐ Limited Partnership ☒ Corporation ☐ Association
- ☐ Other
- ☒ Citizenship/State of Incorporation/Organization

**Receiving Party**

☐ Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

- ☐ Individual ☐ General Partnership ☐ Limited Partnership
- ☐ Corporation ☒ Association
- ☒ Other

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

☐ Citizenship/State of Incorporation/Organization

06/18/1998 SSNITH 00000002 1995572

FOR OFFICE USE ONLY

01 FC:481  
02 FC:482

40.00 OP  
300.00 OP

3406

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:  
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK

REEL: 1742 FRAME: 0993

Expires 06/30/99  
OMB 0951-0027**Domestic Representative Name and Address** Enter for the first Receiving Party only.

Name	
Address (line 1)	
Address (line 2)	
Address (line 3)	
Address (line 4)	

RECEIVED  
JUN 17 1998

**Correspondent Name and Address** Area Code and Telephone Number 404-888-4225

Name	NATALIE LEWIS
Address (line 1)	HUNTON & WILLIAMS
Address (line 2)	600 PEACHTREE STREET
Address (line 3)	SUITE 4100
Address (line 4)	ATLANTA, GA 30308

**Pages** Enter the total number of pages of the attached conveyance document including any attachments. # 4**Trademark Application Number(s) or Registration Number(s)** ☒ Mark if additional numbers attached  
Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)			Registration Number(s)		
			1,686,530	1,559,902	1,173,365
			1,790,446	1,377,282	1,897,056
			529,689	1,657,461	1,896,285

**Number of Properties** Enter the total number of properties involved. # 13**Fee Amount** Fee Amount for Properties Listed (37 CFR 3.41): \$ 340.00Method of Payment: Enclosed ☒ Deposit Account ☐Deposit Account  
(Enter for payment by deposit account or if additional fees can be charged to the account.)  
Deposit Account Number: #Authorization to charge additional fees: Yes ☐ No ☐**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. Charges to deposit account are authorized, as indicated herein.

Dana Kull, Esq.

Name of Person Signing

Signature

Date Signed 6/15/98

RECORDATION FORM COVER SHEET  
CONTINUATION  
TRADEMARKS ONLY

U.S. Department of Commerce  
Patent and Trademark Office  
TRADEMARK

**Conveying Party**

Enter Additional Conveying Party

☐ Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name

Formerly

☐

Individual

☐

General Partnership

☐

Limited Partnership

☐

Corporation

☐

Other

☐

Citizenship State of Incorporation/Organization

RECEIVED  
JUN 17 1998  
Association

**Receiving Party**

Enter Additional Receiving Party

☐ Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

☐

Individual

☐

General Partnership

☐

Limited Partnership

☐

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached (Designation must be a separate document from the Assignment.)

☐

Corporation

☐

Association

☐

Other

☐

Citizenship/State of Incorporation/Organization

**Trademark Application Number(s) or Registration Number(s)**

☐

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

**Trademark Application Number(s)**

**Registration Number(s)**


1,995,572	2,022,304	2,137,888
2,084,151		

**SCHEDULE A**  
(Trademarks)

<u>Trademark</u>	<u>Registration Number</u>	<u>Registration Date</u>
Zip Leg	1686530	5/12/92
Horticross	1790446	8/31/93
Spencer's	529689	8/29/50
Happy Kids	1559902	10/10/89
Cross Knit plus design	1377282	1/7/86
Spencer's	1657461	9/17/91
(DESIGN ONLY)	1173365	10/31/81
Cross Fire	1897056	5/30/95
Spencer's Plus Design	1896285	5/30/95
"TALK TO ME TEE"	1995572	8/20/96
BEETLE BUG plus design	2022304	12/10/96
WEE BEAR	2137888	2/17/98
Teddy Bear Design	2084151	7/29/97

**ASSIGNMENT FOR SECURITY**  
**(Trademarks)**

STATE OF GEORGIA    )  
  ) ss.:  
COUNTY OF FULTON    )

WHEREAS, Spencer's Incorporated of Mount Airy, N.C., a North Carolina corporation (the "Assignor"), has adopted, used and is using marks which are the subject of registrations or pending applications in the United States Patent and Trademark Office as set forth on **Schedule A**, and certain other trademarks, tradenames and registrations and applications for registration thereof (collectively, the "Trademarks");

WHEREAS, the Assignor is the sole owner of the entire right, title and interest in and to the Trademarks and the goodwill of the business symbolized by the Trademarks and the registrations thereof;

WHEREAS, the Assignor has entered into a Loan and Security Agreement, dated as of April 28, 1998 (the "Loan Agreement"), between the Assignor and BankBoston, N.A., a national banking association (the "Lender"), pursuant to which the Lender has, on the date hereof, made or agreed to make certain loans to the Assignor and may, from time to time hereafter, make additional loans to the Assignor;

WHEREAS, pursuant to the Loan Agreement the Assignor has agreed to assign to the Lender and grant to the Lender, a continuing security interest in, and a continuing lien on, all of the Assignor's right, title and interest in and to the following (collectively the "Trademark Collateral"):

- (a) the Trademarks and the registrations and applications for registration thereof and the goodwill of the business symbolized by the trademarks;
- (b) licenses of the foregoing, whether as licensee or licensor;
- (c) renewals thereof;
- (d) income, royalties, damages and payments now or hereafter due and/or payable with respect thereto, including, without limitation, damages, claims and payments for past and future infringements thereof;
- (e) rights to sue for past, present and future infringements thereof, including the right to settle suits involving claims and demands for royalties owing;
- (f) all rights corresponding to any of the foregoing throughout the world;
- (g) all proceeds of and accessions to any and all of the foregoing, to secure the payment and performance of the Secured Obligations (as defined in the Loan Agreement); and

WHEREAS, the Assignor is required under the Loan Agreement to grant to the Lender, a continuing security interest in, and a continuing lien on, the Trademark Collateral;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the Assignor does hereby assign to the Lender, and grants to the Lender, a continuing security interest in and a continuing lien on. the Trademark Collateral as security for the payment and performance of the Secured Obligations.

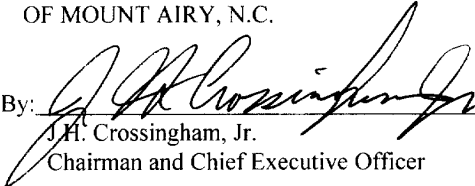
The Assignor hereby further acknowledges and affirms that the rights and remedies of the Lender with respect to the assignment of and security interest in and lien upon the Trademark Collateral made and granted hereby are more fully set forth in the Loan Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein.

IN WITNESS WHEREOF, the Assignor has caused this Assignment to be duly executed by its authorized officer or agent as of April 28<sup>th</sup>, 1998.

[Corporate Seal]

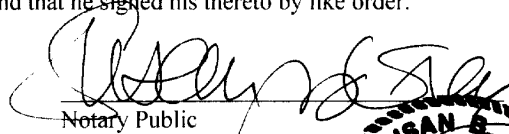
SPENCER'S INCORPORATED  
OF MOUNT AIRY, N.C.

By: \_\_\_\_\_

  
J.H. Crossingham, Jr.  
Chairman and Chief Executive Officer

STATE OF Georgia  
COUNTY OF Fulton ) ss.:

On this 28<sup>th</sup> day of April, 1998, before me personally came J.H. Crossingham, Jr., to me known, who, being by me duly sworn, did depose and say that he is Chairman and Chief Executive Officer of Spencer's Incorporated of Mount Airy, N.C., the corporation described herein and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the Directors of said corporation and that he signed his thereto by like order.

  
Notary Public

My Commission Expires: \_\_\_\_\_

[NOTARIAL SEAL]

