

ASSIGNMENT OF SERVICE MARKS

THIS AGREEMENT is made and entered into as of this 31st day of July, 1998 between Trans World Entertainment Corporation, a corporation organized and existing under the laws of New York and having its principal place of business at 38 Corporate Circle, Albany, NY 12203 the "Assignor") and Trans World New York, LLC, a limited liability company organized and existing under the laws of New York and having its principal place of business at 38 Corporate Circle, Albany, NY 12203, (the "Assignee").

WHEREAS, the Assignor has adopted, has used, and is using the trademarks listed in Exhibit A (the "Mark(s)"); and

WHEREAS, the Assignee desires to acquire the Mark(s) and any registrations thereof, together with the associated goodwill of the Assignor's business, and the Assignor wishes to convey and transfer to the Assignee the Mark(s), and registrations thereof and the associated goodwill;

NOW, THEREFORE, in consideration of the mutual agreement herein provided, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Assignor and the Assignee hereby agree as follows:

1. Assignment.

The Assignor hereby sells, assigns, transfers and sets over unto the Assignee all of its right, title and interest in and to the Mark(s) and any registrations thereof or applications therefor, together with the associated goodwill of the Assignor's business symbolized by the Mark(s), and all rights in the Mark(s), including the right to file for protection around the world on the Mark(s), and the right to renew any registrations on the Mark(s), including the right to sue for past and future infringement of the Mark(s), to be used as fully and entirely as said rights would have been held and enjoyed by the Assignor had this assignment and transfer not been made.

2. Binding Effect. This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective transferees, successors and assigns.

3. Amendment of Agreement. No modification, changes, or additions to this Assignment shall be effective except by written amendment executed by both parties.

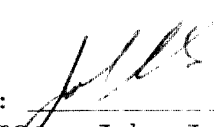
4. Severability. The invalidity of any provision of this Assignment shall not affect the enforceability of any other provisions of this Agreement. The invalidity of any pro-

vision of this Assignment shall merely render such invalid provision ineffective.

5. Governing Law. The parties hereby agree that this Assignment shall be governed by and construed under and in accordance with the laws of New York.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed by their duly authorized representatives as a sealed instrument as of the day and year first above written.

TRANS WORLD ENTERTAINMENT
CORPORATION

By: 
Name: John J. Sullivan
Title: Senior Vice President
of Finance and Chief
Financial Officer

TRANS WORLD NEW YORK, LLC

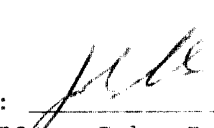
By: 
Name: John J. Sullivan
Title: Senior Vice President
of Finance and Chief
Financial Officer

Exhibit A

TRADEMARKS

Trademarks in company name of: Trans World Entertainment Corporation

<u>Trademarks</u>	<u>Reg. #</u>	<u>Reg. Date</u>	<u>Status/Due Date</u>
Media Source	2023160	12/17/96	Decl. of Use 12/17/01-02
Soundnet	2063205	5/20/97	Decl. of Use 5/20/02-03
	<u>App. #</u>	<u>App. Date</u>	
Music That Changed Our Lives	75/247125	2/21/97	In Process
Saturday Matinee The Movie Store & Design	75/229031	1/21/97	In Process