

08-20-1998

8/17/98

U.S. Department of Commerce
Patent and Trademark Office



100800590

AUG 17

TRADEMARK

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

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
- Merger
- Change of Name
- Other

Effective Date
Month Day Year
4/24/1998

Conveying Party

Mark if additional names of conveying parties attached

Name

Execution Date
Month Day Year
4/24/1998

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

FOR OFFICE USE ONLY

08/19/1998 TT0011 00000147 002335 1427963

FC:481 48.00 CI
C-0042

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 information to
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231



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)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

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)		
<input type="text" value="75/174,549"/>	<input type="text" value="75/386,856"/>	<input type="text"/>	<input type="text" value="1,427,963"/>	<input type="text" value="1,432,037"/>	<input type="text" value="1,583,746"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1,585,139"/>	<input type="text" value="1,055,611"/>	<input type="text" value="1,329,678"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1,430,336"/>	<input type="text" value="1,552,044"/>	<input type="text" value="1,697,117"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method 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.

Timothy D. Pecsénye

Name of Person Signing



Signature

Date Signed

02-25-98

02-25-98



BLANK ROME COMISKY & MCCAULEY LLP

Counselors at Law

Pennsylvania
New Jersey
Delaware
Maryland
Washington, DC
Florida

Direct Dial Phone: (215) 569-5619

Direct Dial Fax: (215) 569-5628

Email Address: pecsenye@blankrome.com

August 14, 1998

Assistant Commissioner for Trademarks
Box Assignments/Fee
Washington, D.C. 20231

Attn: Trademark Security Agreement

Dear Sir:

Enclosed for recordation is a "Trademark Security Agreement" showing the pledge of the following trademarks from Cave Springs, Inc. ("ASSIGNOR") to Fleet Capital Corporation ("ASSIGNEE"):

U.S. TRADEMARK APPLICATIONS

Trademark	App. No.	Filing Date	Country
QUINTESENTIALS	75/174,549	09/27/1996	United States
MORE FOR LE\$\$ EVERYDAY!	75/386,856	11/07/1997	United States

U.S. TRADEMARK REGISTRATIONS

Trademark	Reg. No.	Reg. Date	Country
A PEA IN THE POD	1,427,963	02/03/1987	United States
A PEA IN THE POD	1,432,037	03/10/1987	United States
MATERNITY REDEFINED	1,583,746	02/20/1990	United States
MATERNITY REDEFINED	1,585,139	02/27/1990	United States

Assistant Commissioner for Trademarks
 August 14, 1998
 Page 2

U.S. TRADEMARK REGISTRATIONS

MOTHERHOOD	1,055,611	01/04/1977	United States
MOTHERS WORK	1,329,678	04/09/1985	United States
JUSTA-SNAP	1,430,336	02/24/1987	United States
LAUREN TAYLOR	1,552,044	08/15/1989	United States
MIMI MATERNITY	1,697,117	06/23/1992	United States
ESSENTIEL	1,791,217	09/07/1993	United States
MOTHERS WORK	1,896,673	05/30/1995	United States
MOTHERHOOD MATERNITY	1,898,334	06/06/1995	United States
MOTHERHOOD MATERNITY OUTLET	1,900,180	06/13/1995	United States
WHAT'S SHOWING IS YOUR STYLE	1,935,763	11/14/1995	United States
MATERNITE	1,941,700	12/12/1995	United States
MATERNITY WORKS	1,959,252	02/27/1996	United States
REAL TIME RETAILING	1,974,394	05/14/1996	United States
STEENA	1,636,978	03/05/1991	United States
DANIEL & REBECCA	1,695,375	06/16/1992	United States

Please charge the \$540.00 recordation and filing fees to our Deposit Account Number 02-2555. If there are any additional fees due in connection with the filing of this Trademark Security Agreement, please charge them to our Deposit Account as well.

Should any questions arise concerning the recordation of this document, kindly contact me at (215)569-5619. Please send all correspondence and the original document stamped with reel and frame numbers at the following address:

Assistant Commissioner for Trademarks
August 14, 1998
Page 3

TIMOTHY D. PECSENYE, ESQUIRE
BLANK ROME COMISKY & MCCAULEY LLP
One Logan Square
Philadelphia, PA 19103

Sincerely yours,



TIMOTHY D. PECSENYE

TDP:bjg

Enclosures: Trademark Security Agreement
Recordation Form Coversheet

cc: Mary Chaffier, Esquire
Paul J. Kennedy, Esquire

I:\Clients\Fleet Capital Corp\Trademark Security Agreement Covlet FLEETCAP-Cavespring.wpd 016369-01047



TRADEMARK SECURITY AGREEMENT

This Trademark Security Agreement ("Agreement") is made as of the 24 day of April, 1998, by CAVE SPRINGS, INC., a Delaware corporation ("Debtor"), having a mailing address at 456 North Fifth Street, Philadelphia, Pennsylvania 19123, and delivered to FLEET CAPITAL CORPORATION ("Lender").

BACKGROUND

A. This Agreement is being executed contemporaneously with that certain Loan and Security Agreement of even date herewith among Debtor, Mothers Work, Inc. (collectively, "Borrowers") and Lender (as it may hereafter be supplemented, restated, amended, superseded or replaced from time to time, the "Loan Agreement"), under which Debtor is granting Lender a lien on and security interest in certain assets of Debtor associated with or relating to products leased or sold under Debtor's trademarks and the goodwill associated therewith, and under which Lender is entitled to foreclose or otherwise deal with such assets, trademarks, servicemarks and tradenames under the terms and conditions set forth therein. Capitalized terms not defined herein shall have the meanings given to such terms in the Loan Agreement.

B. Debtor has adopted, used and is using (or has filed applications for the registration of) the trademarks, servicemarks and tradenames listed on Schedule "A" attached hereto and made part hereof (all such marks or names hereinafter referred to as the "Trademarks").

C. Pursuant to the Loan Agreement, Lender is acquiring a lien on, and security interest in, the Trademarks and the registration thereof, together with all the goodwill of Debtor associated therewith and represented thereby, as security for all of Borrowers' Obligations, and desires to have its security interest in such Trademarks confirmed by a document identifying same and in such form that it may be recorded in the United States Patent and Trademark Office.

NOW THEREFORE, with the foregoing Background hereinafter deemed incorporated by reference and made a part hereof, and in consideration of the premises and mutual promises herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. In consideration of and pursuant to the terms of the Loan Documents, and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure Borrowers' Obligations, Debtor grants a lien and security interest to Lender in all of its present and future right, title and interest in and to the Trademarks, together with all the goodwill of Debtor associated with and represented by the Trademarks, and the registration thereof and the right (but not the obligation) to sue for past, present and future infringements, and the proceeds thereof, including, without limitation, license royalties and proceeds of infringement suits.

2. Debtor hereby covenants and agrees to maintain the Trademarks in full force and effect until all of Borrowers' Obligations are satisfied in full.

3. Debtor represents, warrants and covenants that:

(a) The Trademarks are subsisting and have not been adjudged invalid or unenforceable;

(b) Each of the Trademarks is valid and enforceable;

(c) Debtor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, and each of the Trademarks is free and clear of any liens, claims, charges and encumbrances, including, without limitation, pledges, assignments, licenses and covenants by Debtor not to sue third persons;

(d) Debtor has the unqualified right, power and authority to enter into this Agreement and perform its terms;

(e) Debtor has complied with, and will continue for the duration of this Agreement to comply with, the requirements set forth in 15 U.S.C. §1051-1127 and any other applicable statutes, rules and regulations in connection with its use of the Trademarks; and

(f) Debtor has used, and will continue to use for the duration of this Agreement, consistent standards of quality in products leased or sold under the Trademarks and hereby grants to Lender (with no obligation of any kind upon Lender to do so) the right to visit Debtor's locations which manufacture, process, sell, or store products under any of the Trademarks and to inspect the products and quality control records relating thereto at reasonable times during regular business hours to ensure Debtor's compliance with this paragraph 3(f).

4. Debtor further covenants that:

(a) Until all of Borrowers' Obligations have been satisfied in full, it will not enter into any agreement, or take any action, which is inconsistent with Debtor's obligations and Lender's rights under this Agreement.

(b) If Debtor acquires rights to any new trademarks, the provisions of this Agreement shall automatically apply thereto and such trademarks shall be deemed part of the Trademarks. Debtor shall give Lender prompt written notice thereof along with an amended Schedule "A."

5. So long as this Agreement is in effect and so long as Debtor has not received notice from Lender that an Event of Default has occurred and is continuing under the Loan Agreement and that Lender has elected to exercise its rights hereunder, Debtor shall continue to

have the exclusive right to use the Trademarks and Lender shall have no right to use the Trademarks or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Trademarks to anyone else.

6. Debtor agrees not to sell, license, grant any option, assign or further encumber its rights and interest in the Trademarks without the prior written consent of Lender.

7. Anything herein contained to the contrary notwithstanding, if and while Debtor shall be in default hereunder or an Event of Default exists under the Loan Agreement, Debtor hereby covenants and agrees that Lender, as the holder of a security interest under the Uniform Commercial Code, as now or hereafter in effect in Pennsylvania, may take such action permitted under the Loan Documents or permitted by law, in its exclusive discretion, to foreclose upon the Trademarks covered hereby. For such purposes, and in the event of Debtor's default hereunder or an Event of Default under the Loan Agreement and while such default or Event of Default exists, Debtor hereby authorizes and empowers Lender, its successors and assigns, and any officer or agent of Lender as Lender may select, in its exclusive discretion, as Debtor's true and lawful attorney-in-fact, with the power to endorse Debtor's name on all applications, assignments, documents, papers and instruments necessary for Lender to use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to anyone else, or necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else including, without limitation, the power to execute a trademark assignment in the form attached hereto as Exhibit 1. Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof, except for the gross negligence or wilful misconduct of such attorney. This power of attorney shall be irrevocable for the life of this Agreement, the Loan Documents, and until all of Borrowers' Obligations are satisfied in full.

8. This Agreement shall be subject to the terms, provisions, and conditions set forth in the Loan Agreement and may not be modified without the written consent of the party against whom enforcement is being sought.

9. All rights and remedies herein granted to Lender shall be in addition to any rights and remedies granted under the Loan Documents. In the event of an inconsistency between this Agreement and the Loan Agreement, the language of the Loan Agreement shall control.

10. Upon Borrowers' performance of all of the obligations under the Loan Documents and full and unconditional satisfaction of all of Borrowers' Obligations and termination of any commitment of Lender to make advances thereunder, Lender shall execute and deliver to Debtor all documents reasonably necessary to terminate Lender's security interest in the Trademarks.

11. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by Lender in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in

connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or costs otherwise incurred in protecting, maintaining, preserving the Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks, or defending, protecting or enforcing Lender's rights hereunder, in each case in accordance with the terms of this Agreement, shall be borne and paid by Debtor on demand by Lender and until so paid shall be added to the principal amount of Borrowers' Obligations and shall bear interest at the Floating Rate plus two hundred (200) basis points.

12. Subject to the terms of the Loan Agreement, Debtor shall have the duty to prosecute diligently any trademark application with respect to the Trademarks pending as of the date of this Agreement or thereafter, until Borrowers' Obligations shall have been satisfied in full, to preserve and maintain all rights in the Trademarks, and upon reasonable request of Lender, Debtor shall make federal application on registrable but unregistered trademarks belonging to Debtor. Any reasonable expenses incurred in connection with such applications shall be borne by Debtor. The Debtor shall not abandon any Trademark without the prior written consent of Lender.

13. Debtor shall have the right to bring suit in its own name to enforce the Trademarks, in which event Lender may, if Debtor reasonably deems it necessary, be joined as a nominal party to such suit if Lender shall have been satisfied, in its sole discretion, that it is not thereby incurring any risk of liability because of such joinder. Debtor shall promptly, upon demand, reimburse and indemnify Lender for all damages, reasonable costs and expenses, including attorneys' fees, incurred by Lender in the fulfillment of the provisions of this paragraph.

14. During the existence of an Event of Default under the Loan Agreement, Lender may, without any obligation to do so, complete any obligation of Debtor hereunder, in Debtor's name or in Lender's name, but at Debtor's expense, and Debtor hereby agrees to reimburse Lender in full for all reasonable costs and expenses, including attorneys' fees, incurred by Lender in protecting, defending and maintaining the Trademarks.

15. No course of dealing between Debtor and Lender or Borrowers and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder, shall operate as a waiver thereof, and all of Lender's rights and remedies with respect to the Trademarks, whether established hereby or by the Loan Documents, or by any other future agreements between Debtor and Lender or Borrowers and Lender, or by law, shall be cumulative and may be exercised singularly or concurrently.

16. The provisions of this Agreement are severable and the invalidity or unenforceability of any provision herein shall not affect the remaining provisions which shall continue unimpaired and in full force and effect.

17. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

18. This Agreement shall be governed by and construed in conformity with the laws of the Commonwealth of Pennsylvania, without regard to its otherwise applicable principles of conflicts of laws.

19. **Debtor and Lender each waives any and all rights it may have to a jury trial in connection with any litigation, proceeding, claim or counterclaim arising with respect to rights and obligations of the parties hereto or under the Loan Documents.**

IN WITNESS WHEREOF, the parties hereto have executed this Trademark Security Agreement, under seal, the day and year first above written.

CAVE SPRINGS, INC.

By: Thomas Paul

Attest: George D. Juci

(Corporate Seal)

Approved and Accepted:

Fleet Capital Corporation

By: John Burley

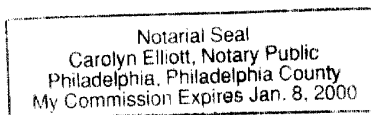
CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA :
COMMONWEALTH OF PENNSYLVANIA : SS
COUNTY OF PHILADELPHIA :

On this 24th day of April, 1998, before me personally appeared Thomas Frank, to me known and being duly sworn, deposes and says that s/he is CFO of Cave Springs, Inc., the Debtor corporation described in the foregoing Agreement; that he knows the seal of the corporation; that the seal so affixed to the Agreement is such corporate seal; that he signed the Agreement and affixed the seal of the corporation thereto as such officer pursuant to the authority vested in him by law; that the within Agreement is the voluntary act of such corporation; and he desires the same to be recorded as such.

Carolyn Elliott
Notary Public

My Commission Expires:



CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA :
COMMONWEALTH OF PENNSYLVANIA : SS
COUNTY OF PHILADELPHIA :

On this 24th day of April, 1998, before me personally appeared Kim Buschey to me known and being duly sworn, deposes and says that he is Vice-President of Fleet Capital Corporation, the Lender described in the foregoing Agreement; that he signed the Agreement as such officer pursuant to the authority vested in him by law; that the within Agreement is the voluntary act of such corporation; and he desires the same to be recorded as such.

Carolyn Elliott
Notary Public

My Commission Expires:

Notarial Seal
Carolyn Elliott, Notary Public
Philadelphia, Philadelphia County
My Commission Expires Jan. 8, 2000

SCHEDULE A TO TRADEMARK SECURITY AGREEMENT

<u>TRADEMARKS</u>	<u>APPLICATION/ REGISTRATION NO.</u>	<u>COUNTRY</u>	<u>REGISTRATION DATE</u>
A Pea In the Pod	1,427,963	USA	2/3/87
A Pea In the Pod	1,432,037	USA	3/10/87
Maternity Redefined	1,583,746	USA	2/20/90
Maternity Redefined	1,585,139	USA	2/27/90
Motherhood	1,055,611	USA	1/4/77
Mothers Work	1,329,678	USA	4/9/85
Justa-Snap	1,430,336	USA	2/24/87
Lauren Taylor	1,552,044	USA	8/15/89
Mimi Maternity	1,697,117	USA	6/23/92
Essentiel	1,791,217	USA	9/7/93
Mothers Work	1,896,673	USA	5/30/95
Motherhood Maternity	1,898,334	USA	6/6/95
Motherhood Maternity Outlet	1,900,180	USA	6/13/95
What's Showing Is Your Style	1,935,763	USA	11/14/95
Maternité	1,941,700	USA	12/12/95
Maternity Works	1,959,252	USA	2/27/96
Real Time Retailing	1,974,394	USA	5/14/96

SCHEDULE A TO TRADEMARK SECURITY AGREEMENT

<u>TRADEMARKS</u>	<u>APPLICATION/ REGISTRATION NO.</u>	<u>COUNTRY</u>	<u>REGISTRATION DATE</u>
Quintessentials	75/174,549	USA	9/27/96
More For Le\$\$ Everyday!	75/386,856	USA	11/7/97
Steenaa	1,636,978	USA	3/5/91
Daniel & Rebecca	1,695,375	USA	6/16/92

Exhibit 1

TRADEMARK ASSIGNMENT

WHEREAS, Cave Springs, Inc., a Delaware corporation ("Grantor") is the registered owner of the United States trademarks, tradenames and registrations listed on Schedule A attached hereto and made a part hereof (the "Trademarks"), which are registered in the United States Patent and Trademark Office; and

WHEREAS, _____ having a place of business at _____
_____ ("Grantee") is desirous of acquiring said Trademarks;

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound hereby, Grantor, its successors and assigns, does hereby transfer, assign and set over unto Grantee, its successors, transferees and assigns, all of its present and future right, title and interest in and to the Trademarks and all proceeds thereof and all goodwill associated therewith.

IN WITNESS WHEREOF, the undersigned has caused this Trademark Assignment to be executed as of the ___ day of _____, 1998.

CAVE SPRINGS, INC.

Witness: _____

By: _____
as Attorney-in-Fact

STATE OF _____ :
 : SS
COUNTY OF _____ :

On this the ___ day of _____, 1998, before me a Notary Public for the said County and State, personally appeared _____ known to me or satisfactorily proven to me to be attorney-in-fact on behalf of Cave Springs, Inc. ("Grantor"), and he acknowledged to me that they executed the foregoing Trademark Assignment on behalf of Grantor, and as the act and deed of Grantor for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

(Individual Notary)

My Commission Expires:

SCHEDULE A TO TRADEMARK ASSIGNMENT

<u>TRADEMARKS</u>	<u>APPLICATION/ REGISTRATION NO.</u>	<u>COUNTRY</u>	<u>REGISTRATION DATE</u>
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More For Le\$\$ Everyday!	75/386,856	USA	11/7/97
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Daniel & Rebecca	1,695,375	USA	6/16/92

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RECORDED: 08/17/1998

TRADEMARK
REEL: 1772 FRAME: 0162