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U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

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To the Honorable Commissioner of P.

100821988

attached original documents or copy thereof.

1. Name of conveying party(ies):

BankBoston Retail Finance Inc.

- Individual(s) Association
- General Partnership
- Corporation-State
- Other

Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)

Name: MSS-Delaware, Inc.

Internal Address:

Street Address: 11 Penn Plaza

City: New York State: NY ZIP: 10001

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State DE
- Other

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)

Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:

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

Execution Date: July 31st, 1998

4. Application number(s) or patent number(s):

A. Trademark Application No.(s)

75/179,744

75/196,131

B. Trademark Registration No.(s)

1,485,368 1,354,292

1,548,372 1,487,211

1,525,345 1,441,289

Additional numbers attached? Yes No

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

Name: Christopher E. Kondracki

Internal Address:

Street Address: 2001 Jefferson Davis Highway,

Suite 505

City: Arlington State: VA ZIP: 22202

6. Total number of applications and registrations involved: 8

7. Total fee (37 CFR 3.41).....\$ 215.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

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DO NOT USE THIS SPACE

01 FC:401
02 FC:402

40.00 SP
175.00 SP

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.

Christopher E. Kondracki

Name of Person Signing

Signature

8/12/98

Date

Total number of pages including cover sheet, attachments, and document: 9

EXHIBIT A

Borrower's now owned or existing or hereafter acquired or arising registered service marks and Federal service mark applications, registered trademarks, and Federal trade mark applications:

Trademark/Service Mark Registrations

<u>TRADEMARK</u>	<u>REGISTRATION NUMBER</u>	<u>REGISTRATION DATE</u>
Aeropostale	1,485,368	
Aeropostale	1,548,372	
Aeropostale	1,525,345	
Aeropostale	1,354,292	
Aeropostale	1,487,211	
Aeropostale Compagnie Generale Faisant L'Impossible: Service Quotidien Pour L'Espagne, Le Maroc & L'Algerie	1,441,289	

Trademark Applications

<u>MARK</u>	<u>SERIAL NUMBER</u>	<u>FILING DATE</u>
Chelsea Cambell	75/179,744	01OC1996
Chelsea Cambell	75/196,131	12NO1996

**TRADEMARK AND TRADEMARK
APPLICATIONS SECURITY AGREEMENT**

BankBoston Retail Finance Inc.

AGENT

July 31, 1998

THIS AGREEMENT is made between

BankBoston Retail Finance Inc. (in such capacity, the "**Agent**"), a Delaware corporation with offices at 40 Broad Street, Boston, Massachusetts 02109, as agent for a syndicate of Lenders (the "**Lenders**")

and

MSS-Delaware, Inc. (hereinafter, the "**Borrower**"), a Delaware corporation with its principal executive offices at 11 Penn Plaza, New York, New York 10001

in consideration of the mutual covenants contained herein and benefits to be derived herefrom,

WITNESSETH:

1. **BACKGROUND:** The Agent and the Borrower have entered in a certain Loan and Security Agreement of even date (as such agreement may be modified, supplemented, amended or restated from time to time, hereinafter, the "**Loan Agreement**") pursuant to which a credit facility has been established in favor of the Borrower and under which the Borrower's Liabilities are to be secured by certain of the Borrower's assets, including all Marks. (Terms used herein which are defined in the Loan Agreement are used as so defined).

2. **GRANT OF SECURITY INTEREST:** To secure the Liabilities, the Borrower hereby creates a security interest in favor of the Agent (for the ratable benefit of the Agent and the Lenders), with power of sale (which power of sale shall be exercisable only following the occurrence, and during the continuance, of an Event of Default) in and to the following and all proceeds thereof (collectively, the "**TM Collateral**");

(a) All of the Borrower's now owned or existing or hereafter acquired or arising trademarks, trademark applications, service marks, registered service marks and service mark

applications including, without limitation, those listed on **EXHIBIT A** annexed hereto and made a part hereof, together with any goodwill connected with and symbolized by any such trademarks, trademark applications, service marks, registered service marks, and service mark applications.

(b) All renewals of any of the foregoing.

(c) All income, royalties, damages and payments now and hereafter due and/or payable under and with respect to any of the foregoing, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof.

(d) The right to sue for past, present and future infringements and dilutions of any of the foregoing.

(e) All of Borrower's rights corresponding to any of the foregoing throughout the world.

3. **PROTECTION OF MARKS BY BORROWER:** The Borrower shall undertake the following with respect to each items respectively described in Sections 2(a) and 2(b) (collectively, the "**Marks**"):

(a) Pay all renewal fees and other fees and costs associated with maintaining the Marks and with the processing of the Marks.

(b) At the Borrower's sole cost, expense, and risk, pursue the prompt, diligent, processing of each Application for Registration which is the subject of the security interest created herein and not abandon or delay any such efforts.

(c) At the Borrower's sole cost, expense, and risk, take any and all action which Borrower deems desirable to protect the Marks, including, without limitation, but subject to Borrower's discretion, the prosecution and defense of infringement actions.

Notwithstanding the foregoing, the Borrower may abandon such Marks as the Borrower, in its reasonable business judgment, determines are not necessary to the conduct of the Borrower's business in the ordinary course.

4. **BORROWER'S REPRESENTATIONS AND WARRANTIES:** The Borrower represents and warrants that:

(a) **EXHIBIT A** includes all of the registered trademarks, Federal trademark applications, registered service marks and Federal service mark applications now owned by the Borrower.

(b) All TM Collateral is and shall remain, free and clear of all liens, Encumbrances, or security interests to any Person other than to the Agent and other Permitted Encumbrances.

(c) The Borrower shall give the Agent written notice (with reasonable detail) within fifteen (15) days after the end of each month of the occurrence of any of the following:

(i) The Borrower's filing applications for registration of any new trademarks, or service marks, or otherwise acquires ownership of or obtains rights to, any newly registered trademarks, registered service marks, trademark applications, or service mark applications, (other than the Borrower's right to sell products containing the trademarks of others in the ordinary course of Borrower's business).

(ii) The Borrower's becoming entitled to the benefit of any registered trademarks, trademark applications, trademark licenses, trademark license renewals, registered service marks, service mark applications, service mark licenses or service mark license renewals whether as licensee or licensor (other than Borrower's right to sell products containing the trademarks of others in the ordinary course of Borrower's business).

5 AGREEMENT APPLIES TO FUTURE MARKS:

(a) The provisions of this Security Agreement shall automatically apply to any such additional property or rights described in Section 2, above, all of which shall be deemed to be and treated as "Marks" within the meaning of this TM Security Agreement.

(b) The Borrower hereby authorizes the Agent to take all such action to protect the Agent's interest in and concerning any future registered trademarks, trademark applications, registered service marks and service mark applications, written notice of which is so given, *provided, however*, the Agent's taking of such action shall not be a condition to the creation or perfection of the security interest created hereby.

6. BORROWER'S RIGHTS TO ENFORCE MARKS: Prior the Agent's giving of notice to the Borrower following the occurrence, and during the continuance, of an Event of Default, the Borrower shall have the exclusive right to sue for past, present and future infringement of the Marks including the right to seek injunctions and/or money damages, in an effort by Borrower to protect the Marks against encroachment by third parties. *provided, however*:

(a) Any money damages awarded or received by the Borrower on account of such suit (or the threat of such suit) shall constitute TM Collateral.

(b) Following the occurrence, and during the continuance, of any Event of Default, the Agent, by notice to the Borrower may be terminate or limit the Borrower's rights under this Section 6.

The Borrower shall provide the Agent with written notice of the Borrower's commencement of any action for enforcement of any Mark.

7. **AGENT'S ACTIONS TO PROTECT MARKS:** In the event of

- (a) the Borrower's failure, within Five (5) days of written notice from the Agent, to cure any failure by the Borrower to perform any of the Borrower's obligations set forth in Section 3; and/or
- (b) the occurrence, and during the continuance, of any Event of Default,

the Agent, acting in its own name or in that of the Borrower, may (but shall not be required to) act in the Borrower's place and stead and/or in the Agents' own right in connection therewith.

8. **RIGHTS UPON DEFAULT:** Upon the occurrence, and during the continuance, of any Event of Default, the Agent may exercise all rights and remedies of a secured party upon default under the Uniform Commercial Code as adopted in Massachusetts (Massachusetts General Laws, Chapter 106), with respect to the Marks, in addition to which the Agent may sell, license, assign, transfer, or otherwise dispose of the Marks. Any person may conclusively rely upon an affidavit of an officer of the Agent that an Event of Default has occurred and is continuing and that the Agent is authorized to exercise such rights and remedies.

9. **AGENT AS ATTORNEY IN FACT:**

(a) The Borrower hereby irrevocably constitutes and designates the Agent as and for the Borrower's attorney in fact, effective following the occurrence, and during the continuance, of any Event of Default:

- (i) To exercise any of the rights and powers referenced in Sections 3 and 6.
- (ii) To execute all such instruments, documents, and papers as the Agent determines to be appropriate in connection with the exercise of such rights and remedies and to cause the sale, license, assignment, transfer, or other disposition of the Marks.

(b) The within grant of a power of attorney, being coupled with an interest, shall be irrevocable until this Agreement is terminated by a duly authorized officer of the Agent.

(c) The Agent shall not be obligated to do any of the acts or to exercise any of the powers authorized by Section 9 herein, but if the Agent elects to do any such act or to exercise any of such powers, it shall not be accountable for more than it actually receives as a result of such exercise of power, and shall not be responsible to the Borrower for any act or omission to act except to the extent that the subject act or omission to act had been grossly negligent or in actual bad faith.

10. **AGENT'S RIGHTS:**

(a) Any use by the Agent of the Marks, as authorized hereunder in connection with the exercise of the Lenders' rights and remedies under this Agreement and under the Loan Agreement shall be coextensive with the Borrower's rights thereunder and with respect thereto and without any

liability for royalties or other related charges.

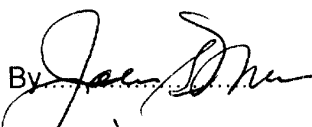
(b) None of this Agreement, the Loan Agreement, or any act, omission, or circumstance taken or arising hereunder may be construed as directly or indirectly conveying to the Agent any rights in and to the Marks, except for such rights as the Agent may have following the occurrence, and during the continuance, of any Event of Default.

11. **INTENT:** It is intended that this Agreement supplement the Loan Agreement. All provisions of the Loan Agreement shall apply to the Marks. The Agent shall have the same rights, remedies, powers, privileges and discretions, with respect to the security interests created in the TM Collateral as in all other Collateral. In the event of a conflict between this Agreement and the Loan Agreement, the terms of this Agreement shall control with respect to the TM Collateral and the Loan Agreement with respect to all other Collateral.

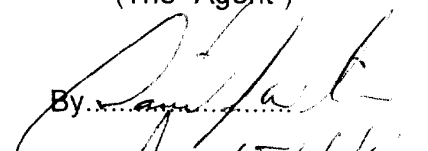
12. **CHOICE OF LAWS:** It is intended that this Agreement take effect as a sealed instrument and that all rights and obligations hereunder, including matters of construction, validity, and performance, shall be governed by the laws of The Commonwealth of Massachusetts.

IN WITNESS WHEREOF, the Borrower and the Agent respectively have caused this Agreement to be executed by their respective duly authorized officers as of the date first above written.

MSS-DELAWARE, INC.
(The "Borrower")

By 
Name John S. Mues
Title SVP CFO

BANKBOSTON RETAIL FINANCE INC.
(The "Agent")

By 
Name Daniel J. Williams
Title Loan Officer

THE State OF New York
COUNTY OF New York, SS

Then personally appeared before me John S. Mills who acknowledged that such person is the duly authorized S.V.P. C.F.O. of MSS-Delaware, Inc. and that such person had executed the foregoing instrument on its behalf.

Witness my hand and seal this 21st day of July, 1998

Marilyn Cohen

, Notary Public
My Commission Expires: Apr 11, 2000
MARILYN COHEN
Notary Public, State of New York
No. 01C05026205
Qualified in Queens County
Commission Expires April 11, 2000

THE State OF New York
COUNTY OF New York

Then personally appeared before me Daniel M. Williams, who acknowledged that such person is the duly authorized Loan Officer of BankBoston Retail Finance Inc. and that such person executed the foregoing instrument on its behalf.

Witness my hand and seal this 21st day of July, 1998

Paul Blanshaft

, Notary Public
My Commission Expires:

APRIL BLANSHAFT
Notary Public, State of New York
No. 01BL5030007
Qualified in Nassau County
Commission Expires July 25, 2000

EXHIBIT A-1

Foreign Trademarks

<u>COUNTRY</u>	<u>TRADEMARK</u>	<u>REGISTRATION NUMBER</u>	<u>REGISTRATION DATE</u>
Australia	Aeropostale	721,441	
Canada	Aeropostale	349,030	
Hong Kong	Aeropostale	2164/1991	
Japan	Aeropostale	0282075	
S. Korea	Aeropostale	12635	
S. Korea	Aeropostale	194020	
S. Korea	Aeropostale & Aviator Design	204809	
S. Korea	Aeropostale & Logo	195888	
Saudi Arabia	Aeropostale		
Singapore	Aeropostale	4278/9D	
Taiwan	Aeropostale	464290	
United Arab Emirates	Aeropostale		
S. Korea	Aeropostale		

Foreign Trademarks Application

<u>COUNTRY</u>	<u>MARK</u>	<u>SERIAL NUMBER</u>	<u>FILING DATE</u>
S. Korea	Aeropostale	29115/96	04JL1996
		318145.3	