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03-29-1999



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Tab settings

3.25.99

To the Honorable Commissioner of Patents and Trademarks. Please record the attached original documents or copy thereof.

MKD 3/25/99

1. Name of conveying party(ies): Herr Manufacturing Company

- Individual(s), Association, General Partnership, Limited Partnership, Corporation-State (PA), Other

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

3. Nature of conveyance:

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

Execution Date: February 26, 1999

2. Name and address of receiving

FIRST SOURCE FINANCIAL LLP, as Agent

Street Address: 2850 W. Golf Road - 5th Floor

City: Rolling Meadows State: IL Zip: 60008

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

If assignee is not domiciled in the United States, a designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

4. Application number(s) or trademark

A. Trademark Application No.(s)

B. Trademark Registration 1,515,012

Additional numbers attached? Yes No

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

Name: Federal Research Corp

Internal Address:

03/26/1999 DNGUYEN 00000103 1515012

01 FC:481

40.00 DP

Street Address: 400 Seventh St NW

Suite 101

City: Washington State: DC ZIP: 20004

6. Total number of applications and registrations

7. Total fee (37 CFR 3.41) \$ 40.00

- Enclosed, Authorized to be charged to deposit

8. Deposit account number:

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

DO NOT USE THIS SPACE

9. 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.

Name of Person

Signature

Date 3/8/99

Total number of pages including cover sheet, attachments, and

8

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

**AGREEMENT
(Trademark)**

THIS AGREEMENT (TRADEMARK), dated as of February 26, 1999 (this "Agreement"), between **HERR MANUFACTURING COMPANY**, a Pennsylvania corporation ("Grantor") and **FIRST SOURCE FINANCIAL LLP**, an Illinois registered limited liability partnership, as "Agent" for all "Lenders" (as such terms are defined in the Secured Credit Agreement referred to below).

W I T N E S S E T H:

WHEREAS, pursuant to a certain Second Amended and Restated Secured Credit Agreement dated as of February 26, 1999 (as the same from time to time further may be amended, restated, supplemented or otherwise modified, the "Secured Credit Agreement"), Grantor, **SLEEPMASTER L.L.C.**, a New Jersey limited liability company ("Sleepmaster"), **PALM BEACH BEDDING COMPANY**, a Florida corporation ("LRA") and **LOWER ROAD ASSOCIATES, LLC**, a New Jersey limited liability company ("LRA") (Grantor, Sleepmaster, PBBC and LRA being sometimes hereinafter referred to individually as a "Borrower" and collectively as the "Borrowers"), Agent and Lenders, Lenders have extended Commitments to make Loans and other extensions of credit to Borrowers;

WHEREAS, in connection with the Secured Credit Agreement, Borrowers have executed and delivered to Agent a certain Second Amended and Restated Security Agreement, dated as of February 26, 1999 (as the same from time to time further may be amended, restated, supplemented or otherwise modified, the "Security Agreement");

WHEREAS, as a condition precedent to the making of the further Loans and other financial accommodations under the Secured Credit Agreement, Grantor is required to execute and deliver this Agreement and to grant to Agent a continuing Lien on all of the Trademark Collateral (as defined below) to secure all Liabilities; and

WHEREAS, Grantor has duly authorized the execution, delivery and performance of this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and in order to induce Lenders to make Loans (including the initial Loans) and other extensions of credit pursuant to the Secured Credit Agreement, Grantor agrees, for the benefit of Agent and Lenders, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the respective meanings provided or provided by reference in the Security Agreement.

SECTION 2. Grant of Security Interest. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure the prompt and complete payment, performance and observance of all of the Liabilities, Grantor does hereby mortgage,

pledge and grant to Agent for the benefit of Agent and Lenders a continuing Lien on all of the following property of Grantor (the "**Trademark Collateral**"), whether now or hereafter owned, acquired, existing or arising:

(a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade dress, service marks, certification marks, collective marks, logos, other sources of business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of a like nature (each of the foregoing items in this **clause (a)** being called a "**Trademark**"), now existing anywhere in the world or hereafter adopted or acquired, whether currently in use or not, all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications in the United States Patent and Trademark Office or in any office or agency of the United States of America or any State thereof or any foreign country, including those referred to in **Item A of Attachment 1** hereto;

(b) all Trademark licenses, including each Trademark license referred to in **Item B of Attachment 1** hereto;

(c) all reissues, extensions or renewals of any of the items described in **clauses (a) and (b)**;

(d) all of the goodwill of the business connected with the use of, and symbolized by the items described in **clauses (a) and (b)**; and

(e) all proceeds of, and rights associated with, the foregoing, including any claim by Grantor against third parties for past, present or future infringement or dilution of any Trademark, Trademark registration, or Trademark license, including any Trademark, Trademark registration or Trademark license referred to in **Item A and Item B of Attachment 1** hereto, or for any injury to the goodwill associated with the use of any Trademark or for breach or enforcement of any Trademark license.

SECTION 3. Security Agreement. This Agreement has been executed and delivered by Grantor for the purpose of registering the Lien of Agent on the Trademark Collateral with the United States Patent and Trademark Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the Lien granted to Agent under the Security Agreement. The Security Agreement (and all rights and remedies of Agent thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Security Interest. Upon payment in full of all Liabilities and the termination of all Commitments, Agent shall, at Grantor's expense, execute and deliver to Grantor all instruments and other documents as may be necessary or proper to release the Lien on the Trademark Collateral which has been granted hereunder.

SECTION 5. Acknowledgment. Grantor does hereby further acknowledge and affirm that the rights and remedies of Agent with respect to the Lien on the Trademark Collateral

granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

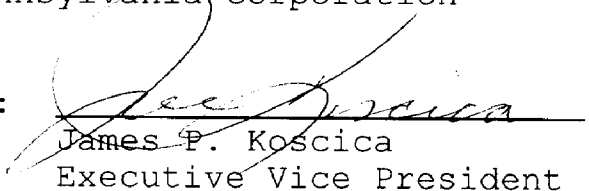
SECTION 6. Related Document, etc. This Agreement is a Related Document executed pursuant to the Secured Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Secured Credit Agreement.

SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;SIGNATURE PAGE
FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

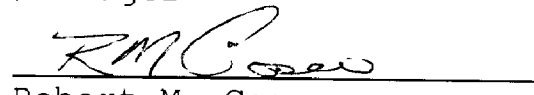
HERR MANUFACTURING COMPANY, a
Pennsylvania corporation

By: 
James P. Koscica
Executive Vice President

2001 Lower Road
Linden, New Jersey 07036-6520
Attention: Manager
TEL 908/381-5000
FAX 908/381-4455

FIRST SOURCE FINANCIAL LLP, an
Illinois registered limited
liability partnership, individually
and as Agent

By: First Source Financial, Inc.,
a Delaware corporation, its
Agent/Manager

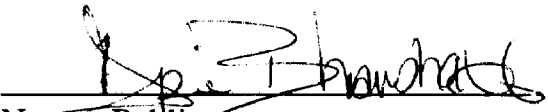
By: 
Robert M. Coseo
Senior Vice President

c/o First Source Financial, Inc.
2850 West Golf Road
5th Floor
Rolling Meadows, IL 60008
Attention: Contract Administration
TEL 847/734-2000
FAX 847/734-7910

STATE OF NEW YORK)
) SS.
COUNTY OF NEW YORK)

I, April Blanshaft, a notary public in and for said County, in the State of aforesaid, DO HEREBY CERTIFY that James P. Koscica, personally known to me to be the Executive Vice President of HERR MANUFACTURING COMPANY, a Pennsylvania corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as such officer of said corporation, pursuant to authority, given by the Board of Directors of said corporation as such person's free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 26 day of February, 1999



Notary Public

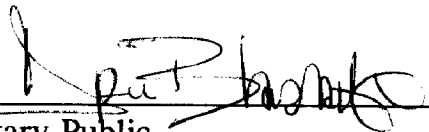
My Commission Expires:

APRIL BLANSHAFT
Notary Public, State of New York
No. 01BL5030907
Qualified in Nassau County
Commission Expires July 25, 2000

STATE OF NEW YORK)
) SS.
COUNTY OF NEW YORK)

I, April Blanshaft, a notary public in and for said County, in the State of aforesaid, DO HEREBY CERTIFY that Robert M. Coseo, personally known to me to be a Senior Vice President of FIRST SOURCE FINANCIAL, INC., a Delaware corporation, the Agent/Manager of First Source Financial LLP, an Illinois registered limited liability partnership, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as such officer of said corporation, pursuant to authority, given by the Board of Directors of said corporation as such person's free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 26 day of February, 1999



Notary Public

My Commission Expires:

APRIL BLANSHAFT
Notary Public, State of New York
No. 01BL5030907
Qualified in Nassau County
Commission Expires July 25, 2000

Item A. Trademarks

Registered Trademarks

<u>* Country</u>	<u>Trademark</u>	<u>Registration No.</u>	<u>Registration Date</u>
U.S.A.	MAJESTIC PREMIER	1,515,012	7/3/89

Pending Trademark Applications

<u>* Country</u>	<u>Trademark</u>	<u>Serial No.</u>	<u>Filing Date</u>
NONE.			

Trademark Applications in Preparation

<u>* Country</u>	<u>Trademark</u>	<u>Docket No.</u>	<u>Expected Filing Date</u>	<u>Products/ Services</u>
NONE.				

Item B. Trademark Licenses

1. License Agreement dated November 4, 1989 between Herr Manufacturing Company and Serta, Inc. covering certain territories in Pennsylvania, New York and New Jersey.

* List items related to the United States first for ease of recordation. List items related to other countries next, grouped by country and in alphabetical order by country name.