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To the Honorable Commissioner of Patents ar

101057070

original documents or copy thereof.

1. Name of conveying party(ies): **6-7-99**
J. Abouchar & Sons, Inc.

- Individual(s)
- General Partnership
- Corporation-State New York
- Other _____

- Association
- Limited Partnership

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

2. Name and address of receiving party(ies)

Name: The Abouchar Company, LLC

Internal Address: _____

Street Address: 1220 North Main Street

City: High Point State: NC ZIP: 27262

- Individual(s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership _____
- Corporation-State _____
- Other Limited Liability Company

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: March 26, 1999

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1,846,781 1,164,693
1,524,568
1,200,468

Additional numbers attached? Yes No

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

Name: Jay S. Horowitz, P.C., Attorney

Internal Address: _____

Street Address: 7401 Westlake Terrace #602

City: Bethesda State: MD ZIP: 20817

6. Total number of applications and registrations involved: _____

4

7. Total fee (37 CFR 3.41).....\$ 115.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number: _____

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

6/08/1999 DNGUYEN 00000046 1846781

DO NOT USE THIS SPACE

1 FC:481 40.00 DP
2 FC:482 75.00 DP

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.

William B. Millis

Name of Person Signing

William B. Millis
Signature

5-27-99
Date

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

10

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (together with all Schedules and Exhibits hereto, this "Agreement"), dated as of March 26, 1999, is entered into by and among **J. ABOUCHAR & SONS, INC.**, a New York corporation ("Seller"), **RICHARD ABOUCHAR** and **EDWARD ABOUCHAR** ("Principals") and **THE ABOUCHAR COMPANY, LLC**, a North Carolina limited liability company ("Buyer").

RECITALS:

1. Seller is the owner and operator of a towel embellishment business with operating facilities in the Brooklyn Army Terminal, New York, New York (the "Business").

2. Seller desires to sell, and Buyer desires to buy, substantially all of the assets of Seller used in or relating to the operation of the Business, on the terms and conditions set forth in this Agreement.

THEREFORE, Seller and Buyer agree as follows:

ARTICLE I SALE AND PURCHASE OF ASSETS

1.1 Transfer of Assets. Seller agrees to sell, assign, transfer and deliver to Buyer, and Buyer agrees to purchase and accept from Seller, at the Closing (as defined below), all of the assets and properties of Seller, real and personal, tangible and intangible, of every kind and description as the same shall exist on the Closing Date and at the Effective Time (as such terms are defined below), wherever located, but excluding certain assets described in Section 1.3. The assets being sold hereunder are collectively referred to as the "Purchased Assets," and the assets described in Section 1.3 are collectively referred to as the "Excluded Assets." The Purchased Assets shall be sold and conveyed to Buyer free and clear of all liabilities, obligations, liens, security interests and encumbrances whatsoever. The parties acknowledge and agree that the Purchased Assets are currently subject to a lien and security interest held by Gordon Brothers Capital, but that such lien and security interest will be released on the Closing Date.

1.2 Purchased Assets. The Purchased Assets specifically include, but are not limited to, the following:

(a) **Tangible Personal Property.** All machinery, equipment, tools, furniture, office equipment, supplies, materials, vehicles and other items of tangible personal property of every kind owned by Seller (wherever located and whether or not carried on the Seller's books), including without limitation those listed on Schedule 1.2(a) (the "Tangible Personal Property"), and any additions, improvements, replacements and

Schedule 1.2(b). None of the items of Seller's Inventory is subject to consignment of any nature whatsoever.

3.10 Contracts. The Contracts listed and described in Schedule 1.2(d) are all contracts, commitments, agreements (including agreements for the borrowing of money or the extension of credit), leases, licenses, understandings and obligations, whether written or oral, to which Seller is party or by which Seller or the Purchased Assets are bound or affected, except (i) purchase orders and sales contracts requiring payment of less than \$1,000.00 each, and (ii) any agreement, contract or commitment which continues over a period of less than ninety (90) days or being less than \$1,000.00 in value on an aggregate nondiscounted basis. Seller has delivered to Buyer true and complete copies of all written Contracts so listed in Schedule 1.2(d) and true and complete memoranda of all oral Contracts so listed, including any and all amendments and other modifications thereto. All Contracts were incurred in the ordinary course of business and are comprised only of (i) executory contracts for the provision of products or services to customers or supplies from Seller's vendors or (ii) relate to the provision or maintenance of the Purchased Assets. Each of the Contracts was incurred in the ordinary course of business, is valid, binding and enforceable in accordance with its terms except that enforceability thereof may be limited by bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally and by principles of equity regarding the availability of remedies, and is in full force and effect. There are no existing defaults by Seller, other than a one (1) month delinquency in rent under Seller's office lease and no events or circumstances have occurred which, with or without notice or lapse of time or both, would constitute defaults by Seller, under any of the other Contracts which would have a material adverse effect upon the condition of the Business (financial or otherwise) or the operation or ownership of the Purchased Assets or the consummation of the transactions contemplated herein. The assignment of the Contracts by Seller to Buyer will not, with respect to any Contract, (i) constitute a default thereunder where such default would have a material adverse effect upon the condition of the Business (financial or otherwise) or the consummation of the transactions contemplated herein or (ii) except as set forth in Schedule 3.4 require the consent of any person or party or (iii) affect the continuation, validity and effectiveness thereof or the terms thereof.

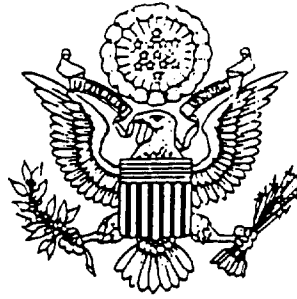
3.11 Receivables. All Receivables reflected on the December 31, 1998 financial statements (the "Current Statements") (less any such receivables collected since the date of such financial statement) and all Receivables presently owing, were validly generated only in the ordinary course of Seller's Business for bona fide sales and deliveries of goods, performance of services or other business transactions, are not subject to valid defenses, set offs or counterclaims other than normal returns and allowances and inventory claims paid out in the ordinary course of business and are, and at the Closing Date will be fully collectible at face value.

3.12 Intellectual Property. Schedule 1.2(f) sets forth a list of all Marks owned

or used by Seller in connection with the Business and all United States, foreign and state registrations relating to any of the Marks (the "Trademark Registrations"). Each of the Marks is now in use in the Business except as noted on Schedule 1.2(f). Schedule 1.2(f) also sets forth (a) a list of all Copyrights and all registrations issued by the United States Copyright Office or the office of any foreign jurisdiction for any of the Copyrights (the "Copyright Registrations"), (b) a list of all Patents, together with the applicable patent number, application number, application date and issue date, (c) a brief description of all of the Trade Secrets and (d) any existing claims or causes of action relating to any item of Intellectual Property. Seller has not disclosed any material Trade Secrets to any third party. Seller is the record owner of each of the Trademark Registrations, the Copyright Registrations and the Patents. Seller has not licensed any of the Intellectual Property to any third party, and to the best knowledge of Seller and each Principal no third party has any right to use any of the Intellectual Property.

3.13 Litigation. Except as listed on Schedule 3.13, there are no claims, actions, suits, litigation, judgments, investigations, claims or proceedings (including, without limitation, local zoning or building ordinance proceedings), arbitrations, or investigations, either administrative or judicial, pending or to the knowledge of Seller and each Principal threatened or contemplated by or against or affecting Seller, its Business or the Purchased Assets before or by any court or governmental or regulatory official, body or authority or before any arbitrator of any kind. Except as set forth in Schedule 3.13, neither Seller nor any Principal has knowledge of any condition or state of facts or occurrence of any event that might reasonably form the basis of any claim, liability or litigation against Seller, its Business, the Purchased Assets or the consummation of the transactions herein contemplated. The Seller is not a party to or otherwise bound or affected by the provisions of any judgment, order, writ, injunction or decree of any court, arbitrator or governmental or regulatory official, body or authority.

3.14 Compliance with Decrees and Laws. Seller has complied, in all material respects, with all Laws of any Governmental Authority including, but not limited to, the requirements of the Occupational Safety and Health Act and the Americans with Disabilities Act. To the best knowledge of Seller and each Principal, no fact, circumstance, condition or situation exists which, after notice or lapse of time or both, would constitute material noncompliance by the Seller or give rise to any future liability of Seller with respect to any Law of any Governmental Authority. The Seller is not required to make any expenditure outside the ordinary course of business to achieve or maintain compliance with any Laws of any Governmental Authority affecting the Business, the Purchased Assets or the consummation of the transactions herein contemplated. To the best knowledge of Seller and each Principal, Seller is not required to obtain any permits, or file any notices, applications or reports under regulations related to any matters referred to in this Section 3.14 that have not been properly obtained or filed. The Seller has not received notice of any violation of any Laws of any Governmental Authority affecting the Business, the Purchased Assets or the consummation of the transactions herein



Nº 1524568

THE UNITED STATES OF AMERICA

CERTIFICATE OF REGISTRATION

This is to certify that the records of the Patent and Trademark Office show that an application was filed in said Office for registration of the Mark shown herein, a copy of said Mark and pertinent data from the Application being annexed hereto and made a part hereof,

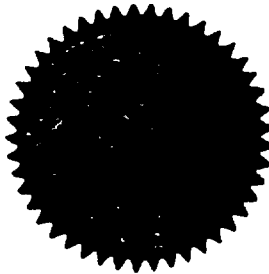
And there having been due compliance with the requirements of the law and with the regulations prescribed by the Commissioner of Patents and Trademarks,

Upon examination, it appeared that the applicant was entitled to have said Mark registered under the Trademark Act of 1946, and the said Mark has been duly registered this day in the Patent and Trademark Office on the

PRINCIPAL REGISTER

to the registrant named herein.

This registration shall remain in force for Twenty Years unless sooner terminated as provided by law.

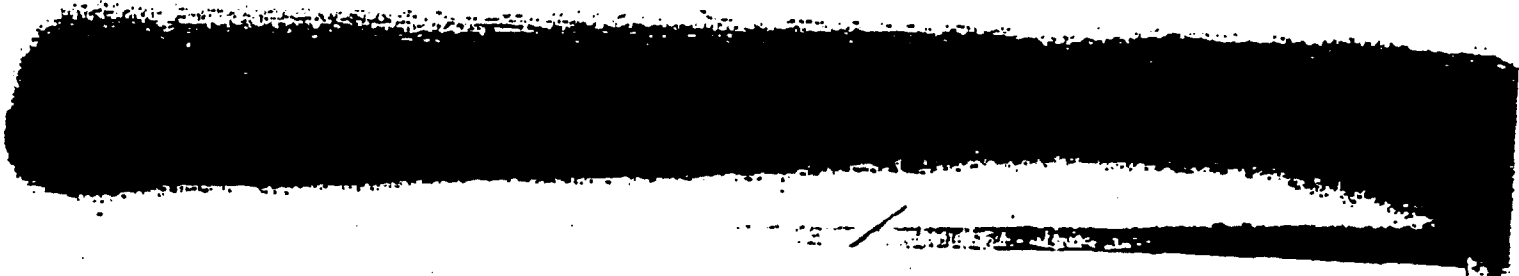


In Testimony Whereof I have hereunto set my hand and caused the seal of the Patent and Trademark Office to be affixed this fourteenth day of February, 1989.

Commissioner of Patents and Trademarks

PTO-130

ETERNAL



Int. Cl.: 24

Prior U.S. Cl.: 42

Reg. No. 1,524,568

United States Patent and Trademark Office Registered Feb. 14, 1989

TRADEMARK
PRINCIPAL REGISTER

ETERNA

J. ABOUCHAR & SONS, INC. (NEW YORK COR-
PORATION)
104 WEST 40TH STREET
NEW YORK, NY 10018

FIRST USE 5-24-1988; IN COMMERCE
5-24-1988.

SER. NO. 742,535, FILED 7-18-1988.

FOR. TOWELS, IN CLASS 24 (U.S. CL. 42).

CATHERINE KAISER KREBS, EXAMINING
ATTORNEY

Int. Cl.: 24

Prior U.S. Cl.: 42

Reg. No. 1,846,781

United States Patent and Trademark Office Registered July 26, 1994

**TRADEMARK
PRINCIPAL REGISTER**

INNKEEPER LINENS

LABOUCHE & SONS, INC. (NEW YORK COR-
PORATION)
111 WEST 40TH STREET
NEW YORK, NY 10018

NO CLAIM IS MADE TO THE EXCLUSIVE
RIGHT TO USE "LINENS", APART FROM THE
MARK AS SHOWN.

FOR: BED LINENS; NAMELY, SHEETS AND
PILLOWCASES, IN CLASS 24 (U.S. CL. 42).
FIRST USE 4-15-1993; IN COMMERCE
4-15-1993.

SER. NO. 74-313,364, FILED 9-14-1992.

THOMAS V. SHAW, EXAMINING ATTORNEY

Int. CL: 24

Prior U.S. CL: 42

United States Patent and Trademark Office

Reg. No. 1,200,468

Registered Jul. 6, 1987

TRADEMARK
Principal Register

AFTER BATH

J. Abouchar & Sons, Inc. (New York corporation)
136 Madison Ave.
New York, N.Y. 10016

For: TOWELS AND WASHCLOTHES, in
CLASS 24 (U.S. CL. 42).

First use Jan. 14, 1981; in commerce Jan. 14, 1981.

Applicant disclaims the word "Bath" apart from
the mark as shown without waiving its common law
rights therein.


Ser. No. 295,459, filed Feb. 2, 1981.

C. J. CONDRIO, Primary Examiner

TERESA M. RUFF, Examiner

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be signed by its duly authorized officer as of the date first above written.

SELLER: J. ABOUCHAR & SONS, INC.

By: 
President

PRINCIPALS:


Richard Abouchar


Edward Abouchar

BUYER: THE ABOUCHAR COMPANY, LLC

By: 
James M. Fitzgibbons, Manager/Member

By: 
William B. Millis, Manager/Member

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