

05-27-1999

MRU 5-14-99

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FORM PTO-1594  
(Rev 5-93)

101047723

U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office

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

1. Name of conveying party(ies):

TOYSMART.COM, INC.

Individual(s) citizenship:

Association:

General Partnership:

Limited Partnership:

Corporation - State: DELAWARE

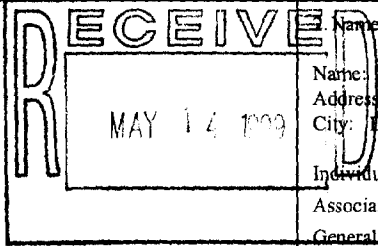
Other:

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

3. Nature of Conveyance:

- [ ] Assignment
- [X] Security Agreement
- [ ] Other
- [ ] Merger
- [ ] Change of Name

Execution Date: April 30, 1999



Name and address of receiving party(ies):

Name: IMPERIAL BANK  
Address: 9920 S. LA CIENEGA BLVD. SUITE 628  
City: INGLEWOOD State: CA Zip: 90301

Individual(s) citizenship:

Association:

General Partnership:

Limited Partnership:

Corporation - State:

Other: a California chartered bank

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 [x] No

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

A. Trademark Application No.(s)

75/615,216

B. Trademark Registration No.(s)

N/A

Additional numbers attached? [ ] Yes [X] No

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

Name: Erin O'Brien  
Internal Address: GRAY CARY WARE & FREIDENRICH  
401 B Street, Suite 1700  
San Diego, California 92101

6 Total number of applications and registrations involved: 1

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

[ ] Enclosed

[X] Authorized to be charged to deposit account

8. Deposit account number: 07-1907

(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.

Erin O'Brien  
Name of Person Signing

*Erin O'Brien*  
Signature

May 13, 1999  
Date

Total number of pages comprising cover sheet: [ 6 ]

Mail Documents to be recorded with required cover sheet information to:

15/26/1999 MTHAI1 00000206 071907 75615216  
1 FC:481 40.00 CH

U.S. Patent and Trademark Office, Office of Public Records  
1213 Jefferson Davis Highway, 3rd Floor  
Arlington, VA 22202

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1090371-912600|

TRADEMARK  
REEL: 001908 FRAME: 0713

AMENDED AND RESTATED  
INTELLECTUAL PROPERTY SECURITY AGREEMENT

This Intellectual Property Security Agreement is entered into as of April 30, 1999 by and between IMPERIAL BANK ("Bank") and TOYSMART.COM, INC. a Delaware corporation, formerly known as Toysmart, Inc. ("Grantor").

RECITALS

A. Bank has agreed to make certain advances of money and to extend certain financial accommodation to Grantor (the "Loans") in the amounts and manner set forth in that certain Loan and Security Agreement by and between Bank and Grantor dated as of December 18, 1998, and in that certain Bridge Loan and Security Agreement by and between Bank and Grantor dated of even date herewith (as the same may be amended, modified or supplemented from time to time, the "Loan Agreements"; capitalized terms used herein are used as defined in the Loan Agreements). Bank is willing to make the Loans to Grantor, but only upon the condition, among others, that Grantor shall grant to Bank a security interest in certain Copyrights, Trademarks and Patents to secure the obligations of Grantor under the Loan Agreements.

B. Pursuant to the terms of the Loan Agreements, Grantor has granted to Bank a security interest in all of Grantor's right, title and interest, whether presently existing or hereafter acquired, in, to and under all of the Collateral.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound, as collateral security for the prompt and complete payment when due of its obligations under the Loan Agreements, Grantor hereby represents, warrants, covenants and agrees as follows:

AGREEMENT

To secure its obligations under the Loan Agreements, Grantor grants and pledges to Bank a security interest in all of Grantor's right, title and interest in, to and under its Intellectual Property Collateral (including without limitation those Trademarks listed on Schedule C hereto), and including without limitation all proceeds thereof (such as, by way of example but not by way of limitation, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all re-issues, divisions continuations, renewals, extensions and continuations-in-part thereof.

This security interest is granted in conjunction with the security interest granted to Bank under the Loan Agreements. The rights and remedies of Bank with respect to the security interest granted hereby are in addition to those set forth in the Loan Agreements and the other Loan Documents, and those which are now or hereafter available to Bank as a matter of law or equity. Each right, power and remedy of Bank provided for herein or in the Loan Agreements or any of the Loan Documents, or now or hereafter existing at law or in equity shall be cumulative and concurrent and shall be in addition to every right, power or remedy provided for herein and the exercise by Bank of any one or more of the rights, powers or remedies provided for in this Intellectual Property Security Agreement, the Loan Agreements or any of the other Loan Documents, or now or hereafter existing at law or in equity, shall not preclude the simultaneous or later exercise by any person, including Bank, of any or all other rights, powers or remedies.

IN WITNESS WHEREOF, the parties have cause this Intellectual Property Security Agreement to be duly executed by its officers thereunto duly authorized as of the first date written above.

GRANTOR:

Address of Grantor:

237 Riverview Avenue  
Walham, MA 02453  
Attn: David L. Lord, CEO

TOYSMART.COM, INC.

By: David L. Lord

Title: CEO

BANK:

Address of Bank:

9920 S. LaCienega Blvd. Suite 628  
Inglewood, CA 90301

IMPERIAL BANK

By: William Sweeney

Title: First Vice President

Attn: Legal Department

EXHIBIT A

Copyrights

Description

Registration/  
Application  
Number

Registration/  
Application  
Date

EXHIBIT B

Patents

Description

Registration/  
Application  
Number

Registration/  
Application  
Date

EXHIBIT C

Trademarks

<u>Description</u>	<u>Registration/ Application Number</u>	<u>Registration/ Application Date</u>
Toysmart.com	75/615,216	01/04/99

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