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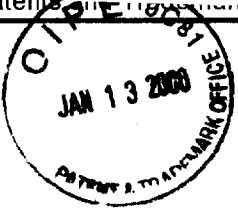
Docket No.:

T6060-004

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



1. Name of conveying party(ies):
TSI Holdings (IP), Inc.

- Individual(s)
- General Partnership
- Corporation-State **Delaware**
- Other
- Association
- Limited Partnership

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

3. Nature of conveyance:

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

Execution Date: **Made as of April 16, 1998**

2. Name and address of receiving party(ies):

Name: **Town Sports International, Inc.**

Internal Address:

Street Address: **888 Seventh Avenue**

City: **New York** State: **NY** ZIP: **10106**

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State **New York**
- 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

4. Application number(s) or registration numbers(s):

A. Trademark Application No.(s)

75/368394 75/361134 75/781013
 75/361132 75/781014 75/781012
 75/361133 75/790841 75/781011

B. Trademark Registration No.(s)

2,262,192 2,227,597 2,225,662
 2,212,754 2,224,136 2,182,153
 1,846,800 2,227,316 2,239,729

Additional numbers attached? Yes No

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

Name: **Marc S. Reiner, Esq.**

Internal Address: **Patterson, Belknap, Webb & Tyler LLP**

Street Address: **1133 Avenue of the Americas**

City: **New York** State: **NY** ZIP: **10036**

6. Total number of applications and registrations involved:

34

7. Total fee (37 CFR 3.41):.....\$ **\$865.00**

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

16-0633

01/19/2000 DNGUYEN 00000347 160633 75368394

DO NOT USE THIS SPACE

01 FC:481 40.00 CH
02 FC:482 825.00 CH

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.

Marc S. Reiner

Name of Person Signing

Signature

January 7, 2000

Date

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

12

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

A. 75/790840
75/781010
75/781009
75/781008
75/790839
75/781007
75/781006
75/353259
75/353260
75/575862
75/367068
75/584488
75.367069

B. 1,806,497
1,801,172
2,260,453

LICENSE AGREEMENT

THIS AGREEMENT, made as of April 16, 1998, between TSI HOLDINGS (IP), INC., a Delaware corporation ("Licensor") and TOWN SPORTS INTERNATIONAL, INC., a New York corporation ("Licensee"),

W I T N E S S E T H :

THAT WHEREAS, Licensee is engaged in the business of operating health and fitness clubs; and

WHEREAS, Licensee wishes to obtain the right to use Licensor's service marks and trademarks in connection with its operation of such health and fitness clubs (the "Services") and its manufacture, marketing and sale of goods related to the Services (the "Goods"), and Licensor is willing to grant such right to Licensee pursuant to the terms of this Agreement;

NOW, THEREFORE, in consideration of the mutual promises, covenants and conditions of the parties hereinafter set forth, it is agreed as follows:

I. Grant of License.

a) Scope of Grant. Licensor hereby grants to Licensee, and Licensee hereby accepts, subject to the terms of this Agreement, the exclusive, worldwide, royalty-free, right and license to use Licensor's service marks and trademarks set forth in Schedule A (the "Licensed Marks") in connection with its Services and Goods as Licensor shall approve from time to time, including the right to sublicense the Licensed Marks. Licensor must approve in advance Licensee's sublicense agreement with its sublicensees, including any modifications to it.

2. Term.

The term of the license granted by this Agreement will be for one year and will be automatically renewed for subsequent one-year periods unless either party gives the other party notice of its intent not to renew at least thirty (30) prior to the end of the then current-term.

3. Quality Control and Inspection by Licensor; Efforts to Exploit Marks.

a) Quality Control. Licensee shall have the right to use the Licensed Marks as provided hereunder only so long as its use conforms to the standards and specifications approved by Licensor from time to time. At Licensor's request, Licensee shall permit Licensor to inspect Licensee's (and all sublicensees') health and fitness clubs and related Goods, to review and approve all advertising or promotion materials in connection therewith, and to review and approve Licensee's (and all sublicensees') procedures and records respecting its quality control. From time to time, Licensee shall supply (and shall cause its sublicensees to supply) Licensor with samples of Goods bearing the Licensed Marks upon reasonable notice from Licensor. If any sample does not substantially conform to the Licensor's quality standards, Licensor shall promptly notify Licensee, who shall take the steps necessary to comply with such standards. All Licensed Marks shall be used solely in the form provided by or approved by Licensor.

b) Efforts. Licensee shall use diligent and continuous efforts to exploit the Licensed Marks so as to obtain the level of Services and sales of Goods consistent with the quality and reputation of Licensor and the quality requirements set forth in this Agreement.

c) Legends, Markings and Notices. Licensee will include all legends, markings, or other notices in connection with the Services and Goods as reasonably required by Licensor or by the laws of each jurisdiction where the Licensed Marks are used.

4. Ownership and Registration of Licensed Marks

It is understood and agreed that, as between Licensor and Licensee, Licensor is the sole and exclusive owner of all right, title and interest in and to the Licensed Marks and all registrations and applications thereof. During the term of this Agreement and thereafter, Licensee shall not register or attempt to register the Licensed Marks or any confusingly similar mark in its own name or the name of any third party in the United States or elsewhere; in the event that any such registration issues, Licensee shall immediately assign all of Licensee's right, title and interest in and to such registration to Licensor and Licensee grants Licensor a limited power of attorney to sign documents in Licensee's name to effect such assignment if Licensee fails or refuses to do so.

5. Goodwill

Licensee understands and acknowledges that all use of the Licensed Marks by, for or on behalf of Licensee, and all goodwill thereunder, shall inure to the benefit of Licensor. Licensee shall not, at any time, acquire any rights in the Licensed Marks by virtue of any use it may make of the Licensed Marks.

6. Infringement of Licensed Marks; Prosecution of Claims or Suits

Licensee agrees to assist Licensor in the enforcement of Licensor's rights in the Licensed Marks. Licensor, in its sole discretion, may commence or prosecute any claims or suits involving the Licensed Marks, at its own cost and expense, in its own name or in the name of Licensee or join Licensee as a party thereto. Licensee shall notify Licensor in writing of any actual or threatened infringements or imitations by third parties of the Licensed Marks which come to Licensee's attention. Upon receipt by Licensor of any such written notice, Licensor shall

have control, in its discretion, over any action taken with respect to such infringement. If Licensor fails to take such action within a reasonable time, Licensee may, upon prior notice to Licensor and with Licensor's consent, take action with respect to infringement of the Licensed Marks.

7. Termination.

a) Termination by Licensor. Licensor shall have the right to terminate this Agreement, without prejudice to any other rights it may have, by giving written notice to Licensee if Licensee:

(i) materially breaches any of the provisions of this Agreement;

(ii) becomes insolvent, i.e., unable to pay its debts as they mature;

(iii) voluntarily commences any proceeding under Title 11 of the United

States Code or any other law of any jurisdiction for the relief, liquidation or rehabilitation of debtors (collectively, "Insolvency Proceeding"); or

(iv) is the subject of an involuntary commencement of an insolvency

proceeding which is not stayed, timely controverted or dismissed within 60 days after the filing thereof.

b) Termination by Licensor or Licensee. Licensor or Licensee may terminate this agreement without cause by giving sixty (60) days written notice to the other party.

c) Post-Termination or Expiration. Upon the termination or expiration of this Agreement, Licensee will immediately cease all use of the Licensed Marks, including use in connection with the Services and the marketing or sale of the Goods. Licensor may, in its sole discretion, grant Licensee the right for a limited period to discontinue Services under the Licensed

Marks or to sell off inventories of Goods manufactured prior to termination or expiration of this Agreement.

8. Authority.

Each party represents and warrants to the other party that it has the full power and authority to enter into this Agreement.

9. Relationship of Parties.

Nothing contained herein shall be construed to place the parties in any relationship other than that of trademark licensor and trademark licensee, nor to constitute either party the partner, joint venturer, nor agent of the other, nor to confer any rights of any kind upon any third party.

10. No Franchise.

This Agreement is a trademark license; it is not, and shall not be construed as being, either a franchise agreement or a dealer or distributor agreement as those terms are used in laws and regulations governing such relationships.

11. Notices.

Any written notice under this Agreement shall be considered given when delivered personally; by facsimile, upon the receipt by sender of electronic confirmation of delivery; or five days after it is mailed by recognized courier service or registered or certified mail, return receipt requested, to the parties at the following addresses (or at such other address as either party may specify by notice to the other):

To Licensor:

TSI Holdings (IP), Inc.
888 Seventh Avenue
New York, New York 10106
Attention: President

To Licensee:

Town Sports International, Inc.
888 Seventh Avenue
New York, New York 10106
Attention: President

12. Waiver; Remedies Not Exclusive.

No waiver by a party hereto of any default, breach or violation of any of the obligations of the other party shall be considered a waiver of any other or subsequent default, breach or violation. No delay or omission by a party hereto in enforcing any right or pursuing any remedy provided herein shall be construed as a waiver of such right or remedy. Any waiver of any provision of this Agreement must be in writing and signed by the party or parties making such waiver. No enforcement of any right or pursuit of any remedy by a party hereto shall be held to exhaust such right or remedy, and every such right may be enforced and every such remedy may be pursued from time to time.

13. No Assignment.

Neither this agreement nor any of Licensee's rights may be sold, transferred or assigned by Licensee without Licensor's prior written approval. Any sale, transfer or assignment in violation of this provision will be null and void.

14. Severability of Provisions.

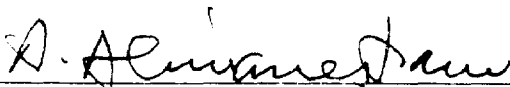
If any provision, or the application thereof, of this Agreement shall to any extent be held invalid or unenforceable, the remainder of this Agreement, and the application thereof, shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

15. Entire Agreement; Binding Agreement; Modifications; Governing Law; Counterparts.

This Agreement (a) constitutes the entire agreement between Licensor and Licensee with respect to the subject matter hereof and supersedes all prior agreements between them, (b) shall be binding upon and inure to the benefit of Licensee and Licensor and their respective successors and permitted assigns, (c) may be modified only in a writing duly executed by both parties, (d) is made in New York and will be governed by and construed in accordance with the internal substantive laws of the State of New York without regarding to its conflicts of laws principles and (e) may be executed in counterparts, each of which will be deemed an original and all of which together will constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed as of the date first above written.

TSI HOLDINGS (IP), INC.

By: 
Name: Alexander Alimanestianu
Title: Executive Vice President

TOWN SPORTS INTERNATIONAL, INC.



By: _____

Name: Richard Pyle

Title: Executive Vice President and
Chief Financial Officer

SCHEDULE A

MARK\INTERNATIONAL CLASS

REGISTRATION NUMBER/SERIAL NUMBER

| | |
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| BOSTON SPORTS CLUB (Int. Cls. 25 and 41) | Reg. 7/20/99, Reg. #2,262,192 |
| BOSTON SPORTS CLUB & BSC Design (Int. Cls. 25 and 41) | App. filed 10/6/97, SN#75/368394 |
| BSC & Design (Int. Cl. 41) | Reg. 12/22/98, Reg. #2,212,754 |
| CHICAGO SPORTS CLUB (Int. Cl. 25) | ITU filed 9/22/97, SN#75/361132 |
| CHICAGO SPORTS CLUB & CSC Design (Int. Cls. 25 and 41) | ITU filed 9/22/98, SN#75/361133 |
| CSC & Design (Int. Cls. 25 and 41) | ITU filed 9/22/97, SN#75/361134 |
| E2R (Int. Cls. 5 and 30) | ITU filed 8/20/99, SN#75/781014 |
| E2R (Int. Cls. 25 and 41) | ITU filed 9/2/99, SN#75/790841 |
| E2R (Int. Cl. 32) | ITU filed 8/20/99, SN#75/781013 |
| E2R (Int. Cl. 42) | ITU filed 8/20/99, SN#75/781012 |
| E2R ENERGY, ENDURANCE, RECOVERY (Int. Cls. 5 and 30) | ITU filed 8/20/99, SN#75/781011 |
| E2R ENERGY, ENDURANCE, RECOVERY (Int. Cls. 25 and 41) | ITU filed 9/2/99, SN#75/790840 |
| E2R ENERGY, ENDURANCE, RECOVERY (Int. Cl. 32) | ITU filed 8/20/99, SN#75/781010 |
| E2R ENERGY, ENDURANCE, RECOVERY (Int. Cl. 42) | ITU filed 8/20/99, SN#75/781009 |
| ENERGY, ENDURANCE, RECOVERY (Int. Cls. 5 and 30) | ITU filed 8/20/99, SN#75/781008 |
| ENERGY, ENDURANCE, RECOVERY (Int. Cls. 25 and 41) | ITU filed 9/2/99, SN#75/790839 |
| ENERGY, ENDURANCE, RECOVERY (Int. Cl. 32) | ITU filed 8/20/99, SN#75/781007 |

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| ENERGY, ENDURANCE, RECOVERY (Int. Cl. 42) | ITU filed 8/20/99, SN#75/781006 |
| LBS LEAN BODY SYSTEMS & Design (Int. Cls. 25 and 42) | Reg. 7/26/94, Reg. #1,846,800 |
| NEW YORK SPORTS CLUBS (Int. Cl. 41) | Reg. 3/2/99, Reg. #2,227,597 |
| NEW YORK SPORTS CLUBS & NYSC Design (Int. Cl. 25) | Reg. 2/16/99, Reg. #2,224,136 |
| NEW YORK SPORTS CLUBS & NYSC Design (Int. Cl. 41) | Reg. 3/2/99, Reg. #2,227,316 |
| NYSC & Design (Int. Cl. 25) | Reg. 2/23/99, Reg. #2,225,662 |
| NYSC & Design (Int. Cl. 41) | Reg. 8/18/98, Reg. #2,182,153 |
| PHILADELPHIA SPORTS CLUBS (Int. Cl. 25) | ITU filed 9/8/97, SN#75/353259 |
| PHILADELPHIA SPORTS CLUBS & PSC Design (Int. Cls. 25 and 41) | ITU filed 9/8/97, SN#75/353260 |
| PSC & Design (Int. Cls. 25 and 41) | Reg. 4/13/99, Reg. #2,239,729 |
| THERE'S A MILLION REASONS TO JOIN (Int. Cl. 41) | ITU filed 10/23/98, SN#75/575862 |
| TOWN SPORTS INTERNATIONAL (Int. Cl. 41) | Reg. 11/23/93, Reg. #1,806,497 |
| TSI (Int. Cl. 41) | Reg. 10/26/93, Reg. #1,801,172 |
| WASHINGTON SPORTS CLUBS (Int. Cl. 25) | Reg. 7/13/99, Reg. #2,260,453 |
| WASHINGTON SPORTS CLUBS & WSC Design (Int. Cls. 25 and 41) | App. filed 10/2/97, SN#75/367068 |
| WHERE YOU LIVE. WHERE YOU WORK. (Int. Cl. 41) | App. filed 11/6/98, SN#75/584488 |
| WSC & Design (Int. Cl. 41) | App. filed 10/2/97, SN#75/367069 |