

MID
3.30.00

REI

04-24-2000

Tab settings ⇄⇄⇄



To the Honorable Commissioner of Patents

101331155

and original documents or copy thereof.

1. Name of conveying party(ies):

Valley Apparel Company

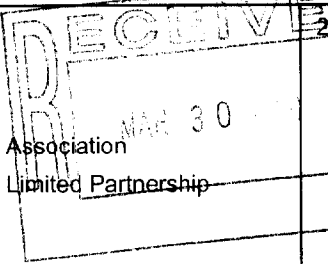
Individual(s)

General Partnership

Corporation-State Iowa

Other _____

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



Name and address of receiving party(ies):

Name: FB Commercial Finance, Inc.

Internal Address: _____

Street Address: 135 North Meramec Avenue

City: St. Louis State: MO ZIP: 63105

Individual(s) citizenship _____

Association _____

General Partnership _____

Limited Partnership _____

Corporation-State Missouri

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

Merger

Security Agreement

Change of Name

Other: _____

Execution Date: March 23, 2000

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

A. Trademark Application No.(s)

75/830,827; 75/830,828; 75/830,829; 75/830,830

B. Trademark Registration No.(s)

Additional numbers attached? Yes No

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

Name: Kay R. Sherman

Internal Address: Gallop, Johnson & Neuman, L.C.

Street Address: 101 South Hanley, Suite 1600

City: St. Louis State: MO ZIP: 63105

6. Total number of applications and registration involved: _____

4

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

Enclosed

Authorized to be charged to deposit account

8. Deposit account number: _____

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

04/21/2000 JSHBAZZ 00000151 75830827

DO NOT USE THIS SPACE

01 FC:481 40.00 DP
02 FC:482 75.00 DP

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.

Kay R. Sherman

Name of Person Signing

Signature

3/30/00

Date

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

8

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

**TRADEMARK AND LICENSE COLLATERAL
ASSIGNMENT AND SECURITY AGREEMENT**

THIS TRADEMARK AND LICENSE COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT ("Assignment") is made as of the 23rd day of March, 2000 by and between FB COMMERCIAL FINANCE, INC., a Missouri corporation ("Lender"), with an office located at 135 North Meramec Avenue, St. Louis, MO 63105, and VALLEY APPAREL COMPANY, an Iowa corporation ("Assignor"), with an office at 951 32nd Avenue, S.W., Cedar Rapids, Iowa 52404.

WITNESSETH:

WHEREAS, pursuant to the terms of a certain Credit and Security Agreement, dated as of March 23, 2000 (the "Credit Agreement") by and between Lender and Assignor, Assignor has mortgaged, pledged and granted to Lender a lien on and security interest in substantially all of Assignor's assets, including all right, title and interest of Assignor in and to all of Assignor's tradenames and trademarks, whether presently existing or hereafter arising or acquired, and all proceeds thereof, including without limitation, any and all causes of action which may exist by reason of infringement thereof for the full term of the tradenames and trademarks, to secure the payment of all amounts owing by Assignor under the Credit Agreement;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor agrees as follows:

1. **Incorporation of Credit Agreement.** The Credit Agreement and all the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.

2. **Assignment of Tradenames, Trademarks and Licenses.** To secure the complete and timely satisfaction of all of the "Obligations" (as defined in the Credit Agreement), Assignor hereby grants, assigns and conveys to Lender a security interest in the following property:

A. Assignor's tradenames, trademarks, trademark registrations, service marks, service mark registrations, and trademark and service mark applications, including, without limitation, the tradenames, trademarks, service marks and registrations and applications listed on Schedule A attached hereto and made a part hereof, and (a) renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, (d) all rights corresponding thereto throughout the world, and (e) all of the goodwill of Assignor's business connected with and symbolized by the trademarks, service marks, tradenames or other items described in clauses (a)-(d) (all of the foregoing tradenames, trademarks, trademark registrations, service marks, service mark registrations and applications, together with the items described in clauses (a)-(e)

are sometimes hereinafter individually and/or collectively referred to as the "Trademarks"); and

B. Assignor's license agreements relating to or involving any of the Trademarks with any other entity, whether Assignor is a licensor or licensee under any such license agreement, including, without limitation, the licenses listed on Schedule B attached hereto and made a part hereof, and the right to prepare for sale, sell and advertise for sale, all "Inventory" (as defined in the Credit Agreement) now or hereafter owned by Assignor and now or hereafter covered by such licenses, except that the rights of Assignor under a certain Sublicense Agreement with adidas America Inc. related to certain adult licensed apparel dated as of December 13, 1999, shall not be included in the foregoing grant of security interest (all of the foregoing are hereinafter referred to collectively as the "Trademark Licenses").

3. **Restrictions on Future Agreements.** Assignor agrees that until the Obligations shall have been satisfied in full and the Credit Agreement shall have been terminated, Assignor will not, without Lender's prior written consent, enter into any agreement (for example, a license agreement) which is inconsistent with Assignor's obligations under this Assignment, and Assignor further agrees that it will not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would affect the validity or enforcement of the rights transferred to Lender under this Assignment.

4. **New Trademarks, and Licenses.** Assignor represents and warrants that the Trademarks listed on Schedule A and the Trademark Licenses listed on Schedule B, respectively, constitute all of the tradenames, trademarks, service marks, registered trademarks, registered service marks, applications, and licenses now owned by Assignor. If, before the Obligations shall have been satisfied in full, Assignor shall obtain rights to any new tradename, trademark, service mark, registration, application or to any license renewal (collectively, the "Future Rights"), the provisions of paragraph 2 above shall automatically apply thereto and Assignor shall give to Lender prompt written notice thereof. Assignor hereby authorizes Lender to modify this Assignment by amending Schedules A and B, as applicable, to include any Future Rights. Assignor agrees to execute all documents necessary to record or preserve Lender's interest in all Future Rights added to Schedules A or B pursuant to this paragraph 4.

5. **Term.** The term of the assignment of the various interests granted herein shall extend until the earlier of (i) the expiration, abandonment or disclaimer, as the case may be, of each of the Trademarks and Trademark Licenses assigned hereunder, or (ii) the date on which the Obligations have been satisfied in full and the Credit Agreement has been terminated.

6. **Assignor's Right to Use Trademarks and Trademark Licenses.** Until the occurrence of an "Event of Default" (as defined in the Credit Agreement), unless such Event of Default has been expressly waived in writing by Lender, Assignor reserves the exclusive right, subject to Lender's security interest, to own and use the Trademarks and to exercise all rights derived from the Trademark Licenses. Assignor agrees to undertake all necessary acts to maintain and preserve the Trademarks and the rights under the Trademark Licenses, including, but not limited to, (i) filing affidavits of use and incontestability, where applicable, under §§ 8 and 15 of the Lanham Act (15 U.S.C. §§ 1058, 1065), (ii) filing renewal applications, and

(iii) initiating opposition or cancellation proceedings or litigation against users of the same or confusingly similar marks which in the reasonable discretion of Assignor seriously threaten the rights of Assignor in or the validity of the Trademarks, provided, however, that Assignor shall not be required to undertake any specific necessary act described in this sentence so long as it obtains Lender's prior written approval, which shall not be unreasonably withheld. Assignor agrees not to sell, assign or encumber its interest in, or grant any licenses under, the Trademarks or Trademark Licenses without the prior written consent of Lender. From and after the occurrence of an Event of Default, and upon written notice by Lender to Assignor of such termination, Assignor's exclusive rights to own and use the Trademarks and Trademark Licenses as set forth in this paragraph 6 shall terminate forthwith, and the conditional assignment granted herein shall become an operative assignment. The rights assigned herein to Lender shall be reassigned to Assignor, subject to Lender's security interest, only if and when such Event of Default is cured or waived, and Lender shall have, in addition to all other rights and remedies given it by this Assignment, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which Assignor's records concerning the Trademarks or Trademark Licenses may be located.

7. **Reassignment to Assignor.** Upon satisfaction in full of the Obligations and termination of the Credit Agreement, Lender shall promptly execute and deliver to Assignor all deeds, assignments and other instruments as may be necessary or proper to reinvest in Assignor full title to the Trademarks and Trademark Licenses, subject to (1) any disposition thereof, after an Event of Default, which may have been made by Lender pursuant hereto or pursuant to the Credit Agreement, and (2) in the case of Assignor's cure of an Event of Default, subject to Lender's security interest.

8. **Duties of Assignor.** Assignor shall have the duty (i) to prosecute diligently any application for registration of any trademark or service mark pending as of the date hereof or thereafter until termination of the Credit Agreement, (ii) to make application on the Assignor's unpatented but patentable inventions and for Assignor's trademarks and service marks, as is appropriate in the Assignor's good faith judgment, and (iii) to use its best efforts to preserve and maintain all rights in Assignor's applications and in Trademarks and Trademark Licenses, provided, however, that Assignor shall not be required to take any specific action described in this sentence so long as it obtains Lender's prior written approval, which shall not be unreasonably withheld. Any expenses incurred in connection with such applications shall be borne by the Assignor. In any suit to enforce any Trademark or Trademark License, Lender shall, at the expense and request of Assignor, join, to the extent necessary, as a plaintiff and do any and all lawful acts and execute any and all proper documents reasonably required by Assignor in connection with such suit.

9. **Lender's Right to Sue.** At any time after the occurrence and during the continuance of an "Event of Default" (as defined in the Credit Agreement), Lender shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks and Trademark Licenses, and, if Lender shall commence any such suit, Assignor shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents reasonably required by Lender in aid of such enforcement and Assignor shall promptly, upon demand, reimburse and indemnify Lender for all reasonable costs and expenses incurred by Lender in the exercise of its rights under this paragraph 9.

10. **Waivers.** No course of dealing between Assignor and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder or under the Credit Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

11. **Severability.** The provisions of this Assignment are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Assignment in any jurisdiction.

12. **Modification.** This Assignment cannot be altered, amended or modified in any way, except as specifically provided in paragraph 4 hereof or by a writing signed by the parties hereto.

13. **Cumulative Remedies; Effect on Credit Agreement.** All of Lender's rights and remedies with respect to the Trademarks and Trademark Licenses, whether established hereby or by the Credit Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Assignor and Lender acknowledge and agree that this Assignment is not intended to limit, restrict or expand in any way the rights and remedies of Lender under the Credit Agreement but rather is intended to facilitate the exercise of such rights and remedies.

14. **Binding Effect; Benefits.** This Assignment shall be binding upon Assignor and its respective successors and assigns, and shall inure to the benefit of Lender, its successors and assigns.

15. **Governing Law.** This Assignment shall be governed by and construed in accordance with the internal substantive laws of the State of Missouri.

16. **Conflict of Terms.** Except as otherwise explicitly provided in this Assignment, if any provision contained in this Assignment is in conflict with or inconsistent with any provision in the Credit Agreement, the provisions contained in the Credit Agreement shall govern and control, to the extent of such conflict or inconsistency.

[THIS SPACE LEFT BLANK INTENTIONALLY]

STATE OF Missouri)
) SS.
COUNTY OF St. Louis)

The foregoing Trademark and License Collateral Assignment and Security Agreement was executed and acknowledged before me this 23rd day of March, 2000, by Gregg Hentel, personally known to me to be the Vice President of FB Commercial Finance, Inc., a Missouri corporation, on behalf of such corporation.

Debbie L. Imboden
Notary Public

My Commission expires: Debbie L. Imboden
Notary Public - Notary Seal
STATE OF MISSOURI
ST. CHARLES COUNTY
MY COMMISSION EXP. Jan. 3, 2003

..ODMA\PCDOCS\SL01\41234172

**SCHEDULE A
TO
TRADEMARK AND LICENSE
COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT**

Cherry Grove Clothing Company	75/830,827
Valley Apparel Company	75/830,828
Sportpointe	75/830,829
Lost Terrain	75/830,830

\\ODMA\PCDOCS\SL01\4123417\2

RECORDED: 03/30/2000

**TRADEMARK
REEL: 002057 FRAME: 0775**