

09-18-2000



HEET

U.S. Department of Commerce  
Patent and Trademark Office  
TRADEMARK

101460239

8-31-00

TO: The Commissioner of Patents and Trademarks. Please record the attached original document(s) or copy(ies).

Submission Type

Conveyance Type

- New
- Resubmission (Non-Recordation)  
Document ID#
- Correction of PTO Error  
Reel #  Frame #
- Corrective Document  
Reel #  Frame #

- Assignment
- License
- Security Agreement
- Nunc Pro Tunc Assignment  
Effective Date  
Month Day Year
- Merger
- Change of Name
- Other

Conveying Party(ies)

Mark if additional names of conveying parties attached

Name

Execution Date		
Month	Day	Year
8	11	2000

Formerly

945432

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association

Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of conveying parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City State/Country Zip Code

- Individual
- General Partnership
- Limited Partnership
- Association

Corporation

Other

Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative is attached. (Designation must be a separate document from Assignment)

FOR OFFICE USE ONLY

09/18/2000 JJALLAH2 00000146 945432

01 FC:481 40.00 DP  
02 FC:482 225.00 DP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB nation Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

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

TRADEMARK

REEL: 002137 FRAME: 0404

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name Valerie A. Mason, Esq.

Address (line 1) Otterbourg, Steindler, Houston & Rosen, P.C.

Address (line 2) 230 Park Avenue

Address (line 3) New York, New York 10169

Address (line 4)

**Correspondent Name and Address**

Area Code and Telephone Number

212-661-9100 X709

Name Helen M. Linehan

Address (line 1) Otterbourg, Steindler, Houston & Rosen, P.C.

Address (line 2) 230 Park Avenue

Address (line 3) New York, New York 10169

Address (line 4)

**Pages**

Enter the total number of pages of the attached conveyance document including any attachments.

# 24

**Trademark Application Number(s) or Registration Number(s)**

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)  
SEE ATTACHED EXHIBIT A

Three columns of empty boxes for Trademark Application Number(s).

Three columns of empty boxes for Registration Number(s).

**Number of Properties**

Enter the total number of properties involved.

10

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41): \$

\$265.00

Method of Payment: Enclosed  Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account)

Deposit Account Number: #

Authorization to charge additional fees: Yes  No

**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. Charges to deposit account are authorized, as indicated herein.

Helen M. Linehan

*Helen M. Linehan*

8/30/00

Name of Person Signing

Signature

Date

EXHIBIT A  
TO  
TRADEMARK RECORDATION COVER SHEET

Trademark Registration Numbers

945432  
1192360  
1419133  
1261297  
1486906  
2065856  
1585808  
1374858  
1510062  
1391977

**AMENDMENT  
TO  
TRADEMARK COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT**

AMENDMENT TO TRADEMARK COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT, made as of this 11th day of August, 2000, by and between CHARMING SHOPPES, INC., a Pennsylvania corporation ("Debtor"), with its chief executive office at 450 Winks Lane, Bensalem, Pennsylvania 19020 and CONGRESS FINANCIAL CORPORATION, a Delaware corporation ("Secured Party"), having an office at 1133 Avenue of the Americas, New York, New York 10036. Unless otherwise defined herein, all capitalized terms used herein which are defined in the Trademark Security Agreement (as defined below) shall have the meaning given to such terms in the Trademark Security Agreement.

W I T N E S S E T H

WHEREAS, Debtor and Secured Party are parties to the Trademark Collateral Assignment and Security Agreement, dated November 30, 1995, (the "Trademark Security Agreement"); and

WHEREAS, Debtor has filed additional applications for, or has registered, certain trademarks with the U.S. Patent and Trademark Office, and that Debtor has entered into certain licenses with certain of its affiliates; and

WHEREAS, pursuant to Section 1 of the Trademark Security Agreement, Debtor has, among other things, granted to Secured Party a security interest in all future trademark applications and trademarks of Debtor, together with the goodwill of the business symbolized thereby, and, pursuant to Section 3(h) of the Trademark Security Agreement, Debtor has agreed to execute and deliver to Secured Party all agreements and documents as requested by Secured Party to evidence the security interests of Secured Party therein;

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

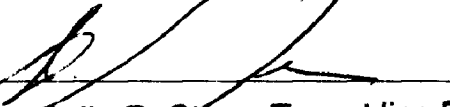
1. Amendments to Exhibit A. Without limiting the Collateral elsewhere described in the Trademark Security Agreement, Exhibit A to the Trademark Security Agreement is hereby further amended to include, in addition and not by way of limitation, the Trademarks described in Exhibit A attached hereto.

2. Effect of this Amendment. Except as expressly amended pursuant hereto, no other changes or modifications to the Trademark Security Agreement or waivers of or consents under any provisions thereof are intended or implied, and in all other respects the Trademark Security Agreement is hereby specifically ratified, restated and confirmed by all parties hereto as of the effective date hereof. To the extent any term or provision of this agreement conflicts with any term or provision of the Loan Agreement, the term or provision from the Loan Agreement shall control.

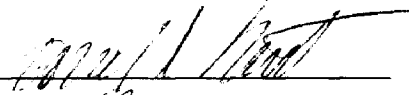
3. Counterparts. This Amendment may be executed in any number of counterparts, but all of such counterparts shall together constitute but one and the same agreement. In making proof of this Amendment, it shall not be necessary to produce or account for more than one counterpart thereof signed by each of the parties hereto.

IN WITNESS WHEREOF, Debtor and Secured Party have executed this Agreement as of the day and year first above written.

CHARMING SHOPPES, INC.

By:   
Title: Colin D. Stern, Exec. Vice President

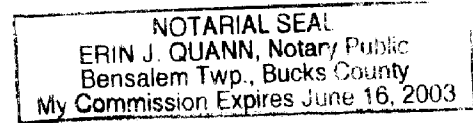
CONGRESS FINANCIAL CORPORATION

By:   
Title: 189/00

State of Penna. )  
 )  
County of Bucks ) ss.

On this 11<sup>th</sup> day of ~~July~~<sup>August</sup>, 2000, before me personally came Colin B. Stern, to me known, who being duly sworn, did depose and say, that he is the Exec. Vice President of CHARMING SHOPPES, INC., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

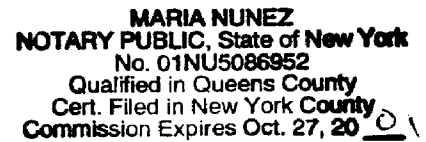
Erin J. Quann  
Notary Public



STATE OF NEW YORK )  
 )  
COUNTY OF NEW YORK ) ss.

On this 14 day of ~~July~~<sup>August</sup>, 2000, before me personally came JANET S. LAST, to me known, who being duly sworn, did depose and say, that he is the FIRST VP of CONGRESS FINANCIAL CORPORATION, the corporation described in and which executed the foregoing instrument; and that he signed <sup>her</sup> his name thereto by order of the Board of Directors of said corporation.

Maria Nunez  
Notary Public



**EXHIBIT A  
TO AMENDMENT TO  
TRADEMARK COLLATERAL ASSIGNMENT  
AND SECURITY AGREEMENT**

**LIST OF TRADEMARKS**

<b><u>Trademark</u></b>	<b><u>Owner</u></b>	<b><u>Reg. No.</u></b>	<b><u>Reg. Date</u></b>	<b><u>Exp. Date</u></b>
CHARMING SHOPPES	Charming Shoppes, Inc.	945,432	10/17/72	10/17/02
CHARMING SHOPPES (Stylized)	Charming Shoppes, Inc.	1,192,360	03/16/82	03/16/02
DETAILS	Charming Shoppes, Inc.	1,419,133	12/2/86	12/02/06
FASHION BUG (US)	Charming Shoppes, Inc.	1,192,361	03/16/82	03/16/02
FASHION BUG & DESIGN	Charming Shoppes, Inc.	1,639,319	03/26/91	03/26/01
FASHION BUG PLUS	Charming Shoppes, Inc.	1,261,297	12/13/83	12/13/03
GLITTER	Charming Shoppes, Inc.	1,486,906	05/03/88	05/03/08
LA BLUES (US)	Charming Shoppes, Inc.	1,585,808	03/6/90	03/16/10
LA BLUES (AUSTRIA)	Charming Shoppes, Inc.	146385	03/19/93	03/19/03
LA BLUES (DOMINICAN REPUBLIC)	Charming Shoppes, Inc.	55500	12/15/92	12/15/02
LA BLUES (HONG KONG)	Charming Shoppes, Inc.	B728295	08/29/95	11/08/10
LA BLUES (JAPAN)	Charming Shoppes, Inc.	4070850	10/17/97	10/17/07
LA BLUES (MEXICO)	Charming Shoppes, Inc.	472059	09/01/94	04/05/04
LA BLUES (SOUTH AFRICA)	Charming Shoppes, Inc.	92/9516	11/05/92	11/05/02
LA BLUES (SWITZERLAND)	Charming Shoppes, Inc.	402143	11/5/92	11/5/02
PRETENSE (CANADA)	Charming Shoppes, Inc.	336974	2/12/88	2/12/03
PRETENSE (HONG KONG)	Charming Shoppes, Inc.	1146/1988		1/16/08
STEFANO (AUSTRIA)	Charming Shoppes, Inc.	146221	03/09/93	03/09/03
STEFANO (BENELUX)	Charming Shoppes, Inc.	521533	10/01/92	10/01/02
STEFANO (CANADA)	Charming Shoppes, Inc.	327449	05/08/87	05/08/02
STEFANO (CANADA)	Charming Shoppes, Inc.	258479	05/01/81	05/01/11
STEFANO (CHINA)	Charming Shoppes, Inc.	313039	4/30/88	4/30/08
STEFANO (DR)	Charming Shoppes, Inc.	44542	4/18/88	4/18/03
STEFANO (FEDERATION OF RUSSIA)	Charming Shoppes, Inc.	120822	10/06/94	04/11/02
STEFANO (FRANCE)	Charming Shoppes, Inc.	92.439.182	10/27/92	10/27/02
STEFANO (GERMANY)	Charming Shoppes, Inc.	2048983	10/7/92	10/7/02

STEFANO (HUNGARY)	Charming Shoppes, Inc.	139131	11/4/92	11/4/02
STEFANO (ITALY)	Charming Shoppes, Inc.	655222	8/4/95	8/4/00
STEFANO (SWITZERLAND)	Charming Shoppes, Inc.	402142	11/5/92	11/5/12
STEFANO (TAIWAN)	Charming Shoppes, Inc.	366863	5/31/97	5/31/07
STEFANO (US)	Charming Shoppes, Inc.	1,374,858	12/10/85	12/10/05
STEFANO (US)	Charming Shoppes, Inc.	1,510,062	10/25/88	10/25/08
STYLES TO FIT EVERY YOU	Charming Shoppes, Inc.	1,391,977	04/29/96	04/29/06
ZALERNO (CANADA)	Charming Shoppes, Inc.	352074	2/24/89	02/24/04
ZALERNO ( HONG KONG)	Charming Shoppes, Inc.	2262	10/10/86	10/10/07



## TRADEMARK COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT

THIS AGREEMENT ("Agreement"), dated November 30, 1995, is by and between CHARMING SHOPPES, INC., a Pennsylvania corporation ("Debtor"), with its chief executive office at 450 Winks Lane, Bensalem, Pennsylvania 19020 and CONGRESS FINANCIAL CORPORATION, a California corporation ("Secured Party"), having an office at 1133 Avenue of the Americas, New York, New York 10036.

### W I T N E S S E T H :

WHEREAS, Debtor has adopted, used and is using, and is the owner of the entire right, title, and interest in and to the trademarks, trade names, terms, designs and applications therefor described in Exhibit A hereto and made a part hereof; and

WHEREAS, Secured Party and Debtor, C.S.I. Industries, Inc., a Delaware corporation, Charming Shoppes of Delaware, Inc., a Pennsylvania corporation and FB Apparel, Inc., an Indiana corporation (individually and collectively hereinafter referred to as the "Borrowers") are contemporaneously herewith entering into financing arrangements pursuant to which Secured Party may make loans and advances and provide other financial accommodations to Borrowers and certain of Borrowers' affiliates as set forth in the Amended and Restated Loan and Security Agreement, dated of even date herewith, among Secured Party and Borrowers (as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, the "Loan Agreement") and other agreements, documents and instruments referred to therein or at any time executed and/or delivered in connection therewith or related thereto, including, but not limited to, the Guarantee (as defined below) and this Agreement (all of the foregoing, together with the Loan Agreement, as the same now exist or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, being collectively referred to herein as the "Financing Agreements"); and

WHEREAS, Debtor has absolutely and unconditionally guaranteed the payment and performance of all now existing and hereafter arising obligations, liabilities and indebtedness of the other Borrowers and the Additional L/C Debtors (as defined in the Loan Agreement) to Secured Party as set forth in each Guarantee, dated of even date herewith, by Debtor and certain of its affiliates in favor of Secured Party (as each of the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, collectively, the "Guarantee");

WHEREAS, in order to induce Secured Party to enter into the Loan Agreement and the other Financing Agreements and to make loans and advances and provide other financial accommodations to Borrowers and the Additional L/C Debtors pursuant thereto, Debtor has agreed to grant to Secured Party certain collateral security as set forth herein;

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

## 1. GRANT OF SECURITY INTEREST

As collateral security for the prompt performance, observance and indefeasible payment in full of all of the Obligations (as hereinafter defined), Debtor hereby grants to Secured Party a continuing security interest in and a lien upon, and a conditional assignment of, the following (being collectively referred to herein as the "Collateral"): (a) all of Debtor's now existing or hereafter acquired right, title, and interest in and to: (i) all of Debtor's trademarks, tradenames, trade styles and service marks and all applications, registrations and recordings relating to the foregoing as may at any time be filed in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof, any political subdivision thereof or in any other country, including, without limitation, the trademarks, terms, designs and applications described in Exhibit A hereto, together with all rights and privileges arising under applicable law with respect to Debtor's use of any trademarks, tradenames, trade styles and service marks, and all reissues, extensions, continuation and renewals thereof (all of the foregoing being collectively referred to herein as the "Trademarks"); and (ii) all prints and labels on which such trademarks, tradenames, tradestyles and service marks appear, have appeared or will appear, and all designs and general intangibles of a like nature; (b) the goodwill of the business symbolized by each of the Trademarks, including, without limitation, all customer lists and other records relating to the distribution of products or services bearing the Trademarks; (c) all income, fees, royalties and other payments at any time due or payable with respect thereto, including, without limitation, payments under all licenses at any time entered into in connection therewith; (d) the right to sue for past, present and future infringements thereof; (e) all rights corresponding thereto throughout the world; and (f) any and all other proceeds of any of the foregoing, including, without limitation, damages and payments or claims by Debtor against third parties for past or future infringement of the Trademarks.

## 2. OBLIGATIONS SECURED

The security interest, lien and other interests granted to Secured Party pursuant to this Agreement shall secure the prompt performance, observance and payment in full of any and all obligations, liabilities and indebtedness of every kind, nature and description owing by Debtor to Secured Party (but not owed solely to any affiliate of the original Secured Party), including principal, interest, charges, fees, costs and expenses, however evidenced, whether as principal, surety, endorser, guarantor or otherwise, whether arising under the Guarantee, this Agreement, the Loan Agreement, the other Financing Agreements or otherwise, whether now existing or hereafter arising, whether arising before, during or after the initial or any renewal term of the Loan Agreement or after the commencement of any case with respect to Debtor under the United States Bankruptcy Code or any similar statute (including, without limitation, the payment of interest and other amounts which would accrue and become due but for the commencement of such case), whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured, and however acquired by Secured Party (all of the foregoing being collectively referred to herein as the "Obligations").

## 3. REPRESENTATIONS, WARRANTIES AND COVENANTS

Debtor hereby represents, warrants and covenants with and to Secured Party the following (all of such representations, warranties and covenants being continuing so long as any of the Obligations are outstanding):

(a) Debtor shall pay and perform all of the Obligations according to their terms.

(b) All of the existing Collateral is valid and subsisting in full force and effect, and Debtor owns the sole, full and clear title thereto, and the right and power to grant the security interest and conditional assignment granted hereunder. Debtor shall, at Debtor's expense, perform all acts and execute all documents necessary to maintain the existence of the Collateral consisting of registered Trademarks as registered trademarks and to maintain the existence of all of the Collateral as valid and subsisting, including, without limitation, the filing of any renewal affidavits and applications, except to the extent that any such Trademarks or other Collateral may no longer be used or useful in the business of Debtor or Borrowers and Debtor has given Secured Party notice of its intention to not maintain such Trademarks or other Collateral. The Collateral is not subject to any liens, claims, mortgages, assignments, licenses, security interests or encumbrances of any nature whatsoever, except: (i) the security interests granted hereunder and pursuant to the Loan Agreement, (ii) the security interests permitted under the Loan Agreement, and (iii) the licenses permitted under Section 3(e) below.

(c) Debtor shall not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon, encumber, grant an exclusive or non-exclusive license relating to the Collateral, or otherwise dispose of any of the Collateral, in each case without the prior written consent of Secured Party, except that Debtor may license any Trademark to any direct or indirect subsidiary of Charming Shoppes, Inc. and except as otherwise permitted herein or in the Loan Agreement. Nothing in this Agreement shall be deemed a consent by Secured Party to any such action, except as such action is expressly permitted hereunder.

(d) Debtor shall, at Debtor's expense, promptly perform all acts and execute all documents requested at any time by Secured Party to evidence, perfect, maintain, record or enforce the security interest in and conditional assignment of the Collateral granted hereunder or to otherwise further the provisions of this Agreement. Debtor hereby authorizes Secured Party to execute and file one or more financing statements (or similar documents) with respect to the Collateral, signed only by Secured Party or as otherwise determined by Secured Party. Debtor further authorizes Secured Party to have this Agreement or any other similar security agreement filed with the Commissioner of Patents and Trademarks or any other appropriate federal, state or government office.

(e) As of the date hereof, Debtor does not have any Trademarks registered, or subject to pending applications, in the United States Patent and Trademark Office or any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country, other than those described in Exhibit A hereto and has not granted any licenses with respect thereto other than as set forth in Exhibit B hereto.

(f) Debtor shall, concurrently with the execution and delivery of this Agreement, execute and deliver to Secured Party five (5) originals of a Special Power of Attorney in the form of Exhibit C annexed hereto for the implementation of the assignment, sale or other disposition of the Collateral pursuant to Secured Party's exercise of the rights and remedies granted to Secured Party hereunder.

(g) Secured Party may, in its discretion, pay any amount or do any act which Debtor fails to pay or do as required hereunder or as reasonably requested by Secured Party to preserve, defend, protect, maintain, record or enforce the Obligations, the Collateral, or the security interest and conditional assignment granted hereunder, including, but not limited to, all filing or recording fees,

court costs, collection charges, reasonable attorneys' fees and legal expenses. Debtor shall be liable to Secured Party for any such payment, which payment shall be deemed an advance by Secured Party to Debtor, shall be payable on demand together with interest at the rate then applicable to the indebtedness of Borrowers to Secured Party set forth in the Loan Agreement and shall be part of the Obligations secured hereby.

(h) Debtor shall not file any application for the registration of a Trademark with the United States Patent and Trademark Office or any similar office or agency in the United States, unless Debtor shall give Secured Party written notice no later than ten (10) days following such action. If, after the date hereof, Debtor shall (i) obtain any registered trademark or tradename, or apply for any such registration in the United States Patent and Trademark Office or in any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country, or (ii) become the owner of any trademark registrations or applications for trademark registration used in the United States or any State thereof, political subdivision thereof or in any other country, the provisions of Section 1 hereof shall automatically apply thereto. Upon the request of Secured Party, Debtor shall promptly execute and deliver to Secured Party any and all assignments, agreements, instruments, documents and such other papers as may be requested by Secured Party to evidence the security interest in and conditional assignment of such Trademark in favor of Secured Party.

(i) Debtor has not abandoned any of the Trademarks and Debtor will not do any act, nor omit to do any act, whereby a Trademark may become abandoned, invalidated, unenforceable, avoided, or avoidable, except to the extent that any such Trademark may no be longer used or useful in the business of Debtor or Borrowers and Debtor has given Secured Party notice of its intention to abandon such Trademark. Debtor shall notify Secured Party immediately if it knows or has reason to know of any reason why any application, registration, or recording with respect to the Trademarks may become abandoned, canceled, invalidated, avoided, or avoidable.

(j) Debtor shall render any assistance, as Secured Party shall determine is necessary, to Secured Party in any proceeding before the United States Patent and Trademark Office, any federal or state court, or any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country, to maintain such application and registration of the Trademarks as Debtor's exclusive property and to protect Secured Party's interest therein, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference, and cancellation proceedings.

(k) No material infringement or unauthorized use presently is being made of any of the Trademarks that would adversely affect in any material respect the fair market value of the Collateral or the benefits of this Agreement granted to Secured Party, including, without limitation, the validity, priority or perfection of the security interest granted herein or the remedies of Secured Party hereunder. Debtor shall promptly notify Secured Party if Debtor (or any affiliate or subsidiary thereof) learns of any use by any person of any term or design which infringes on any Trademark or is likely to cause confusion with any Trademark. If requested by Secured Party, Debtor, at Debtor's expense, shall join with Secured Party in such action as Secured Party, in Secured Party's discretion, may deem advisable for the protection of Secured Party's interest in and to the Trademarks.

(l) Debtor assumes all responsibility and liability arising from the use of the Trademarks and Debtor hereby indemnifies and holds Secured Party harmless from and against any claim, suit, loss, damage, or expense (including reasonable attorneys' fees and legal expenses) arising out of any

alleged defect in any product manufactured, promoted, or sold by Debtor (or any affiliate or subsidiary thereof) in connection with any Trademark or out of the manufacture, promotion, labelling, sale or advertisement of any such product by Debtor (or any affiliate or subsidiary thereof), except for any liability arising out of the Secured Party's acts or omissions constituting gross negligence or wilful misconduct, as determined pursuant to a final and non-appealable judgment or order of a court of competent jurisdiction. The foregoing indemnity shall survive the payment of the Obligations, the termination of this Agreement and the termination or non-renewal of the Loan Agreement.

(m) Debtor shall promptly pay Secured Party for any and all expenditures made by Secured Party pursuant to the provisions of this Agreement or for the defense, protection or enforcement of the Obligations, the Collateral, or the security interests and conditional assignment granted hereunder, including, but not limited to, all filing or recording fees, court costs, collection charges, travel expenses, and reasonable attorneys' fees and legal expenses. Such expenditures shall be payable on demand, together with interest at the rate then applicable to the indebtedness of Borrowers to Secured Party set forth in the Loan Agreements and shall be part of the Obligations secured hereby.

#### 4. EVENTS OF DEFAULT

All Obligations shall become immediately due and payable, without notice or demand, at the option of Secured Party, upon the occurrence of any Event of Default, as such term is defined in the Loan Agreement (each an "Event of Default" hereunder).

#### 5. RIGHTS AND REMEDIES

At any time an Event of Default exists or has occurred and is continuing, in addition to all other rights and remedies of Secured Party, whether provided under this Agreement, the Loan Agreement, the other Financing Agreements, applicable law or otherwise, Secured Party shall have the following rights and remedies which may be exercised without notice to, or consent by, Debtor except as such notice or consent is expressly provided for hereunder:

(a) Secured Party may require that neither Debtor nor any affiliate or subsidiary of Debtor make any use of the Trademarks or any marks similar thereto for any purpose whatsoever. Secured Party may make use of any Trademarks for the sale of goods, completion of work-in-process or rendering of services in connection with enforcing any other security interest granted to Secured Party by Debtor or any subsidiary or affiliate of Debtor or for such other reason as Secured Party may determine.

(b) Secured Party may grant such license or licenses relating to the Collateral for such term or terms, on such conditions, and in such manner, as Secured Party shall in its discretion deem appropriate. Such license or licenses may be general, special or otherwise, and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and all foreign countries.

(c) Secured Party may assign, sell or otherwise dispose of the Collateral or any part thereof, either with or without special conditions or stipulations except that if notice to Debtor of intended disposition of Collateral is required by law, the giving of five (5) days prior written notice to Debtor of any proposed disposition shall be deemed reasonable notice thereof and Debtor waives any other notice with respect thereto. Secured Party shall have the power to buy the Collateral or any part

thereof, and Secured Party shall also have the power to execute assurances and perform all other acts which Secured Party may, in its discretion, deem appropriate or proper to complete such assignment, sale, or disposition. In any such event, Debtor shall be liable for any deficiency.

(d) In addition to the foregoing, in order to implement the assignment, sale, or other disposition of any of the Collateral pursuant to the terms hereof, Secured Party may at any time execute and deliver on behalf of Debtor, pursuant to the authority granted in the Powers of Attorney described in Section 3(f) hereof, one or more instruments of assignment of the Trademarks (or any application, registration, or recording relating thereto), in form suitable for filing, recording, or registration. Debtor agrees to pay Secured Party on demand all costs incurred in any such transfer of the Collateral, including, but not limited to, any taxes, fees, and reasonable attorneys' fees and legal expenses. Debtor agrees that Secured Party has no obligation to preserve rights to the Trademarks against any other parties.

(e) Secured Party may first apply the proceeds actually received from any such license, assignment, sale or other disposition of any of the Collateral to the costs and expenses thereof, including, without limitation, reasonable attorneys' fees and all legal, travel and other expenses which may be incurred by Secured Party. Thereafter, Secured Party may apply any remaining proceeds to such of the Obligations as Secured Party may in its discretion determine. Debtor shall remain liable to Secured Party for any of the Obligations remaining unpaid after the application of such proceeds, and Debtor shall pay Secured Party on demand any such unpaid amount, together with interest at the rate then applicable to the indebtedness of Borrowers to Secured Party set forth in the Loan Agreement.

(f) Debtor shall supply to Secured Party or to Secured Party's designee, Debtor's knowledge and expertise relating to the manufacture and sale of the products and services bearing the Trademarks and Debtor's customer lists and other records relating to the Trademarks and the distribution thereof.

(g) Nothing contained herein shall be construed as requiring Secured Party to take any such action at any time. All of Secured Party's rights and remedies, whether provided under this Agreement, the other Financing Agreements, applicable law, or otherwise, shall be cumulative and none is exclusive. Such rights and remedies may be enforced alternatively, successively, or concurrently.

## **6. JURY TRIAL WAIVER; OTHER WAIVERS AND CONSENTS; GOVERNING LAW**

(a) The validity, interpretation and enforcement of this Agreement and the other Financing Agreements and any dispute arising out of the relationship between the parties hereto, whether in contract, tort, equity or otherwise, shall be governed by the internal laws of the State of New York (without giving effect to principles of conflicts of law).

(b) Debtor and Secured Party irrevocably consent and submit to the non-exclusive jurisdiction of the Supreme Court of the State of New York, County of New York and the United States District Court for the Southern District of New York and waive any objection based on venue or forum non conveniens with respect to any action instituted therein arising under this Agreement or any of the other Financing Agreements or in any way connected or related or incidental to the dealings of Debtor and Secured Party in respect of this Agreement or the other Financing Agreements or the transactions related hereto or thereto, in each case whether now existing or thereafter arising, and whether in

contract, tort, equity or otherwise, and agree that any dispute with respect to any such matters shall be heard only in the courts described above (except that Secured Party shall have the right to bring any action or proceeding against Debtor or its property in the courts of any other jurisdiction which Secured Party deems necessary or appropriate in order to realize on the Collateral or to otherwise enforce its rights against Debtor or its property).

(c) Debtor hereby waives personal service of any and all process upon it and consents that all such service of process may be made by certified mail (return receipt requested) directed to its address set forth herein and service so made shall be deemed to be completed five (5) days after the same shall have been so deposited in the U.S. mails, or, at Secured Party's option, by service upon Debtor in any other manner provided under the rules of any such courts. Within thirty (30) days after such service, Debtor shall appear in answer to such process, failing which Debtor shall be deemed in default and judgment may be entered by Secured Party against Debtor for the amount of the claim and other relief requested.

(d) DEBTOR AND SECURED PARTY EACH HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (i) ARISING UNDER THIS AGREEMENT OR ANY OF THE OTHER FINANCING AGREEMENTS OR (ii) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF DEBTOR AND SECURED PARTY IN RESPECT OF THIS AGREEMENT OR ANY OF THE OTHER FINANCING AGREEMENTS OR THE TRANSACTIONS RELATED HERETO OR THERETO IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY OR OTHERWISE. DEBTOR AND SECURED PARTY EACH HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT DEBTOR OR SECURED PARTY MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF DEBTOR AND SECURED PARTY TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

(e) Secured Party shall not have any liability to Debtor (whether in tort, contract, equity or otherwise) for losses suffered by Debtor in connection with, arising out of, or in any way related to the transactions or relationships contemplated by this Agreement, or any act, omission or event occurring in connection herewith, unless it is determined by a final and non-appealable judgment or court order binding on Secured Party that the losses were the result of acts or omissions constituting gross negligence or willful misconduct. In any such litigation, Secured Party shall be entitled to the benefit of the rebuttable presumption that it acted in good faith and with the exercise of ordinary care in the performance by it of the terms of this Agreement and the other Financing Agreements.

## 7. MISCELLANEOUS

(a) All notices, requests and demands hereunder shall be in writing and deemed to have been given or made: if delivered in person, immediately upon delivery; if by telex, telegram or facsimile transmission, immediately upon sending and upon confirmation of receipt; if by nationally recognized overnight courier service with instructions to deliver the next business day, one (1) business day after sending; and if by certified mail, return receipt requested, five (5) days after mailing. All notices, requests and demands upon the parties are to be given to the following addresses (or to such other address as any party may designate by notice in accordance with this Section):

If to Debtor:                   Charming Shoppes, Inc.  
                                      450 Winks Lane  
                                      Bensalem, Pennsylvania 19020  
                                      Attention: Chief Financial Officer

with a copy to:               Charming Shoppes, Inc.  
                                      450 Winks Lane  
                                      Bensalem, Pennsylvania 19020  
                                      Attention: General Counsel

If to Secured  
Party:                           Congress Financial Corporation  
                                      1133 Avenue of the Americas  
                                      New York, New York 10036  
                                      Attention: Mr. Andrew Robin

(b) All references to the plural herein shall also mean the singular and to the singular shall also mean the plural. All references to Debtor, Secured Party and Borrowers pursuant to the definitions set forth in the recitals hereto, or to any other person herein, shall include their respective successors and assigns. The words "hereof," "herein," "hereunder," "this Agreement" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not any particular provision of this Agreement and as this Agreement now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced. An Event of Default shall exist or continue or be continuing until such Event of Default is waived in accordance with Section 7(e) hereof. All references to the term "Person" or "person" herein shall mean any individual, sole proprietorship, partnership, corporation (including, without limitation, any corporation which elects subchapter S status under the Internal Revenue Code of 1986, as amended), business trust, unincorporated association, joint stock company, trust, joint venture or other entity or any government or any agency or instrumentality or political subdivision thereof.

(c) This Agreement, the other Financing Agreements and any other document referred to herein or therein shall be binding upon Debtor and its successors and assigns and inure to the benefit of and be enforceable by Secured Party and its successors and assigns.

(d) If any provision of this Agreement is held to be invalid or unenforceable, such invalidity or unenforceability shall not invalidate this Agreement as a whole, but this Agreement shall be construed as though it did not contain the particular provision held to be invalid or unenforceable and the rights and obligations of the parties shall be construed and enforced only to such extent as shall be permitted by applicable law.

(e) Neither this Agreement nor any provision hereof shall be amended, modified, waived or discharged orally or by course of conduct, but only by a written agreement signed by an authorized officer of Secured Party. Secured Party shall not, by any act, delay, omission or otherwise be deemed to have expressly or impliedly waived any of its rights, powers and/or remedies unless such waiver shall be in writing and signed by an authorized officer of Secured Party. Any such waiver shall be enforceable only to the extent specifically set forth therein. A waiver by Secured Party of any right, power and/or remedy on any one occasion shall not be construed as a bar to or waiver of any such right, power and/or remedy which Secured Party would otherwise have on any future occasion, whether similar in kind or otherwise.



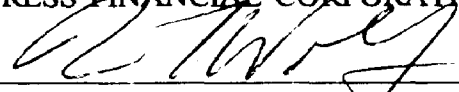
IN WITNESS WHEREOF, Debtor and Secured Party have executed this Agreement as of the day and year first above written.

CHARMING SHOPPES, INC.

By: 

Title: Exec. Vice Pres.

CONGRESS FINANCIAL CORPORATION

By: 

Title: SVP

STATE OF NEW YORK )  
 ) ss.:  
COUNTY OF NEW YORK)

On this 30 day of November, 1995, before me personally came Ivan M. Szeftel to me known, who being duly sworn, did depose and say, that he is the Exec. Vice President of CHARMING SHOPPES, INC., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Kathleen R  
Notary Public

KATHLEEN RAY  
Notary Public, State of New York  
Commission Expires  
4/30/97

STATE OF NEW YORK )  
 ) ss.:  
COUNTY OF NEW YORK)

On this 30 day of November, 1995, before me personally came Daniel Wolf to me known, who, being duly sworn, did depose and say, that he is the Senior Vice President of CONGRESS FINANCIAL CORPORATION, the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Kathleen R  
Notary Public

KATHLEEN RAY  
Notary Public, State of New York  
Commission Expires  
4/30/97

**EXHIBIT A  
TO  
TRADEMARK COLLATERAL ASSIGNMENT  
AND SECURITY AGREEMENT**

**LIST OF TRADEMARKS**

## II. Trademarks Owned by Charming Shoppes, Inc.

### A. Foreign Trademarks

#### 1. Trademarks Granted

<u>Trademark (Country)</u>	<u>Owner</u>	<u>Reg. No.</u>	<u>Reg. Date</u>	<u>Expiration Date</u>
DETAILS (CHINA P.R.)	Charming Shoppes, Inc.	319,132	07/20/88	07/20/98
DETAILS (TAIWAN)	Charming Shoppes, Inc.	376,244	09/15/87	09/15/97
DETAILS (HONG KONG)	Charming Shoppes, Inc.	83,166		01/16/2008
DETAILS (TAIWAN)	Charming Shoppes, Inc.	367,289	05/31/87	05/31/97
FASHION BUG & DESIGN (JAPAN)	Charming Shoppes, Inc.	2,217,854	03/27/90	03/27/2000
INTIMATE MOMENTS (SOUTH KOREA)	Charming Shoppes, Inc.	167,606	01/30/89	01/30/99
INTIMATE MOMENTS (CHINA P.R.)	Charming Shoppes, Inc.	330,772	11/20/88	11/20/98
INTIMATE MOMENTS (TAIWAN)	Charming Shoppes, Inc.	423,722	12/16/88	12/16/98
L.A. BLUES (POLAND)	Charming Shoppes, Inc.	81,900	04/12/95	09/30/2002
L.A. BLUES (GREAT BRITAIN)	Charming Shoppes, Inc.	1,514,258	09/29/92	09/29/99
L.A. BLUES (HONDURAS)	Charming Shoppes, Inc.	53,396	01/30/91	01/30/2001
L.A. BLUES (ITALY)	Charming Shoppes, Inc.	559,276	02/03/92	08/22/97
L.A. BLUES (CZECH REPUBLIC)	Charming Shoppes, Inc.	178,502	11/06/92	11/06/2002
L.A. BLUES (IRELAND)	Charming Shoppes, Inc.	149,591	10/07/92	10/07/99
L.A. BLUES (SWITZERLAND)	Charming Shoppes, Inc.	402,143	11/05/92	11/05/2012
L.A. BLUES (FRANCE)	Charming Shoppes, Inc.	1,551,341	03/09/90	09/17/99
L.A. BLUES (GREAT BRITAIN)	Charming Shoppes, Inc.	A1,395,034	08/14/89	08/14/96
L.A. BLUES (PORTUGAL)	Charming Shoppes, Inc.	287,056	07/12/94	07/12/2004
L.A. BLUES (HONG KONG)	Charming Shoppes, Inc.	87,282/95	08/29/95	11/06/96
L.A. BLUES (DOMINICAN)	Charming Shoppes, Inc.	55,500	12/15/92	12/15/2012
L.A. BLUES (BENELUX)	Charming Shoppes, Inc.	470,720	09/15/89	09/15/99
L.A. BLUES (THAILAND)	Charming Shoppes, Inc.	151,820	09/25/91	10/06/2000

<u>Trademark (Country)</u>	<u>Owner</u>	<u>Reg. No.</u>	<u>Reg. Date</u>	<u>Expiration Date</u>
MAGGIE LAWRENCE (SPAIN)	Charming Shoppes, Inc.	1,727,908	04/20/95	11/02/2002
MAGGIE LAWRENCE (GERMANY)	Charming Shoppes, Inc.	2,048,984	10/07/92	10/07/2002
MAGGIE LAWRENCE (BENELUX)	Charming Shoppes, Inc.	521,534	10/01/92	10/01/2002
MAGGIE LAWRENCE (FRANCE)	Charming Shoppes, Inc.	921,439,181	10/27/92	10/26/2002
MAGGIE LAWRENCE COLLECTION (DOMINICAN)	Charming Shoppes, Inc.	44,539	04/18/88	04/10/2003
MAGGIE LAWRENCE COLLECTION (PHILIPPINES)	Charming Shoppes, Inc.	51,753	11/05/91	11/05/2011
MAGGIE LAWRENCE (HUNGARY)	Charming Shoppes, Inc.	139,132	11/04/92	11/04/2002
MAGGIE LAWRENCE (CZECH REPUBLIC)	Charming Shoppes, Inc.	178,499	11/06/92	11/06/2002
MID TOWN EXPRESS (SOUTH KOREA)	Charming Shoppes, Inc.	151,035	01/15/88	01/15/98
M.T.X. (CANADA)	Charming Shoppes, Inc.	342,900	07/22/88	07/22/2003
PRETENSE (CANADA)	Charming Shoppes, Inc.	336,974	02/12/88	02/12/2003
PRETENSE (HONG KONG)	Charming Shoppes, Inc.	1146/1988		01/16/94
PRETENSE (TAIWAN)	Charming Shoppes, Inc.	366,864	05/31/87	05/31/97
PRETENSE (CHINA P.R.)	Charming Shoppes, Inc.	313,037	04/30/88	04/30/98
PRETENSE (JAPAN)	Charming Shoppes, Inc.	2,135,325	04/28/89	04/28/99
PRETENSE (SOUTH KOREA)	Charming Shoppes, Inc.	151,037	01/15/88	01/15/98
SHOOTING STAR (TAIWAN)	Charming Shoppes, Inc.	366,862	05/31/87	05/31/97
SLEEPWORKS & DEVICE (TAIWAN)	Charming Shoppes, Inc.	368,335	06/15/87	06/15/97
STEFANO (IRELAND)	Charming Shoppes, Inc.	149,590	10/07/92	10/07/99
STEFANO (SWITZERLAND)	Charming Shoppes, Inc.	402,142	11/05/92	11/05/2012
STEFANO (FRANCE)	Charming Shoppes, Inc.	92,439,182	10/07/92	10/07/2002
STEFANO (CZECH REPUBLIC)	Charming Shoppes, Inc.	178,501	11/06/92	11/06/2002
STEFANO (HUNGARY)	Charming Shoppes, Inc.	139,131	11/04/92	11/04/2002
STEFANO (DOMINICAN)	Charming Shoppes, Inc.	44,542	04/18/88	04/18/2003

<u>Trademark (Country)</u>	<u>Owner</u>	<u>Reg. No.</u>	<u>Reg. Date</u>	<u>Expiration Date</u>
STEFANO (TAIWAN)	Charming Shoppes, Inc.	376,245	09/16/87	09/16/97
STEFANO (CHINA P.R.)	Charming Shoppes, Inc.	313,039	04/30/88	04/30/98
STEFANO (TAIWAN)	Charming Shoppes, Inc.	366,863	05/31/87	05/31/97
STEFANO (GERMANY)	Charming Shoppes, Inc.	2,048,983	10/07/92	10/07/2002
STYLE IMPAX (TAIWAN)	Charming Shoppes, Inc.	366,861	05/31/87	05/31/97
STYLE IMPAX & DEVICE (CHINA P.R.)	Charming Shoppes, Inc.	320,052	07/30/88	07/30/98
STYLE IMPAX (SOUTH KOREA)	Charming Shoppes, Inc.	151,036	01/15/88	01/15/98
STYLE IMPAX & DEVICE (CHINA P.R.)	Charming Shoppes, Inc.	313,040	04/30/88	04/30/98
YELLOW CAB CO. (TAIWAN)	Charming Shoppes, Inc.	359,355	03/15/87	03/15/97
YELLOW CAB CO. (W. GERMANY)	Charming Shoppes, Inc.	1,107,526		05/02/96
YELLOW CAB CO. (SOUTH KOREA)	Charming Shoppes, Inc.	144,175	08/12/87	08/12/97
YELLOW CAB CO. (TAIWAN)	Charming Shoppes, Inc.	362,486	04/15/87	04/15/97
YELLOW CAB CO. (FRANCE)	Charming Shoppes, Inc.	1,352,544		04/27/96
YELLOW CAB CO. (ITALY)	Charming Shoppes, Inc.	465,835		05/06/96
YELLOW CAB Y.C.C. & VEHICLE DESIGN	Charming Shoppes, Inc.	419,399	04/15/87	04/15/97
YELLOW CAB CO. (SOUTH KOREA)	Charming Shoppes, Inc.	144,552	08/20/87	08/20/97
YELLOW CAB (CHINA P.R.)	Charming Shoppes, Inc.	338,212	01/30/89	01/30/99
ZALERNO (CHINA P.R.)	Charming Shoppes, Inc.	313,042	04/30/88	04/30/98
ZALERNO (JAPAN)	Charming Shoppes, Inc.	2,084,469	10/26/88	10/26/98
ZALERNO (TAIWAN)	Charming Shoppes, Inc.	366,860	05/31/87	05/31/97
ZALERNO (CANADA)	Charming Shoppes, Inc.	352,074	02/24/89	02/24/2004
ZALERNO (HONG KONG)	Charming Shoppes, Inc.	2,262	10/10/86	10/10/2007
ZALERNO (SOUTH KOREA)	Charming Shoppes, Inc.	151,038	01/15/88	01/15/98

**LIST OF TRADEMARK APPLICATIONS**

## 2. Trademark Applications

<u>Trademark (Country)</u>	<u>Applicant</u>	<u>Application/ Serial No.</u>	<u>Application Date</u>
L.A. BLUES (SINGAPORE)	Charming Shoppes, Inc.	S/5498/89	08/21/89
L.A. BLUES (JAPAN)	Charming Shoppes, Inc.	3-37763	04/10/91
MAGGIE LAWRENCE (ITALY)	Charming Shoppes, Inc.	MI92C007462	11/03/92
STEFANO (HONG KONG)	Charming Shoppes, Inc.	7686/95	06/24/95
STEFANO (ITALY)	Charming Shoppes, Inc.	MI92C007461	11/03/92



**EXHIBIT B  
TO  
TRADEMARK COLLATERAL ASSIGNMENT  
AND SECURITY AGREEMENT**

**LIST OF LICENSES**

None

**EXHIBIT C  
TO  
TRADEMARK COLLATERAL ASSIGNMENT  
AND SECURITY AGREEMENT**

**SPECIAL POWER OF ATTORNEY**

STATE OF NEW YORK    )  
                                  ) ss.:  
COUNTY OF NEW YORK)

KNOW ALL MEN BY THESE PRESENTS, that CHARMING SHOPPES, INC. ("Debtor"), having an office at 450 Winks Lane, Bensalem, Pennsylvania 19020 hereby appoints and constitutes, severally, CONGRESS FINANCIAL CORPORATION ("Secured Party"), and each of its officers, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on behalf of Debtor:

1. Execution and delivery of any and all agreements, documents, instrument of assignment, or other papers which Secured Party, in its discretion, deems necessary or advisable for the purpose of assigning, selling, or otherwise disposing of all right, title, and interest of Debtor in and to any trademarks and all registrations, recordings, reissues, extensions, and renewals thereof, or for the purpose of recording, registering and filing of, or accomplishing any other formality with respect to the foregoing.

2. Execution and delivery of any and all documents, statements, certificates or other papers which Secured Party, in its discretion, deems necessary or advisable to further the purposes described in Subparagraph 1 hereof.

This Power of Attorney is made pursuant to a Trademark Collateral Assignment and Security Agreement, dated of even date herewith, between Debtor and Secured Party (the "Security Agreement") and is subject to the terms and provisions thereof. This Power of Attorney, being coupled with an interest, is irrevocable until all "Obligations", as such term is defined in the Security Agreement, are paid in full and the Security Agreement is terminated in writing by Secured Party.

Dated: November \_\_, 1995

CHARMING SHOPPES, INC.

By: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF NEW YORK )  
 ) ss.:  
COUNTY OF NEW YORK)

On this \_\_\_\_ day of November 1995, before me personally came \_\_\_\_\_,  
to me known, who being duly sworn, did depose and say, that he is the \_\_\_\_\_  
of CHARMING SHOPPES, INC., the corporation described in and which executed the foregoing  
instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

\_\_\_\_\_  
Notary Public