FORM PTO-1594 (Modified)
(Rev. 6-93)
OMB No. 0651-001, (exp.4/94)
Copyright 1994-97 LegalStar
TM05/REV03

04-06-2001

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Y

Docket No.:
014951/0252

Tab settings

To the Honorable Commissioner of Pat attached original documents or copy thereof.

1. Name of conveying party(ies):

JOHN B. SMYTH COMPANY

3/13/01

- ☐ Individual(s)
- ☐ Association
- ☐ General Partnership
- ☐ Limited Partnership
- ☒ Corporation-State ILLINOIS
- ☐ Other

Additional names(s) of conveying party(ies) ☐ Yes ☒ No

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

Name: ABLECO FINANCE LLC, As Agent

Internal Address:

Street Address: 450 PARK AVENUE

City: NEW YORK State: NY ZIP: 10022

- ☐ Individual(s) citizenship
- ☐ Association
- ☐ General Partnership
- ☐ Limited Partnership
- ☐ Corporation-State
- ☒ Other DELAWARE LIMITED LIABILITY CO.

If assignee is not domiciled in the United States, a domestic designation is ☐ Yes ☒ N
(Designations must be a separate document from
Additional name(s) & address(es) ☐ Yes ☒ N

3. Nature of conveyance:

- ☐ Assignment
- ☐ Merger
- ☒ Security Agreement
- ☐ Change of Name
- ☐ Other

Execution Date: FEBRUARY 26, 2001

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

A. Trademark Application No.(s)

NONE

B. Trademark Registration No.(s)

1,922,051 1,922,052

Additional numbers ☐ Yes ☒ No

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

Name: PAUL A. JUERGENSEN

Internal Address: SCHULTE ROTH & ZABEL LLP

Street Address: 919 THIRD AVENUE

City: NEW YORK State: NY ZIP: 10022

6. Total number of applications and registrations involved:..... 2

7. Total fee (37 CFR 3.41):.....$ $65.00

- ☐ Enclosed
- ☒ Authorized to be charged to deposit account

8. Deposit account number:

SCHULTE ROTH & ZABEL LLP - 500675

DO NOT USE THIS SPACE

04/05/2001 AAHMED1 00000118 500675 1922051

01 FC:481 40.00 CH
02 FC:482 25.00 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.

PAUL A. JUERGENSEN — Name of Person Signing

Signature

MARCH 12, 2001 — Date

Total number of pages including cover sheet, attachments, and 8

TRADEMARK

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "Agreement") made as of this 26th day of February, 2001 by John B. Smyth Company., an Illinois corporation ("Grantor") in favor of Ableco Finance LLC, a Delaware limited liability company, in its capacity as Agent for the Lenders party to the Loan Agreement (defined below) ("Grantee"):

W I T N E S S E T H

WHEREAS, Seaman Furniture Company, Inc. a Delaware corporation ("Seamans"), Levitz Furniture, LLC, a Delaware limited liability company ("Levitz"; Seamans and Levitz are hereinafter referred to each individually as a "Borrower"; collectively as the "Borrowers") and Grantee are parties to a certain Financing Agreement of even date herewith (as the same may be amended or otherwise modified from time to time, the "Loan Agreement"), providing for term loans to be made to Grantor by Lenders; and

WHEREAS, pursuant to the terms of the Loan Agreement, Grantor has granted to Grantee, for the benefit of Lenders, a security interest in substantially all of the assets of Grantor including all right, title and interest of Grantor in, to and under all now owned and hereafter acquired or arising (a) trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other business identifiers, prints and labels on which any of the foregoing have appeared or appear, all registrations and recordings thereof, and all applications in connection therewith (other than "intent to use" applications until a verified statement of use or an amendment to alleged use is filed with respect to such applications); (b) all renewals thereof; (c) all income, royalties, damages and payments now or hereafter due and/or payable under any of the foregoing or with respect to any of the foregoing including, without limitation, damages and payments for past, present and future infringements of any of the foregoing; (d) the right to sue for past, present and future infringements of any of the foregoing; (e) all rights corresponding to any of the foregoing throughout the world; and (f) all goodwill associated with and symbolized by any of the foregoing (collectively, "Trademarks") and all products and proceeds thereof, to secure the payment of all amounts owing by the Borrower under the Loan Agreement;

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

1. Incorporation of Loan Agreement. The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Loan Agreement.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the complete and timely payment and satisfaction of the Obligations, Grantor hereby grants to Grantee, and hereby reaffirms its prior grant pursuant to the Guaranty and Security Agreement of, a continuing security interest in Grantor's entire right, title and interest in and to the following

(all of the following items or types of property being herein collectively referred to as the "Trademark Collateral"), whether now owned or existing or hereafter created or acquired:

(i) each Trademark listed on Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof, and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark; and

(ii) all products and proceeds of the forgoing, including without limitation, any claim by Grantor against third parties for past, present or future (a) infringement or dilution of any Trademark, or (b) injury to the goodwill associated with any Trademark.

3. Warranties and Representations. Grantor warrants and represents to Grantee that:

(i) Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each Trademark, free and clear of any Liens, including without limitation licenses and covenants by Grantor not to sue third persons (except for Permitted Encumbrances);

(ii) Grantor has no notice of any suits or actions commenced or threatened with reference to any Trademark; and

(iii) Grantor has the unqualified right to execute and deliver this Agreement and perform its terms.

4. Restrictions on Future Agreements. Grantor agrees that until the Borrowers' Obligations shall have been satisfied in full and the Loan Agreement shall have been terminated, Grantor shall not, without the prior written consent of Grantee, sell or assign its interest in, or grant any license under (other than to any Loan Party or for fair market consideration in the ordinary course of business), any Trademark or enter into any other agreement with respect to any Trademark, and Grantor further agrees that it shall 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 Grantee under this Agreement.

5. Product Quality. Grantor agrees (i) (except in circumstances where in the reasonable opinion of the Grantor it would be commercially imprudent to do so) to maintain the quality of any and all material products in connection with which the Trademarks are used, consistent with commercially reasonable business practices, and (ii) to provide Grantee, upon Grantee's reasonable request from time to time, with a certificate of an officer of Grantor certifying Grantor's compliance with the foregoing. Upon the occurrence and during the continuation of an Event of Default, Grantor agrees that Grantee, or a conservator appointed by Grantee, shall have the right to establish such additional product quality controls as Grantee, or said conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Grantor under the Trademarks.

6. New Trademarks. If, before Borrower's Obligations shall have been satisfied in full or before the Loan Agreement has been terminated, Grantor shall (i) become aware of any existing Trademarks of which Grantor has not previously informed Grantee, or (ii) become entitled to the benefit of any Trademarks, which benefit is not in existence on the date hereof, the provisions of this Agreement above shall automatically apply thereto and Grantor shall give to Grantee prompt written notice thereof. Grantor hereby authorizes Grantee to modify this Agreement by amending Schedule 1 to include any such Trademarks.

7. Duties of Grantor. Grantor shall (i) file and pursue diligently any material trademark applications pending as of the date hereof or hereafter, (ii) preserve and maintain all rights in the material Trademarks, as reasonably deemed appropriate by Grantor, and (iii) ensure that the material Trademarks are and remain enforceable.

8. Grantee's Right to Sue. After the occurrence and during the continuation of an Event of Default, Grantee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks and, if Grantee shall commence any such suit, Grantor shall, at the request of Grantee, do any and all lawful acts and execute any and all proper documents required by Grantee in aid of such enforcement and Grantor shall promptly, upon demand, reimburse and indemnify Grantee for all costs and expenses (including reasonable attorneys' fees) incurred by Grantee in the exercise of its rights under this Section 8.

9. Cumulative Remedies; Power of Attorney. Grantee hereby acknowledges and affirms that the rights and remedies with respect to the Trademarks, whether established hereby or by the Guaranty and Security Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Grantor hereby authorizes Grantee upon the occurrence of an Event of Default, to make, constitute and appoint any officer or agent of Grantee as Grantee may select, in its sole discretion, as Grantor's true and lawful attorney-in-fact, with power to (i) endorse Grantor's name on all applications, documents, papers and instruments necessary or desirable for Grantee in the use of the Trademarks, (ii) (save to the extent prohibited by law or equity) take any other actions with respect to the Trademarks as Grantee deems to be in the best interest of Grantee, (iii) (save to the extent prohibited by law or equity) grant or issue any exclusive or non-exclusive license under the Trademarks to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone (other than the WC Agent pursuant to the WC Loan Documents). Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until Borrower's Obligations shall have been paid in full and the Loan Agreement has been terminated. Grantor hereby further acknowledges and agrees that the use by Grantee of the Trademarks shall be worldwide, except as limited by their terms, and without any liability for royalties or related charges from Grantee to Grantor.

10. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which, when so executed and delivered, will be deemed an original and all of which shall together constitute one and the same instrument.

11. Termination of Security Interests; Release of Collateral. Upon payment in full of all Obligations (other than contingent indemnification obligations to the extent no

unsatisfied claim giving rise thereto has been asserted) and the termination of all Commitments under the Loan Agreement, this Agreement shall terminate. Upon such termination of security interests or release of any Collateral, Agent will, at the expense of the Grantor, execute and deliver to the Grantor such documents as the Grantor shall reasonably request to evidence the termination of the security interests or the release of such Collateral, as the case may be.

12. **APPLICABLE LAW. THIS TRADEMARK SECURITY AGREEMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF ILLINOIS, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.**

IN WITNESS WHEREOF, Grantor has duly executed this Trademark Security Agreement as of the date first written above.

JOHN M. SMYTH COMPANY,
a Illinois corporation

By: _____
Name:
Title:

Agreed and Accepted
As of the Date First Written Above

ABLECO FINANCE LLC, as Agent

By: _____
Name:
Title:

IN WITNESS WHEREOF, Grantor has duly executed this Trademark Security Agreement as of the date first written above.

JOHN M. SMYTH COMPANY,
a Illinois corporation

By: _____
Name: E.L. GRUNDT
Title: CEO

Agreed and Accepted
As of the Date First Written Above

ABLECO FINANCE LLC, as Agent

By: _____
Name:
Title:

SCHEDULE A

TRADEMARK REGISTRATIONS

MARK	REGISTRATION/SERIAL NUMBER
"JOHN M. SMYTH'S HOMEMAKERS"	1,922,052
"JOHN M. SMYTH'S HOMEMAKERS"	Illinois - #74,243
"JOHN M. SMYTH"	1,922,051
"JOHN M. SMYTH"	Illinois - #74,244
"NOT LOW PRICED FURNITURE, BUT GOOD FURNITURE AT LOW PRICES"	Illinois- # 42799
"HOMEMAKERS"	Illinois- #42797
"H"	Illinois-# 42798