

08-03-2001

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TRADEMARKS ONLY

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

Submission Type

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

Conveyance Type

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

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

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

Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving 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

- Corporation
- Association

Other

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 should be attached. (Designation must be a separate document from Assignment.)

Citizenship/State of Incorporation/Organization

08/03/2001 DBTRM 0000071 75097617

FOR OFFICE USE ONLY

01 FC:481
02 FC:482

40.00 DP
150.00 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 Information 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: 002339 FRAME: 0336

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

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

#

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)

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

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.

Jeanne M. Gills, Esq.



7/19/01

Name of Person Signing

Signature

Date Signed

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT, dated as of June 29, 2001, is made by and between ALEXANDER DOLL COMPANY, INC., a Delaware corporation whose address and principal place of business is 615 West 131st Street, New York, New York, 10027 (the "Debtor"), and MIDWEST MEZZANINE FUND II, L.P., a Delaware limited partnership whose address and principal place of business is 208 South LaSalle Street, 10th Floor, Chicago, Illinois 60604 (the "Secured Party").

RECITALS

A.

Redacted to preserve confidentiality.

B.

C. It is a condition to the effectiveness of the Seventh Amendment that the Debtor execute and deliver this Agreement and grant to the Secured Party a security interest in all of the trademarks of the Debtor which incorporate the name "Madame Alexander" as security for the liabilities of the Debtor to the Secured Party under the Replacement Interest Note and the New Money Note.

NOW THEREFORE, in consideration of the foregoing, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Definitions. All terms defined in the Recitals hereto or in the Note Agreement that are not otherwise defined herein shall have the meanings given to them therein. In addition, the following terms have the meanings set forth below:

“Obligations” means each and every debt, liability and obligation of every type and description arising under or in connection with the Replacement Interest Note and the New Money Note which the Debtor may now or at any time hereafter owe to the Secured Party, whether such debt, liability or obligation now exists or is hereafter created or incurred and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, independent, joint, several or joint and several.

“Trademarks” means all of the Debtor’s right, title and interest in and to all of its now owned or existing and hereafter acquired or arising trademarks, trade names, corporate names, company names, business names, service marks, logos and other business identifiers, in each case which incorporate the name “Madame Alexander,” along with all prints and labels on which any of the foregoing have appeared or appear, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, the marks listed on Exhibit A, and all income, royalties, damages and payments now or hereafter due and/or payable under 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 and the right to sue for past, present and future infringements of any of the foregoing, and all rights corresponding to any of the foregoing throughout the world and the goodwill of the Debtor’s business connected with the use of and symbolized thereby, but excluding any proceeds of such Trademarks consisting of accounts, inventory or goods other than as arising from the sale of such Trademarks.

Section 2. Security Interest. The Debtor hereby irrevocably grants the Secured Party a security interest, with power of sale to the extent permitted by law (the “Security Interest”), in the Trademarks to secure payment of the Obligations.

Section 3. Representations, Warranties and Agreements.

(a) **Existence; Authority.**

Redacted to preserve confidentiality.

(b) **Trademarks.** Exhibit A accurately lists all registered Trademarks and Trademarked for which registration is pending owned or controlled by the Debtor as of the date hereof and accurately reflects the existence and status of such Trademarks and all registrations pertaining thereto as of the date hereof. No Trademark has been adjudged invalid or unenforceable by a court of competent jurisdiction nor has any such Trademark been canceled, in whole or in part. The Debtor has no notice of any suits or actions commenced or threatened with reference to any Trademark.

(c) **Title.** The Debtor has absolute title to each Trademark listed on Exhibit A, free and clear of all security interests, liens and encumbrances, except (i) the security interest in favor of the Senior Lender (as defined in the Note Agreement, and (ii) the Security Interest (collectively, the "Permitted Security Interests"). The Debtor (1) will have, at the time the Debtor acquires any rights in Trademarks hereafter arising, absolute title to each such Trademark free and clear of all security interests, liens and encumbrances, except the Permitted Security Interests, and (2) will keep all Trademarks free and clear of all security interests, liens and encumbrances except the Permitted Security Interests.

(d) **No Sale.**

(e) **Defense.**

(f) **Maintenance.**

Redacted to preserve confidentiality.

(g) **Secured Party's Right to Take Action.**

(h) Costs and Expenses.

(i) Power of Attorney.

Redacted to preserve confidentiality.

Section 4. Debtor's Use of the Trademarks. The Debtor shall be permitted to control and manage the Trademarks, including the right to exclude others from making, using or selling items covered by the Trademarks and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Event of Default occurs and remains uncured.

Section 5. Events of Default.

Redacted to preserve confidentiality.

Section 6. Remedies.

Section 7. Termination. This term of this Agreement shall extend until the payment in full of all of the Obligations.

Section 8. Miscellaneous.

Redacted to preserve confidentiality.

IN WITNESS WHEREOF, the parties have executed this Trademark Security Agreement as of the date written above.

DEBTOR:

ALEXANDER DOLL COMPANY, INC.

By: William J. Barrett
Its: CEO

SECURED PARTY:

MIDWEST MEZZANINE FUND II, L.P.

By: ABN AMRO Mezzanine Management II,
L.P., its general partner

By: ABN AMRO Mezzanine Management II,
Inc., its general partner

By: _____
Dorothy S. King, Vice President

IN WITNESS WHEREOF, the parties have executed this Trademark Security Agreement as of the date written above.

DEBTOR:

ALEXANDER DOLL COMPANY, INC.

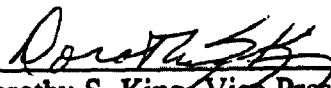
By: _____
Its: _____

SECURED PARTY:

MIDWEST MEZZANINE FUND II, L.P.

By: ABN AMRO Mezzanine Management II,
L.P., its general partner

By: ABN AMRO Mezzanine Management II,
Inc., its general partner

By:  _____
Dorothy S. King, Vice President

STATE OF New York)

COUNTY OF New York)

The foregoing instrument was acknowledged before me this 29th day of June 2001, by William J. Beckett, the President of Alexander Doll Company, Inc., a Delaware corporation, on behalf of the corporation.

Robert H. Blackman
Notary Public

ROBERT H. BLACKMAN
NOTARY PUBLIC, State of New York
No. 01BL6051844
Qualified in Bronx County
Commission Expires December 4, 2002

STATE OF Illinois)

COUNTY OF COOK)

The foregoing instrument was acknowledged before me this 29 day of June 2001, by Dorothy S. King, a Vice President of ABN AMRO Mezzanine Management II, Inc., the general partner of ABN AMRO Mezzanine Management II, L.P., which is the general partner of Midwest Mezzanine Fund II, L.P., on behalf of Midwest Mezzanine Fund II, L.P.

Sharon Carrara
Notary Public



EXHIBIT A

UNITED STATES ISSUED TRADEMARKS, SERVICE MARKS
AND COLLECTIVE MEMBERSHIP MARKS

U.S. TRADEMARK REGISTRATIONS

<u>Mark</u>	<u>Registration Number</u>	<u>Registration Date</u>
MADAME ALEXANDER	1,543,701	June 13, 1989
MADAME ALEXANDER & Design	1,720,455	September 29, 1992
MADAME ALEXANDER & Design	2,274,473	August 31, 1999
MADAME ALEXANDER	2,410,485	December 5, 2000
MADAME ALEXANDER & Design	2,393,491	October 10, 2000

U.S. PENDING TRADEMARK APPLICATIONS

<u>Mark</u>	<u>Serial Number</u>	<u>Filing Date</u>
MADAME ALEXANDER	75/897,687	January 18, 2000
MADAME ALEXANDER	75/980,872	January 18, 2000

U.S. COLLECTIVE MEMBERSHIP MARKS

None.

SPECIFIED FOREIGN TRADEMARK REGISTRATIONS

<u>Mark</u>	<u>COUNTRY</u>	<u>Registration Number</u>	<u>Registration Date</u>
MADAME ALEXANDER	Canada	392,695	January 10, 1992
MADAME ALEXANDER	Denmark	VR05762-1991	September 6, 1991
MADAME ALEXANDER	Finland	117,094	February 20, 1992
MADAME ALEXANDER	Norway	150,918	June 11, 1992
MADAME ALEXANDER	Portugal	265,425	October 29, 1992
MADAME ALEXANDER	Sweden	232,672	April 16, 1992