

08-22-2001



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Docket No.:

2680/3088

Tab settings

To the Honorable Commissioner of Pa

101819452

e attached original documents or copy thereof.

1. Name of conveying party(ies):

Atsco Footwear, Inc.
500 Bodwell Street Ext.
Avon, MA 02322

08/16/01

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

Name: Fleet National Bank

Internal Address:

Street Address: 100 Federal Street

City: Boston State: MA ZIP: 02110

- Individual(s)
- General Partnership
- Corporation-State Massachusetts
- Other

- Association
- Limited Partnership

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

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State
- Other Bank

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
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: August 14, 2001

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

- | | | |
|--------------|--------------|--------------|
| 1. 2,118,634 | 4. 1,661,790 | 7. 2,048,730 |
| 2. 1,289,130 | 5. 2,043,828 | 8. 1,715,964 |
| 3. 1,291,217 | 6. 1,722,108 | 9. 1,987,230 |

Additional numbers Yes No

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

Name: James L. Rubens

Internal Address: c/o Edwards & Angell, LLP

Street Address: 101 Federal Street

City: Boston State: MA ZIP: 02110

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

9

7. Total fee (37 CFR 3.41):.....\$ \$240.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

08/22/2001 TBIAZ1 00000005 2118634

DO NOT USE THIS SPACE

01 FC:481 40.00 OP
02 FC:482 200.00 OP

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.

Eliza Barry, Esq.

Name of Person Signing

Eliza Barry

Signature

8/14/01

Date

Total number of pages including cover sheet, attachments, and

7

TRADEMARK

SECURITY AGREEMENT (TRADEMARKS)

This Security Agreement (Trademarks) is made as of August 14, 2001 by **ATSCO FOOTWEAR, INC.** (the "Debtor"), in favor of **FLEET NATIONAL BANK** (the "Secured Party").

1. Recitals.

A. The Debtor and the Secured Party are entering into a Loan and Security Agreement of even date herewith (as the same may be amended, restated, renewed, replaced, supplemented or otherwise modified from time to time, the "Credit Agreement"), pursuant to which the Secured Party has agreed to lend and to make certain other financial accommodations available to the Debtor, upon and subject to the terms and conditions thereof. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

B. The Debtor is the owner of all right, title and interest, in and to all U.S. trademarks, trade names, corporate names, company names, business names, fictitious names, trade styles, service marks, logos, other source or business identifiers used by it in its business as presently operated, all registrations and recordings thereof, or in any applications in connection therewith, including those that now exist or may exist in the U.S. Patent and Trademark Office (the "USPTO"), or in any similar office of the United States, all reissues, extensions, or renewals thereof, and all goodwill of the business symbolized by any trademark, including but not limited to those identified in Schedule A hereto (collectively, the "Trademarks"). The Secured Party, for the benefit of itself, its successors and assigns, subject to the terms and agreements contained herein, wishes to acquire a security interest in all of the Debtor's existing and future right, title and interest in the Trademarks, together with all of the goodwill of the business in connection with such right, title and interest, as security for the Obligations.

2. Security Interest. The Debtor does hereby grant to the Secured Party a security interest in all of its existing and hereafter acquired U.S. trademarks, service marks, trade names and assumed names, including without limitation, all of its right, title and interest in the Trademarks listed on Schedule A hereto, together with all of the goodwill of the business in connection therewith, all claims for damage by reason of infringement relating thereto, and any and all proceeds thereof and general intangibles relating thereto (all of the foregoing, collectively the "Collateral"). The security interest hereby granted in the Collateral shall secure the Obligations. For any Trademark that is the subject of an intent-to-use application before the USPTO, a security interest will attach as soon as a verified amendment to allege use or statement of use is filed for such application or the Secured Party arranges for an assignment of such Trademarks that would satisfy the requirements of Section 10 of the Lanham Act, 15 U.S.C. Section 1060.

3. Further Assurances. The Debtor hereby agrees to execute and sign, without further consideration, any other legal document and to do all other acts that may be reasonably necessary to secure to the Secured Party its interest as aforesaid in and to said applications or any part thereof and in and to the Collateral. The Debtor further covenants and agrees that at the

same time it provides the Secured Party with fiscal quarterly financial reports pursuant to the Credit Agreement, it will inform the Secured Party of any material facts known to it relating to the Collateral, including without limitation any new applications for registration in any jurisdiction, the filing of any verified amendments or statements of use for any U.S. applications, and the acquisition from a third party of any application or registration, including without limitation any right, title and interest in any foreign intellectual property acquired from time to time. Any other new Trademarks or other intellectual property hereafter acquired shall be identified to the Secured Party and automatically included in this Agreement.

4. Encumbrances. The Debtor does hereby covenant for itself and its legal representatives that there is no existing Liens on any of the Collateral, except as permitted under Section 4.2 of the Credit Agreement. The Debtor has not granted any license to use any of the Collateral and will not further license or encumber any of the Collateral.

5. Use of Collateral. Until the Debtor shall be in default under Section 6 hereof, the Debtor may exercise any and all rights with respect to the Collateral, including any right to pursue and enforce any and all claims for damage by reason of infringement of the Collateral.

6. Default. The Debtor shall be in default hereunder upon the occurrence and during the continuation of any Event of Default under the Credit Agreement. Notice of the time and place of any public sale, or of the date after which a private sale of the Collateral granted to the Secured Party hereby, shall be deemed reasonable if given at least 10 days before the date of any public sale or the date after which a private sale shall take place. The Secured Party may deduct from the proceeds of any such sale its costs and expenses of taking, holding and selling such Collateral, including its reasonable attorneys fees. If, as provided in the first sentence of this Section 6, the Debtor is in default hereunder, the Debtor expressly agrees to execute an assignment of the Trademarks to the Secured Party, together with the good will associated with the Trademarks and the right to sue for past infringement and collect all royalties that may be due. Notwithstanding the foregoing provisions of this Section 6, the Secured Party shall have no right to sell or otherwise realize upon any of the Collateral with respect to a Trademark that is the subject of an intent-to-use application before the USPTO until a verified amendment to allege use or statement of use is filed for such application or the Secured Party arranges for an assignment of such Trademarks that would satisfy the requirements of Section 10 of the Lanham Act, 15 U.S.C. Section 1060.

7. Miscellaneous. The benefits and obligations of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws (other than the conflict of laws rules) of the Commonwealth of Massachusetts. **THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER SEAL AND SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS (WITHOUT GIVING REFERENCE TO ANY CONFLICTS OF LAW PROVISIONS THEREIN) EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF A SECURITY INTEREST GRANTED HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR COLLATERAL ARE REQUIRED TO BE**

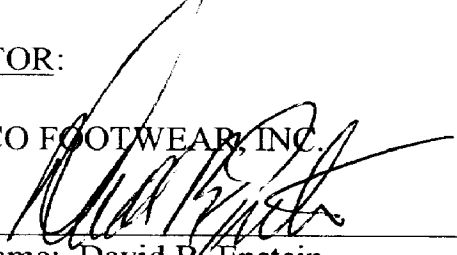
GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE COMMONWEALTH OF MASSACHUSETTS. EACH OF THE DEBTOR AND THE SECURED PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY MUTUALLY WAIVE THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY CLAIM BASED HEREON, ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, THE CREDIT AGREEMENT OR ANY OTHER LOAN DOCUMENTS OR OUT OF ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR THE SECURED PARTY TO ENTER INTO THIS AGREEMENT AND THE CREDIT AGREEMENT AND TO MAKE LOANS AS CONTEMPLATED THEREIN.

The Next Page is the Signature Page.

Each of the undersigned has caused this Security Agreement (Trademarks) to be signed by its duly authorized officer under seal as of the day and year first written above.

DEBTOR:

ATSCO FOOTWEAR, INC.

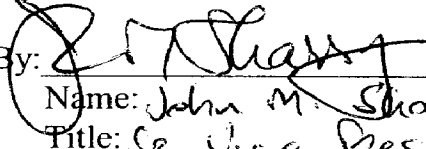
By: 
Name: David B. Epstein
Title: Treasurer

Address for Notices:

c/o Atsco Footwear, Inc.
500 Bodwell Street Ext.
Avon, MA 02322
Attention: President
Telecopier Number: (508) 559-7975

SECURED PARTY:

FLEET NATIONAL BANK

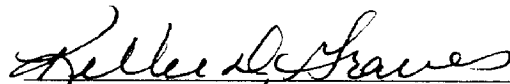
By: 
Name: John M. Sharry
Title: Sr Vice President

Address for Notices:

Fleet National Bank
100 Federal Street
Mail Stop: MA DE 10007D
Boston, MA 02110
Attention: John M. Sharry, Senior Vice President
Telecopier No.: (617) 434-0204

August 14, 2001

Then personally appeared the above named David B. Epstein, Treasurer of the foregoing Debtor, and acknowledged that he executed the foregoing Security Agreement (Trademarks) as his free act and deed before me on behalf of the foregoing Debtor, as duly authorized agent thereof.



Notary Public Kellee D. Graves

My commission expires: Nov 13, 2003

Schedule A

U.S. Federal Trademark Registrations

Trademark	Registration Number	Registration Date
BAY COLONY	2,118,634	Dec. 9, 1997
DONNER MOUNTAIN	1,289,130	Aug. 7, 1984
DONNER MOUNTAIN AND DESIGN	1,291,217	Aug. 21, 1984
KHOMBU	1,661,790	Oct. 22, 1991
K KHOMBU	2,043,828	March 11, 1997
K/I and Design	1,722,108	Oct. 6, 1992
NATURAL BIO STEP	2,048,730	April 1, 1997
Design Only (SHERPA)	1,715,964	Sept. 15, 1992
WOODSTOCK	1,987,230	July 16, 1996

BOS_321224_1/SSIEBERT

RECORDED: 08/16/2001

TRADEMARK
REEL: 002352 FRAME: 0180