

REGISTERED

1. 1801200
2. 1810230
3. 1852742
4. 2037588
5. 2110467
6. 2311786
7. 2328246

REDACTED

ASSET PURCHASE AGREEMENT

among

HANOVER DIRECT, INC.,

LWI HOLDINGS, INC.

and

HSN LP,

HSN IMPROVEMENTS, LLC,

HSN CATALOG SERVICES, INC.

Dated: June 13, 2001

REDACTED

FINAL EXECUTION COPY

ASSET PURCHASE AGREEMENT, dated as of June 13, 2001, among HANOVER DIRECT, INC., a Delaware corporation (the "*Seller Parent*"), LWI HOLDINGS, INC., a Delaware corporation and a wholly-owned subsidiary of the Seller Parent (the "*Seller*", and together with the Seller Parent, the "*Seller Parties*"), HSN LP, a Delaware limited partnership (the "*Purchaser Parent*"), HSN Improvements, LLC, a Delaware limited liability company and a wholly-owned subsidiary of the Purchaser Parent (the "*Purchaser*"), and HSN Catalog Services, Inc., a Delaware corporation and a wholly-owned subsidiary of the general partner of the Purchaser Parent ("*HSN Catalog Services*"), together with the Purchaser and the Purchaser Parent, the "*Purchaser Parties*").

ARTICLE I

PURCHASE AND SALE OF ASSETS

1.1. Purchase and Sale. (a) The Seller Parties shall, and shall cause the Other Seller Parties to, sell, convey, transfer, assign and deliver to the Purchaser, and the Purchaser shall purchase, acquire and accept from the Seller Parties and the Other Seller Parties, on the Closing Date (as defined in Section 1.4), the Acquired Assets, free and clear of all Liens (as hereinafter defined), except for Permitted Liens (as hereinafter defined). "*Acquired Assets*"

NY: 258730-13 701221.00049

TRADEMARK
REEL: 002352 FRAME: 0856

REDACTED

means all properties, assets (tangible or intangible), goodwill and rights of the Seller Parties and the Other Seller Parties used or held for use or intended to be used or held for use in connection with the Business, including without limitation the following:

(i) (A) all tradenames, trademarks, service marks, patents, domain names and copyrights listed on Schedule 1.1(a)(i), and all licenses, franchises, formula, know-how and other intangible assets, intellectual property and proprietary rights used in connection with the Business, (B) all registrations and applications for any of the foregoing and (C) all goodwill associated with any of the foregoing;

REDACTED

(1) There is an unregistered assignment from Hanover Direct, Inc. to Hanover Brands, Inc. dated December 25, 1999. No action has been taken to record this assignments with the appropriate foreign patent office.

C. COPYRIGHTS

Registrations

TITLE	REGISTRATION NO.	DATE OF REG.	OWNER OF RECORD
Nature walk-stepping stone molds	VA-705-957	4/6/95	LWI Holdings, Inc.

D. UNITED STATES TRADEMARKS

1. DOMESTIC REGISTRATIONS

MARK	REG. NO	CLASS	REG. DATE	OWNER OF RECORD
A PLACE FOR EVERYTHING... AND EVERYTHING IN ITS PLACE!	2,314,489	35	February 1, 2000	Hanover Direct, Inc. (1)
GRO-MATO	2,037,588	21	February 11, 1997	Hanover Direct, Inc. (1)
HOME, SAFE HOME	1,810,230	42	December 7, 1993	Aegis Safety Holdings, Inc. (2)
HOT SCOOP	2,328,246	8	March 14, 2000	Hanover Direct, Inc. (1)
IMPROVEMENTS	1,852,742	42	September 6, 1994	LWI Holdings, Inc.
LIFE'S EASIER, NOW THAT CLEANING'S EASIER!	2,311,786	35	January 25, 2000	Hanover Direct, Inc. (1)
THE SAFETY ZONE	1,801,200	42	October 26, 1993	Aegis Safety Holdings, Inc. (2)
THERMATILES	2,110,467	11	November 4, 1997	Hanover Direct, Inc. (1)

(1) Assigned to Hanover Brands, Inc. on December 25, 1999

(2) Assigned to Hanover Direct, Inc. on December 26, 1998 on dissolution of Aegis Safety Holdings, Inc., and from Hanover Direct, Inc. to Hanover Brands, Inc. on December 25, 1999.

2. DOMESTIC TRADEMARK APPLICATIONS

MARK	APP. NO.	CLASS	APP. DATE	OWNER OF RECORD
HOME FOCUS	76/201,839	35	January 30, 2001	Hanover Brands, Inc.
IMPROVEMENTS	76/255,643	35 online retail store services	May 11, 2001	Hanover Direct, Inc.

REDACTED

MARK	APP. NO.	CLASS	APP. DATE	OWNER OF RECORD
THE SAFETY ZONE	76/255,94 3	35 online retail store services	May 11, 2001	Hanover Direct, Inc.

REDACTED

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be duly executed and delivered as of the day and year first above written.

HANOVER DIRECT, INC.

By: [Signature]
Name: Thomas C. Skull
Title: President / CEO

LWI HOLDINGS, INC.

By: [Signature]
Name: Brian Harniss
Title: Vice President

HSN LP

By: HSN General Partner LLC, its General Partner

By: _____
Name:
Title:

HSN IMPROVEMENTS, LLC

By: _____
Name:
Title:

HSN CATALOG SERVICES, INC.

By: _____
Name:
Title:

REDACTED

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be duly executed and delivered as of the day and year first above written.

HANOVER DIRECT, INC.

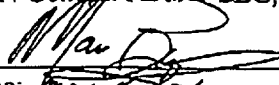
By: _____
Name:
Title:

LWI HOLDINGS, INC.


By: _____
Name:
Title:

HSN LP

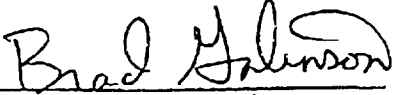
By: HSN General Partner LLC, its General Partner

By: 
Name: Marc Dosek
Title: CEO

HSN IMPROVEMENTS, LLC

By: 
Name: BRAD GALINSON
Title: VP

HSN CATALOG SERVICES, INC.

By: 
Name: BRAD GALINSON
Title: VP