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Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings



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U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies): ZB Company, Inc. [] Individual(s) [] Association [] General Partnership [] Limited Partnership [x] Corporation-State Delaware [] Other Additional name(s) of conveying party(ies) attached? [] Yes [x] No

2. Name and address of receiving party(ies) Name: Wells Fargo Retail Finance, LLC Internal Address: Street Address: One Boston Place, 18th Floor City: Boston State: MA Zip: 02108 [] Individual(s) citizenship [] Association [] General Partnership [] Limited Partnership [] Corporation-State [x] Other Limited Liability Company If assignee is not domiciled in the United States, a domestic representative designation is attached: [] Yes [] No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? [] Yes [] No

3. Nature of conveyance: [] Assignment [] Merger [] Security Agreement [] Change of Name [x] Other Amended and Restated Security Agreement April 30, 2002 Execution Date:

4. Application number(s) or registration number(s): A. Trademark Application No.(s) B. Trademark Registration No.(s) 1,730,089 Additional number(s) attached [x] Yes [] No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Lon Waters Internal Address: Choate, Hall & Stewart Street Address: 53 State Street Exchange Place City: Boston State: MA Zip: 02109

6. Total number of applications and registrations involved: 26 7. Total fee (37 CFR 3.41): \$ 665.00 [x] Enclosed [] Authorized to be charged to deposit account 8. Deposit account number: (Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

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. Jessica McCaul Name of Person Signing [Signature] Signature 5/15/02 Date Total number of pages, including cover sheet, attachments, and document: 38

05/21/2002 AWMB1 00000026 1730089

01 FC:481 40.00 00 02 FC:482 625.00 00

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

TRADEMARK REEL: 002509 FRAME: 0454

Trademark Registration No.(s)

2,322,480
2,439,498
2,346,949
2,449,637
2,010,223
2,324,283
2,223,839
2,322,479
1,872,949
1,971,605
2,426,455
1,898,336
2,184,879
2,338,200
1,735,825
2,394,856
1,781,919
2,439,127
2,412,354
2,429,187
2,185,796
75-824712
76-032176
75-611593
75-663413



AMENDED AND RESTATED
ZB TRADEMARK SECURITY AGREEMENT

This Amended and Restated Trademark Security Agreement (as amended, supplemented or otherwise modified from time to time, this "Agreement") dated as of April 30, 2002 is made between ZB Company, Inc., a Delaware corporation (the "Grantor"), and Wells Fargo Retail Finance, LLC, as agent for the Lenders referred to below under the Loan Agreement referred to below (in such capacity, the "Agent" or the "Secured Party").

WITNESSETH:

WHEREAS, the Grantor has entered into a Loan and Security Agreement, dated as of September 5, 2001 with the lenders party thereto and Wells Fargo Retail Finance, LLC ("WFRF"), as agent for such lenders, as amended to the date hereof (the "ZB Loan Agreement");

WHEREAS, pursuant to the Intellectual Property Security Agreement dated as of September 5, 2001 by and between Grantor and the Secured Party (the "Original TSA") the Grantor assigned to the Secured Party a security interest in and to the Trademark Collateral referred to below, and the Secured Party has caused to be filed with the United States Patent and Trademark Office a record of such assignment, identified as file number "101942021A";

WHEREAS, the Grantor, F.A.O., Inc., a California corporation formerly known as The Right Start, Inc. ("Parent") and FAO Schwarz, Inc., a Delaware corporation formerly known as Toy Soldier, Inc. ("Schwarz") are simultaneously entering into an Amended and Restated Loan and Security Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified, the "Loan Agreement") with the Lenders from time to time party thereto (the "Lenders") and the Agent, which Loan Agreement shall amend and restate each of the ZB Loan Agreement and the Loan and Security Agreement dated as of January 23, 2001 by and among Schwarz, Parent and WFRF, as successor to Paragon Capital LLC, as amended to the date hereof;

WHEREAS, pursuant to the Loan Agreement, the Agent and the Lenders, subject to the terms and conditions contained therein, agree to make certain advances, cause the issuance of letters of credit and provide other financial accommodations to the Grantor, Parent and Schwarz (the "Loans");

WHEREAS, pursuant to the Loan Agreement, the Grantor is required to amend and restate the Original TSA by executing and delivering this Agreement and granting the Secured Party a continuing security interest in all of the Trademark Collateral (as defined below) to secure all of the Obligations under, and as defined in, the Loan Agreement; and

WHEREAS, the Grantor has duly authorized the execution, delivery and performance of this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in order to induce (i) the Agent and the Lenders, subject to the terms and conditions contained therein, to make certain advances, cause the issuance of letters of credit and provide other financial accommodations pursuant to the Loan Agreement, the Grantor agrees, for the benefit of the Secured Party, as follows:

SECTION 1. Definitions.

(a) As used in this agreement, the following terms shall have the following meanings:

“Trademark Collateral” shall mean

(i) all of the Grantor’s trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, certification marks, collective marks, logos and other source or business identifiers, and all goodwill of the business associated therewith, now existing or hereafter adopted or acquired including those referred to in Schedule A attached hereto under the Grantor’s name, whether currently in use or not, all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications in the United States Patent and Trademark Office or in any office or agency of the United States of America or any State thereof or any other country or political subdivision thereof or otherwise, and all common-law rights relating to the foregoing, and (ii) the right to obtain all reissues, extensions or renewals of the foregoing (each, a “Trademark”);

(ii) all Trademark licenses for the grant by or to the Grantor of any right to use any Trademark, including each Trademark license referred to in Schedule B attached hereto under the Grantor’s name; and

(iii) all proceeds of, and rights associated with, the foregoing, including any claim by the Grantor against third parties for past, present or future infringement or dilution of any Trademark, Trademark registration or Trademark license.

(iv) Notwithstanding the foregoing, “Trademark Collateral” shall not include any general intangibles or other rights arising under any contracts, instruments, licenses or other documents relating to any of the foregoing Trademark Collateral as to which the grant of a security interest would (i) constitute a violation of a valid and enforceable restriction in favor of a third party on such grant, unless and until any required consents shall have been obtained or (ii) give any other party to such contract, instrument, license or other document the right to terminate its obligations thereunder.

“Final Payment Date” shall mean the date on which the Obligations shall have been finally indefeasibly and fully paid and the obligation of the Secured Party and the other Lenders to make the Loans has been terminated.

(b) Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided in the Loan Agreement.

SECTION 2. Grant of Security Interest. To secure the prompt repayment of the Obligations and the performance of the covenants and duties of Grantor, Parent and Schwarz under the Loan Agreement, the Grantor hereby pledges, hypothecates, charges and mortgages to the Secured Party, and hereby grants to the Secured Party, a continuing security interest in all of the Trademark Collateral, whether now or hereafter existing or acquired by the Grantor.

SECTION 3. Security Agreement. This Agreement has been executed and delivered by the Grantor for the purpose of registering the security interest of the Secured Party in the Trademark Collateral with the United States Patent and Trademark Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Secured Party under the Loan Agreement. The Loan Agreement (and all rights and remedies of the Secured Party) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Liens. Upon (i) the disposition of Trademark Collateral in accordance with the Loan Agreement or (ii) the occurrence of the Final Payment Date, the security interests granted herein shall automatically terminate with respect to (A) such Trademark Collateral (in the case of clause (i)) or (B) all Trademark Collateral (in the case of clause (ii)). Upon any such disposition or termination, the Secured Party will, at the Grantor's sole expense, deliver to the Grantor, without any representations, warranties or recourse of any kind whatsoever, all Trademark Collateral held by the Secured Party hereunder, and execute and deliver to the Grantor such documents as the Grantor shall reasonably request to evidence such termination.

SECTION 5. Acknowledgment. The Grantor further acknowledges and affirms that the rights and remedies of the Secured Party with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Loan Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. Loan Document. This Agreement is a Loan Document executed pursuant to the Loan Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions thereof.

SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

[Signatures appear on following pages.]

SCHEDULE A

TRADEMARKS

REGISTERED TRADEMARKS

Trademark	Registration Number	Registration Date	Registered Owner	Country of Registration
A ZILLION NEAT THINGS FOR KIDS	1,730,089	11/03/92	ZB COMPANY, INC.	United States
DOLLS TO LOVE	2,322,480	02/22/00	ZB COMPANY, INC.	United States

REGISTERED TRADEMARKS

Trademark	Registration Number	Registration Date	Registered Owner	Country of Registration
DREAM DOUGH	2,439,498	03/27/01	ZB COMPANY, INC.	United States
FREE FUN EVERY DAY	2,346,949	05/02/00	ZB COMPANY, INC.	United States
HUGS N' SNUGS AND DESIGN	2,449,637	05/08/01	ZB COMPANY, INC.	United States

REGISTERED TRADEMARKS

Trademark	Registration Number	Registration Date	Registered Owner	Country of Registration
KIDS LEARN BEST WHEN THEY'RE HAVING FUN	2,010,223	10/22/96	ZB COMPANY, INC.	United States
KIDSTRUMENTS	2,324,283	02/29/00	ZB COMPANY, INC.	United States
KIDSULTANT	2,223,839	02/16/99	ZB COMPANY, INC.	United States

REGISTERED TRADEMARKS

Trademark	Registration Number	Registration Date	Registered Owner	Country of Registration
MY LITTLE PLAY PALS	2,322,479	02/22/00	ZB COMPANY, INC.	United States
NOODLE KID DESIGN	1,872,949	01/10/95	ZB COMPANY, INC.	United States
NOODLE KIDDOODLE	1,971,605	04/30/96	ZB COMPANY, INC.	United States

REGISTERED TRADEMARKS

Trademark	Registration Number	Registration Date	Registered Owner	Country of Registration
OCEANMOTION	2,426,455	02/06/01	ZB COMPANY, INC.	United States
OODLES & ODDLES OF FUN THINGS TO LEARN	1,898,336	06/06/95	ZB COMPANY, INC.	United States
PRICE CHOMPER	2,184,879	08/25/98	ZB COMPANY, INC.	United States

REGISTERED TRADEMARKS

Trademark	Registration Number	Registration Date	Registered Owner	Country of Registration
WHY TAKE AN EXTRA-ORDINARY KID TO AN ORDINARY TOY STORE?	2,338,200	04/04/00	ZB COMPANY, INC.	United States
ZANY BRAINY	1,735,825	11/24/92	ZB COMPANY, INC.	United States
ZANY BRAINY	2,394,856	10/17/00	ZB COMPANY, INC.	United States

REGISTERED TRADEMARKS

Trademark	Registration Number	Registration Date	Registered Owner	Country of Registration
ZANY BRAINY	319242	01/12/98	ZB COMPANY, INC.	Mexico
ZANY BRAINY	7491	1998	ZB COMPANY, INC.	Japan
ZANY BRAINY	751819	12/24/97	ZB COMPANY, INC.	Australia

REGISTERED TRADEMARKS

Trademark	Registration Number	Registration Date	Registered Owner	Country of Registration
ZANY BRAINY	707794	12/15/97	ZB COMPANY, INC.	Europe
ZANY BRAINY AND DESIGN	1,781,919	07/13/93	ZB COMPANY, INC.	United States
ZANY BRAINY.COM	2,439,127	03/27/01	ZB COMPANY, INC.	United States

REGISTERED TRADEMARKS

Trademark	Registration Number	Registration Date	Registered Owner	Country of Registration
ZANY BRAINY.COM and DESIGN	2,412,354	12/12/00	ZB COMPANY, INC.	United States
ZANY PRICE CHOMPER and Design (Head looking left with broken \$ in mouth with words over and under head)	2,429,187	02/20/01	ZB COMPANY, INC.	United States
ZANY ZONE	2,185,796	09/01/98	ZB COMPANY, INC.	United States

PENDING TRADEMARK APPLICATIONS

Trademark	Serial Number	Application Date	Applicant	Country of Application
DREAM DOUGH AND DESIGN	75-824712	10/15/99	ZB COMPANY, INC.	United States
I GOT YOU BABY	76-032176	04/24/00	ZB COMPANY, INC.	United States
MISCELLANEOUS "PRICE CHOMPER" DESIGN (Standing With Broken \$ in mouth looking left)	75-611593	12/23/98	ZB COMPANY, INC.	United States

PENDING TRADEMARK APPLICATIONS

Trademark	Serial Number	Application Date	Applicant	Country of Application
ZANY BRAINY	864671	12/17/97	ZB COMPANY, INC.	Canada
WHAT YOU WANT YOUR CHILD TO BECOME	75-663413	03/19/99	ZB COMPANY, INC..	United States

NON-REGISTERED TRADEMARKS

Trademark	Status of Trademark
BLUE SKY	AWAITING APPLICATION TO BE SIGNED AND FILED
BLUE SKY DESIGN	AWAITING APPLICATION TO BE SIGNED AND FILED
BRAINY GAMES ICON	---

NON-REGISTERED TRADEMARKS

Trademark	Status of Trademark
BRIGHT START	---
BRIGHT START ICON	---
CREATIVITY ICON	---
CRITTERS NAME ICON	---

NON-REGISTERED TRADEMARKS

Trademark	Status of Trademark
DEPART-MENTAL ICON DESIGN (15)	---
DOLLS ICON	---
GOOD SPORTS NAME ICON	---
GREEN ORBIT	AWAITING APPLICATION TO BE SIGNED AND FILED

NON-REGISTERED TRADEMARKS

Trademark	Status of Trademark
GREEN ORBIT DESIGN	AWAITING APPLICATION TO BE SIGNED AND FILED
GRANDTASTIC	---
HOBBIES ICON	---
IMAGINATION	AWAITING APPLICATION TO BE SIGNED AND FILED

NON-REGISTERED TRADEMARKS

Trademark	Status of Trademark
IMAGINATION DESIGN	AWAITING APPLICATION TO BE SIGNED AND FILED
KIDSTRUMENTS DESIGN	AWAITING APPLICATION TO BE SIGNED AND FILED
KIDTRONICS NAME ICON	---
LET'S PRETEND NAME ICON	-----

NON-REGISTERED TRADEMARKS

Trademark	Status of Trademark
OUR PLANET NAME ICON	---
OUT OF THE BOX	AWAITING APPLICATION TO BE SIGNED AND FILED
OUT OF THE BOX DESIGN	AWAITING APPLICATION TO BE SIGNED AND FILED
OUT TO PLAY	AWAITING APPLICATION TO BE SIGNED AND FILED

NON-REGISTERED TRADEMARKS

Trademark	Status of Trademark
OUT TO PLAY DESIGN	AWAITING APPLICATION TO BE SIGNED AND FILED
PLAY PALS NAME ICON	---
PLAYSHOP PLANNER	---
PRETENDABLES	---

NON-REGISTERED TRADEMARKS

Trademark	Status of Trademark
PUZZLEMANIA NAME ICON	---
READY, SET...GROW!	AWAITING APPLICATION TO BE SIGNED AND FILED
READY, SET...GROW! DESIGN	AWAITING APPLICATION TO BE SIGNED AND FILED
SMART SUPPLIES	AWAITING APPLICATION TO BE SIGNED AND FILED

NON-REGISTERED TRADEMARKS

Trademark	Status of Trademark
SMART SUPPLIES DESIGN	AWAITING APPLICATION TO BE SIGNED AND FILED
SOFTWARE ICON	---
STATIONERY ICON	---
SUPER STARS NAME ICON	---

NON-REGISTERED TRADEMARKS

Trademark	Status of Trademark
TEACHER'S RESOURCE NAME ICON	---
TECHNO KIDS	AWAITING APPLICATION TO BE SIGNED AND FILED
TECHNO KIDS DESIGN	AWAITING APPLICATION TO BE SIGNED AND FILED
VIDEO ICON	---

NON-REGISTERED TRADEMARKS

Trademark	Status of Trademark
WORDS & MUSIC (OR SIGHTS & SOUNDS) NAME ICON	---
YOUNG BUILDERS NAME ICON	---
ZANY ALPHABET DESIGNS (26)	---
ZANY BRAINY COMPUTER BUGZ	---

REGISTERED DOMAIN NAMES

Domain Name	Registered Owner	Registrar
EXCHANGETOYS.COM	ZB COMPANY, INC.	Network Solutions
MYZB.COM	ZB COMPANY, INC.	Network Solutions
NOODLEKABOODLE.COM	ZB COMPANY, INC.	Network Solutions

REGISTERED DOMAIN NAMES

Domain Name	Registered Owner	Registrar
NOODLEKADOODLE.COM	ZB COMPANY, INC.	Network Solutions
NOODLEKIDODDLE.COM	ZB COMPANY, INC.	Network Solutions
NOODLEKIDOODLE.COM	ZB COMPANY, INC.	Network Solutions
TOZB.COM	ZB COMPANY, INC.	Network Solutions

REGISTERED DOMAIN NAMES

Domain Name	Registered Owner	Registrar
TRADE-A-TOY.COM	ZB COMPANY, INC.	Network Solutions
ZAINYBRAINY.COM	ZB COMPANY, INC.	Network Solutions
ZANIEBRAINY.COM	ZB COMPANY, INC.	Network Solutions
ZANYBRAINY.COM	ZB COMPANY, INC.	Network Solutions

REGISTERED DOMAIN NAMES

Domain Name	Registered Owner	Registrar
ZANYBRAINY.CO.UK	ZB COMPANY, INC.	REGISTER.COM / COMPUSOLVE
ZANYBRAINY.NET	ZB COMPANY, INC.	REGISTER.COM
ZANYBRAINY.ORG	ZB COMPANY, INC.	REGISTER.COM
ZANYBRAINY.TV	ZB COMPANY, INC.	dotTV

REGISTERED DOMAIN NAMES

Domain Name	Registered Owner	Registrar
ZANYBRAINYCATALOG.COM	ZB COMPANY, INC.	Network Solutions
ZANYBRAINYINC.COM	ZB COMPANY, INC.	Network Solutions
ZANYBRAINYONLINE.COM	ZB COMPANY, INC.	Network Solutions
ZANYBRAINYSTORES.COM	ZB COMPANY, INC.	Network Solutions

REGISTERED DOMAIN NAMES

Domain Name	Registered Owner	Registrar
ZANYBRANY.COM	ZB COMPANY, INC.	Network Solutions
ZANYINC.COM	ZB COMPANY, INC.	Network Solutions
ZB.COM	ZB COMPANY, INC.	Network Solutions
ZBBOOKS.COM	ZB COMPANY, INC.	Network Solutions

REGISTERED DOMAIN NAMES

Domain Name	Registered Owner	Registrar
ZBCATALOG.COM	ZB COMPANY, INC.	Network Solutions
ZBMUSIC.COM	ZB COMPANY, INC.	Network Solutions
ZBSOFTWARE.COM	ZB COMPANY, INC.	Network Solutions
ZBSTORES.COM	ZB COMPANY, INC.	Network Solutions

REGISTERED DOMAIN NAMES

Domain Name	Registered Owner	Registrar
ZBTOY.COM	ZB COMPANY, INC.	directNIC
ZBTOYS.COM	ZB COMPANY, INC.	Network Solutions
ZBVIDEO.COM	ZB COMPANY, INC.	Network Solutions

SCHEDULE B

LICENSES

License Agreement with Gullane for use of Thomas the Tank on products.

License Agreement with DIC for use of the Madeline character on products.