



08-16-2002



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

Form PTO-1594

Rev. 03/01)

OMB No. 0651-0027 (exp. 5/31/2002)

Tab settings

RE: 1

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

1. Name of conveying party(ies): 4-13-02
Direct Trade Imports, Inc.

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

Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)
 Name: Factory 2-U Stores, Inc.
 Internal Address: _____
 Address: _____
 Street Address: 4000 Ruffin Road
 City: San Diego State: CA Zip: 92123

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

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
 Other _____

Execution Date: 07/29/2002

4. Application number(s) or registration number(s):
 A. Trademark Application No.(s)
 B. Trademark Registration No.(s)
2476712

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
 Name: Ryan K. Owens
 Internal Address: Hughes Hubbard & Reed LLP

 Street Address: 350 S. Grand Avenue
Suite 3600
 City: Los Angeles State: CA Zip: 90071

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41).....\$ 40.00

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.

Douglas C. Felderman [Signature]
 Name of Person Signing Signature

Date: 8/9/02

Total number of pages including cover sheet, attachments, and document: 3

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

08/16/2002 AHMED1 00000040 2476712 40.00 OP
 01 FC:481

TRADEMARK
 REEL: 2564 FRAME: 0350

Schedule A to UCC Financing Statement

Naming

DIRECT TRADE IMPORTS, INC. as Debtor

and

FACTORY 2-U STORES, INC., as Secured Party

This Financing Statement covers all of Debtor's personal property and fixtures, whether now or hereafter existing or now owned or hereafter acquired and wherever located, of every kind and description, tangible and intangible, including, without limitation, the following property and assets (all collectively referred to herein as "Collateral"): (i) all present and future accounts, contract rights, general intangibles, chattel paper, documents and instruments (collectively, "Accounts"), including, without limitation: (A) all monies, securities, guaranties, letters of credit and other collateral together with all proceeds thereof (including without limitation insurance proceeds) delivered to the Company with respect to any Accounts, including, without limitation, Sale L/Cs, (B) all enforcement and other rights and remedies with respect to Accounts, including all rights of stoppage in transit, replevin, reclamation and repossession, (C) all rights to and under Purchase Orders (as defined below) and all related collateral, (D) all trademarks, patents, copyrights, applications or licenses together with all other intellectual property rights of whatever kind or nature of the Company with respect thereto, (E) all federal, state and local tax refund claims, (F) all goods relating to or which by sale have resulted in Accounts, including all returned, reclaimed or repossessed goods, (G) all purchase orders and contracts pursuant to which (1) a Customer has agreed to purchase goods from the Company or (2) the Company has agreed to purchase goods from a Supplier (collectively "Purchase Orders"), and (H) all documents of title, warehouse receipts and other shipping documents and instruments of any kind whatsoever, whether relating to goods in transit or otherwise, (ii) all of the Company's now owned and hereafter acquired inventory and goods of every kind and description now or hereafter owned or acquired and wherever located, including without limitation, all raw materials, work in process and finished or semi-finished inventory and any other personal property held for sale, exchange or lease or used in connection with the manufacturing, packing, shipping, advertising and selling thereof, (iii) all of the Company's now owned and hereafter acquired equipment and fixtures of every kind, including, without limitation, all furniture, trade fixtures, office machines, computers (software and hardware), phone equipment, vehicles, machinery, tooling and all additions, substitutions, accessions and replacements thereto, (iv) all deposit accounts of the Company with any bank or other financial institution and all other claims of the Company against any bank or other financial institution, now or hereafter existing, (v) all investment property and other financial assets of the Company, (vi) all present and future books and records relating to any of the above, including, without limitation, ledgers, books of account, records, tapes, cards, computer programs, disks, tapes, printouts, data and all other computer information in the possession or control of the Company, any computer service bureau or other third party, and (vii) all products and proceeds of any of the foregoing in any form, including, without limitation, all insurance proceeds together with any claims against third parties for loss or damage to or destruction of any or all of the foregoing, and all proceeds and rights to payment under any factoring agreement covering any Accounts.

0221260753



UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A. NAME & PHONE OF CONTACT AT FILER (optional)
Attention: Theodore H. Latty

B. SEND ACKNOWLEDGMENT TO: (Name and Address)

National Corporate Research, Ltd.
 1107 9th Street, Suite 1010
 Sacramento, CA 95814
 P6-0001-162-1

FILED
 SACRAMENTO, CA
 JUL 30, 2002 AT 1533
 BILL JONES
 SECRETARY OF STATE

LY

1. DEBTOR'S EXACT FULL LEGAL NAME - Insert only one debtor name (1a or 1b) - do not abbreviate or combine names

1a. ORGANIZATION'S NAME
Direct Trade Imports, Inc.

OR 1b. INDIVIDUAL'S LAST NAME

FIRST NAME	MIDDLE NAME	SUFFIX

1c. MAILING ADDRESS
579 Taxter Road

CITY Elmsford	STATE NY	POSTAL CODE 10532	COUNTRY USA
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1d. TAX ID #: SSN OR EIN ADD'L INFO RE ORGANIZATION DEBTOR 1e. TYPE OF ORGANIZATION 1f. JURISDICTION OF ORGANIZATION 1g. ORGANIZATIONAL ID #, if any

corporation **California** **2048975** NONE

2. ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - Insert only one debtor name (2a or 2b) - do not abbreviate or combine names

2a. ORGANIZATION'S NAME

OR 2b. INDIVIDUAL'S LAST NAME

FIRST NAME	MIDDLE NAME	SUFFIX

2c. MAILING ADDRESS

CITY	STATE	POSTAL CODE	COUNTRY

2d. TAX ID #: SSN OR EIN ADD'L INFO RE ORGANIZATION DEBTOR 2e. TYPE OF ORGANIZATION 2f. JURISDICTION OF ORGANIZATION 2g. ORGANIZATIONAL ID #, if any

NONE

3. SECURED PARTY'S NAME (or NAME of TOTAL ASSIGNEE of ASSIGNOR S/P) - Insert only one secured party name (3a or 3b)

3a. ORGANIZATION'S NAME
Factory 2-U Stores, Inc.

OR 3b. INDIVIDUAL'S LAST NAME

FIRST NAME	MIDDLE NAME	SUFFIX

3c. MAILING ADDRESS

CITY San Diego	STATE CA	POSTAL CODE 92123	COUNTRY USA
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4. This FINANCING STATEMENT covers the following collateral:
 All of the Debtor's personal property and fixtures, whether now or hereafter existing, or now owned or hereafter acquired or wherever located, of every kind of description tangible and intangible, including without limitation all inventory and accounts receivable and all other assets described in Schedule A attached hereto, including all proceeds of the foregoing.

COPY

5. ALTERNATIVE DESIGNATION (if applicable): LESSEE/LESSOR CONSIGNEE/CONSIGNOR BAILEE/BAILOR SELLER/BUYER AG. LIEN NON-UCC FILING

6. This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS. Attach Addendum 7. Check to REQUEST SEARCH REPORT(S) on Debtor(s) (optional) All Debtors Debtor 1 Debtor 2

8. OPTIONAL FILER REFERENCE DATA