

08-22-2002

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

HEET



102199510

To the Honorable Commissioner of Patents and Trademarks, with the attached original documents or copy thereof.

1. Name of conveying party(ies):
SUTTON HAY DAY, INC. *081902*

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

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

2. Name and address of receiving party(ies):
 Name: FINOVA CAPITAL CORPORATION
 Internal Address: _____
 Street Address: 115 West Century Road
 City: Paramus State New Jersey ZIP: 07652

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

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: June 22, 1999

If assignee is not domiciled in the United States, a domestic representative designation is attached.
 Yes No
 (Designation must be a separate document from Assignment)
 Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s):
 A. Trademark Application No(s).
 B. Trademark registration No(s).
1,248,739
1,445,141
1,261,271
1,313,652
1,315,980
1,456,510

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
 Name: Hsin-Wei Luang
Jenkins & Gilchrist, a Professional Corporation
 Internal Address: _____
 Street Address: 1445 Ross Avenue, Suite 3200
 City: Dallas State: Texas Zip: 75202-2799

6. Total number of applications and registrations involved: 6

7. Total fee (37 CFR 3.41): \$ 165.00
 Enclosed
 Authorized to be charged to deposit account.
 (If check is not received with this correspondence or additional fees are required, please charge to deposit account 10-0447.)

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.

Hsin-Wei Luang August 14, 2002
 Name of Person Signing Signature Date

Total number of pages comprising cover sheet: 19

08/21/2002 TDIAZ1 00000056 1248739
 01 FC:481 40.00 OP
 02 FC:482 125.00 OP
 Dallas2 918008 v 1, 59898.00004

TRADEMARK
REEL: 002567 FRAME: 0246

TRADEMARK SECURITY AGREEMENT

AGREEMENT made as of the 28 day of June, 1999 between SUTTON HAY DAY, INC., having an office at 6903 Rockledge Drive, Suite 900, Bethesda, Maryland 20817 ("Borrower"), and FINOVA CAPITAL CORPORATION, having an office at 115 West Century Road, Paramus, New Jersey 07652 ("Secured Party").

WHEREAS, Borrower has adopted, used and is using, and is the owner of the entire right, title, and interest in and to the trademarks, tradenames, terms, designs and applications therefor described in Schedule A annexed hereto and made a part hereof; and

WHEREAS, Secured Party has agreed to enter into or has entered into financing arrangements pursuant to a Loan and Security Agreement (the "Loan and Security Agreement", and together with this Agreement and all other related documents, agreements, instruments or notes, as the same may now exist or may hereafter be amended or supplemented, are collectively referred to herein as the "Agreements"). All capitalized terms used in this Agreement which are not defined herein, but which are defined in the Loan and Security Agreement, shall have the respective meanings ascribed thereto in the Loan and Security Agreement.

NOW, THEREFORE, in order to induce Secured Party to enter into the Agreements and in consideration thereof, Borrower and Secured Party agree as follows:

1. SECURITY INTEREST

Borrower hereby grants to Secured Party a security interest in: (a) all of Borrower's now existing or hereafter acquired right, title, and interest in and to: all of Borrower's trademarks, trade names, trade styles and service marks; all prints and labels on which said trademarks, trade names, trade styles and service marks appear, have appeared or will appear, and all designs and general intangibles of a like nature; all applications, registrations and recordings relating to the foregoing in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State

thereof, any political subdivision thereof or in any other countries, and all reissues, extensions and renewals thereof including those trademarks, terms, design and applications described in Schedule A hereto as the same may be amended from time to time (the "Trademarks"); (b) the goodwill of the business symbolized by each of the Trademarks, including, without limitation, all customer lists and other records relating to the distribution of products or services bearing the Trademarks; and (c) any and all proceeds of any of the foregoing, including, without limitation, any claims by Borrower against third parties for past, present or future infringement of the Trademarks, or any licenses with respect thereto (all of the foregoing are collectively referred to herein as the "Collateral").

2. OBLIGATIONS SECURED.

The security interests granted to Secured Party in this Agreement shall secure the prompt and indefeasible payment and performance of all now existing and future obligations, liabilities and indebtedness of Borrower to Secured Party of every kind, nature and description, direct or indirect, absolute or contingent, whether arising under this Agreement, the other Agreements, or any other agreement, document or instrument or by operation of law or otherwise, including, without limitation, "Obligations" as defined in the Loan and Security Agreement (all the foregoing hereinafter referred to as "Obligations").

3. WARRANTIES AND COVENANTS.

Borrower hereby covenants, represents and warrants that (all of such covenants, representations and warranties being continuing in nature so long as any of the Obligations are outstanding):

A. Borrower will pay and perform all of the Obligations according to their terms.

B. The Trademarks are subsisting and have not been adjudged invalid or unenforceable.

C. To the best of Borrower's knowledge, each of the Trademarks is valid and enforceable.

D. Borrower owns sole, full, and clear title to each of the Trademarks, and has the right and power to grant the security interests granted hereunder. So long as Borrower has not abandoned its use of the Trademarks, Borrower will, at Borrower's expense, perform all acts and execute all documents necessary to maintain the existence of the Trademarks as valid, subsisting and registered trademarks, including, without limitation, the filing of any renewal affidavits and applications. The Collateral is not subject to any liens, claims, mortgages, assignments, registered user agreements, licenses, security interests, or encumbrances of any nature whatsoever except the security interests granted hereunder, and the licenses, if any, which are specifically described in Schedule B hereto.

E. Borrower will not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon, encumber, grant an exclusive or non-exclusive license relating to each of the Trademarks, except to Secured Party, or otherwise dispose of any of the Collateral without the prior written consent of Secured Party.

F. Borrower will, at Borrower's expense, perform all acts and execute all documents requested at any time by Secured Party to evidence, perfect, maintain, record, or enforce the security interest in the Collateral granted hereunder or to otherwise further the provisions of this Agreement. Borrower hereby authorizes Secured Party to execute and file one or more financing statements (or similar documents) with respect to the Collateral signed only by Secured Party. Borrower further authorizes Secured Party to have this or any other similar Security Agreement filed with the Commissioner of Patents and Trademarks or other appropriate federal, state or government office.

G. Secured Party may, in its sole discretion, pay any amount or do any act which Borrower fails to pay or do as required hereunder or as requested by Secured Party to maintain and preserve the Collateral, defend, protect, record, amend or enforce the Obligations, the Collateral, or the security interest granted hereunder including but not limited to, all filing or recording fees, court costs, collection charges and reasonable attorneys' fees. Borrower will be liable to Secured Party for

any such payment, which payment shall be deemed a borrowing by Borrower from Secured Party, and shall be payable on demand together with interest at the rate set forth in the Agreements and shall be part of the Obligations secured hereby.

H. As of the date hereof, Borrower does not have any Trademarks registered, or subject to pending applications in the United States Patent and Trademark Office or any similar office or agency in the United States or any other country other than those described in Schedule A annexed hereto.

I. Borrower shall notify Secured Party in writing of the filing of any application for the registration of a Trademark with the United States Patent and Trademark Office or any similar office or agency in the United States or any state therein or in any other country within thirty (30) days of such filing. Upon request of Secured Party, Borrower shall execute and deliver to Secured Party any and all agreements, instruments, documents, and such other papers as may be requested by Secured Party to evidence the security interests of Secured Party in such Trademark.

J. Borrower has not abandoned any of the Trademarks material to the conduct of the business and Borrower will not do any act, nor omit to do any act, whereby the Trademarks or any registration or application appurtenant thereto may become abandoned, cancelled, invalidated, unenforceable, avoided, or avoidable or will otherwise diminish in value and Borrower will notify Secured Party immediately if Borrower knows or has reason to know of any reason why this result may occur. Notwithstanding anything to the contrary contained in this Agreement, Borrower may, in its reasonable business judgment, cease using any of the Trademarks.

K. Borrower will render any assistance, as Secured Party may determine is necessary, to Secured Party in any proceeding before the United States Patent and Trademark Office, any federal or state court, or any similar office or agency in the United States or any state therein or any other country to maintain such application and, so long as Borrower has not abandoned its use of such Trademarks, registration of the Trademarks as Borrower's exclusive property and, so long as Borrower has not abandoned its use of such Trademarks, to protect

Secured Party's interest therein, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference, and cancellation proceedings.

I. Borrower will promptly notify Secured Party if Borrower (or any affiliate or subsidiary thereof) learns of any use by any person of any term or design likely to cause confusion with any Trademark or of any use by any person of any other product which infringes upon any Trademark. If requested by Secured Party, Borrower, at Borrower's expense, shall join with Secured Party in such action as Secured Party, in Secured Party's discretion, may deem advisable for the protection of Secured Party's interest in and to the Trademarks.

M. Borrower assumes all responsibility and liability arising from the use of the Trademarks and Borrower hereby indemnifies and holds Secured Party harmless from and against any claim, suit, loss, damage, or expense (including reasonable attorneys' fees) arising out of Borrower's operations of its business from the use of the Trademarks. In any suit, proceeding or action brought by Secured Party under any license of a Trademark for any sum owing thereunder, or to enforce any provision of such license, Borrower will indemnify and keep Secured Party harmless from and against all expense, loss or damage suffered by reason of any defense, set off, counterclaim, recoupment or reduction or liability whatsoever of the obligee thereunder, arising out of a breach of Borrower of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such obligee or its successors from Borrower, and all such obligations of Borrower shall be and remain enforceable against and only against Borrower and shall not be enforceable against Secured Party.

N. In any action or proceeding instituted by Secured Party in connection with any matters arising at any time out of or with respect to this Agreement, Borrower will not interpose any counterclaim of any nature, except for counterclaims which are required by laws or applicable rules of procedure to be pleaded in or consolidated with the actions initiated by Secured Party.

O. If, before the Obligations have been paid in full, Borrower shall obtain rights to any new Trademarks, the provisions of this Agreement shall automatically apply thereto and Borrower shall give Secured Party prompt written notice thereof. Borrower grants Secured Party a power-of-attorney, irrevocable so long as the Agreements are in existence, to modify this Agreement by amending Schedule A to include any future trademarks, including trademark registrations or applications appurtenant thereto covered by this Agreement.

4. Secured Party's Appointment as Attorney-in-Fact.

A. Borrower hereby irrevocably constitutes and appoints Secured Party and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Borrower and in the name of Borrower or in its own name, from time to time in Secured Party's discretion, for the purposes of carrying out the terms of this Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement and, without limiting the generality of the foregoing, hereby gives Secured Party the power and right, on behalf of Borrower, to do the following:

(i) Upon the occurrence and continuance of an Event of Default, to ask, demand, collect, receive and give acquittances and receipts for any and all moneys due and to become due under any license of the Trademarks and, in the name of Borrower or its own name or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any license of its Trademarks and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by Secured Party for the purpose of collecting any and all such moneys due under any such license whenever payable;

(ii) To pay or discharge taxes, liens, security interests or other encumbrances levied or placed on or threatened against the Collateral; and

(iii) After the occurrence of an Event of Default, (A) to direct any party liable for any payment under any license of the Trademarks to make payment of any and all moneys due and to become due thereunder directly to Secured Party or as Secured Party shall direct; (B) to receive payment of and receipt for any and all moneys, claims and other amounts due and to become due at any time in respect of or arising out of any Collateral; (C) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any part thereof and to enforce any other right in respect of any Collateral; (D) to defend any suit, action or proceeding brought against Borrower with respect to any Collateral; (E) to settle, compromise, or adjust any suit, action or proceeding described above and, in connection therewith, to give such discharges or releases as Secured Party may deem appropriate; and (F) generally to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though Secured Party were the absolute owner thereof for any purposes, and to do, at Secured Party's option all acts and things which Secured Party deems necessary to protect, preserve or realize upon the Collateral and Secured Party's security interest therein, in order to effect the intent of this Agreement, all as fully and effectively as Borrower might do.

This power of attorney is a power coupled with an interest and shall be irrevocable. Notwithstanding the foregoing, Borrower further agrees to execute any additional documents which Secured Party may require in order to confirm this power of attorney, or which Secured Party may deem necessary to enforce any of its rights contained in this Agreement.

B. The powers conferred on Secured Party hereunder are solely to protect its interests in the Collateral and shall not impose any duty upon it to exercise any such powers. Secured Party shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, directors, employees or agents shall be responsible to Borrower for any act or failure to act, except for its own willful misconduct.

C. Concurrently with the execution and delivery hereof, Borrower shall execute and deliver to Secured Party, in

the form of Exhibit 1 annexed hereto, five (5) originals of a Power of Attorney for the implementation of the assignment, sale or other disposal of the Collateral pursuant to this paragraph 4.

5. RIGHTS AND REMEDIES.

Upon the occurrence of any such Event of Default and at any time thereafter, in addition to all other rights and remedies of Secured Party, whether provided under law, the Agreements or otherwise, and after expiration of any grace period, Secured Party shall have the following rights and remedies which may be exercised without notice to, or consent by, Borrower except as such notice or consent is expressly provided for hereunder.

A. Secured Party may require that neither Borrower nor any affiliate or subsidiary of Borrower make any use of the Trademarks or any marks similar thereto for any purpose whatsoever. Secured Party may make use of any Trademarks for the sale of goods, or rendering of services in connection with enforcing any other security interest granted to Secured Party by Borrower or any subsidiary of Borrower.

B. Secured Party may grant such license or licenses relating to the Collateral for such term or terms, on such conditions, and in such manner, as Secured Party shall in its sole discretion deem appropriate. Such license or licenses may be general, special, or otherwise, and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and all foreign countries.

C. In order to implement the assignment, sale, or other disposition of any of the Collateral pursuant to subparagraph 6C hereof, Secured Party may at any time execute and deliver on behalf of Borrower, pursuant to the authority granted in the Powers of Attorney described in paragraph 4 hereof, one or more instruments of assignment of the Trademarks (or any application, registration, or recording relating thereto) in form suitable for filing, recording or registration. Borrower agrees to pay Secured Party on demand all costs incurred in any such transfer of the Collateral, including, but not limited to, any taxes, fees, and attorneys' fees.

D. Secured Party may apply the proceeds actually received from any such license, assignment, sale, or other disposition of Collateral first to the reasonable costs and expenses thereof, including, without limitation, reasonable attorneys' fees and all legal, travel, and other expenses which may be incurred by Secured Party. Thereafter, Secured Party may apply any remaining proceeds to such of the Obligations as Secured Party may in its sole discretion determine. Borrower shall remain liable to Secured Party for any expenses or obligations remaining unpaid after the application of such proceeds, and Borrower will pay Secured Party on demand any such unpaid amount, together with interest at the rate set forth in the Agreements.

E. In the event that any such license, assignment, sale or disposition of the Collateral (or any part thereof) is made after the occurrence of an Event of Default, Borrower shall supply to Secured Party or Secured Party's designee Borrower's knowledge and expertise relating to the manufacture and sale of the products and services bearing the Trademarks and Borrower's customer lists and other records relating to the Trademarks and the distribution thereof.

Nothing contained herein shall be construed as requiring Secured Party to take any such action at any time. All of Secured Party's rights and remedies, whether provided under law, the Agreements, this Agreement, or otherwise, shall be cumulative and none is exclusive. Such rights and remedies may be enforced alternatively, successively, or concurrently.

6. MISCELLANEOUS.

A. Any failure or delay by Secured Party to require strict performance by Borrower of any of the provisions, warranties, terms and conditions contained herein or in any other agreement, document, or instrument, shall not affect Secured Party's right to demand strict compliance and performance therewith, and any waiver of any default shall not waive or affect any other default, whether prior or subsequent thereto, and whether of the same or of a different type. None of the warranties, conditions, provisions, and terms contained herein or in any other agreement, document, or instrument shall be deemed to have been waived by any act or knowledge of Secured Party, its

agents, officers, or employees, but only by an instrument in writing, signed by an officer of Secured Party and directed to Borrower, specifying such waiver.

B. All notices, requests and demands to or upon the respective parties hereto shall be made in accordance with the Loan Agreement.

C. In the event any term or provision of this Agreement conflicts with any term or provision of the Loan and Security Agreement, the term or provision of the Loan and Security Agreement shall control.

D. In the event that any provision hereof shall be deemed to be invalid by any court, such invalidity shall not affect the remainder of this Agreement.

E. This Agreement shall be binding upon and for the benefit of the parties hereto and their respective legal representatives, successors and assigns. No provision hereof shall be modified, altered or limited except by a written instrument expressly referring to this Agreement signed by the party to be charged thereby.

F. The security interest granted to Secured Party shall terminate and the Collateral will be reassigned to Borrower, at Borrower's sole expense, upon termination of the Loan and Security Agreement and indefeasible payment in full to Secured Party of all Obligations thereunder.

G. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HERETO SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

BORROWER IRREVOCABLY CONSENTS THAT ANY LEGAL ACTION OR PROCEEDING AGAINST BORROWER UNDER, ARISING OUT OF, OR IN ANY MANNER RELATING TO THIS AGREEMENT OR THE OTHER AGREEMENTS MAY BE BROUGHT IN ANY STATE COURT OF THE STATE OF NEW YORK LOCATED IN WESTCHESTER COUNTY OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK. BORROWER, BY ITS EXECUTION AND DELIVERY OF THIS AGREEMENT, EXPRESSLY AND IRREVOCABLY CONSENTS AND SUBMITS TO THE PERSONAL JURISDICTION OF ANY OF SUCH COURTS IN ANY SUCH ACTION OR PROCEEDING. BORROWER FURTHER AGREES THAT ANY

LEGAL ACTION OR PROCEEDING BORROWER MAY BRING, ARISING OUT OF OR IN ANY MANNER RELATING TO THIS AGREEMENT OR THE OTHER AGREEMENTS, SHALL ONLY BE BROUGHT IN ANY STATE COURT OF THE STATE OF NEW YORK LOCATED IN WESTCHESTER COUNTY OR IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK. BORROWER ALSO IRREVOCABLY CONSENTS TO THE SERVICE OF ANY COMPLAINT, SUMMONS, NOTICE OR OTHER PROCESS RELATING TO SUCH ACTION OR PROCEEDING BY DELIVERY THEREOF TO BORROWER IN THE MANNER PROVIDED FOR NOTICES IN THIS AGREEMENT. BORROWER HEREBY EXPRESSLY AND IRREVOCABLY WAIVES ANY CLAIM OR DEFENSE IN ANY SUCH ACTION OR PROCEEDING BASED ON ANY ALLEGED LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS OR ANY SIMILAR BASIS. BORROWER SHALL NOT BE ENTITLED IN ANY SUCH ACTION OR PROCEEDING TO ASSERT ANY DEFENSE GIVEN OR ALLOWED UNDER THE LAWS OF ANY STATE OTHER THAN THE STATE OF NEW YORK, UNLESS SUCH DEFENSE IS ALSO GIVEN OR ALLOWED BY THE LAWS OF THE STATE OF NEW YORK. NOTHING HEREIN SHALL AFFECT OR IMPAIR IN ANY MANNER OR TO ANY EXTENT THE RIGHT OF SECURED PARTY TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST BORROWER IN ANY OTHER JURISDICTION OR TO SERVE PROCESS IN ANY MANNER PERMITTED BY LAW.

H. The parties hereto waive trial by jury in any action or proceeding of any kind or nature in any court whether arising out of, under or by reason of this Agreement, the other Agreements or any matter or proceeding relating thereto.

IN WITNESS WHEREOF, Borrower and Secured Party have executed this Agreement as of the day and year first above written.

Borrower:

SUTTON HAY DAY, INC.

By: Mary J Evans
Title: Treasurer


Secured Party:

FINOVA CAPITAL CORPORATION

By: D Marchant
Title: VP

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

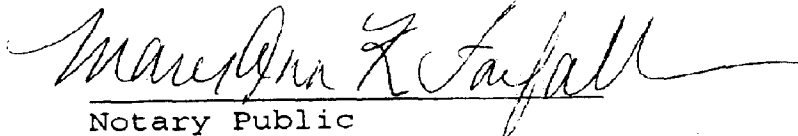
On this 28 day of June, 1999, before me personally came GARY EVANS, to me known, who being duly sworn, did depose and say, that he is the TRPASEKPT of SUTTON HAY DAY, INC., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.


Notary Public

MARY ANN K. FARFALLA
Notary Public State of New York
No. 02FA6001431
Qualified in Kings County
Commission Expires Jan 12, 2000

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this 28 day of June, 1999, before me personally came Gary Marchant, to me known, who duly sworn, did depose and say, that he/she is the VP of FINOVA Capital Corporation, the corporation described in and which executed the foregoing instrument; and that he/she signed his/her name thereto by order of the Board of Directors of said corporation.


Notary Public

MARY ANN K. FARFALLA
Notary Public State of New York
No. 02FA6001431
Qualified in Kings County
Commission Expires Jan 12, 2000

EXHIBIT 1

SPECIAL POWER OF ATTORNEY

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

KNOW ALL MEN BY THESE PRESENTS, that SUTTON HAY DAY, INC., having an office at 6903 Rockledge Drive, Suite 900, Bethesda, Maryland 20817 (hereinafter "Borrower"), pursuant to a Trademark Security Agreement dated June __, 1999 (as amended, modified, restated or supplemented from time to time, the "Security Agreement") hereby appoints and constitutes FINOVA Capital Corporation ("Secured Party"), and each officer thereof, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on behalf of Borrower;

1. Execution and delivery of any and all agreements, documents, instruments of assignment, or other papers which Secured Party, in its sole discretion, deems necessary or advisable for the purpose of assigning, selling, or otherwise disposing of all of right, title, and interest of Borrower in and to the trademarks listed on Schedule A of the Security Agreement and including those trademarks which are added to the same subsequent hereto and all registrations, recordings, reissues, extensions, and renewals thereof, and for the purpose of recording, registering and filing of, or accomplishing any other formality with respect to the foregoing.

2. Execution and delivery of any and all documents, statements, certificates or other papers which Secured Party, in its sole discretion, deems necessary or advisable to further the purposes described in subparagraph 1 hereof.

This Power of Attorney is made pursuant to a Trademark Security Agreement between Borrower and Secured Party of even date herewith (the "Security Agreement") and may not be revoked until indefeasible payment in full of all Borrower's "Obligations", as such term is defined in the Security Agreement.

Dated as of June ____, 1999

SUTTON HAY DAY, INC.

By: _____

Title: _____

SCHEDULE A
to
TRADEMARK SECURITY AGREEMENT
Trademarks and Applications

See attached.

6/15/99 2:53 PM

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TRADEMARK
REEL: 002567 FRAME: 0262

SCHEDULE A

TRADEMARKS OWNED BY SUTTON HAY DAY, INC.

TRADEMARK	COUNTRY	REG. NO.	REG. DATE
HAY DAY	United States	1,248,739	08/16/83
HAY DAY	United States	1,445,141	06/30/87
HAY DAY THE COUNTRY FARM MARKET	United States	1,261,271	12/13/83
HAY DAY THE COUNTRY FARM MARKET	United States	1,313,652	01/01/85
HAY DAY THE COUNTRY FARM MARKET	United States	1,315,980	01/22/85
THE HAY DAY RURAL TIMES	United States	1,456,510	09/08/87

COMMON LAW TRADEMARK

HAY DAY EXPRESS

SCHEDULE B
to
TRADEMARK SECURITY AGREEMENT

Permitted Licenses

1. The revocable right to use the name Hay Day Wine Shop as arising under the agreement between Vintage Marketing and Hay Day, Inc., dated March 23, 1993.
2. The revocable right to use Hay Day marks and the name Hay Day Meat Market as arising under the agreement between Roy G. Cogswell of Ridgefield Country Butcher, successor to U-Gotta-Beef, Inc. and Hay Day, Inc., dated March 20, 1991.
3. Hay Day Cookbook and Logo as licensed to Alex and Sallie Van Rensselaer as arising under the Cookbook Agreement between Alex T. and Sallie D. Rensselaer, dated December 1, 1994.