

10-02-2002



RECORDATION 102238822 TRADEMARKS ONLY

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

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

1. Name of conveying party(ies): 9-24-02 NORSTAN APPAREL SHOPS, INC. [] Individual(s) [] Association [] General Partnership [] Limited Partnership [x] Corporation-State PENNSYLVANIA [] Other Additional name(s) of conveying party(ies) attached? [] Yes [x] No

2. Name and address of receiving party(ies) Name: ALLIED CAPITAL CORPORATION Internal Address: 1919 PENNSYLVANIA AVENUE, N.W. Street Address: City: WASHINGTON State: DC Zip: 20006-3434 [] Individual(s) citizenship [] Association [] General Partnership [] Limited Partnership [x] Corporation-State MARYLAND [] 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? [x] Yes [] No

3. Nature of conveyance: [] Assignment [] Merger [] Security Agreement [] Change of Name [x] Other ASSIGNMENT FOR SECURITY Execution Date: SEPTEMBER 18, 2002

4. Application number(s) or registration number(s): A. Trademark Application No (s) 75/741967 B. Trademark Registration No.(s) 2,420,792 Additional number(s) attached [] Yes [] No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: PAUL ROBBINS Internal Address: KAYE SCHOLER LLP Street Address: 425 PARK AVENUE City: NEW YORK State NY Zip: 10022

6. Total number of applications and registrations involved: 2 7. Total fee (37 CFR 3.41): \$ [x] Enclosed [] Authorized to be charged to deposit account 8. Deposit account number: N/A (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. PAUL SOMELOFSKE Name of Person Signing [Signature] Signature SEPTEMBER 23, 2002 Date

10/01/2002 DBYRNE 00000057 75741967 01 FC:481 40.00 OP 02 FC:482 30534294.PDF 25.00 OP

Total number of pages including cover sheet, attachments, and document: [] Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

2. Additional Names and Addresses of Receiving Parties:

Gleacher Mezzanine Fund I, L.P.
c/o Gleacher Mezzanine LLC
660 Madison Avenue, 17th Floor
New York, NY 10021

Limited Partnership - Delaware

Gleacher Mezzanine Fund P, L.P.
c/o Gleacher Mezzanine LLC
660 Madison Avenue, 17th Floor
New York, NY 10021

Limited Partnership - Delaware

ASSIGNMENT FOR SECURITY

(TRADEMARKS)

WHEREAS, Norstan Apparel Shops, Inc. (herein referred to as "Assignor"), has adopted, used and is using the trademarks listed on the annexed Schedule 2-A, which trademarks are registered in the United States Patent and Trademark Office (the "Trademarks");

WHEREAS, Assignor, certain affiliates thereof, and certain financial institutions named therein (the "Assignees"), are parties to the Loan Agreement dated as of the date hereof, and Assignees are desirous of having a security interest and mortgage in favor of Assignees on the above-identified property in order to secure the payment of certain obligations of Assignor now or hereafter owing to Assignees;

WHEREAS, Assignor has entered into a Security Agreement and Mortgage-Trademarks and Patents dated the date hereof (as it may be amended, supplemented, or otherwise modified from time to time, the "Agreement") with Assignees;

WHEREAS, pursuant to the Agreement, Assignor has granted to Assignees a security interest in, and mortgage on, all right, title and interest of Assignor in and to the Trademarks, together with the goodwill of the business symbolized by the Trademarks and the applications and registrations thereof, and all proceeds thereof, including, without limitation, any and all causes of action which may exist by reason of infringement thereof (the "Collateral"), to secure the payment, performance and observance of the Secured Obligations, as defined in the Agreement; and

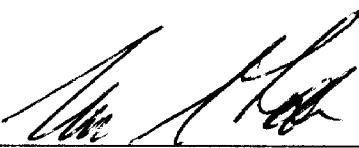
WHEREAS, when the Secured Obligations (other than contingent indemnification obligations to the extent no claims have then been asserted) have been indefeasibly paid and performed in full, this Assignment for Security shall terminate and Assignees, at the expense of Assignor, will execute and deliver to Assignor all instruments reasonably requested by Assignor to acknowledge termination of this Assignment for Security and will release the Trademarks from the security interest created hereby and under the Agreement.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Assignor does hereby further grant to Assignees a security interest in, and mortgage on, the Collateral to secure the prompt payment, performance and observance of the Secured Obligations.

Assignor does hereby further acknowledge and affirm that the rights and remedies of Assignees with respect to the security interest in and mortgage on the Collateral made and granted hereby are more fully set forth in the Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein.

IN WITNESS WHEREOF, Assignor has caused this Assignment to be duly executed by its officer thereunto duly authorized as of the 18th day of September, 2002.

NORSTAN APPAREL SHOPS, INC.

By:  {Seal}
Name: NORMAN LATTMAN
Title: PRESIDENT

SCHEDULE 2-A TO GRANT OF SECURITY

TRADEMARKS

<u>Trademark</u>	<u>Reg. Date</u>	<u>Reg. No.</u>
<u> Servicemark</u>		
FASHION ¢ENTS	January 16, 2001	2,420,792

Tradenames

Fashion ¢ents

TRADEMARK APPLICATIONS

<u>Trademark</u>	<u>Filing Date</u>	<u>Reg. No.</u>
BEWARE	July 1, 1999	75/741967