

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

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

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

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

1. Name of conveying party(ies):
Fleet Retail Finance Inc.

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

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other _____
- Merger
- Change of Name

Execution Date: 11/7/03

2. Name and address of receiving party(ies)

Name: Peebles Inc.
Internal
Address: _____

Street Address: One Peebles Street

City: Southhill State: VA Zip: 23970

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

4. Application number(s) or registration number(s):

A. Trademark Application No.(s) _____

B. Trademark Registration No.(s) _____

Additional number(s) attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Christopher E. Kondracki

Internal Address: _____

Street Address: 2001 Jefferson Davis, Hwy.

Suite 505

City: Arlington State: VA Zip: 22202

6. Total number of applications and registrations involved: _____

13

7. Total fee (37 CFR 3.41).....\$ 340.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

19-3545

DO NOT USE THIS SPACE

9. Signature.

Christopher E. Kondracki
Name of Person Signing

Signature

11/19/03

Date

Total number of pages (including cover sheet, attachments, and document): **6**

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

CH \$340.00 193545 1724693

Conveying Party(ies)

Ira A. Watson, Co.
One Peebles Street
Southhill, VA 23970
Delaware Corporation

**Continuation of 4B
Trademark Registrations**

<u>Trademark</u>	<u>Registration Number</u>
1. CAPE CLASSIC	1,724,693
2. CAPE CLASSIC	1,775,908
3. CAPE CLASSIC LTD.	1,684,402
4. CASUAL OPTIONS	2,742,977
5. HARMONY GROVE	1,842,267
6. HIDDEN FANTASIES (Stylized)	1,482,444
7. KIDS COUNT & Design	1,209,751
8. MEHERRIN RIVER OUTFITTERS	1,693,131
9. PEBBLES	1,492,322
10. PRIVATE EXPRESSIONS	1,769,352
11. PRIVATE EXPRESSIONS	2,352,771
12. SIGNATURE STUDIO	2,072,046
13. SONOMA BAY	1,734,069

SECURITY INTEREST TERMINATION

WHEREAS, Pebbles Inc. and Ira A. Watson Co. (collectively, the "Debtor"), granted a security interest to Fleet Retail Finance Inc. ("Secured Party") in certain of the Debtor's trademarks listed on Exhibit A attached hereto and made a part hereof (the "Trademarks") pursuant to a certain Trademark and Trademark Applications Security Agreement dated as of December 20, 2002 (the "Agreement"), which was filed at the United States Patent and Trademark Office on January 15, 2003 and recorded beginning at Reel 2596 and Frame 887; and

WHEREAS, the obligations of the Debtor to Secured Party have been terminated, including the security interests of the Debtor to Secured Party under the foregoing Security Agreement.

NOW, THEREFORE, Secured Party releases its security interest in, and reassigns to the Debtor, any and all interest in the Trademarks. Secured Party agrees that, upon the request of the Debtor or any successor in interest or assignee thereof, and at the expense of the Debtor, Secured Party will execute any document, cause to be made any filing or take any other action deemed reasonably necessary or advisable by the Debtor, or any successor in interest or assignee thereof, to effectuate the release of interests contemplated herein.

IN WITNESS WHEREOF, Secured Party, by the signature below of its duly authorized representative, agrees to be bound by the provisions of this Security Interest Termination as of this ___ day of October, 2003.

FLEET RETAIL FINANCE INC.
By: Sally P. Shukan
Name:
Title:

COUNTY OF Suffolk, SS

Then personally appeared before me the above-named Mark Jonathan Forti of Fleet Retail Finance Inc. and acknowledged the foregoing to be his free act and deed this 24 day of ~~October~~ November, 2003.

Mark Jonathan Forti
Notary Public:
My commission expires:

Mark Jonathan Forti
NOTARY PUBLIC
My commission expires Apr. 1, 2005

EXHIBIT A

<u>Trademark</u>	<u>Registration Number</u>
1. CAPE CLASSIC	1,724,693
2. CAPE CLASSIC	1,775,908
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