



Form PTO-1594
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TRADEMARKS ONLY

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

7-3-03

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

1. Name of conveying party(ies):

Seaman Furniture Company, Inc.

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

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

2. Name and address of receiving party(ies)

Name: M.D. Sass Corporate Resurgence
Internal Partners III, L.P., as Agent
Address: c/o Resurgence Asset Management
L.L.C.
Street Address: 10 King Street
City: White Plains State: NY Zip: 10604

- Individual(s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership Delaware
- Corporation-State _____
- 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: June 19, 2003

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

A. Trademark Application No.(s)

See attached Schedule A

B. Trademark Registration No.(s)

See attached Schedule A

Additional number(s) attached Yes No

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

Name: Richard Roel

Internal Address: c/o O'Melveny & Myers LLP

Street Address: 30 Rockefeller Plaza, 24th
Floor

City: New York State: NY Zip: 10112

6. Total number of applications and registrations involved: 7

7. Total fee (37 CFR 3.41).....\$ 190.00

- 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.

Stephanie Carrick
Name of Person Signing

Stephanie Carrick
Signature

7/3/03
Date

Total number of pages including cover sheet, attachments, and document: 8

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

07/07/2003 6TON11 00000063 75698113

01 FC:8521 40.00 OP
02 FC:8522 150.00 OP

SCHEDULE I
TO
SEAMAN TRADEMARK SECURITY AGREEMENT

TRADEMARK REGISTRATIONS

Seaman Furniture Company, Inc.

Registered Owner	U.S. Service Mark/ Trademark Description	Registration or Application Number (Serial No.)	Registration or Application Date (Date Filed)	Status
Seaman Furniture Company, Inc.	"Ashley Stuart"	75698113	05/05/99	Pending
Seaman Furniture Company, Inc.	"Seaman's Kids Furniture"	2436329	03/20/01	Registered
Seaman Furniture Company, Inc.	"Seaman's Plus"	1977158	05/28/96	Registered
Seaman Furniture Company, Inc.	"Seaman's"	1798293	10/12/93	Renewed
Seaman Furniture Company, Inc.	"See Seaman's First"	1816230	01/11/94	Registered
Seaman Furniture Company, Inc.	"The Package"	1824758	03/01/94	Registered
Seaman Furniture Company, Inc.	"The Sensible Way To A Beautiful Home!"	2125211	12/30/97	Registered

This Agreement and the rights and obligations evidenced hereby are subordinate in the manner and to the extent set forth in that certain Ableco Reimbursement Subordination and Intercreditor Agreement (the "Ableco Reimbursement Subordination Agreement") dated as of June 19, 2003 among Grantee and Term Agent and GECC Agent ("Senior Agents"), to the indebtedness (including interest) owed by Borrowers to Senior Agents and the other lenders from time to time under the Senior Debt Documents (as such term is defined therein), in each case as such Senior Debt Documents have been and hereafter may be amended, supplemented or otherwise modified from time to time and to indebtedness refinancing the indebtedness under those documents as contemplated by the Ableco Reimbursement Subordination Agreement; and each holder of this agreement, by its acceptance hereof, irrevocably agrees to be bound by the provisions of the Ableco Reimbursement Subordination Agreement.

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "Agreement") made as of this 19th day of June, 2003 by SEAMAN FURNITURE COMPANY, INC., a Delaware corporation ("Grantor") in favor of M.D. SASS CORPORATE RESURGENCE PARTNERS III, L.P., a Delaware limited partnership ("Grantee"):

W I T N E S S E T H

WHEREAS, Grantor is party to that certain Reimbursement Agreement, dated as of the date hereof, among Grantor, Levitz Furniture, LLC, a Delaware limited liability company ("Levitz"), Levitz Home Furnishings, Inc., a Delaware corporation ("LHFI"), certain of LHFI's Subsidiaries (together with Grantor, Levitz, and LHFI, the "Obligors", and each individually an "Obligor") and Grantee, as the administrative and collateral agent for itself and the entities identified on the signature pages thereto as the Ableco Guarantors (as the same may be amended or otherwise modified from time to time, the "Reimbursement Agreement");

WHEREAS, in order to secure its obligations under the Reimbursement Agreement, Grantor has entered into that certain Security Agreement, dated as of the date hereof, among Grantor, Levitz, LHFI, certain of LHFI's Subsidiaries and Grantee (as the same may be amended, supplemented or otherwise modified from time to time, the "Security Agreement");

WHEREAS, pursuant to the terms of the Security Agreement, Grantor has granted to Grantee a security interest in substantially all of the assets of Grantor including all right title and interest of Grantor in, to and under all now owned and hereafter acquired or arising (a) trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other business identifiers, prints and labels on which

any of the foregoing have appeared or appear, all registrations and recordings thereof, and all applications in connection therewith (other than "intent to use" applications until a verified statement of use or an amendment to alleged use is filed with respect to such applications); (b) all renewals thereof; (c) all income, royalties, damages and payments now or hereafter due and/or payable under any of the foregoing or with respect to any of the foregoing including, without limitation, damages and payments for past, present and future infringements of any of the foregoing; (d) the right to sue for past, present and future infringements of any of the foregoing; (e) all rights corresponding to any of the foregoing throughout the world; and (f) all goodwill associated with and symbolized by any of the foregoing (collectively, "Trademarks") and all products and proceeds thereof, to secure the Obligations of Grantor under the Reimbursement Agreement;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, Grantor agrees as follows:

1. Incorporation of Security Agreement. The Security Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Reimbursement Agreement, as in effect as of the date hereof.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the complete and timely payment and satisfaction of the Obligations, Grantor hereby grants to Grantee and hereby reaffirms its prior grant pursuant to the Security Agreement of, a continuing security interest in Grantor's entire right, title and interest in and to the following (all of the following items or types of property being herein collectively referred to as the "Trademark Collateral"), whether now owned or existing or hereafter created or acquired:

(i) each Trademark listed on Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof, and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark; and

(ii) all products and proceeds of the forgoing, including without limitation, any claim by Grantor against third parties for past, present or future (a) infringement or dilution of any Trademark, or (b) injury to the goodwill associated with any Trademark.

3. Warranties and Representations. Grantor warrants and represents to Grantee that:

(i) Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each Trademark, free and clear of any liens, charges and encumbrances, including without limitation licenses and covenants by Grantor not to sue third persons except as otherwise permitted by the GECC Credit Agreement, the Term Loan Agreement, the Deferred Financing Agreement, the Resurgence III Reimbursement Agreement, the Resurgence I

Loan Agreement or the Capital Call Loan Agreement, each as in effect as of the date hereof, or except for Permitted Encumbrances or as indicated on Schedule 1;

(ii) Grantor has no notice of any suits or actions commenced or threatened with reference to any Trademark; and

(iii) Grantor has the unqualified right to execute and deliver this Agreement and perform its terms.

4. Restrictions on Future Agreements. Grantor agrees that until the Obligors' Obligations shall have been satisfied in full and the Reimbursement Agreement shall have been terminated, Grantor shall not, without the prior written consent of Grantee, sell or assign its interest in, or grant any license under (other than to any Obligor or for fair market consideration in the ordinary course of business), any Trademark or enter into any other agreement with respect to any Trademark, and Grantor further agrees that it shall not take any action or permit any action to be taken by others subject to its control, including licensees, or fail to take any action which would affect the validity or enforcement of the rights transferred to Grantee under this Agreement.

5. Product Quality. Grantor agrees (i) (except in circumstances where in the reasonable opinion of Grantor it would be commercially imprudent to do so) to maintain the quality of any and all material products in connection with which the Trademarks are used, consistent with commercially reasonable business practices, and (ii) to provide Grantee, upon Grantee's reasonable request from time to time, with a certificate of an officer of Grantor certifying Grantor's compliance with the foregoing. Upon the occurrence and during the continuation of an Event of Default, Grantor agrees that Grantee, or a conservator appointed by Grantee, shall have the right to establish such additional product quality controls as Grantee, or said conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Grantor under the Trademarks.

6. New Trademarks. If, before the Obligors' Obligations shall have been satisfied in full or before the Reimbursement Agreement has been terminated, Grantor shall (i) become aware of any existing Trademarks of which Grantor has not previously informed Grantee, or (ii) become entitled to the benefit of any Trademarks, which benefit is not in existence on the date hereof, the provisions of this Agreement above shall automatically apply thereto and Grantor shall give to Grantee prompt written notice thereof. Grantor hereby authorizes Grantee to modify this Agreement by amending Schedule 1 to include any such Trademarks.

7. Duties of Grantor. Grantor shall (i) file and pursue diligently any material trademark applications pending as of the date hereof or hereafter, (ii) preserve and maintain all rights in the material Trademarks, as reasonably deemed appropriate by Grantor (iii) ensure that the material Trademarks are and remain enforceable.

8. Grantee's Right to Sue. After the occurrence and during the continuation of an Event of Default, Grantee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks and, if Grantee shall commence any such suit, Grantor shall, at the request of Grantee, do any and all lawful acts and execute any and all proper

documents required by Grantee in aid of such enforcement and Grantor shall promptly, upon demand, reimburse and indemnify Grantee for all costs and expenses (including reasonable attorney's fees) incurred by Grantee in the exercise of its rights under this Section 8.

9. Cumulative Remedies; Power of Attorney. Grantee hereby acknowledges and affirms that the rights and remedies with respect to the Trademarks, whether established hereby or by the Security Agreement or the Reimbursement Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Grantor hereby authorizes Grantee upon the occurrence of an Event of Default, to make, constitute and appoint any officer or agent of Grantee as Grantee may select, in its sole discretion, as Grantor's true and lawful attorney-in-fact, with power to (i) endorse Grantor's name on all applications, documents, papers and instruments necessary or desirable for Grantee in the use of the Trademarks or (ii) (save to the extent prohibited by law or equity) take any other actions with respect to the Trademarks as Grantee deems to be in the best interest of Grantee, or (iii) (save to the extent prohibited by law or equity) grant or issue any exclusive or non-exclusive license under the Trademarks to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone, except as otherwise permitted by the GECC Credit Agreement, the Term Loan Agreement, the Deferred Financing Agreement, the Resurgence III Reimbursement Agreement, the Resurgence I Loan Agreement or the Capital Call Loan Agreement. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until the Obligors' Obligations shall have been paid in full and the Reimbursement Agreement has been terminated. Grantor hereby further acknowledges and agrees that the use by Grantee of the Trademarks shall be worldwide, except as limited by their terms, and without any liability for royalties or related charges from Grantee to Grantor.

10. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which, when so executed and delivered, will be deemed an original and all of which shall together constitute one and the same instrument.

11. Termination of Security Interests; Release of Collateral. Upon payment in full of all Obligations (other than contingent indemnification obligations to the extent no unsatisfied claim giving rise thereto has been asserted) and the termination of all Obligations under the Reimbursement Agreement, this Agreement shall terminate. Upon such termination of the Security Interests or release of any Collateral, Grantee will, at the expense of the Grantor, execute and deliver to the Grantor such documents as the Grantor shall reasonably request to evidence the termination of the Security Interests or the release of such Collateral, as the case may be.

12. APPLICABLE LAW. THIS TRADEMARK SECURITY AGREEMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES.

[remainder of page intentionally left blank;
signature page follows]

IN WITNESS WHEREOF, Grantor has duly executed this Agreement as of the date first written above.

SEAMAN FURNITURE COMPANY, INC., a
Delaware corporation

By: Allen Polunsky SVP
Its: Senior Vice President

Agreed and Accepted
As of the Date First Written Above

M.D. SASS CORPORATE RESURGENCE PARTNERS III, L.P.,
a Delaware limited partnership, as Agent

By: RESURGENCE ASSET MANAGEMENT, L.L.C.,
as Investment Manager

By: Robert T. Birmingham
Name: ROBERT T. BIRMINGHAM
Title: Managing Director