

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

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| SUBMISSION TYPE: | NEW ASSIGNMENT |
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| NATURE OF CONVEYANCE: | SECURITY INTEREST |
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| CONVEYING PARTY DATA | | | |
| Name | Formerly | Execution Date | Entity Type |
| John M. Smyth Company | | 11/09/2004 | CORPORATION: ILLINOIS |

| | |
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| RECEIVING PARTY DATA | |
| Name: | Wells Fargo Bank, National Association, as the Collateral Agent |
| Street Address: | 608 2nd. Avenue South |
| Internal Address: | 12th Floor, MAC N9303-120 |
| City: | Minneapolis |
| State/Country: | MINNESOTA |
| Postal Code: | 55479 |
| Entity Type: | INC. ASSOCIATION: |

| | | |
|---------------------------|---------|----------------------------|
| PROPERTY NUMBERS Total: 1 | | |
| Property Type | Number | Word Mark |
| Registration Number: | 1922052 | JOHN M. SMYTH'S HOMEMAKERS |

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|--------------------------------------------------------------------------------------|--------------------------|
| CORRESPONDENCE DATA | |
| Fax Number: | (212)755-7306 |
| <i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i> | |
| Phone: | 212-326-3420 |
| Email: | aevieta@jonesday.com |
| Correspondent Name: | Amy Vieta |
| Address Line 1: | 222 E. 41st St. |
| Address Line 2: | Jones Day |
| Address Line 4: | New York, NEW YORK 10017 |

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| NAME OF SUBMITTER: | Amy Vieta |
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Total Attachments: 5
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TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT, dated as of November 9, 2004 (this "Agreement"), is made by John M. Smyth Company, an Illinois corporation (the "Specified Grantor"), in favor of WELLS FARGO BANK, NATIONAL ASSOCIATION ("Wells Fargo"), as the collateral agent (together with its successor(s) thereto in such capacity, the "Collateral Agent") for each of the Secured Parties.

W I T N E S S E T H :

WHEREAS, the Specified Grantor, Levitz Home Furnishings, Inc., a Delaware corporation (the "Company"), each other Domestic Restricted Subsidiary (terms used in the preamble and the recitals have the definitions set forth in or incorporated by reference in Section 1 of the Security Agreement referred to below) of the Company from time to time a party thereto (together with the Specified Grantor and Company, the "Grantors" and each, a "Grantor") and Wells Fargo, as Collateral Agent and as trustee (in such capacity, the "Trustee"), have entered into an Indenture, dated as of November 9, 2004 (as amended, restated, supplemented or otherwise modified from time to time, the "Indenture"), pursuant to which (i) the Company has issued \$100,000,000 of its 12% Senior Secured Class A Notes due 2011 and \$30,000,000 of its 15% Senior Secured Class B Notes due 2011 (together with any additional notes that may be issued by the Company from time to time thereunder or exchanged therefor or for such additional notes, the "Notes") and (ii) the Grantors (other than the Company) have guaranteed the payment by the Company of its Obligations under the Notes and the other Indenture Documents;

WHEREAS, in connection with the Indenture, each Grantor, including the Specified Grantor, has executed and delivered a Security Agreement, dated as of November 9, 2004 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Security Agreement");

WHEREAS, pursuant to the Indenture and in accordance with clause (h) of Section 4 of the Security Agreement, the Specified Grantor is required to execute and deliver this Agreement and to grant to the Collateral Agent a continuing security interest in all of the Trademark Collateral (as defined below) to secure all of its Obligations under the Indenture Documents to which it is a party;

WHEREAS, the Specified Grantor desires to secure its Obligations under the Indenture Documents to which it is a party by granting to the Collateral Agent, for the benefit of the Secured Parties, a security interest in the Trademark Collateral as set forth herein;

WHEREAS, to induce the Initial Purchaser to purchase the Notes, each Holder to hold the Notes to be held by it and Wells Fargo to act in its capacities as Trustee and Collateral Agent, the Specified Grantor desires to grant, mortgage and pledge to the Collateral Agent, for the benefit of the Secured Parties, a security interest in the Trademark Collateral to secure such Obligations, as provided herein;

WHEREAS, the Specified Grantor expects to receive substantial direct and indirect benefits from the proceeds of the Notes issued by the Company under the Indenture (which benefits are hereby acknowledged); and

WHEREAS, the Specified Grantor has duly authorized the execution, delivery and performance of this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided in the Security Agreement.

SECTION 2. Grant of Security Interest. The Specified Grantor hereby grants, mortgages and pledges to the Collateral Agent, for its benefit and the ratable benefit of each other Secured Party, a continuing security interest in all of the following property, whether now or hereafter existing or acquired by the Specified Grantor (the "Trademark Collateral"):

- (a) all of its present and hereafter acquired trademarks, trade names, service marks and all other identifiers of the source or origin of any good or service (hereafter "Marks"), whether registered or unregistered by any Governmental Authority, including those referred to in Item A of Schedule I attached hereto;
- (b) any and all applications for registration and registrations of Marks by the United States Patent and Trademark Office or by any state or territory of the United States or by any foreign country or under any international treaty; and all renewals thereof;
- (c) all goodwill of the business associated with any Mark;
- (d) each Trademark License referred to in Item B of Schedule I attached hereto;
- (e) all General Intangibles with respect to the foregoing; and
- (f) to the extent not otherwise included, all Proceeds and other rights to payments not otherwise included in the foregoing and products of the foregoing and all accessions to, substitutions and replacements for, and rents and profits of, each of the foregoing;

provided, however, that "Trademark Collateral" shall not include any rights arising under any Trademark License as to which the grant of a security interest would constitute a violation of a valid and enforceable restriction in favor of a third party on such grant, unless and until any required consents shall have been obtained (provided, however, that

nothing herein shall be intended to limit the affect of 9-406 of the Code or otherwise limit or restrict the grant by such Specified Grantor of any rights under any such Trademark License to the extent which would not be violative of the restrictive terms thereof).

SECTION 3. Security Agreement. This Agreement has been executed and delivered by the Specified Grantor for the purpose of registering the security interest of the Collateral Agent in the Trademark Collateral with the United States Patent and Trademark Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Collateral Agent for its benefit and the ratable benefit of each other Secured Party under the Security Agreement. The Security Agreement (and all rights and remedies of the Collateral Agent and each Secured Party thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Liens. Upon (i) the disposition of Trademark Collateral in accordance with the Indenture or (ii) the occurrence of the Termination Date, the security interests granted herein shall automatically terminate with respect to (A) such Trademark Collateral (in the case of clause (i)) or (B) all Trademark Collateral (in the case of clause (ii)).

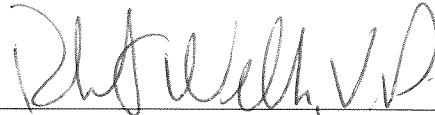
SECTION 5. Acknowledgment. The Specified Grantor does hereby further acknowledge and affirm that the rights and remedies of the Collateral Agent with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. Counterparts. This Agreement may be authenticated in any number of separate counterparts, each of which shall collectively and separately constitute one agreement. This Agreement may be authenticated by manual signature, facsimile or, if approved in writing by the Collateral Agent, electronic means, all of which shall be equally valid.

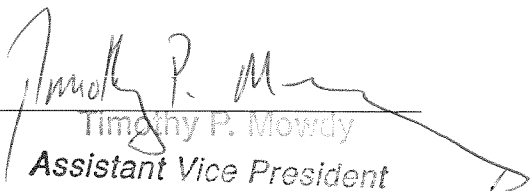
* * * * *

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed and delivered by its Authorized Officer as of the date first above written.

JOHN M. SMYTH COMPANY

By: 
Name: Robert N. Webber
Title: Vice President

WELLS FARGO BANK, NATIONAL
ASSOCIATION, as Collateral Agent

By: 
Name: Timothy P. Mowdy
Title: Assistant Vice President

SCHEDULE I
to Trademark Security Agreement

A. Trademarks

| Registered Owner | U.S. Service Mark/ Trademark Description | Registration or Application Number (Serial No.) | Registration or Application Date (Date Filed) | Status |
|--------------------------|-----------------------------------------------------|----------------------------------------------------------------|--------------------------------------------------------------|---------------|
| John M. Smyth Company | "John M. Smyth's Homemakers" | 1922052 | 9/26/95 | Registered |

B. Trademark Licenses

None.