

12-08-2004

FORM PTO-1584 (Modified)
(Rev. 10/02)
OMB No. 0651-0027 (exp. 6/30/2005)
Copyright 1994-97 LegalStar
TMD5/REV03

MED
12/1/04



ET

Y

Docket No.:

102821730

Tab settings

To the Director of the United States Patent and Trademark Office: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

Homestead Fabrics Limited

- Individual(s)
- General Partnership
- Corporation-State
- Other English Limited Company

- Association
- Limited Partnership

Additional names(s) of conveying party(ies) Yes No

2. Name and address of receiving party(ies):

Name: Homestead Fabrics, Inc.

Internal Address: _____

Street Address: 230 Fifth Avenue

City: New York State: NY ZIP: 10001

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

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other Incorporating Agreement by reference

- Merger
- Change of Name

Execution Date: November 10, 2004

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

A. Trademark Application No.(s)

78/296,025,
78/296,020,
78/296,027,

Additional numbers

B. Trademark Registration No.(s)

Yes No

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

Name: David A. Einhorn

Internal Address: _____

Street Address: Anderson Kill & Olick, P.C.

1251 Avenue of the Americas

City: New York State: NY ZIP: 10020

6. Total number of applications and registrations involved:.....

25

7. Total fee (37 CFR 3.41):.....\$ 1,000

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

01-1944

Charge
Free

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.

David A. Einhorn

Name of Person Signing

Signature

November 30, 2004

Date

Total number of pages including cover sheet, attachments, and

31

Mail documents to be recorded with required cover sheet information to:
Mail Stop Recordation Services
Director of the United States Patent and Trademark Office
P.O. Box 1450, Alexandria, VA 22313-1450

Supplemental pages to Recordation Form Cover Sheet for Trademarks

Trademark Application Numbers to be listed in assignment recordation filed November 30, 2004.

<u>Serial Number</u>	<u>MARK</u>	<u>Status</u>
78/296,025	WINDSOR TENNIS CLUB	Allowed for registration 09/21/04
78/296,020	WINDSOR FOOTBALL CLUB	Allowed for registration 09/21/04
78/296,027	WINDSOR GOLF CLUB	Allowed for registration 9/14/04
78/304,155	KIDZ KINGDOM	Published 8/31/04
78/192,523	WINDSOR POLO CLUB	Published 9/9/03 Opposed as of 10/9/03
78/304,143	LITTLE WINDSOR	Intentional abandonment
78/304,137	TOWELS IN A BAG	Intentional abandonment
78/304,120	ROYAL WINDSOR RUGBY CLUB	Allowed for registration 10/19/04
78/192,533	WINDSOR RUGBY CLUB	Published 12/2/03 Opposed as of 1/7/04
78/215,042	QUALITY & Design	Allowed for registration 10/19/04
78/334,703	CRIB IN A BAG	Examination pending
78/215,044	WRC & Design	Allowed for registration 10/05/04
78/220,992	Design mark	Abandoned for failure to file document 7/14/04
78/301,374	WINDOW SWEATER	Examination pending

Supplemental pages to Recordation Form Cover Sheet for Trademarks

Trademark Application Numbers to be listed in assignment recordation filed November 30, 2004.

<u>Serial Number</u>	<u>MARK</u>	<u>Status</u>
78/304,102	ROYAL WINDSOR POLO CLUB	Examination pending
78/251,025	WINDOW IN A BAG	Published 9/28/04
76/518,332	COMFORT IN A BAG	Allowed for registration 5/04/04
76/284,270	SMARTGUARD	Allowed for registration 3/25/03 Second extension for filing statement of use 3/25/04 – a third would be due 9/25/04
76/173,047	SMARTBLOC	Examination suspended since 4/1/04
76/172,740	SMARTSWIM	Examination suspended since 4/1/04
76/172,737	SMARTFLEX	Examination suspended since 4/1/04
76/172,736	SMART TEC	Examination suspended since 4/1/04
76/172,732	SMARTSTORM	Abandoned as of 12/2/02
76/172,731	SMARTDRY	Examination suspended since 4/1/04
76/172,730	SMART GLIDE	Abandoned as of 12/2/02

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EXECUTION ORIGINAL

ASSIGNMENT AND ASSUMPTION AGREEMENT
(Assets)

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (ASSETS) (this "Agreement") is made as of November 10, 2004, by and between Homestead Fabrics, Inc., a corporation organized under the laws of Delaware and Homestead Fabrics Limited, a private limited company incorporated under the laws of England and Wales (together with Homestead Fabrics, Inc., "Assignor"), on the one hand, and Homestead Holdings, Inc., a corporation organized under the laws of Delaware ("Assignee"), on the other hand.

WITNESSETH:

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby absolutely and irrevocably (subject to the terms in the Homestead Acquisition Agreement, as amended), except as expressly set forth below, assigns, transfers, conveys, and sets over to Assignee, any and all right, title, and interest of the Assignor, all as existing as of close of business on the business day immediately prior to the date of the Funding (as defined in the Homestead Acquisition Agreement) (such business day, the "Transfer Date"), free and clear of any liens, claims or encumbrances of any kind whatsoever, in and to:

- (i) the Homestead Fabrics name, tradenames, trademarks (and any goodwill associated with such trademarks), patents, designs and copyrights, all as set forth on Exhibit A hereto;
- (ii) subject to the required consent of any customer or supplier, Assignor's customers lists, contracts or purchase orders with suppliers, and order books (other than order books relating to its existing inventory), all as set forth on Exhibit B hereto;
- (iii) subject to the required consent of any licensor, designs and license agreements for the Iron Man/Woman and Little Tykes, trademarks and other product licenses as to which Assignor is licensee, all as set forth on Exhibit C hereto;
- (iv) the vendor numbers used by Assignor in the operations of its business as listed on Exhibit D attached hereto;
- (v) all inventory ordered, purchased or manufactured for the benefit of Assignor (whether or not in transit or in warehouse) but not yet paid for by Assignor, all as set forth on Exhibit E hereto;
- (vi) subject to the required consent of any licensor, a copy of the databases used by Assignor in the operations of its business as listed on Exhibit F attached hereto; and
- (vii) subject to the required consent of the landlord, the lease to the space utilized by Assignors located at 230 Fifth Avenue, Suite 1200, New York, New York 10001.

Each of Assignor and Assignee, for itself and its successors and assigns, covenants and agrees that it will, at Assignee's sole cost and expense, do, execute, acknowledge

and deliver or cause to be done, executed, acknowledged and delivered any and all such further acts, instruments, papers and documents, and will give such further assurances, as may be necessary, proper or convenient to carry out and effectuate the intent of this Agreement.

Any notice, request, instruction or other document to be given hereunder by any party to the others shall be in writing and delivered in person or by courier or by facsimile transmission or mailed by certified mail, postage prepaid, return receipt requested, as follows:

If to Assignee:

c/o David L. Greenstein
1 Madison Avenue
Norwood, New Jersey 07648
Facsimile: (201) 750-3572

With a copy to:

Isaac E. Druker, Esq.
Anderson Kill & Olick, P.C.
1251 Avenue of the Americas
New York, New York 10020
Facsimile: (212) 278-1733

If to Assignor:

Manchester House
86 Princess Street
Manchester, England M1 6NG
Att: Joshua Rowe
Facsimile: 011-44-228-1326

or to such other place and with such other copies as either party may designate as to itself by written notice to the others. All such notices, requests, instructions, documents and other communications will (i) if delivered personally to the address as provided in this paragraph, be deemed given upon delivery, (ii) if delivered by facsimile transmission to the facsimile number as provided herein, be deemed given upon receipt, and (iii) if delivered by mail or courier in the manner described above to the address as provided herein, be deemed given upon delivery (in each case regardless of whether such notice is received by any other person to whom a copy of such communication is to be delivered pursuant this section).

This Agreement shall be construed and interpreted and the rights of the parties hereto shall be determined in accordance with the laws of England and Wales, without giving effect to any choice of law or conflict provision or rule that would cause the laws of any other jurisdiction to be applied.

A person who is not a party to this Agreement may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999.

Assignee shall pay the costs and expenses incurred by the parties in connection with the entering into and completion of this Agreement.

No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the party to be bound thereby, and no waiver of any of the provisions of any of the foregoing shall be deemed or shall constitute a waiver of any other provision thereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

All references to the plural herein shall also mean the singular and to the singular shall also mean the plural, in each case, as applicable; all references to the masculine, feminine and neuter shall also mean each of the other genders, as applicable.

In the event that any one or more of the provisions contained in this Agreement or in any other instrument referred to herein, shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such instrument.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[SIGNATURE PAGE TO IMMEDIATELY FOLLOW THIS PAGE]

IN WITNESS WHEREOF, the parties, intending legally to be bound, have caused this Assignment and Assumption Agreement (Assets) to be duly executed as of the day and year first hereinabove written.

ASSIGNOR

HOMESTEAD FABRICS LIMITED

By: _____
Name:
Title:

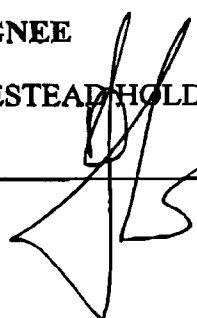
HOMESTEAD FABRICS, INC.

By: _____
Name:
Title:

ASSIGNEE

HOMESTEAD HOLDINGS, INC.

By: _____
Name:
Title:



4. NOV. 2004 19:21

BRUOME + WELLINGTON

NO. 3916 P. 5

IN WITNESS WHEREOF, the parties, intending legally to be bound, have caused this Assignment and Assumption Agreement (Assets) to be duly executed as of the day and year first hereinabove written.

ASSIGNOR

HOMESTEAD FABRICS LIMITED

By: _____
Name: JOHN LOWE
Title: CHIEF - CEO

HOMESTEAD FABRICS, INC.

By: _____
Name: JANIA LOWE
Title: CHIEF

ASSIGNEE

HOMESTEAD HOLDINGS, INC.

By: _____
Name: _____
Title: _____

NYDOC81-739141.12

EXHIBIT A

Homestead Fabrics name, tradenames, trademarks, patents, designs and copyrights:

<u>Jurisdiction</u>	<u>Serial Number</u>	<u>Mark</u>	<u>Application Date</u>	<u>Status</u>
US	78/296,025	WINDSOR TENNIS CLUB	09/04/03	Published as of 06/29/04.
US	78/296,020	WINDSOR FOOTBALL CLUB	09/04/03	Published as of 06/29/04.
US	78/296,027	WINDSOR GOLF CLUB	09/04/03	Published as of 06/22/04.
US	78/304,155	KIDZ KINGDOM	09/23/03	Approved for publication.
US	78/192,523	WINDSOR POLO CLUB	12/09/02	Published 09/09/03. Opposed as of 10/09/03 – Abandoned.
US	78/304,143	LITTLE WINDSOR	09/23/03	Intentional abandonment.
US	78/304,137	TOWELS IN A BAG	09/23/03	Intentional abandonment.
US	78/304,120	ROYAL WINDSOR RUGBY CLUB	09/23/03	Approved for publication – Abandoned.
US	78/192,533	WINDSOR RUGBY CLUB	12/09/02	Published 12/02/03 Opposed as of 01/07/04 – Abandoned.
US	78/215,042	QUALITY	02/14/03	Published 01/13/04. Request for extension of time to file an opposition filed 02/11/04.
US	78/334,703	CRIB IN A BAG	12/01/03	Examination pending – Abandoned.
US	78/215,044	WRC & Design	02/14/03	Published 09/23/03. Opposed as of 10/30/03 – Abandoned.
US	78/220,992	Design mark	03/03/03	Notice of Allowance 01/13/04.
US	78/301,374	WINDOW SWEATER	09/17/03	Examination pending.
US	78/304,102	ROYAL WINDSOR POLO CLUB	09/23/04	Examination pending – Abandoned.
US	78/251,025	WINDOW IN A BAG	05/16/03	Examination pending.
US	76/518,332	COMFORT IN A BAG	06/02/03	Notice of Allowance 5/4/04.

<u>Jurisdiction</u>	<u>Serial Number</u>	<u>Mark</u>	<u>Application Date</u>	<u>Status</u>
US	76/284,270	SMARTGUARD	07/12/01	Notice of Allowance 3/25/03. Second extension for filing statement of use 3/25/04 - Abandoned.
US	76/173,047	SMARTBLOC	11/29/00	Examination suspended.
US	76/172,740	SMARTSWIM	11/29/00	Examination suspended.
US	76/172,737	SMARTFLEX	11/29/00	Examination suspended.
US	76/172,736	SMART TEC	11/29/00	Examination suspended.
US	76/172,732	SMARTSTORM	11/29/00	Abandoned as of 12/2/02.
US	76/172,731	SMARTDRY	11/29/00	Examination suspended.
US	76/172,730	SMART GLIDE	11/29/00	Abandoned as of 12/2/02.
Canada	1197062	COMFORT IN A BAG	11/17/03	Examination in process. Examiner's First report issued 5/21/04. A response is due by 9/21/04.
Canada	1197061	WINDOW IN A BAG	11/17/03	Examination in process. Examiner's First report issued 5/21/04. A response is due by 9/21/04.
Canada	1180279	WINDSOR POLO CLUB	06/05/03	Abandoned as of 6/14/04. Failed to respond to an Examiner's report.
Canada	1180278	WINDSOR RUGBY CLUB	06/05/03	Abandoned as of 6/14/04. Failed to respond to an Examiner's report.
Canada	1180277	Design of Horses, Crown and Shield	06/05/03	Examination in process. Examiner's First report issued 5/11/04. A response is due by 9/11/04.
Canada	1180276	WRC & Design	06/05/03	Abandoned as of 6/14/04. Failed to respond to an Examiner's report.
EC	3,536,992	COMFORT IN A BAG	11/13/03	Application accepted.
EC	3,536,885	WINDOW IN A BAG	11/13/03	Application accepted.
EC	3,215,993	WRC	06/05/03	Application published.
EC	3,215,969	WINDSOR RUGBY CLUB	06/05/03	Opposition pending - Abandoned.

<u>Jurisdiction</u>	<u>Serial Number</u>	<u>Mark</u>	<u>Application Date</u>	<u>Status</u>
EC	3,215,944	wpc QUALITY	06/05/03	Registration pending.
EC	3,215,878	WINDSOR POLO CLUB	06/05/03	Application published - Abandoned.

Patent:

<u>Jurisdiction</u>	<u>Serial Number</u>	<u>Patent</u>	<u>Application Date</u>	<u>Status</u>
US	6,718,579	Covering with flip panels	12/20/02	Registered on 4/13/04. The inventor's name is David Greenstein

EXHIBIT B

Assignor's customers lists, contracts or purchase orders with suppliers, and order books (other than order books relating to existing inventory) have been delivered to or made available to Assignee's representative for copying.

Customer Name

BLOOMINGDALES
THE COMPANY STORE
THE LINEN SOURCE
SPRINGS CANADA INC
The Linen Source
Lash Tamaran Distributors
Gap Inc
Brandon Apparel
SPRINGS INDUSTRIES INC.
Spiegel Inc.
H.G. Buying
BLOOMINGDALES
BRYLANE HOME
CMI INDUSTRIES INC.
REVMAN
SWEET TULIP
KNIGHTS WILLIAM CORP. LTD.
THE TALBOTS INC.,
HY-VEE INC.,
THE GYMBOREE CORPORATION
GRAND CENTRAL INC.,
DOLLY INC.
FORTUNE FASHIONS, INC.
LANDS END, INC.
TOYS R US
CONCORD BUYING GROUP
T.J.X. COMPANIES INC.
DISCOVERY CHANNEL &
DISNEY DIRECT MARKETING INC..
THE VERMONT CO. STORE INC.
JOCKEY
COLDWATER CREEK INC.,
LHC
Salisbury Sales Corp.
Binky Baird
THE ORVIS COMPANY INC.
THE WILLIAM CARTER COMPANY
HUDSON'S BAY COMPANY
HOME DECOR / GEORGIA TEXTILE

SAM SALEM & SON
Ostrow Company LLC (Guilford)
Jockey (Guilford)
Building 19 (Guilford)
CURTAIN FACTORY OUTLET INC
Linen Depot (Guilford)
Mikeys Variety Totals (Gu)
Spiegel (Guilford)
Home Decor (Guilford)
Great Discounts Inc (Gu)
Mattress and Linens (Gu)
JEMBRO VARIETY STORES
GABRIEL BROTHERS INC
Northern Fulfilment Inc
HOME FASHIONS DISTRIBUTOR INC
Marine Corps Exchange
QVC
Garden Ridge
THE BOPPY COMPANY
ULTIMATE TRIATHLON
CONNECTICUT RIVER CONCEPTS INC
Piermont Bicycle ConnectionInc
Event Custom Merchandise Inc
Inside Out Sport
IRONMAN SAMPLES
SAS CORPORATION INC
World Triathlon Corporation
NATIONAL STORES
K-Mart (G)
Linen N Things (G)
Brylane (G)
BRADLEES INC.,
Linen N Things
Lowe's (G)
Bed Bath & Beyond (G)
JC Penney (G) CORPORATION INC
FINGERHUT CORP
Zellers (G)
J.C. PENNEY
Zellers (G)
KOHL'S CORPORATION
The Bay (G)
Everything Rubbermaid
Tuesday Morning
Kroger Inc
MEIJER INC

MERVYN'S
TARGET CORP. (DAYTON HUDSON)
Target Corp (DaytonHudson) (K)
TARGET CORPORATION
TARGET CORPORATION (K)
TARGET CORPORATION (E)
FRED MEYER STORES INC.
Sears (G)
SEARS
Wal-Mart, via Herkimer (N)
Wal-Mart, via Herkimer
Wal-mart, via Herkimer (S)
SHOPKO STORES INC.
KMART CORPORATION

EXHIBIT C

Designs and license agreements for the Iron Man/Woman and Little Tykes, trademarks and other product licenses as to which Assignor is licensee:

1. License Agreement, effective as of December 26, 2002, by and between The Little Tikes Company, as Licensor, and Homestead Fabrics, Ltd. as Licensee. Amended September 8, 2004.
2. License Agreement, dated February 19, 2004, by and between World Triathlon Corporate as Licensor, and Homestead Fabrics Ltd. as Licensee.
3. License Agreement, dated February 4, 2004, by and between World Triathlon Corporate as Licensor, and Homestead Fabrics Ltd. as Licensee. (for women's apparel).
4. License Agreement, dated February 13, 2004, between Nancy Koltas Associates, Inc., as Licensor, and Homestead Fabrics, Ltd. as Licensee.
5. License Agreement, dated February 24, 2004, between twenty2 LLC, as Licensor, and Homestead Fabrics Ltd. as Licensee.
6. License Agreement, dated February 27, 2004, between La SIGNORIA di FIRENZE s.r.l., as Licensor, and Homestead Fabrics Ltd. as Licensee.
7. License Agreement, dated October 1, 2003, by and between Stan Herman Studio, Inc. as Licensor, and Homestead Fabrics Ltd., as Licensee. Evergreen agreement – notice must be given at an unspecified time prior to the termination date of August 31, 2004.
8. License Term Sheet, dated March 30, 2004, by and between Jones Investment Co., Inc., as Licensor, and Homestead Fabrics, Ltd., as Licensee, for the marks "Gloria Vanderbilt" and "Swan Design" which are to be distributed to Kohl's Department Stores, Inc. MISSING: Copy of License Agreement referenced in Term Sheet which was/is to be drafted by Licensor.
9. License Agreement, dated January __, 2004, by and between Mark Snider, as Licensor, and Homestead Fabrics, Ltd., as Licensee. UNEXECUTED. (Upon information and belief, (per Katia Uhlendorf at Homestead) Homestead does NOT have executed copy).
10. License Agreement, UNDATED, by and between Creations Isabelle de Borchgrave sprl, as Licensor, and Homestead Fabrics Ltd, as Licensee. Applicable law – Belgium?. (Upon information and belief, (per Katia Uhlendorf at Homestead) Homestead does NOT have executed copy).
11. License Agreement, dated January 15, 2003, by and between SRL Inc. (Stride Rite), and Homestead Fabrics, Ltd. as Licensee. Amended April 14, 2004.

EXHIBIT DVENDOR NUMBERS

Homestead's EDI Vendor Numbers	Customer Name
0255	K-Mart (G)
5950	Linen N Things (G)
05150	Brylane (G)
07015	BRADLEES INC.,
17987	Linen N Things
30378	Lowe's (G)
000636	Bed Bath & Beyond (G)
038000	JC Penney (G) CORPORATION INC
085485	FINGERHUT CORP
106821	Zellers (G)
140913	J.C. PENNEY (DO NOT USE)
700793	Zellers (G)
817916	KOHL'S CORPORATION
895060	The Bay (G)
901754	Everything Rubbermaid
901775	Tuesday Morning
0002440	Kroger Inc
0039991	MEIJER INC
0052100	MERVYN'S
1000305	TARGET CORP. (DAYTON HUDSON)
1003711	Target Corp (DaytonHudson) (K)
1042805	TARGET CORPORATION
1114241	TARGET CORPORATION (K)
1126462	TARGET CORPORATION (E)
11418000	FRED MEYER STORES INC.
000067942	Sears (G)
157941	SEARS
223933210	Wal-Mart, via Herkimer (N)
223933220	Wal-Mart, via Herkimer
223933221	Wal-mart, via Herkimer (S)
9039926002	SHOPKO STORES INC.
14436518	KMART CORPORATION

EXHIBIT E

All inventory ordered, purchased or manufactured for the benefit of Assignor (whether or not in transit or in warehouse) but not yet paid for by Assignor, as previously identified to Assignee as in existence on the Transfer Date, including goods located in the warehouse operated by Herkimer Distribution LLC.

EXHIBIT F

DATABASES

Assignor's databases have been delivered to or made available to Assignee's representative for copying.

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AGREEMENT

Date: September 8 2004

Parties:

Homestead Fabrics Ltd., a corporation organized under the laws of England and Wales, 86, Princess Street, Manchester UK - (HMST)

Broome & Wellington, a limited partnership organized under the laws of England and Wales 86, Princess Street, Manchester UK - (B&W)

And

Greenco Enterprises Co., Inc. a Delaware corporation, c/o Anderson Kill, & Olick, P.C., 1251 Avenue of the Americas, New York, New York USA (Newco) and

David Greenstein, of 41 Madison Avenue, Norwood, New Jersey 07648 (David) and Steven Greenstein, of 32 Park Road, Prestwich, Manchester, UK (Steven, and together with David, - GR) individually and as guarantors (jointly and severally) of the obligations of Newco

And

London Fog Industries Inc., a Delaware USA corporation, 1700 Westlake Avenue North, Seattle, Washington, USA - (LFI) - or other reasonably satisfactory guarantor as provided in Paragraph 21.

Whereas, HMST is a UK based company manufacturing textiles products and selling them to retailers, primarily in the USA, and its operations are managed and controlled wholly from the UK, and

Whereas, David and Steven

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desire to purchase directly or indirectly certain assets and business of HMST with effect as of 2004, as set forth below (the "Ongoing Business") and HMST desires to sell such Ongoing Business to Newco, and

Now, therefore, the parties hereto agree as follows:

1.

2. HMST agrees to transfer to Newco ~~on behalf of David and Steven~~ the HMST name, rights to all current and future orders from HMST customers (in respect of the Ongoing Business), its customers lists, its business relationships, contracts or purchase orders with suppliers, order books (other than order books relating to its existing inventory), all inventory ordered (whether or not in transit or in warehouse) but not yet paid for by HMST, designs, license agreements for trademarks and other product licenses as to which HMST is licensee (subject to the following sentence of this paragraph 2), tradenames, trademarks, patents, designs and copyrights, copies of HMST trading records, all as existing as of close of business on 2004 (constituting the Ongoing Business).

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3. B&W will transfer to Newco all of its shares of Homestead Fabrics Inc., a Delaware, USA corporation.

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p.8

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-7-

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16. B&W and HMST each warrant and represent that

17. This Agreement shall be governed by and construed in all respects in accordance with each party hereby submits to the exclusive jurisdiction of

18.

19. All \$ amounts are in US Dollars.

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23. Notwithstanding the whole or any part of any provision of this Agreement which may prove to be illegal and unenforceable, the other provisions of this Agreement shall continue in full force and effect. In relation to any illegal or unenforceable part of this Agreement, the parties hereto agree to amend such part in such manner as may be requested from time to time by any of the parties hereto provided that such proposed amendment is legal and enforceable and to the maximum extent possible carries out the original intention of the parties in relation to that part.

If any part of this Agreement shall be held by any Court of competent jurisdiction to be unenforceable, such part shall be treated as being severable from the remainder of this Agreement.

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IN WITNESS whereof the parties hereto have executed this document as a deed the day and year first before written.

SIGNED AS A DEED by
BROOME & WELLINGTON
acting by its general partner
JOSHUA ROWE in the presence of:-)

Witness:
Name: TONI RAVEN

Address:
24 POPLAR ST.
HEATON MERSEY
CHESHIRE SK4 5DG

Occupation:
STOCK ANALYST

EXECUTED AS A DEED by
HOMESTEAD FABRICS LIMITED)

Acting by:

Director

~~Director/Secretary~~

EXECUTED AS A DEED by
GREENCO ENTERPRISES INC.)

Acting by:

Director

Director/Secretary

SIGNED AS A DEED by
DAVID GREENSTEIN
in the presence of:-)

Witness:
Name: KATIA ULKENDORF

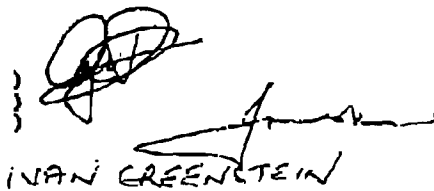
Address:
3 THE CIRCLE
FLENHEAD, 11545, NY

NYDOCS1-743081-2 NYDOCS1-743081.2

Sep 08 04 01:25p

Witness:

SIGNED AS A DEED by
STEVEN GREENSTEIN
in the presence of:-



IVAN GREENSTEIN

Witness:
Name:

MERZL ROSENBLUM ST 4/25
TEL AVIV 67676
ISRAEL
RETIRED

Address:

Occupation:

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