

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Simply Amazing LLC		04/19/2005	Limited Liability Company:
RECEIVING PARTY DATA			
Name:	Amzack Realty Group LLC		
Street Address:	c/o Scarcella Rosen & Slome LLP		
Internal Address:	333 Earle Ovington Blvd., Suite 901		
City:	Uniondale		
State/Country:	NEW YORK		
Postal Code:	11553		
Entity Type:	Limited Liability Company:		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	2354959	AMAZING SAVINGS	
CORRESPONDENCE DATA			
Fax Number:	(516)227-1601		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	5162271600		
Email:	kwesch@srsllp.com		
Correspondent Name:	Amzak Realty Group LLC		
Address Line 1:	c/o Scarcella Rosen and Slome LLP		
Address Line 2:	333 Earle Ovington Blvd., Suite 901		
Address Line 4:	Uniondale, NEW YORK 11553		
NAME OF SUBMITTER:	Kristina M. Wesch		
Signature:	/Kristina M. Wesch/		
Date:	04/19/2005		

OP \$40.00 2354959

Total Attachments: 8

source=SignedTM Security Agt#page1.tif
source=SignedTM Security Agt#page2.tif
source=SignedTM Security Agt#page3.tif
source=SignedTM Security Agt#page4.tif
source=SignedTM Security Agt#page5.tif
source=SignedTM Security Agt#page6.tif
source=SignedTM Security Agt#page7.tif
source=SignedTM Security Agt#page8.tif

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT ("Agreement") is made this 19 day of April, 2005, by **SIMPLY AMAZING LLC**, having an address at 7 Orchard Hill Drive, Monsey, New York 10952 (the "Grantor") and delivered to **AMZAK REALTY GROUP LLC** having a mailing address at c/o Scarcella Rosen & Slome LLP, 333 Earle Ovington Boulevard, Suite 901, Uniondale, NY 11553 (the "Grantee").

WITNESSETH:

WHEREAS, on March 15, 2005, the United States Bankruptcy Court for the Southern District of New York, in Case Number (05-10171 (RDD) (the "*Bankruptcy Court*"), entered certain orders (collectively, the "*Order*") approving the sale and conveyance of, *inter alia*, (i) certain real property located in South Fallsburg, New York and other assets (collectively, the "Property") to Simply Amazing of the Catskills LLC ("Mortgagor") and (ii) certain "Trade Mark Collateral" (as hereinafter defined) to Grantor;

WHEREAS, pursuant to the Order, Grantor and Mortgagor entered into a certain Agreement of Sale dated March __, 2005 (the "Sale Contract") pursuant to which Grantee agreed to sell, and Mortgagor agreed to purchase, the Property;

WHEREAS, on the date hereof, (i) Grantor has become the owner of the Trademark Collateral pursuant to the Order and (ii) Mortgagor has become the owner of the Property pursuant to the Order and the Sale Contract;

WHEREAS, pursuant to the Sale Contract, Mortgagor has paid the purchase price for the Property by delivery of a promissory note of even date herewith in the principal amount of \$150,000 (the "Note") made by Mortgagor, Grantor, Simply Amazing of Monsey LLC, Amazing Savings of Lawrence LLC, Amazing Savings of Flushing LLC, Amazing Savings of Avenue M LLC, Amazing Savings of McDonald Ave LLC, Amazing Savings of Route 10 LLC, Amazing Savings of Route 18 LLC, Simply Amazing of Westchester LLC, Amazing Savings of Verona LLC (collectively, the "Obligors") to the order of Grantee;

WHEREAS, pursuant to the Sale Contract, the Note is to be secured by, *inter alia*, (i) a first mortgage of even date herewith by Mortgagor to Grantee in the principal amount of the Note, encumbering the Property (the "Mortgage"), and (ii) a continuing security interest in various assets of Grantor, including all right, title and interest of Grantor in, to and under the Trademark Collateral (as defined herein) whether now owned or existing or hereafter acquired or arising;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. To additionally secure (i) the Note and all obligations of the Mortgagor, Grantor and the other Obligors thereunder, (ii) the obligations of Mortgagor under the Mortgage, (iii) all renewals, extensions, amendments, modifications, supplements, or restatements of or substitutions for any of the foregoing, and (iv) the due performance and observance by Grantor

of all its obligations to the Grantee from time to time existing (collectively, the "Secured Obligations"), Grantor does hereby grant to Grantees a continuing security interest in all of Grantor's right, title and interest in, to and under 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 acquired or arising:

- (a) each Trademark in which Grantor has any interest, and all of the goodwill of the business connected with the use of, or symbolized by, each such Trademark;
- (b) each Trademark License, and all of the goodwill of the business connected with the use of, or symbolized by, each Trademark licensed pursuant thereto;
- (c) the domain name "amazingsavings.com;" and
- (d) all proceeds of and revenues from the foregoing, including without limitation all proceeds of and revenues from any claim by Grantor against third parties for past, present or future unfair competition with, or violation of intellectual property rights in connection with or injury to, or infringement or dilution of, any Trademark, and all rights and benefits of Grantor under any Trademark License, or for injury to the goodwill associated with any of the foregoing.

2. As used herein:

(a) "Trademark License" means any license or agreement, whether now or hereafter in existence, under which is granted or authorized any right to use any Trademark, including without limitation the agreements identified on Schedule 1 hereto; and

(b) "Trademarks" means all of the following: (a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, brand names, trade dress, prints and labels on which any of the foregoing have appeared or appear, package and other designs, and any other source or business identifiers, and general intangibles of like nature, and the rights in any of the foregoing which arise under applicable law, (b) the goodwill of the business symbolized thereby or associated with each of them, (c) all registrations and applications in connection therewith, including registrations and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or other country, or any political subdivision thereof, including those described in Schedule 1 hereto, (d) all reissues, extensions and renewals thereof, (e) all claims for, and rights to sue for, past or future infringements of any of the foregoing, and (f) all income, royalties, damages and payments now or hereafter due or payable with respect to any of the foregoing, including damages and payments for past or future infringements thereof.

3. At least two-thirds in number of the Grantees may designate in writing, with full power of substitution, any party as Grantor's true and lawful attorney-in-fact with full power and authority in the name of Grantor or in its name, from time to time, in such Grantees' discretion, so long as any Event of Default has occurred and is continuing, to take with respect to the Trademark Collateral any and all appropriate action which Grantor might take with respect to the Trademark Collateral and to execute any and all documents and instruments which may be

necessary or desirable to carry out the terms of this Trademark Security Agreement and to accomplish the purposes hereof.

4. Grantor represents, warrants and covenants to Grantee that:

(a) The Trademarks are subsisting and have not been adjudged invalid or unenforceable;

(b) All of the Trademarks (other than application for the registration thereof which have been filed) are registered, valid and enforceable;

(c) Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Trademark Collateral, and the Trademark Collateral is free and clear of any liens, charges and encumbrances including, without limitation, pledges, assignments, licenses (other than to Grantor and Grantee hereunder) and covenants by Grantor not to sue third persons;

(d) Grantor has the unqualified right, power and authority to enter into this Agreement and perform its terms;

(e) Grantor has complied with, and will continue for the duration of this Agreement to comply with the requirements set forth in 15 U.S.C. §1051-1127 and any other applicable statutes, rules and regulations in connection with its use of the Trademarks except where failure to comply would not have a material adverse effect on Grantor or its property;

(f) Grantor has no notice of any suits or actions commenced or threatened against it, or notice of claims asserted or threatened against it, with reference to the Trademark Collateral; and

(g) Grantor has used and will continue to use for the duration of this Agreement, consistent standards of quality in services or products leased or sold under the Trademark Collateral and hereby grants to Grantee and its employees and agents the right (with no obligation of any kind upon Grantee to do so) to visit Grantor's affiliates, franchises or management locations and to inspect the use of the Trademark Collateral and quality control records relating thereto at reasonable times during regular business hours to ensure Grantor's compliance with this paragraph 3(g).

5. Grantor further covenants that:

(a) Until all the Secured Obligations are indefeasibly paid and satisfied in full, except to the extent expressly allowed in this agreement or with the consent in writing of all of the Grantees, Grantor agrees not to sell, license, exchange, assign or otherwise transfer or dispose of, or grant any rights or options with respect to, or mortgage or otherwise encumber, any of the foregoing Trademark Collateral. Grantor hereby covenants and agrees to maintain the Trademark Collateral in full force and effect until all of the Secured Obligations are indefeasibly paid and satisfied in full.

(b) If Grantor acquires rights to any new Trademarks, the provisions of this Agreement shall automatically apply thereto and such trademarks shall be deemed part of the Trademark Collateral. Grantor shall give Grantee prompt written notice thereof along with an amended Schedule "1."

6. So long as this Agreement is in effect and so long as Grantor has not received notice from Grantee that a default has occurred under the Secured Obligations and that Grantee has not elected to exercise its rights hereunder: (i) Grantor shall continue to have the exclusive right to use the Trademark Collateral; and (ii) Grantee shall have no right to use the Trademark Collateral or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Trademark Collateral to anyone else.

7. Anything herein contained to the contrary notwithstanding, if and while a default beyond any applicable notice or grace periods exists under this Agreement or any of the Secured Obligations, (an "Event of Default") Grantor hereby covenants and agrees that Grantee, as the holder of a security interest under the Uniform Commercial Code, as now or hereafter in effect in the State of New York, may take such action permitted hereunder, in its exclusive discretion, to foreclose upon the Trademark Collateral. For such purposes, while an Event of Default exists, Grantor hereby authorizes and empowers Grantee to make, constitute and appoint any officer or agent of Grantee as Grantee may select, in its exclusive discretion, as Grantor's true and lawful attorney-in-fact, with the power to endorse Grantor's name on all applications, documents, papers and instruments necessary for Grantee to use the Trademark Collateral or to grant or issue any exclusive or non-exclusive license under the Trademark Collateral to anyone else, or necessary for Grantee to assign, pledge, convey or otherwise transfer title in or dispose of the Trademark Collateral to anyone else including, without limitation, the power to execute a Trademark Assignment in the form attached hereto as **Exhibit 1**. Grantor hereby ratifies all that such attorney or agent shall lawfully do or cause to be done by virtue hereof, except for the gross negligence or willful misconduct of such attorney or agent. This power of attorney shall be irrevocable until all Secured Obligations are indefeasibly paid and satisfied in full.

8. This Agreement may not be modified without the written consent of the party against whom enforcement is being sought.

9. All rights and remedies herein granted to Grantee shall be in addition to any rights and remedies granted to Grantee under Mortgage and other instruments evidencing or securing the Secured Obligations.

10. After all Secured Obligations are indefeasibly paid and satisfied in full, Grantee shall, at Grantor's expense, execute and deliver to Grantor all documents reasonably necessary to terminate Grantee's security interest in the Trademark Collateral.

11. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by Grantee in connection with the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees,

encumbrances or costs otherwise incurred in protecting, maintaining, preserving the Trademark Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademark Collateral, in each case in accordance with the terms of this Agreement, shall be borne and paid by Grantor on demand by Grantee and until so paid shall be added to the principal amount of the Secured Obligations to Grantee and shall bear interest at the "Default Rate" prescribed in the Note.

12. Grantor shall have the duty to prosecute diligently any application and/or registration with respect to the Trademark Collateral pending as of the date of this Agreement or thereafter, until the Secured Obligations are indefeasibly paid and satisfied in full, to preserve and maintain all rights in the Trademark Collateral, and upon reasonable request of Grantee, Grantor shall make federal application on registerable but unregistered Trademarks belonging to Grantor and licensed to Grantor. Any reasonable expenses incurred in connection with such applications shall be borne exclusively by Grantor. Grantor shall not abandon any Trademark Collateral without the prior written consent of Grantee.

13. Grantor shall have the right to bring suit in its own name to enforce the Trademark Collateral, in which event Grantee may, if Grantor reasonably deems it necessary, be joined as a nominal party to such suit if Grantee shall have been satisfied, in its sole discretion, that it is not thereby incurring any risk of liability because of such joinder. Grantor shall promptly, upon demand, reimburse and indemnify Grantee for all damages, costs and expenses, including reasonable attorneys' fees and costs, incurred by Grantee in the fulfillment of the provisions of this paragraph.

14. Upon the occurrence of an Event of Default, Grantee may, without any obligation to do so, complete any obligation of Grantor hereunder, in Grantor's name or in Grantee's name, but at the expense of Grantor.

15. No course of dealing between Grantor and Grantee, nor any failure to exercise, nor any delay in exercising, on the part of Grantee, any right, power or privilege hereunder, shall operate as a waiver thereof, and all of Grantee's rights and remedies with respect to the Trademark Collateral, whether established hereby or by the Note, Mortgage, other Secured Obligations, any other future agreements between Grantor and Grantee or by law, shall be cumulative and may be exercised singularly or concurrently.

16. The provisions of this Agreement are severable and the invalidity or unenforceability of any provision herein shall not affect the remaining provisions which shall continue unimpaired and in full force and effect.

17. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

18. This Agreement shall be governed by and construed in conformity with the laws of the State of New York, without regard to its otherwise applicable principles of conflicts of laws.

Schedule 1 to Trademark Security Agreement

U.S. TRADEMARKS, TRADEMARK REGISTRATIONS
AND TRADEMARK APPLICATIONS

A. U.S. Trademarks and Trademark Registrations

<u>Trademark</u>	<u>Registration No.</u>	<u>Registration Date</u>
"Amazing Savings"	2,354,959	

B. U.S. Trademark Applications

<u>Trademark</u>	<u>Application No.</u>	<u>Filing Date</u>
------------------	------------------------	--------------------

EXCLUSIVE TRADEMARK LICENSES

<u>Name of Agreement</u>	<u>Parties Licensor/Licensee</u>	<u>Date of Agreement</u>	<u>Subject Matter</u>
--------------------------	----------------------------------	--------------------------	-----------------------

