08-08-2005

Form PTO-1594 (Rev. 06/04)
OMB Collection 0651-0027 (ex p. 6/30/2005

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

8-4-05

103058675 PATENTS ONLY

To the director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)/Execution Date(s):

Arizona Mail Order Company, Inc,
Bedford Fair Apparel, Inc.
LM& B Catalog, Inc.
Monterey Bay Clothing Company Inc.

☐ Individual(s) ☐ Association
☐ General Partnership ☐ Limited Partnership
☒ Corporation-State
☐ Other: _____

Citizenship (see guidelines) Wisconsin

Execution Date(s) 06/02/2005

Additional names of conveying parties attached? ☐ Yes ☒ No

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? ☐ Yes ☒ No

Name: Wachovia Bank, National Association

Internal Address: _____

Street Address: 1133 Avenue of the Americas

City: New York

State: New York

Country: USA Zip: 10036

☒ Association Citizenship USA
☐ General Partnership Citizenship _____
☐ Limited Partnership Citizenship _____
☐ Corporation Citizenship
☐ Other ☐ Citizenship

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)

3. Nature of conveyance:

☐ Assignment ☐ Merger
☒ Security Agreement ☐ Change of Name
☐ Other _____

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s) See Exhibit A Annexed hereto

B. Trademark Registration No.(s) See Exhibit A Annexed hereto

Additional sheet(s) attached? ☒ Yes ☐ No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown)

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

Name: Sita Ramnarace

Internal Address: Otterbourg, Steindler, Houston & Rosen, P.C.

Street Address: 230 Park Avenue

City: New York

State: NY Zip: 10169

Phone Number: 212-661-9100 X843

Fax Number: _____

Email Address: sramnarace@oshr.com

6. Total number of applications and registrations involved: 75

7. Total fee (37 CFR 2.6(b)(6) & 3.41) $1,890.00

☐ Authorized to be charged by credit card
☐ Authorized to be charged to deposit account
☒ Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers _____
Expiration Date

b. Deposit Account Number _____
Authorized User Name: _____

9. Signature: _____ Signature

8/3/05 Date

Total number of pages including cover sheet, attachments, and document. 33

08/05/2005 JJALLAH2 00000020 78382773
01 FC:8521 40.00 OP
02 FC:8522 1850.00 OP

Sita Ramnarace
Name of Person Signing

Documents to be recorded (including cover sheet) should be faxed to (703) 306-6995, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

EXHIBIT A
TO
RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

Trademark Application Nos.	Trademark Registration Nos.
78/382773	0816640
78/355680	1,506,560
78/382,765	1126618
78/382,761	1525538
78/440731	1523901
78/382774	1966945
76/190511	1502314
76/308194	989000
78/400389	1165943
78/440739	1500504
78/382778	0073661
78/310426	2214562
78/242057	0885089
78/427,282	0858631
78/440747	1458320
78/313936	629156
	1370230
	1073151
	1789388
	1680348
	1186245
	1427432
	1168377
	1180174

576367.1

Trademark Application Nos.	Trademark Registration Nos.
	1554789
	1435705
	1295149
	1202124
	1336664
	1342544
	1,047,265
	1,320,178
	2608612
	1649648
	1,384,284
	2,886,697
	1,036,812
	2431017
	606130
	595986
	1503096
	1133650
	1018990
	2687684
	2428122
	783,692
	1493256
	1375319
	1,294,248
	1499030
	1556819
	1336665

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Trademark Application Nos.	Trademark Registration Nos.
	2055472
	2823666
	1349496
	0925944
	0802301
	0801926
	1027597

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TRADEMARK COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT

THIS AGREEMENT ("Agreement"), dated June 2, 2005, is by and between ARIZONA MAIL ORDER COMPANY, INC., a Delaware corporation, BEDFORD FAIR APPAREL, INC., a Delaware corporation, LM&B Catalog, Inc., a Delaware corporation and Monterey Bay Clothing Company, Inc., a Delaware corporation (collectively, "Debtor"), each with offices at 3740 East 34th Street, Tucson, Arizona 85713, and WACHOVIA BANK, NATIONAL ASSOCIATION, a national banking association, successor by merger to Congress Financial Corporation, a Delaware corporation, in its capacity as agent pursuant to the Loan Agreement (as hereinafter defined) acting for and on behalf of the parties thereto as lenders (in such capacity, "Secured Party"), having an office at 1133 Avenue of the Americas, New York, New York 10036.

W I T N E S S E T H :

WHEREAS, Debtor has adopted, used and is using, and is the owner of the trademarks, trade names, terms, designs and applications therefor described in Exhibit A attached hereto and made a part hereof;

WHEREAS, Debtor, certain affiliates of Debtor (each a "Borrower" and collectively, "Borrowers") and Secured Party have entered or are about to enter into financing arrangements pursuant to which Secured Party and Lenders (as hereinafter defined) may make loans and advances and provide other financial accommodations to Borrowers and certain of Borrowers' affiliates as set forth in the Amended and Restated Loan and Security Agreement, dated January 29, 2004, by and among Secured Party, the financial institutions from time to time party thereto, as lenders (collectively, together with Secured Party, "Lenders"), and Borrowers (as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, the "Loan Agreement") and other agreements, documents and instruments referred to therein or at any time executed and/or delivered in connection therewith or related thereto, including, but not limited to, this Agreement (all of the foregoing, together with the Loan Agreement, as the same now exist or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, being collectively referred to herein as the "Financing Agreements"); and

WHEREAS, in order to induce Secured Party and Lenders to enter into the Loan Agreement and the other Financing Agreements and to make loans and advances and provide other financial accommodations to Borrowers and the Additional L/C Debtors pursuant thereto, Debtor has agreed to grant to Secured Party, for the benefit of Lenders, certain collateral security as set forth herein;

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

1. GRANT OF SECURITY INTEREST

As collateral security for the prompt performance, observance and full and final payment of all of the Obligations, Debtor hereby grants to Secured Party, for the benefit of Lenders, a continuing security interest in and a general lien upon, and a conditional assignment (subject to the terms and conditions of this Agreement, the Loan Agreement and the other Financing Agreements) of, the following (being collectively referred to herein as the "Collateral"): (a) all of Debtor's now existing or hereafter acquired right, title, and interest in and to: (i) all of Debtor's trademarks, collective marks, certification marks, Internet domain names, trade names, trade styles and service marks and all applications, registrations and recordings relating to the foregoing as may at any time be filed in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof, any political subdivision thereof or in any other country, including, without limitation, the trademarks, terms, designs and applications described in Exhibit A hereto, together with all rights and privileges arising under applicable law with respect to Debtor's use of any trademarks, trade names, trade styles and service marks, and all reissues, extensions, continuation and renewals thereof (all of the foregoing being collectively referred to herein as the "Trademarks"); and (ii) all prints and labels on which such trademarks, trade names, trade styles and service marks appear, have appeared or will appear, and all designs and general intangibles of a like nature; (b) the goodwill of the business symbolized by each of the Trademarks, including, without limitation, all customer lists and other records relating to the distribution of products or services bearing the Trademarks; (c) all income, fees, royalties and other payments at any time due or payable with respect thereto, including, without limitation, payments under all licenses at any time entered into in connection therewith; (d) all licenses, contracts or other agreements naming the Debtor as licensor or licensee and providing for the grant of any rights concerning any Trademark, including, without limitation, all trademark licenses described on Exhibit B hereto, together with any goodwill associated with and symbolized by any such trademark licenses and agreements; (e) the right to sue for past, present and future infringements thereof; (f) all rights corresponding thereto throughout the world; and (g) any and all other proceeds of any of the foregoing, including, without limitation, damages and payments or claims by Debtor against third parties for past or future infringement of the Trademarks.

2. OBLIGATIONS SECURED

The security interest, lien and other interests granted to Secured Party, for the benefit of Lenders, pursuant to this Agreement shall secure the prompt performance, observance and payment in full of any and all obligations, liabilities and indebtedness of every kind, nature and description owing by Borrowers, Obligors and the Additional L/C Debtors to Secured Party and Lenders, including principal, interest, charges, fees, costs and expenses, however evidenced, whether as principal, surety, endorser, guarantor or otherwise, whether arising under this Agreement, the Loan Agreement and the other Financing Agreements, whether now existing or hereafter arising, whether arising before, during or after the initial or any renewal term of the Loan Agreement or after the commencement of any case with respect to Debtor or any Borrower

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under the United States Bankruptcy Code or any similar statute (including, without limitation, the payment of interest and other amounts which would accrue and become due but for the commencement of such case), whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured (all of the foregoing being collectively referred to herein as the "Obligations").

3. REPRESENTATIONS, WARRANTIES AND COVENANTS

Debtor hereby represents, warrants and covenants with and to Secured Party and Lenders the following (all of such representations, warranties and covenants being continuing so long as any of the Obligations are outstanding):

(a) Debtor shall pay and perform all of the Obligations according to their terms.

(b) Debtor shall not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon, encumber, grant an exclusive or non-exclusive license relating to the Collateral, or otherwise dispose of any of the Collateral, in each case without the prior written consent of Secured Party, except that Debtor may license any Trademark to any direct or indirect subsidiary of Charming Shoppes, Inc. and except as otherwise permitted herein or in the Loan Agreement. Nothing in this Agreement shall be deemed a consent by Secured Party or any Lender to any such action, except as such action is expressly permitted hereunder or in the Loan Agreement.

(c) Debtor shall, at Debtor's expense, promptly perform all acts and execute all documents requested at any time by Secured Party to evidence, perfect, maintain, record or enforce the security interest in and conditional assignment of the Collateral granted hereunder or to otherwise further the provisions of this Agreement. Debtor hereby authorizes Secured Party to file one or more financing statements (or similar documents) with respect to the Collateral. Debtor further authorizes Secured Party to have this Agreement or any other similar security agreement filed with the Commissioner of Patents and Trademarks or any other appropriate federal, state or government office.

(d) As of the date hereof, Debtor does not have any material Trademarks registered, or subject to pending applications, in the United States Patent and Trademark Office or any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country, other than those described in Exhibit A hereto and has not granted any exclusive licenses with respect thereto other than as set forth in Exhibit B hereto.

(e) Debtor shall, concurrently with the execution and delivery of this Agreement, execute and deliver to Secured Party five (5) originals of a Special Power of Attorney in the form of Exhibit C annexed hereto for the implementation of the assignment, sale or other disposition of the Collateral pursuant to Secured Party's exercise for the benefit of Lenders of the rights and remedies granted to Secured Party hereunder.

(f) Secured Party may, in its discretion, pay any amount or do any act which Debtor fails to pay or do after notice to Debtor, as required hereunder or as reasonably requested by Secured Party to preserve, defend, protect, maintain, record or enforce the Obligations, the Collateral

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(without limiting the right of Debtor to abandon Trademarks not used or useful in its business accordance with Section 3(h) hereof), or the security interest and conditional assignment granted hereunder, including, but not limited to, all filing or recording fees, court costs, collection charges, reasonable attorneys' fees and legal expenses. Debtor shall be liable to Secured Party and Lenders for any such payment, which payment shall be deemed an advance by Secured Party and Lenders to Debtor, shall be payable on demand together with interest at the rate then applicable to the indebtedness of Borrowers to Secured Party and Lenders set forth in the Loan Agreement and shall be part of the Obligations secured hereby.

(g) Debtor shall not file any application for the registration of a Trademark with the United States Patent and Trademark Office or any similar office or agency in the United States, unless Debtor shall give Secured Party written notice promptly following such action. If, after the date hereof, Debtor shall (i) obtain any registered trademark or trade name, or apply for any such registration in the United States Patent and Trademark Office or in any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country, or (ii) become the owner of any trademark registrations or applications for trademark registration used in the United States or any State thereof, political subdivision thereof or in any other country, the provisions of Section 1 hereof shall automatically apply thereto. Upon the request of Secured Party, Debtor shall promptly execute and deliver to Secured Party any and all assignments, agreements, instruments, documents and such other papers as may be requested by Secured Party to evidence the security interest in and conditional assignment of such Trademark in favor of Secured Party, for the benefit of Lenders.

(h) Except as set forth on Exhibit A, Debtor has not abandoned any of the Trademarks and Debtor will not do any act, nor omit to do any act, whereby a Trademark may become abandoned, invalidated, unenforceable, avoided, or avoidable, except to the extent that any such Trademark may no be longer used or useful in the business of Debtor or Borrowers and Debtor has given Secured Party notice of its intention to abandon such Trademark. Debtor shall notify Secured Party immediately if it knows or has reason to know of any reason why any application, registration, or recording with respect to the Trademarks may become abandoned, canceled, invalidated, avoided, or avoidable.

(i) Debtor shall render any assistance, as Secured Party shall determine is necessary, to Secured Party and Lenders in any proceeding before the United States Patent and Trademark Office, any federal or state court, or any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country, to maintain such application and registration of the Trademarks as Debtor's exclusive property and to protect Secured Party's and Lenders' interests therein, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference, and cancellation proceedings.

(j) To Debtor's knowledge, no material infringement or unauthorized use presently is being made of any of the Trademarks that would cause a Material Adverse Effect (as defined in the Loan Agreement). Debtor shall promptly notify Secured Party if Debtor (or any affiliate or subsidiary thereof) learns of any use by any person of any term or design that in a material respect infringes on any Trademark or is likely to cause confusion with any Trademark. If requested by Secured Party, Debtor, at Debtor's expense, shall join with Secured Party and any

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Lender in such action as Secured Party and any Lender, in Secured Party's discretion, may deem advisable for the protection of Secured Party's and Lenders' interests in and to the Trademarks.

(k) Debtor assumes all responsibility and liability arising from the use of the Trademarks and Debtor hereby indemnifies and holds Secured Party and Lenders harmless from and against any claim, suit, loss, damage, or expense (including reasonable attorneys' fees and legal expenses) arising out of any alleged defect in any product manufactured, promoted, or sold by Debtor (or any affiliate or subsidiary thereof) in connection with any Trademark or out of the manufacture, promotion, labeling, sale or advertisement of any such product by Debtor (or any affiliate or subsidiary thereof), except for any liability arising out of the Secured Party's or any Lender's acts or omissions constituting gross negligence or willful misconduct, as determined pursuant to a final and non-appealable judgment or order of a court of competent jurisdiction. The foregoing indemnity shall survive the payment of the Obligations, the termination of this Agreement and the termination or non-renewal of the Loan Agreement.

(l) Debtor shall promptly pay Secured Party and Lenders for any and all expenditures made by Secured Party or any Lender pursuant to the provisions of this Agreement or for the defense, protection or enforcement of the Obligations, the Collateral, or the security interests and conditional assignment granted hereunder, including, but not limited to, all filing or recording fees, court costs, collection charges, travel expenses, and reasonable attorneys' fees and legal expenses. Such expenditures shall be payable on demand, together with interest at the rate then applicable to the indebtedness of Borrowers to Secured Party and any Lender as set forth in the Loan Agreement and shall be part of the Obligations secured hereby.

4. EVENTS OF DEFAULT

All Obligations shall become immediately due and payable, without notice or demand, at the option of Secured Party or the Required Lenders (as such term is defined in the Loan Agreement), upon the occurrence of any Event of Default, as such term is defined in the Loan Agreement (each an "Event of Default" hereunder).

5. RIGHTS AND REMEDIES

At any time an Event of Default exists or has occurred and is continuing, in addition to all other rights and remedies of Secured Party and any Lender, whether provided under this Agreement, the Loan Agreement, the other Financing Agreements, applicable law or otherwise, Secured Party shall have the following rights and remedies, for and on behalf of Lenders, which may be exercised without notice to, or consent by, Debtor except as such notice or consent is expressly provided for hereunder:

(a) Except as otherwise provided in the Loan Agreement or other Financing Agreements, Secured Party may require that neither Debtor nor any affiliate or subsidiary of Debtor make any use of the Trademarks or any marks similar thereto for any purpose whatsoever. Secured Party may make use of any Trademarks for the sale of goods, completion of work-in-process or rendering of services in connection with enforcing any other security interest granted to Secured Party, for the benefit of Lenders, by Debtor or any subsidiary or affiliate of Debtor or for such other reason as Secured Party may determine.

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(b) Secured Party may grant such license or licenses relating to the Collateral for such term or terms, on such conditions, and in such manner, as Secured Party shall in its discretion deem appropriate. Such license or licenses may be general, special or otherwise, and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and all foreign countries.

(c) Secured Party may assign, sell or otherwise dispose of the Collateral or any part thereof, either with or without special conditions or stipulations except that if notice to Debtor of intended disposition of Collateral is required by law, the giving of five (5) days prior written notice to Debtor of any proposed disposition shall be deemed reasonable notice thereof and Debtor waives any other notice with respect thereto. Secured Party shall have the power to buy the Collateral or any part thereof, and Secured Party shall also have the power to execute assurances and perform all other acts which Secured Party may, in its discretion, deem appropriate or proper to complete such assignment, sale, or disposition. In any such event, Debtor shall be liable for any deficiency.

(d) In addition to the foregoing, in order to implement the assignment, sale, or other disposition of any of the Collateral pursuant to the terms hereof, Secured Party may execute and deliver on behalf of Debtor, pursuant to the authority granted in the Powers of Attorney described in Section 3(e) hereof, one or more instruments of assignment of the Trademarks (or any application, registration, or recording relating thereto), in form suitable for filing, recording, or registration. Debtor agrees to pay Secured Party and Lenders on demand all costs incurred in any such transfer of the Collateral, including, but not limited to, any taxes, fees, and reasonable attorneys' fees and legal expenses. Debtor agrees that Secured Party and Lenders have no obligation to preserve rights to the Trademarks against any other parties.

(e) Secured Party may first apply the proceeds actually received from any such license, assignment, sale or other disposition of any of the Collateral to the costs and expenses thereof, including, without limitation, reasonable attorneys' fees and all legal, travel and other expenses which may be incurred by Secured Party and Lenders. Thereafter, Secured Party and Lenders may apply any remaining proceeds to such of the Obligations as Secured Party and Lenders may in their discretion determine in accordance with the Loan Agreement. Debtor shall remain liable to Secured Party and Lenders for any of the Obligations remaining unpaid after the application of such proceeds, and Debtor shall pay Secured Party and Lenders on demand any such unpaid amount, together with interest at the rate then applicable to the indebtedness of Borrowers to Secured Party and Lenders set forth in the Loan Agreement.

(f) Debtor shall supply to Secured Party, any Lender and their respective designees, Debtor's knowledge and expertise relating to the manufacture and sale of the products and services bearing the Trademarks and Debtor's customer lists and other records relating to the Trademarks and the distribution thereof.

(g) Nothing contained herein shall be construed as requiring Secured Party or any Lender to take any such action at any time. All of Secured Party's and Lenders' rights and remedies, whether provided under this Agreement, the other Financing Agreements, applicable law, or otherwise, shall be cumulative and none is exclusive. Such rights and remedies may be enforced alternatively, successively, or concurrently.

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6. JURY TRIAL WAIVER; OTHER WAIVERS AND CONSENTS; GOVERNING LAW

(a) The validity, interpretation and enforcement of this Agreement and the other Financing Agreements and any dispute arising out of the relationship between the parties hereto, whether in contract, tort, equity or otherwise, shall be governed by the internal laws of the State of New York (without giving effect to principles of conflicts of law).

(b) Debtor and Secured Party irrevocably consent and submit to the non-exclusive jurisdiction of the Supreme Court of the State of New York, County of New York and the United States District Court for the Southern District of New York and waive any objection based on venue or forum non conveniens with respect to any action instituted therein arising under this Agreement or any of the other Financing Agreements or in any way connected or related or incidental to the dealings of Debtor, Secured Party and Lenders in respect of this Agreement or the other Financing Agreements or the transactions related hereto or thereto, in each case whether now existing or thereafter arising, and whether in contract, tort, equity or otherwise, and agree that any dispute with respect to any such matters shall be heard only in the courts described above (except that Secured Party and Lenders shall have the right to bring any action or proceeding against Debtor or its property in the courts of any other jurisdiction which Secured Party or any Lender deems necessary or appropriate in order to realize on the Collateral or to otherwise enforce Secured Party's and Lenders' rights against Debtor or its property).

(c) Debtor hereby waives personal service of any and all process upon it and consents that all such service of process may be made by certified mail (return receipt requested) directed to its address set forth herein and service so made shall be deemed to be completed five (5) days after the same shall have been so deposited in the U.S. mails, or, at Secured Party's or any Lender's option, by service upon Debtor in any other manner provided under the rules of any such courts. Within thirty (30) days after such service, Debtor shall appear in answer to such process, failing which Debtor shall be deemed in default and judgment may be entered by Secured Party or any Lender against Debtor for the amount of the claim and other relief requested.

(d) DEBTOR AND SECURED PARTY EACH HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (i) ARISING UNDER THIS AGREEMENT OR ANY OF THE OTHER FINANCING AGREEMENTS OR (ii) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF DEBTOR, SECURED PARTY AND LENDERS IN RESPECT OF THIS AGREEMENT OR ANY OF THE OTHER FINANCING AGREEMENTS OR THE TRANSACTIONS RELATED HERETO OR THERETO IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY OR OTHERWISE. DEBTOR AND SECURED PARTY EACH HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT DEBTOR OR SECURED PARTY MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF DEBTOR AND SECURED PARTY TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

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(e) Secured Party and Lenders shall not have any liability to Debtor (whether in tort, contract, equity or otherwise) for losses suffered by Debtor in connection with, arising out of, or in any way related to the transactions or relationships contemplated by this Agreement, or any act, omission or event occurring in connection herewith, unless it is determined by a final and non-appealable judgment or court order binding on Secured Party or any Lender that the losses were the result of acts or omissions constituting gross negligence or willful misconduct. In any such litigation, Secured Party and each Lender shall be entitled to the benefit of the rebuttable presumption that it acted in good faith and with the exercise of ordinary care in the performance by it of the terms of this Agreement and the other Financing Agreements.

7. MISCELLANEOUS

(a) All notices, requests and demands hereunder shall be in writing and deemed to have been given or made: if delivered in person, immediately upon delivery; if by telex, telegram or facsimile transmission, immediately upon sending and upon confirmation of receipt; if by nationally recognized overnight courier service with instructions to deliver the next business day, one (1) business day after sending; and if by registered or certified mail, return receipt requested, five (5) days after mailing. All notices, requests and demands upon the parties are to be given to the following addresses (or to such other address as any party may designate by notice in accordance with this Section):

If to Debtor:	Arizona Mail Order Company, Inc. c/o Charming Shoppes of Delaware, Inc. 450 Winks Lane Bensalem, Pennsylvania 19020 Attention: Chief Financial Officer Telephone No.: 215 638 6740 Telecopy No.: 215 638 6759
and:	Arizona Mail Order Company, Inc. c/o Charming Shoppes of Delaware, Inc. 450 Winks Lane Bensalem, Pennsylvania 19020 Attention: General Counsel Telephone No.: 215 638 6898 Telecopy No.: 215 638 6648
If to Secured Party:	Wachovia Bank, National Association, as Agent 1133 Avenue of the Americas New York, New York 10036 Attention: Portfolio Manager -- Charming Shoppes Telephone No.: 212 840 2000 Telecopy No.: 212 545 4283

(b) All references to the plural herein shall also mean the singular and to the singular shall also mean the plural. All references to Debtor, Secured Party, Lenders and Borrowers

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pursuant to the definitions set forth in the recitals hereto, or to any other person herein, shall include their respective successors and assigns. The words "hereof," "herein," "hereunder," "this Agreement" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not any particular provision of this Agreement and as this Agreement now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced. An Event of Default shall exist or continue or be continuing until such Event of Default is waived in accordance with Section 7(e) hereof. All references to the term "Person" or "person" herein shall mean any individual, sole proprietorship, partnership, corporation (including, without limitation, any corporation which elects subchapter S status under the Internal Revenue Code of 1986, as amended), limited liability company, limited liability partnership, business trust, unincorporated association, joint stock company, trust, joint venture or other entity or any government or any agency or instrumentality or political subdivision thereof.

(c) This Agreement, the other Financing Agreements and any other document referred to herein or therein shall be binding upon Debtor and its successors and assigns and inure to the benefit of and be enforceable by Secured Party and its successors and assigns.

(d) If any provision of this Agreement is held to be invalid or unenforceable, such invalidity or unenforceability shall not invalidate this Agreement as a whole, but this Agreement shall be construed as though it did not contain the particular provision held to be invalid or unenforceable and the rights and obligations of the parties shall be construed and enforced only to such extent as shall be permitted by applicable law.

(e) Neither this Agreement nor any provision hereof shall be amended, modified, waived or discharged orally or by course of conduct, but only by a written agreement signed by an authorized officer of Secured Party. Secured Party and Lenders shall not, by any act, delay, omission or otherwise be deemed to have expressly or impliedly waived any of their rights, powers and/or remedies unless such waiver shall be in writing and signed by an authorized officer of Secured Party and Lenders. Any such waiver shall be enforceable only to the extent specifically set forth therein. A waiver by Secured Party or any Lender of any right, power and/or remedy on any one occasion shall not be construed as a bar to or waiver of any such right, power and/or remedy which Secured Party or any Lender would otherwise have on any future occasion, whether similar in kind or otherwise.

(f) This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission shall have the same force and effect as the delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission shall also deliver an original executed counterpart, but the failure to do so shall not affect the validity, enforceability or binding effect of this Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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IN WITNESS WHEREOF, Debtor and Secured Party have executed this Agreement as of the day and year first above written.

ARIZONA MAIL ORDER COMPANY, INC.

By: Eric M Specter

Title: Eric M. Specter, Vice President

BEDFORD FAIR APPAREL, INC.

By: Eric M Specter

Title: Eric M. Specter, Vice President

LM&B CATALOG, INC.

By: Eric M Specter

Title: Eric M. Specter, Vice President

MONTEREY BAY CLOTHING COMPANY, INC.

By: Eric M Specter

Title: Eric M. Specter, Vice President

WACHOVIA BANK, NATIONAL ASSOCIATION,
as Agent

By: _____

Title: _____

IN WITNESS WHEREOF, Debtor and Secured Party have executed this Agreement as of the day and year first above written.

ARIZONA MAIL ORDER COMPANY, INC.

By:_____
Eric M. Specter
Vice President

BEDFORD FAIR APPAREL, INC.

By:_____
Eric M. Specter
Vice President

LM&B CATALOG, INC.

By:_____
Eric M. Specter
Vice President

MONTEREY BAY CLOTHING COMPANY, INC.

By:_____
Eric M. Specter
Vice President

WACHOVIA BANK, NATIONAL ASSOCIATION,
as Agent

By: Susan K Jacob

Title: Vice President

COMMONWEALTH OF PENNSYLVANIA)
) ss.:
COUNTY OF BUCKS)

On this 2nd day of June, 2005, before me personally came Eric M. Specter, to me known, who being duly sworn, did depose and say that he is the Vice President of ARIZONA MAIL ORDER COMPANY, INC., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Tina Louise Grodziski

Tina Louise Grodziski, Notary Public

NOTARIAL SEAL
TINA LOUISE GRODZISKI, Notary Public
Bensalem Twp., Bucks County
My Commission Expires June 6, 2005

COMMONWEALTH OF PENNSYLVANIA)
) ss.:
COUNTY OF BUCKS)

On this 2nd day of June, 2005, before me personally came Eric M. Specter, to me known, who being duly sworn, did depose and say that he is the Vice President of BEDFORD FAIR APPAREL, INC., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Tina Louise Grodziski

Tina Louise Grodziski, Notary Public

NOTARIAL SEAL
TINA LOUISE GRODZISKI, Notary Public
Bensalem Twp., Bucks County
My Commission Expires June 6, 2005

COMMONWEALTH OF PENNSYLVANIA)
) ss.:
COUNTY OF BUCKS)

On this 2nd day of June, 2005, before me personally came Eric M. Specter, to me known, who being duly sworn, did depose and say that he is the Vice President of LM&B CATALOG, INC., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Tina Louise Grodziski

Tina Louise Grodziski, Notary Public

NOTARIAL SEAL
TINA LOUISE GRODZISKI, Notary Public
Bensalem Twp., Bucks County
My Commission Expires June 6, 2005

COMMONWEALTH OF PENNSYLVANIA)
) ss.:
COUNTY OF BUCKS)

On this 2nd day of June, 2005, before me personally came Eric M. Specter, to me known, who being duly sworn, did depose and say that he is the Vice President of MONTEREY BAY CLOTHING COMPANY, INC., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

Tina Louise Grodziski

Tina Louise Grodziski, Notary Public

NOTARIAL SEAL
TINA LOUISE GRODZISKI, Notary Public
Bensalem Twp., Bucks County
My Commission Expires June 6, 2005

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this 2nd day of June, 2005, before me personally came Terese K. Jacob, to me known, who, being duly sworn, did depose and say, that she is a Vice President of WACHOVIA BANK, NATIONAL ASSOCIATION, the national banking association described in and which executed the foregoing instrument; and that he/she signed his/her name thereto by order of the Board of Directors of said national banking association.

Maria Camacho
Notary Public

MARIA CAMACHO
NOTARY PUBLIC, State of New York
No.: 01CA5086952
Qualified in Queens County
Certificate Filed in New York County
Commission Expires October 27, 2006

EXHIBIT A
TO
TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT

List of Trademarks and Trademark Applications

Trademark	Serial No. / Reg. No.	Reg. Date	Registration Filed By/Owner
"KICKS" BY WILROY	0816640	10/11/96	Wilroy, Inc.—to be abandoned by Company
ADRIAN-AVERY	1,506,560	09/27/88	LM&B Catalog, Inc.
AMBASSADOR	1126618	11/06/79	Arizona Mail Order Company, Inc.
AMBASSADOR	Canada 437538	12/30/94	Arizona Mail Order Company, Inc.
APPOINTMENTS	1525538	02/21/89	Arizona Mail Order Company, Inc.
APPOINTMENTS	1523901	02/07/89	Arizona Mail Order Company, Inc.
BARONESS DE WAYNE	1966945	04/09/96	Arizona Mail Order Company, Inc.
BEDFORD FAIR	78/382773	03/11/04	Bedford Fair Apparel, Inc.
BEDFORD FAIR APPAREL	78/355680	01/22/04	Bedford Fair Apparel, Inc.
BEDFORD FAIR LIFESTYLES	78/382,765	03/11/04	Bedford Fair Apparel, Inc.
BEDFORD FAIR LIFESTYLES	78/382,761	03/11/04	Bedford Fair Apparel, Inc.
BEDFORD FAIR SHOESTYLES	78/440731	06/24/04	Bedford Fair Apparel, Inc.
BFA CLASSICS	78/382774	03/11/04	Bedford Fair Apparel, Inc.
BROWNSTONE COBBLER	76/190511	01/05/01	Arizona Mail Order Company, Inc.
BROWNSTONE STUDIO	1502314	08/30/88	Jean Grayson's Brownstone Studio, Inc.
BROWNSTONE STUDIO	989000	07/23/74	LM&B Catalog, Inc.
BROWNSTONE STUDIO	1165943	08/18/81	LM&B Catalog, Inc.
BROWNSTONE WOMAN	76/308194	08/30/01	LM&B Catalog, Inc.
CLOTHES THAT DO MORE FOR LESS	78/400389	04/12/04	Bedford Fair Apparel, Inc.
CLOTHES TO HOME	1500504	01/21/88	Arizona Mail Order Company, Inc.
COWARD	78/440739	06/24/04	Arizona Mail Order Company, Inc.
COWARD	0073661	05/11/1909	Arizona Mail Order Company, Inc.
DAVID CALAIS	2214562	12/29/98	Arizona Mail Order Company, Inc.
DRY DOCK BY SERBIN (Stylized)	0885089	01/27/70	Arizona Mail Order Company, Inc.

Trademark	Serial No. / Reg. No.	Reg. Date	Registration Filed By/Owner
DULOTTES	0858631	10/15/68	Arizona Mail Order Company, Inc.
EASY LIVING	1458320	09/22/87	Arizona Mail Order Company, Inc.
EDGE KEEPERS	629156	06/19/56	Arizona Mail Order Company, Inc.
FOR ALL YOU ARE	78/382778	03/11/04	Arizona Mail Order Company, Inc.
HEAVENLY COMFORT	1370230	11/12/85	Arizona Mail Order Company, Inc.
HEIRESS II	1073151	09/13/77	Arizona Mail Order Company, Inc.
HOME ETC. & Design	1789388	08/24/93	Arizona Mail Order Company, Inc.
INTIMATE APPEAL	Arizona 027816	09/27/89	Arizona Mail Order Company, Inc.
INTIMATE APPEAL	Arizona 089844	09/27/89	Arizona Mail Order Company, Inc.
INTIMATE APPEAL	Arizona 027817	09/27/89	Arizona Mail Order Company, Inc.
INTIMATE APPEAL	Canada TMA418201	10/15/93	Arizona Mail Order Company, Inc.
INTIMATE APPEAL	78/310426	10/07/03	Arizona Mail Order Company, Inc.
INTIMATE APPEAL	1680348	03/24/92	Arizona Mail Order Company, Inc.
INTIME	1186245	01/12/82	LM&B Catalog, Inc.
JEWELRIE	Arizona 023401	04/25/85	Arizona Mail Order Company, Inc.
JEWELRIE	Arizona 059311	04/25/85	Arizona Mail Order Company, Inc.
JEWELRIE	Arizona 023402	04/25/85	Arizona Mail Order Company, Inc.
JEWELRIE	Arizona 023400	04/25/85	Arizona Mail Order Company, Inc.
JEWELRY VALUES	1427432	02/03/87	Arizona Mail Order Company, Inc.
L.A. LADY	Arizona 027815	09/27/89	Arizona Mail Order Company, Inc.
L.A. LADY	Arizona 027814	09/27/89	Arizona Mail Order Company, Inc.
L.A. LADY	California 63639	05/28/81	Arizona Mail Order Company, Inc.
LADY "A"	1168377	09/08/81	Arizona Mail Order Company, Inc.
LADY AMBASSADOR	1180174	12/01/81	AMBA Marketing Systems, Inc.
LEW MAGRAM	1554789	09/05/89	LM&B Catalog, Inc.
MARK REED	1435705	04/07/87	Arizona Mail Order Company, Inc.
MONTEREY BAY CLOTHING COMPANY	78/242057	04/25/03	Monterey Bay Clothing Company, Inc.
NANCY'S CHOICE	1295149	09/11/84	Arizona Mail Order Company, Inc.
NANCY'S CHOICE	1202124	07/20/82	Arizona Mail Order Company, Inc.
NANCY'S CHOICE	Arizona 027819	09/27/89	Arizona Mail Order Company, Inc.

Trademark	Serial No. / Reg. No.	Reg. Date	Registration Filed By/Owner
NANCY'S CHOICE	Arizona 089846	09/27/89	Arizona Mail Order Company, Inc.
NANCY'S CHOICE	Arizona 027818	09/27/89	Arizona Mail Order Company, Inc.
OLD PUEBLO TRADERS	Canada TMA412619	05/21/93	Arizona Mail Order Company, Inc.
OLD PUEBLO TRADERS	Arizona 008087	03/14/74	Arizona Mail Order Company, Inc.
OLD PUEBLO TRADERS	1336664	05/21/85	Arizona Mail Order Company, Inc.
OLD PUEBLO TRADERS – VICKI WAYNE'S (Stylized)	1342544	06/18/85	Arizona Mail Order Company, Inc.
ORGANIZED LADY	1,047,265	8/31/76	Arizona Mail Order Company, Inc.
PATCHWORK POCKETS	1,320,178	2/12/85	Arizona Mail Order Company, Inc.
PRELUDE	2608612	08/20/02	Arizona Mail Order Company, Inc.
REGALIA	1649648	07/02/91	Arizona Mail Order Company, Inc.
RIGHT STYLE RIGHT PRICE RIGHT NOW!	78/427,282	05/28/04	Bedford Fair Apparel, Inc.
RIVIERA	1,384,284	2/25/86	Arizona Mail Order Company, Inc.
RUNWAY FASHIONS AT RUNAWAY PRICES	2,886,697	09/21/04	LM&B Catalog, Inc.
SAFETY BAG	1,036,812	3/30/76	Arizona Mail Order Company, Inc.
SECRET SLIMMER	2431017	02/27/01	Arizona Mail Order Company, Inc.
SECRET SLIMMER	Arizona 043319	09/24/99	Arizona Mail Order Company, Inc.
SERBIN (Stylized)	606130	05/17/55	Arizona Mail Order Company, Inc.
SERBIN SHIRTWAISTER (Stylized)	595986	09/28/54	Arizona Mail Order Company, Inc.
SERBIN SPORT	1503096	09/06/88	Arizona Mail Order Company, Inc.
SERENDIPITY (Stylized)	412621 Canada	05/21/93	Arizona Mail Order Company, Inc.
SERENDIPITY (Stylized)	1133650	04/22/80	Arizona Mail Order Company, Inc.
SHOPPING INTERNATIONAL & Design	1018990	08/26/75	Arizona Mail Order Company, Inc.
SMARTFIT	2687684	02/18/03	Arizona Mail Order Company, Inc.
SPA GEAR	2428122	2/13/01	Monterey Bay Clothing Company, Inc.
STRAWSTACK & Design	783,692	1/19/65	Arizona Mail Order Company, Inc.

Trademark	Serial No. / Reg. No.	Reg. Date	Registration Filed By/Owner
SWITCHES	1493256	06/21/88	Arizona Mail Order Company, Inc.
THE FASHION SPECIALISTS	1375319	12/10/85	LM&B Catalog, Inc.
THE FASHION SPECIALISTS	78/440747	06/24/04	LM&B Catalog, Inc.
TUMBLEWEEDS	78/313936	10/15/03	Arizona Mail Order Company, Inc.
TUMBLEWEEDS FROM THE WEST	Arizona 008033	02/28/84	Arizona Mail Order Company, Inc.
ULTIMATE	1,294,248	9/11/84	Arizona Mail Order Company, Inc.
UNIQUE PETITE	1499030	08/02/88	Arizona Mail Order Company, Inc.
VALUE SHOWCASE	Canada TMA417587	10/01/93	Arizona Mail Order Company, Inc.
VALUE SHOWCASE	1556819	09/19/89	Arizona Mail Order Company, Inc.
VICKI WAYNE'S	1336665	05/21/85	Arizona Mail Order Company, Inc.
VICKI WAYNE'S	2055472	04/22/97	Arizona Mail Order Company, Inc.
WHATEVER IT TAKES	2823666	3/16/04	Monterey Bay Clothing Company, Inc.
WILLOW RIDGE	1349496	07/16/85	Bedford Fair Apparel, Inc.
WILROY	0925944	12/21/71	LM&B Catalog, Inc.
WILROY	0802301	01/18/66	LM&B Catalog, Inc.
WILROY TRAVELER	0801926	01/11/66	LM&B Catalog, Inc.
WORLD OF FASHION	1027597	12/16/75	Arizona Mail Order Company, Inc.

EXHIBIT B
TO
TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT

List of Exclusive Licenses

None.

EXHIBIT C
TO
TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT

SPECIAL POWER OF ATTORNEY

COMMONWEALTH OF PENNSYLVANIA)
) ss.:
COUNTY OF BUCKS)

KNOW ALL MEN BY THESE PRESENTS, that ARIZONA MAIL ORDER COMPANY, INC. ("Debtor"), having an office at 3740 East 34th Street, Tucson, Arizona 85713, hereby appoints and constitutes, severally, WACHOVIA BANK, NATIONAL ASSOCIATION, as agent ("Secured Party"), and each of its officers, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on behalf of Debtor:

1. Execution and delivery of any and all agreements, documents, instrument of assignment, or other papers which Secured Party, in its discretion, deems necessary or advisable for the purpose of assigning, selling, or otherwise disposing of all right, title, and interest of Debtor in and to any trademarks and all registrations, recordings, reissues, extensions, and renewals thereof, or for the purpose of recording, registering and filing of, or accomplishing any other formality with respect to the foregoing.

2. Execution and delivery of any and all documents, statements, certificates or other papers which Secured Party, in its discretion, deems necessary or advisable to further the purposes described in Subparagraph 1 hereof.

This Power of Attorney is made pursuant to a Trademark Collateral Assignment and Security Agreement, dated of even date herewith, between Debtor and Secured Party (the "Security Agreement") and is subject to the terms and provisions thereof. This Power of Attorney, being coupled with an interest, is irrevocable until all "Obligations", as such term is defined in the Security Agreement, are paid in full and the Security Agreement is terminated in writing by Secured Party.

Dated: June __, 2005

ARIZONA MAIL ORDER COMPANY, INC.

By:_____

Title: _____

COMMONWEALTH OF PENNSYLVANIA)
) ss.:
COUNTY OF BUCKS)

On this 2nd day of June, 2005, before me personally came Eric M. Specter, to me known, who being duly sworn, did depose and say that he is the Vice President of ARIZONA MAIL ORDER COMPANY, INC., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

_____
Tina Louise Grodziski, Notary Public

EXHIBIT C
TO
TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT

SPECIAL POWER OF ATTORNEY

COMMONWEALTH OF PENNSYLVANIA)
) ss.:
COUNTY OF BUCKS)

KNOW ALL MEN BY THESE PRESENTS, that BEDFORD FAIR APPAREL, INC. ("Debtor"), having an office at 3740 East 34th Street, Tucson, Arizona 85713, hereby appoints and constitutes, severally, WACHOVIA BANK, NATIONAL ASSOCIATION, as agent ("Secured Party"), and each of its officers, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on behalf of Debtor:

3. Execution and delivery of any and all agreements, documents, instrument of assignment, or other papers which Secured Party, in its discretion, deems necessary or advisable for the purpose of assigning, selling, or otherwise disposing of all right, title, and interest of Debtor in and to any trademarks and all registrations, recordings, reissues, extensions, and renewals thereof, or for the purpose of recording, registering and filing of, or accomplishing any other formality with respect to the foregoing.

4. Execution and delivery of any and all documents, statements, certificates or other papers which Secured Party, in its discretion, deems necessary or advisable to further the purposes described in Subparagraph 1 hereof.

This Power of Attorney is made pursuant to a Trademark Collateral Assignment and Security Agreement, dated of even date herewith, between Debtor and Secured Party (the "Security Agreement") and is subject to the terms and provisions thereof. This Power of Attorney, being coupled with an interest, is irrevocable until all "Obligations", as such term is defined in the Security Agreement, are paid in full and the Security Agreement is terminated in writing by Secured Party.

Dated: June __, 2005

BEDFORD FAIR APPAREL, INC.

By:_____

Title: _____

COMMONWEALTH OF PENNSYLVANIA)
) ss.:
COUNTY OF BUCKS)

On this 2nd day of June, 2005, before me personally came Eric M. Specter, to me known, who being duly sworn, did depose and say that he is the Vice President of BEDFORD FAIR APPAREL, INC., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

_____
Tina Louise Grodziski, Notary Public

EXHIBIT C
TO
TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT

SPECIAL POWER OF ATTORNEY

COMMONWEALTH OF PENNSYLVANIA)
) ss.:
COUNTY OF BUCKS)

KNOW ALL MEN BY THESE PRESENTS, that LM&B CATALOG, INC. ("Debtor"), having an office at 3740 East 34th Street, Tucson, Arizona 85713, hereby appoints and constitutes, severally, WACHOVIA BANK, NATIONAL ASSOCIATION, as agent ("Secured Party"), and each of its officers, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on behalf of Debtor:

5. Execution and delivery of any and all agreements, documents, instrument of assignment, or other papers which Secured Party, in its discretion, deems necessary or advisable for the purpose of assigning, selling, or otherwise disposing of all right, title, and interest of Debtor in and to any trademarks and all registrations, recordings, reissues, extensions, and renewals thereof, or for the purpose of recording, registering and filing of, or accomplishing any other formality with respect to the foregoing.

6. Execution and delivery of any and all documents, statements, certificates or other papers which Secured Party, in its discretion, deems necessary or advisable to further the purposes described in Subparagraph 1 hereof.

This Power of Attorney is made pursuant to a Trademark Collateral Assignment and Security Agreement, dated of even date herewith, between Debtor and Secured Party (the "Security Agreement") and is subject to the terms and provisions thereof. This Power of Attorney, being coupled with an interest, is irrevocable until all "Obligations", as such term is defined in the Security Agreement, are paid in full and the Security Agreement is terminated in writing by Secured Party.

Dated: June __, 2005

LM&B CATALOG, INC.

By:_____

Title: _____

COMMONWEALTH OF PENNSYLVANIA)
) ss.:
COUNTY OF BUCKS)

On this 2nd day of June, 2005, before me personally came Eric M. Specter, to me known, who being duly sworn, did depose and say that he is the Vice President of LM&B CATALOG, INC., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

_____
Tina Louise Grodziski, Notary Public

EXHIBIT C
TO
TRADEMARK COLLATERAL ASSIGNMENT
AND SECURITY AGREEMENT

SPECIAL POWER OF ATTORNEY

COMMONWEALTH OF PENNSYLVANIA)
) ss.:
COUNTY OF BUCKS)

KNOW ALL MEN BY THESE PRESENTS, that MONTEREY BAY CLOTHING COMPANY, INC. ("Debtor"), having an office at 3740 East 34th Street, Tucson, Arizona 85713, hereby appoints and constitutes, severally, WACHOVIA BANK, NATIONAL ASSOCIATION, as agent ("Secured Party"), and each of its officers, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on behalf of Debtor:

7. Execution and delivery of any and all agreements, documents, instrument of assignment, or other papers which Secured Party, in its discretion, deems necessary or advisable for the purpose of assigning, selling, or otherwise disposing of all right, title, and interest of Debtor in and to any trademarks and all registrations, recordings, reissues, extensions, and renewals thereof, or for the purpose of recording, registering and filing of, or accomplishing any other formality with respect to the foregoing.

8. Execution and delivery of any and all documents, statements, certificates or other papers which Secured Party, in its discretion, deems necessary or advisable to further the purposes described in Subparagraph 1 hereof.

This Power of Attorney is made pursuant to a Trademark Collateral Assignment and Security Agreement, dated of even date herewith, between Debtor and Secured Party (the "Security Agreement") and is subject to the terms and provisions thereof. This Power of Attorney, being coupled with an interest, is irrevocable until all "Obligations", as such term is defined in the Security Agreement, are paid in full and the Security Agreement is terminated in writing by Secured Party.

Dated: June __, 2005

MONTEREY BAY CLOTHING COMPANY, INC.

By:_____

Title: _____

COMMONWEALTH OF PENNSYLVANIA)
) ss.:
COUNTY OF BUCKS)

On this 2nd day of June, 2005, before me personally came Eric M. Specter, to me known, who being duly sworn, did depose and say that he is the Vice President of MONTEREY BAY CLOTHING COMPANY, INC., the corporation described in and which executed the foregoing instrument; and that he signed his name thereto by order of the Board of Directors of said corporation.

_____
Tina Louise Grodziski, Notary Public