

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
Ollie's Bargain Outlet, Inc.		03/01/2006	CORPORATION: PENNSYLVANIA
RECEIVING PARTY DATA			
Name:	Manufacturers and Traders Trust Company		
Street Address:	25 S. Charles Street		
Internal Address:	18th Floor		
City:	Baltimore		
State/Country:	MARYLAND		
Postal Code:	21201		
Entity Type:	Banking Corporation: NEW YORK		
PROPERTY NUMBERS Total: 3			
Property Type	Number	Word Mark	
Serial Number:	78345402	SARASOTA BREEZE	
Registration Number:	3056652	STEELTON TOOLS	
Registration Number:	1755917	OLLIE'S BARGAIN OUTLET	
CORRESPONDENCE DATA			
Fax Number:	(410)547-0699		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	410-347-7388		
Email:	dksawyer@ober.com		
Correspondent Name:	E. Scott Johnson		
Address Line 1:	120 E. Baltimore Street		
Address Line 2:	9th Floor		
Address Line 4:	Baltimore, MARYLAND 21202		
ATTORNEY DOCKET NUMBER:	027391/076013		
NAME OF SUBMITTER:	E. Scott Johnson		

CH \$90.00 78345402

Signature:	/E. Scott Johnson/
Date:	03/06/2006
Total Attachments: 8 source=Ollie's Bargain Outlet security agreement#page1.tif source=Ollie's Bargain Outlet security agreement#page2.tif source=Ollie's Bargain Outlet security agreement#page3.tif source=Ollie's Bargain Outlet security agreement#page4.tif source=Ollie's Bargain Outlet security agreement#page5.tif source=Ollie's Bargain Outlet security agreement#page6.tif source=Ollie's Bargain Outlet security agreement#page7.tif source=Ollie's Bargain Outlet security agreement#page8.tif	

TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated March 1, 2006, is given by OLLIE'S BARGAIN OUTLET, INC., a Pennsylvania corporation ("Assignor"), in favor of MANUFACTURERS AND TRADERS TRUST COMPANY, a New York banking corporation ("Assignee").

BACKGROUND

Pursuant to a Loan and Security Agreement dated of even date herewith by and between Assignor and Assignee (as the same may from time to time be amended, restated, supplemented, or otherwise modified, the "Loan Agreement"), Assignee agreed to make available to Assignor (a) a senior secured revolving credit facility in the principal amount up to, but not to exceed, \$30,000,000 at any one time outstanding (the "Revolving Credit Facility"), and (b) a senior secured term loan in the principal amount of \$10,000,000 (the "Term Loan"). The Revolving Credit Facility and the Term Loan are sometimes hereinafter called collectively the "Credit Facilities". As inducement to Assignee to enter into the Loan Agreement and make the Credit Facilities available to Assignor, Assignor agreed to, among other things, pledge to Assignee and grant Assignee a continuing, first priority security interest in and lien on all trademark applications and trademarks of Assignor.

As used herein, the term "Financing Documents" means collectively the Loan Agreement, and all notes, guarantees, mortgages, security agreements, debentures, and other documents previously, simultaneously or hereafter executed and delivered by Assignor or any party or parties in favor of Assignee to secure or guarantee, or in connection with, the Credit Facilities. All other capitalized terms used herein without definition shall have the meanings ascribed to them in the Loan Agreement

AGREEMENTS

NOW THEREFORE, in consideration of the premises and of the mutual covenants herein contained, and intending to be legally bound hereby, the parties hereto hereby agree as follows:

1. Grant of Security Interest. To secure the complete and timely payment and performance of all of its Obligations under the Loan Agreement and the other Financing Documents, Assignor, to the extent of its interest therein, hereby grants, assigns, conveys and pledges to Assignee a continuing, first priority security interest in and to all trademark applications, trademarks (whether registered, unregistered or for which any application to register has been filed), service mark applications, service marks (whether registered, unregistered or for which any application to register has been filed) and tradenames owned, held or claimed by Assignor, including, without limitation, all renewals thereof and all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights owned by them corresponding thereto throughout the world (all of the foregoing are collectively called the "Marks"), together with the goodwill of the business symbolized by each of the Marks and the registrations (if any) thereof. A list of all federal registered trademarks, federal trademark applications, and

abandoned, cancelled and expired federal trademarks is attached hereto as Schedule A (as the same may be amended from time to time pursuant hereto).

2. Warranties and Representations. Assignor hereby covenants with, and warrants to, Assignee that: (a) Assignor is the sole and exclusive owner of each of the Marks and all rights therein, free and clear of any liens, pledges, assignments or other encumbrances; (b) Assignor has the unqualified right to enter into this Agreement and perform its terms; (c) the Marks are subsisting and have not been adjudged invalid or unenforceable; (d) each of the Marks is valid and enforceable; (e) no claim has been made that the use of any of the Marks does or may violate the rights of any third person; (f) Assignor has used, and, subject to the provisions of Paragraph 7 below, will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Marks; and (g) Assignor has used, and, subject to the provisions of Paragraph 7 below, will continue to use for the duration of this Agreement, consistent standards of quality in its manufacture of products and delivery of services sold or provided under the Marks. Assignor shall, in any event, indemnify and hold Assignee harmless from all losses, damages, costs and expenses, including legal costs and counsel fees, incurred by Assignee as the direct or indirect result of any action, claim or demand, whether or not groundless, alleging that the Marks infringe any trademarks held by third parties.

3. Right To Inspect. Assignor hereby grants to Assignee, its officers, agents and employees, the right to visit Assignor's plants and facilities where products sold or services provided under any of the Marks are manufactured, inspected, stored, or provided, and to inspect and review the products and quality control records relating thereto at reasonable times, upon reasonable notice and without undue interference to the Borrower's business operations. Assignor shall do any and all acts reasonably required by Assignee to ensure Assignor's compliance with Paragraph 2(g) above.

4. Right to Benefits. If, before the Obligations shall have been satisfied in full, Assignor shall become entitled to the benefit of any additional trademark or service mark registration, or any renewal or affidavit of any Mark, the provisions of Paragraph 1 shall automatically apply thereto and Assignor shall give Assignee prompt written notice thereof.

5. Future Marks. Assignor hereby authorizes Assignee to modify this Agreement by amending Schedule A hereto to include any future trademarks, service marks or tradenames which are Marks under Paragraph 1 or Paragraph 4 hereof. Assignee shall deliver a true and correct copy of any such amended Schedule A to Assignor promptly following Assignee's completion thereof.

6. Default. The term "Default", as used herein, shall mean: (a) any Event of Default under the Loan Agreement or other Financing Documents; and (b) any violation by Assignor of any obligation, agreement, representation, warranty or covenant contained in this Agreement and any modification or amendment hereof which is not waived or cured and remedied within five (5) calendar days after notice thereof to Assignor.

7. Assignor's Right to Use Marks. Unless and until a Default shall occur and be continuing, Assignor shall retain the legal and equitable title to the Marks and shall have the right to use the Marks in the ordinary course of its business but shall not be permitted to sell,

assign, transfer or otherwise encumber the Marks or any part thereof without the prior written consent of Assignee; provided, however, that nothing herein contained shall prohibit Assignor from failing to renew or otherwise abandoning any item included within the Marks if, in Assignor's good faith judgment, the retention of such item is not material to the proper conduct of its business; provided, however, that Assignor shall give Assignee ten (10) days' prior written notice of its intention to abandon or of its failure to renew any item included within the Marks.

8. Assignee's Rights As Secured Party. If a Default shall have occurred and be continuing, Assignee shall have, in addition to all other rights and remedies given to it by this Agreement, the Loan Agreement and the other Financing Documents, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Marks may be located or used and, without limiting the generality of the foregoing, Assignee may immediately, without demand of performance and without advertisement, sell at public or private sale or otherwise realize upon, in Maryland or elsewhere, the whole or any part, of the Marks, the goodwill and equipment associated therewith, or any interest which Assignor has therein, and after deducting from the proceeds of said sale or other disposition of the Marks all expenses (including all reasonable expenses for brokers' fees and legal services), shall apply the balance of such proceeds towards payment of the Obligations. Notice of any sale or other disposition of the Marks shall be given to Assignor at least ten (10) calendar days before the time of any intended public or private sale or other disposition of the Marks is to be made, which Assignor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, Assignee may, to the extent permissible under applicable law, purchase the whole or any part of the Marks sold, free from any right of redemption on the part of Assignor, which right Assignor hereby waives and releases.

9. Power of Attorney. If a Default shall have occurred and be continuing, Assignor hereby authorizes and empowers Assignee to make, constitute and appoint any officer or agent of Assignee as Assignee may select in its exclusive discretion, as Assignor's true and lawful attorney-in-fact, with the power (a) to endorse Assignor's name on all applications, documents, papers and instruments necessary for Assignee to use the Marks, or (b) to grant or issue any exclusive or non-exclusive license under the Marks to any third person, or (c) necessary for Assignee to assign, pledge, convey or otherwise transfer title in or dispose of the Marks, the goodwill and equipment associated therewith, to any third person. Assignor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue of such power of attorney. This power of attorney shall be irrevocable for the life of this Agreement and be coupled with an interest.

10. Termination. At such time as Assignor has satisfied all of its Obligations to Assignee under the Loan Agreement and the other Financing Documents and all commitments for financing are terminated, Assignee shall execute and deliver to Assignor, at Assignor's sole cost and expense, all deeds, assignments and other instruments as may be necessary or proper to terminate the liens and security interests granted hereby and to re-vest in Assignor the full unencumbered title to the Marks, and the goodwill associated therewith, subject to any disposition thereof which may have been made by Assignee in accordance with the provisions hereof.

11. Fees and Expenses of Assignee. If a Default shall have occurred and be continuing, any and all fees, costs and expenses, of whatever kind or nature, including, without limitation, reasonable attorneys' fees and expenses, incurred by Assignee in connection with the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Marks, or in defending or prosecuting any actions or proceedings arising out of or related to the Marks, shall be borne and paid by Assignor on demand by Assignee, and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the highest rate prescribed in the Loan Agreement.

12. Protection of Marks.

(a) Subject only to the first proviso in Paragraph 7 hereof, Assignor shall take all actions reasonably necessary to protect and defend the Marks to the extent that the Borrower determines that such Marks have value to the business of the Borrower and shall institute such proceedings to enforce the Marks as it, in its reasonable business judgment, deems appropriate. Assignee shall, upon the reasonable request of Assignor, do any and all lawful acts and execute any and all proper documents in aid of such protection, defense and enforcement, and Assignor shall promptly, upon demand, reimburse and indemnify Assignee for all costs and expenses incurred by Assignee in connection therewith.

(b) If a Default shall have occurred and be continuing, Assignee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Marks, in which event Assignor shall, at the request of Assignee, do any and all lawful acts and execute any and all proper documents required by Assignee in aid of such enforcement, and Assignor shall promptly, upon demand, reimburse and indemnify Assignee for all costs and expenses incurred by Assignee in the exercise of its rights under this Paragraph 12.

13. No Waiver. No course of dealing between Assignor and Assignee nor any failure to exercise, nor any delay in exercising, on the part of Assignee, any right, power or privilege hereunder or under the Loan Agreement or the other Financing Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise or the exercise of any other right, power or privilege.

14. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

15. Use of Marks. The parties understand and agree that the collateral security assignment of the Marks as provided for in this Agreement, together with other collateral provided to Assignee pursuant to the Loan Agreement and the other Financing Documents, will permit Assignee, upon the happening and during the continuation of a Default as provided herein or an Event of Default as provided in the Loan Agreement or the other Financing Documents, to make use of all rights to the Marks and the goodwill associated therewith.

16. Amendment. This Agreement is subject to modification only by a writing signed by the parties hereto, except as provided in Paragraph 5 hereof.

17. Successors and Assigns. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties.

18. Governing Law. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by, and construed in accordance with, the laws of the State of Maryland.

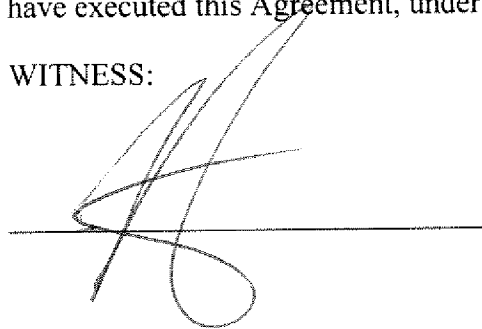
19. JUDICIAL PROCEEDINGS. EACH PARTY TO THIS AGREEMENT AGREES THAT ANY SUIT, ACTION, OR PROCEEDING, WHETHER CLAIM OR COUNTERCLAIM, BROUGHT OR INSTITUTED BY ANY PARTY HERETO OR ANY SUCCESSOR OR ASSIGN OF ANY PARTY, ON OR WITH RESPECT TO THIS AGREEMENT OR THE DEALINGS OF THE PARTIES WITH RESPECT HERETO, SHALL BE TRIED ONLY BY A COURT AND NOT BY A JURY. EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION OR PROCEEDING. FURTHER, ASSIGNOR WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER, IN ANY SUCH SUIT, ACTION OR PROCEEDING, ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. ASSIGNOR ACKNOWLEDGES AND AGREES THAT THIS PARAGRAPH IS A SPECIFIC AND MATERIAL ASPECT OF THIS AGREEMENT AND THAT ASSIGNEE WOULD NOT EXTEND CREDIT TO ASSIGNOR IF THE WAIVERS SET FORTH IN THIS PARAGRAPH WERE NOT A PART OF THIS AGREEMENT.

20. Counterparts. This Agreement may be executed in any number of duplicate originals or counterparts, each of such duplicate originals or counterparts shall be deemed to be an original and all taken together shall constitute one and the same instrument.

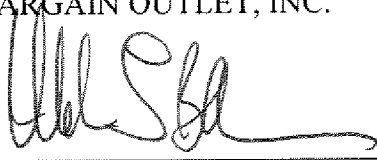
[SIGNATURES FOLLOW ON NEXT PAGE]

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties hereto have executed this Agreement, under seal, the day and year first above written.

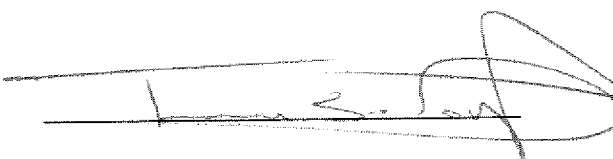
WITNESS:



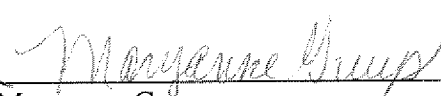
OLLIE'S BARGAIN OUTLET, INC.

By:  (SEAL)
Mark Butler
President

WITNESS:



MANUFACTURERS AND TRADERS TRUST
COMPANY


By:  (SEAL)
Maryanne Gruys
Vice President

ACKNOWLEDGMENTS

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY, that on this 1st day of March, 2006, before me, the undersigned Notary Public of said State, personally appeared Mark Butler, who acknowledged himself to be the President of Ollie's Bargain Outlet, Inc., a Pennsylvania corporation, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained as the duly authorized President of said corporation for and on behalf of said corporation.

WITNESS my Hand and Notarial Seal.




Notary Public Jackie Hector

My commission expires: July 1, 2009.

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY, that on this 1st day of March, 2006, before me, the undersigned Notary Public of said State, personally appeared Maryanne Gruys, who acknowledged herself to be a Vice President of Manufacturers and Traders Trust Company, a New York banking corporation, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that she executed the same for the purposes therein contained as one of the duly authorized Vice Presidents of said bank by herself as Vice President.

WITNESS my Hand and Notarial Seal.



Notary Public Jackie Hector

My commission expires: July 1, 2009.

**SCHEDULE A
TO THE
TRADEMARK SECURITY AGREEMENT
DATED MARCH 1, 2006
BY OLLIE'S BARGAIN OUTLET, INC.
IN FAVOR OF
MANUFACTURERS AND TRADERS TRUST COMPANY**

LIST OF TRADEMARK REGISTRATIONS AND TRADEMARK APPLICATIONS

1. Federal Registered Trademarks.

<u>Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>	<u>Service</u>
Steelton Tools	3056652	01/31/06	07, 08
Ollie's Bargain Outlet	1755917	03/02/93	42

2. Federal Trademark Applications.

<u>Mark</u>	<u>Serial Number</u>	<u>Filing Date</u>
None		

3. Abandoned, Cancelled and Expired Federal Trademarks.

<u>Mark</u>	<u>Registration Number</u>	<u>Abandonment, Cancellation or Expiration Date</u>
Sarasota Breeze	(Serial - 78345402)	Abandoned - 10/06/05