

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>		NEW ASSIGNMENT	
<b>NATURE OF CONVEYANCE:</b>		Security Agreement	
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Carabella Corporation		10/05/2006	CORPORATION: DELAWARE
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Dymas Funding Company, LLC		
<b>Street Address:</b>	One North Franklin Street		
<b>City:</b>	Chicago		
<b>State/Country:</b>	ILLINOIS		
<b>Postal Code:</b>	60606		
<b>Entity Type:</b>	LIMITED LIABILITY COMPANY: DELAWARE		
<b>PROPERTY NUMBERS Total: 2</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
Registration Number:	2387471	A.B. LAMBDIN	
Registration Number:	1770814	CARABELLA COLLECTION	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(866)826-5420		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
<b>Phone:</b>	3016380511		
<b>Email:</b>	ipresearchplus@comcast.net		
<b>Correspondent Name:</b>	IP Research Plus, Inc.		
<b>Address Line 1:</b>	21 Tadcaster Circle		
<b>Address Line 2:</b>	Attn: Penelope J.A. Agodoa		
<b>Address Line 4:</b>	Waldorf, MARYLAND 20602		
<b>NAME OF SUBMITTER:</b>		Penelope J.A. Agodoa	
<b>Signature:</b>		/pja/	
<b>Date:</b>		10/05/2006	

CH \$65.00 2387471

**Total Attachments: 8**

source=31110#page1.tif

source=31110#page2.tif

source=31110#page3.tif

source=31110#page4.tif

source=31110#page5.tif

source=31110#page6.tif

source=31110#page7.tif

source=31110#page8.tif

## TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this "Trademark Security Agreement") is made this 5th day of October, 2006, between CARABELLA CORPORATION, a Delaware corporation (the "Grantor"), and DYMAS FUNDING COMPANY, LLC, a Delaware limited liability company ("Dymas"), in its capacity as collateral agent for the Lender Group (together with its successors and assigns, if any, in such capacity, "Collateral Agent").

WITNESSETH:

WHEREAS, reference is made to that certain Financing Agreement, dated as of August 18, 2006 (as amended, restated, supplemented or otherwise modified from time to time, the "Financing Agreement"), by and among SPIEGEL ACQUISITION CORP., a Delaware corporation (the "Parent"), NEWPORT NEWS HOLDINGS CORPORATION, a Delaware corporation ("Newport News"), SPIEGEL CATALOG HOLDINGS CORPORATION, a Delaware corporation ("Spiegel"); and CARABELLA CORPORATION, a Delaware corporation ("Carabella"); and together with Newport News and Spiegel, individually and collectively, and jointly and severally, the "Borrower"), each subsidiary of the Parent that is a party thereto as a "Guarantor" on the signature pages thereto (together with the Parent, each a "Guarantor" and collectively, jointly and severally, the "Guarantors"), the lenders from time to time party thereto (each a "Lender" and collectively, the "Lenders"), DYMAS FUNDING COMPANY, LLC, a Delaware limited liability company ("Dymas"), as collateral agent for the Lenders (in such capacity, together with any successor collateral agent, the "Collateral Agent"), and WELLS FARGO RETAIL FINANCE, LLC ("WFRF"), as administrative agent for the Lenders (in such capacity, together with any successor administrative agent, the "Administrative Agent" and together with the Collateral Agent, each an "Agent" and collectively, the "Agents");

WHEREAS, the members of the Lender Group are willing to continue to make the financial accommodations to Borrower as provided for in the Financing Agreement, but only upon the condition, among others, that the Loan Parties (including the Grantor) have become a party to that certain Security Agreement dated as of August 18, 2006 and entered into in connection with the Financing Agreement (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Security Agreement");

WHEREAS, pursuant to the Security Agreement, Grantor is required to execute and deliver to Collateral Agent, for the benefit of Lender Group, this Trademark Security Agreement; and

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby agrees as follows:

1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Security Agreement or the Financing Agreement.
2. GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL. Grantor hereby grants to Collateral Agent, for the benefit of the Lender Group, a continuing first priority security interest in all of Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Trademark Collateral"):
  - (a) all of its Trademarks and Trademarks licensed under any Intellectual Property Licenses to which it is a party including those referred to on Schedule I hereto;

- (b) all goodwill, trade secrets, proprietary or confidential information, technical information, procedures, formulae, quality control standards, designs, operating and training manuals, customer lists, and other General Intangibles with respect to the foregoing;
- (c) all reissues, continuations or extensions of the foregoing;
- (d) all goodwill of the business connected with the use of, and symbolized by, each Trademark and each Trademark Intellectual Property License; and
- (e) all products and proceeds of the foregoing, including any claim by Grantor against third parties for past, present or future (i) infringement or dilution of any Trademark or any Trademark licensed under any Intellectual Property License or (ii) injury to the goodwill associated with any Trademark or any Trademark licensed under any Intellectual Property License.

Notwithstanding the foregoing, the Trademark Collateral shall not include any trademark applications filed on an intent-to-use basis, until the filing of a statement of use for such application.

3. SECURITY FOR OBLIGATIONS. This Trademark Security Agreement and the Security Interest created hereby secures the payment and performance of all the Secured Obligations, whether now existing or arising hereafter. Without limiting the generality of the foregoing, this Trademark Security Agreement secures the payment of all amounts which constitute part of the Secured Obligations and would be owed by Grantor to any Agent, the Lender Group, or any of them, whether or not they are unenforceable or not allowable due to the existence of an Insolvency Proceeding involving Grantor.

4. SECURITY AGREEMENT. The security interests granted pursuant to this Trademark Security Agreement are granted in conjunction with the security interests granted to Collateral Agent, for the benefit of the Lender Group, pursuant to the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Collateral Agent with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

5. AUTHORIZATION TO SUPPLEMENT. If Grantor shall obtain rights to any new trademarks, the provisions of this Trademark Security Agreement shall automatically apply thereto. Grantor shall give prompt notice in writing to Collateral Agent with respect to any such new trademarks as provided in Section 6(g)(iv)(x) and (y) of the Security Agreement. Without limiting Grantor's obligations under this Section 4, Grantor hereby authorizes Collateral Agent unilaterally to modify this Agreement by amending Schedule I to include any such new trademark rights of Grantor. Notwithstanding the foregoing, no failure to so modify this Trademark Security Agreement or amend Schedule I shall in any way affect, invalidate or detract from Collateral Agent's continuing security interest in all Collateral, whether or not listed on Schedule I.

6. COUNTERPARTS. This Trademark Security Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same instrument. In proving this Trademark Security Agreement or any other Loan Document in any judicial proceedings, it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom such enforcement is sought. Any signatures delivered by a party by facsimile transmission or by e-mail transmission shall be deemed an original signature hereto.

7. CONSTRUCTION. Unless the context of this Trademark Security Agreement or any other Loan Document clearly requires otherwise, references to the plural include the singular, references to the singular include the plural, the terms "includes" and "including" are not limiting and the term "or" has, except where otherwise indicated, the inclusive meaning represented by the phrase "and/or." Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words

"include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation," whether or not so expressly stated in each such instance. The words "hereof," "herein," "hereby," "hereunder," and similar terms in this Trademark Security Agreement or any other Loan Document refer to this Trademark Security Agreement or such other Loan Document, as the case may be, as a whole and not to any particular provision of this Trademark Security Agreement or such other Loan Document, as the case may be. Section, subsection, clause, schedule, and exhibit references herein are to this Trademark Security Agreement unless otherwise specified. Any reference in this Trademark Security Agreement or in any other Loan Document to any agreement, instrument, or other document herein shall be construed as referring to such agreement, instrument, other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such alterations, amendments, changes, extensions, or modifications set forth herein). The word "will" shall be construed to have the same meaning and effect as the word "shall." Unless the context requires otherwise, the words "asset" and "property" shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights. References in this Trademark Security Agreement to "determination" by any Collateral Agent include estimates honestly made by Collateral Agent (in the case of quantitative determinations) and beliefs honestly held by Collateral Agent (in the case of qualitative determinations). Any reference herein or in any other Loan Document to the satisfaction or repayment in full of the Secured Obligations shall mean the repayment in full in cash (or cash collateralization in accordance with the terms hereof) of all Secured Obligations other than unasserted contingent indemnification Secured Obligations. Any reference herein to any Person shall be construed to include such Person's successors and assigns. Any requirement of a writing contained herein or in any other Loan Document shall be satisfied by the transmission of a Record and any Record so transmitted shall constitute a representation and warranty as to the accuracy and completeness of the information contained therein.

[signature page follows]

IN WITNESS WHEREOF, each of the undersigned has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

**NEW GRANTOR:**

**CARABELLA CORPORATION,**  
a Delaware Corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**COLLATERAL AGENT:**

**DYMAS FUNDING COMPANY, LLC**  
a Delaware limited liability company,  
as Collateral Agent

By: Dymas Capital Management, LLC,  
its Manager

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

[SIGNATURE PAGE TO TRADEMARK SECURITY AGREEMENT]

IN WITNESS WHEREOF, each of the undersigned has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

**NEW GRANTOR:**

**CARABELLA CORPORATION,**  
a Delaware Corporation

By: 

Name: Geralynn Madonna

Title: Chief Executive Officer

**COLLATERAL AGENT:**

**DYMAS FUNDING COMPANY, LLC**  
a Delaware limited liability company,  
as Collateral Agent

By: Dymas Capital Management, LLC,  
its Manager

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

[SIGNATURE PAGE TO TRADEMARK SECURITY AGREEMENT]

IN WITNESS WHEREOF, each of the undersigned has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

NEW GRANTOR:

**CARABELLA CORPORATION,**  
a Delaware Corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

COLLATERAL AGENT:

**DYMAS FUNDING COMPANY, LLC**  
a Delaware limited liability company,  
as Collateral Agent

By: Dymas Capital Management, LLC,  
its Manager

By:  \_\_\_\_\_

Name: **ANDREW D. MAREK**  
**MANAGING DIRECTOR**

Title: \_\_\_\_\_

[SIGNATURE PAGE TO TRADEMARK SECURITY AGREEMENT]



SCHEDULE I  
to  
TRADEMARK SECURITY AGREEMENT

Trademark	Country/ State	Reg. No.	Reg. Date	App. No.	App. Date	Status	Owner
A.B. LAMBDIN	U.S.	2,387,471	09/19/00	75719136	06/01/99	Registered	Carabella Corporation
A.B. LAMBDIN	U.S. State- Georgia	T-10,578	01/23/91	N/A	N/A	Registered	Carabella Corporation
A.B. LAMBDIN	U.S. State- Georgia	S10579	01/23/91	N/A	N/A	Registered	Carabella Corporation
CARABELLA COLLECTION	U.S.	1,770,814	05/11/93	74134490	01/29/91	Registered	Carabella Corporation