

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:

NEW ASSIGNMENT

NATURE OF CONVEYANCE:

Security Agreement

CONVEYING PARTY DATA

Name	Execution Date
Town & Country Holdings, Inc.	09/27/2006
Town & Country Linen Corp.	09/27/2006
Brownstone Gallery, Ltd.	09/27/2006
Bath by Town & Country Inc.	09/27/2006
Pillows by Town & Country, Inc.	09/27/2006
TCL Global, Ltd.	09/27/2006
Royal Trade Limited	09/27/2006

RECEIVING PARTY DATA

Name:	Israel Discount Bank of New York
Street Address:	511 Fifth Ave.
City:	New York
State/Country:	NEW YORK
Postal Code:	10017-4997

PROPERTY NUMBERS Total: 7

Property Type	Number
Patent Number:	D441244
Patent Number:	D476777
Patent Number:	D476778
Patent Number:	D518921
Application Number:	11077817
Application Number:	11295262
Application Number:	10965140

CORRESPONDENCE DATA

Fax Number: (866)459-2899

500161914

PATENT  
REEL: 018362 FRAME: 0483

CH \$280.00 D441244

*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*

Phone: 212-326-0191  
Email: Oleh.Hereliuk@federalresearch.com  
Correspondent Name: Pryor Cashman Sherman & Flynn LLP  
Address Line 1: 410 Park Avenue  
Address Line 2: attn: Danielle Schechner  
Address Line 4: New York, NEW YORK 10022

ATTORNEY DOCKET NUMBER:

368791

NAME OF SUBMITTER:

Oleh Hereliuk

Total Attachments: 18

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**COLLATERAL ASSIGNMENT AND  
SECURITY AGREEMENT (PATENTS AND TRADEMARKS)**

THIS COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT (PATENTS AND TRADEMARKS) (as amended, restated, supplemented or otherwise modified from time to time, this "Agreement") dated as of September 27, 2006 by and among Town & Country Holdings, Inc., a Delaware corporation, Town & Country Linen Corp., a New York corporation, Brownstone Gallery Ltd., a New Jersey corporation, Bath By Town & Country, Inc., a New Jersey corporation, Pillows By Town & Country, Inc., a New Jersey corporation, TCL Global, Ltd., a New Jersey corporation, and Royal Trade Limited, a Hong Kong corporation (each, individually, a "Grantor" or "Borrower", and collectively, the "Grantors" or "Borrowers"), and Israel Discount Bank of New York, as Agent for Lenders, is entered into pursuant to that certain Revolving Credit, Term Loan and Security Agreement dated as of August 9, 2006 (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") among the Grantors, the financial institutions from time to time party thereto (the "Lenders") and Israel Discount Bank of New York (the "Agent").

WITNESSETH:

RECITALS.

A. The Grantors own and use certain patents, trademarks and trademark licenses which are registered in, or applications for registration of which have been filed in, the United States Patent and Trademark Office and other jurisdictions, all as more fully described on Schedule I attached hereto and by reference made part hereof; and

B. Lenders propose to make certain loans to the Borrowers pursuant to the Credit Agreement (capitalized terms used herein and not defined shall have the meanings ascribed to them in the Credit Agreement); and

C. Pursuant to the Credit Agreement, each Borrower has assigned, conveyed, mortgaged, pledged, hypothecated and transferred to Agent all of its right, title and interest in and to, and granted to Agent, a security interest in, the property described therein, including, without limitation, in (a) all Patents (as herein defined); (b) all of the Grantors' Trademarks (as herein defined), whether presently existing or hereafter acquired or arising, or in which any Grantor now has or hereafter acquires rights and wherever located; (c) all of the Grantors' Trademark Licenses (as herein defined), whether presently existing or hereafter acquired or in which any Grantor now has or hereafter acquires rights and wherever located; and (d) all products and proceeds any of the foregoing, as security for all of the Obligations; and

D. As a condition to the extension of such financial accommodations pursuant to the Credit Agreement, including, without limitation, for purposes of perfecting the security interests

granted therein, Lenders have required that the Grantors grant to Agent a security interest in and a collateral assignment of the Property (as herein defined);

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

1. For purposes of this Agreement and in addition to terms defined elsewhere in this Agreement, the following terms shall have the meanings herein specified (such meaning to be equally applicable to both the singular and plural forms of the terms defined):

**"Patents"** means all patents and patent applications listed on Schedule I hereto, and all patents and all reissues and extensions thereof, which issue or have issued in the United States or in any other jurisdiction upon any patent applications which correspond with any of such applications or patents or any divisional, continuation or continuation-in-part thereof, including, without limitation, the right to sue for past, present and future infringements, and proceeds of the foregoing, including, but not limited to, proceeds of licensing.

**"Trademark License"** means any written agreement now or hereafter in existence granting to any Grantor any right to use any Trademark, including, without limitation, the agreements listed on Schedule I attached hereto.

**"Trademarks"** means all of the following: (i) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, including, without limitation, registrations, recordings 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 any other country or any political subdivision thereof, including, without limitation, those listed on Schedule I attached hereto together with all the rights, benefits and privileges derived therefrom and the goodwill of the business symbolized thereby, (ii) all reissues, extensions or renewals thereof and (iii) all proceeds of the foregoing.

2. As security for all of the Obligations, the Grantors hereby grant and convey a security interest to Agent, in, and collaterally assigns to Agent, all of its right, title and interest in, to and under the following (collectively, the **"Property"**):

(a) each Patent now or hereafter owned by each Grantor or in which any Grantor now has or hereafter acquires rights and wherever located, including, without limitation, each Patent referred to in Schedule I hereto and any renewals of registrations thereof; and

(b) each Trademark now or hereafter owned by each Grantor or in which any Grantor now has or hereafter acquires rights and wherever located and the goodwill of the

business of such Grantor relating thereto or represented thereby, including, without limitation, each Trademark referred to in Schedule I hereto and any renewals of registrations thereof; and

(c) each Trademark License now or hereafter held by each Grantor or in which any Grantor now has or hereafter acquires rights and wherever located, including, without limitation, the Trademark Licenses, if any, referred to in Schedule I hereto; and

(d) all products and proceeds of the foregoing, including, without limitation, any claim by any Grantor against third parties for past, present or future infringement of any Patent, Trademark or breach of Trademark Licenses, if any, including, without limitation, any Patent, Trademark or Trademark License referred to in Schedule I hereto.

Notwithstanding the foregoing or anything else contained in this Agreement to the contrary, the assignment set forth above shall not be effective as a transfer of title to the Property unless and until Agent exercises the rights and remedies accorded to it under the Credit Agreement and by law with respect to the realization upon its security interest in and collateral assignment of the Property, and until such time the Grantors shall own, and may use and enjoy the Property in connection with its business operations, and exercise all incidents of ownership, including, without limitation, enforcement of its rights and remedies with respect to the Property, but with respect to all Property being used in the Grantors' business, only in a manner consistent with the preservation of the current substance, validity, registration and the security interest and collateral assignment herein granted in such Property.

3. Each Grantor hereby acknowledges and affirms the representations, warranties and covenants of such Grantor with respect to the Property and the rights and remedies of Agent with respect to the security interest in and collateral assignment of the Property made and granted hereby and as more fully set forth in the Credit Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

In addition, each Grantor covenants and warrants that as of the date of this Agreement:

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

(b) Each of the Patents, Trademarks and Trademark Licenses is valid and enforceable;

(c) There is no outstanding claim known to any Grantor that the use of any of the Patents or Trademarks violates the rights of any third person;

(d) Grantors are the sole and exclusive owners of the entire and unencumbered right, title and interest in and to each of the Patents and Trademarks, free and clear of any liens, charges and encumbrances, (including without limitation pledges, assignments, licenses, registered user agreements and covenants by the Grantors not to sue third persons), except for the Trademark Licenses referred to in Schedule I attached hereto;

(e) The Grantors have the right to enter into this Agreement and perform its terms;

(f) The Grantors have used, and will continue to use for the duration of this Agreement where commercially reasonable, proper statutory notice, where appropriate, in connection with its use of the Patents and Trademarks; and

(g) The Grantors have used, and will continue to use for the duration of this Agreement, consistent standards and commercially reasonable expenses to halt the infringement of the Patents and Trademarks and shall properly exercise its duty to control the nature and quality of the goods offered by any licensees in connection with the Trademark Licenses set forth in Schedule I.

4. (a) The Grantors assume all responsibility and liability arising from the use of the Patents and Trademarks, and the Grantors hereby indemnify and hold Agent and each Lender harmless from and against any claim, suit, loss, damage or expense (including reasonable attorneys' fees) arising out of the Grantors' operations of their business from the use of the Patents and Trademarks, except to the extent any of the foregoing arises out of Agent's gross negligence or willful misconduct.

(b) In any suit, proceeding or action brought by Agent under any Trademark License for any sum owing thereunder, or to enforce any provisions of such Trademark License, the Grantors will indemnify and keep Agent and each Lender harmless from and against all expense, loss or damage suffered by reason of any defense, set off, counterclaim, recoupment or reduction or liability whatsoever of the obligee thereunder, arising out of a breach of any Grantor of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such obligee or its successors from such Grantor, and all such obligations of the Grantors shall be and remain enforceable against and only against the Grantors and shall not be enforceable against Agent or any Lender.

5. The Grantors shall use their commercially reasonable efforts to enable Agent and its employees and agents to visit the plants and facilities which manufacture, inspect or store products of the Grantors or any goods sold under any of the Patents, Trademarks and Trademark Licenses, and to inspect the products and quality control relating thereto at reasonable times during regular business hours. The Grantors shall use their commercially reasonable efforts to do any and all acts required by Agent to ensure the Grantors' compliance with this Agreement.

6. (a) If, before the Obligations shall have been indefeasibly paid in full, any Grantor shall obtain rights to any new patents or trademarks, the provisions of the Agreement shall automatically apply thereto and the Grantors shall give Agent prompt written notice thereof.

(b) The Grantors grant Agent a power-of-attorney, irrevocable so long as the Credit Agreement is in existence, exercisable at all times, to modify this Agreement by amending Schedule I to include any future Property and to take any necessary steps to protect and perfect Agent's interest in such future Property.

7. The Grantors covenant and agree with Agent that from and after the date of this Agreement and until the Obligations are fully and indefeasibly satisfied:

(a) Further Documentation; Pledge of Instruments. At any time and from time to time, upon the written request of Agent, the Grantors will promptly and duly execute and deliver any and all such further instruments and documents and take such further action as Agent may reasonably deem desirable in obtaining the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the Uniform Commercial Code with respect to the liens and security interests granted hereby. The Grantors also hereby authorize Agent to file any such financing or continuation statement without the signature of the Grantors to the extent permitted by applicable law. If any amount payable under or in connection with any of the Property shall be or become evidenced by any promissory note or other instrument, such note or instrument shall be immediately pledged to Agent hereunder, duly endorsed in a manner satisfactory to Agent.

(b) Maintenance of Patents and Trademarks. The Grantors will not do any act, or omit to do any act, whereby the Patents, Trademarks, the Trademark Licenses or any registration or application appurtenant thereto, may become abandoned, invalidated, unenforceable, avoided, avoidable, or will otherwise diminish in value except where the Grantors deem such action or omission to be, in the exercise of its reasonable business judgment, commercially reasonable, and shall notify Agent immediately if it knows of any reason or has reason to know of any ground under which this result may occur. The Grantors shall, where it deems it so appropriate in the exercise of, its reasonable business judgment, take appropriate action at its expense to halt the infringement of the Patents and Trademarks and shall properly exercise its duty to control the nature and quality of the goods offered by any licensees in connection with the Trademark Licenses set forth in Schedule I.

8. The Grantors will not, except where the Grantors deems such action or omission to be, in the exercise of its reasonable business judgment, commercially reasonable (i) amend, modify, terminate or waive any provision of any Trademark License in any manner which might materially adversely affect the value of such Trademark License or the Trademarks, without the written consent of Agent, (ii) fail to exercise promptly and diligently each and every material right which it may have under each Trademark License (other than any right of termination), without the prior written consent of Agent, or (iii) fail to deliver to Agent a copy of each material demand, notice or document sent or received by it relating in any way to any Patent, Trademark License or Trademark.

9. The Grantors will advise Agent promptly, in reasonable detail, (i) of any lien or claim made or asserted against any of the Property, (ii) of any material change in the composition of the Property, and (iii) of the occurrence of any other event which would have a material adverse effect on the value of any of the Property or on the security interests created hereunder.

10. (a) The Grantors hereby irrevocably constitute and appoint Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact, exercisable only during the occurrence and continuance of an Event of Default, with full

irrevocable power and authority in the place and stead of the Grantors and in the name of the Grantors or in its own name, from time to time in Agent's discretion, for the purposes of carrying out the terms of this Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement and, without limiting the generality of the foregoing, hereby gives Agent the power and right, on behalf of the Grantors, to do the following:

(i) To ask, demand, collect, receive and give acquittances and receipts for any and all moneys due and to become due under any Trademark License and, in the name of the Grantors or its own name or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any Trademark License and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by Agent for the purpose of collecting any and all such moneys due under any Trademark License whenever payable;

(ii) To pay or discharge taxes, liens, security interests or other encumbrances levied or placed on or threatened against the Property, to effect any repairs or any insurance called for by the terms of this Agreement and to pay all or any part of the premiums therefor and the costs thereof; and

(iii) (A) to direct any party liable for any payment under any of the Trademark Licenses to make payment of any and all moneys due and to become due thereunder directly to Agent or as Agent shall direct; (B) to receive payment of and receipt for any and all moneys, claims and other amounts due and to become due at any time in respect of or arising out of any Property; (C) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Property or any part thereof and to enforce any other right in respect of any Property; (D) to defend any suit, action or proceeding brought against the Grantors with respect to any Property; (E) to settle, compromise, or adjust any suit, action or proceeding described above and, in connection therewith, to give such discharges or releases as Agent may deem appropriate; and (F) generally to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Property as fully and completely as though Agent were the absolute owner thereof for all purposes, and to do, at Agent's option all acts and things which Agent deems necessary to protect, preserve or realize upon the Property and Agent's security interest therein, in order to effect the intent of this Agreement, all as fully and effectively as the Grantors might do.

This power of attorney is a power coupled with an interest and shall be irrevocable. Notwithstanding the foregoing, the Grantors further agree to execute any additional documents which Agent may reasonably require in order to confirm this power of attorney, or which Agent may deem necessary to enforce any of its rights contained in this Agreement.

(b) The powers conferred on Agent hereunder are solely to protect its interests in the Property and shall not impose any duty upon it to exercise any such powers. Agent shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, directors, employees or agents shall be responsible to the Grantors for any act or failure to act, except for its own gross negligence or willful misconduct.



(c) The Grantors also authorize Agent to execute, in connection with the sale provided for in this Security Agreement, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Property.

(d) Concurrently with the execution and delivery hereof, the Grantors are executing and delivering to Agent, in the form of Schedule II hereto, ten (10) originals of a Power of Attorney for the implementation of the assignment, sale or other disposal of the Property pursuant to this Agreement.

11. If the Grantors fail to perform or comply with any of its agreements contained herein and Agent, as provided for by the terms of this Agreement, shall perform or comply, or otherwise cause performance or compliance, with such agreement, the expenses of Agent incurred in connection with such performance or compliance shall be payable by the Grantors to Agent on demand and shall constitute Obligations secured hereby.

12. This Agreement shall terminate upon termination of the Credit Agreement in accordance with the provisions thereof. At any time and from time to time prior to such termination, Agent may terminate its security interest in or reconvey to the Grantors any rights with respect to any or all of the Property. Upon termination of this Agreement and following a request from the Grantors, Agent shall, at the expense of the Grantors, execute and deliver to the Grantors all deeds, assignments and other instruments as may be necessary or proper in reasonable judgment of the Grantors in order to evidence such termination, subject to any disposition of the Property which may have been made by Agent pursuant hereto or pursuant to the Credit Agreement.

13. **THIS AGREEMENT SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, EXCEPT TO THE EXTENT THAT PERFECTION (AND THE EFFECT OF PERFECTION AND NONPERFECTION) AND CERTAIN REMEDIES MAY BE GOVERNED BY THE LAWS OF ANY JURISDICTION OTHER THAN THE STATE OF NEW YORK.**

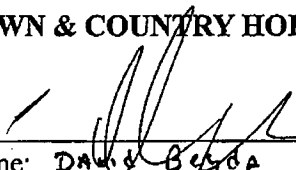
14. This Agreement may be executed in any number of and by different parties hereto on separate counterparts (including by facsimile), all of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same agreement.

[Signatures on Following Pages]

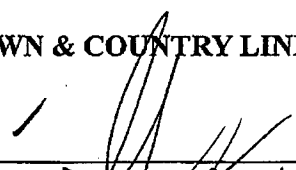
IN WITNESS WHEREOF, each of the parties hereto has caused this Collateral Assignment and Security Agreement to be duly executed by its duly authorized officers as of the date first above written.

**GRANTORS:**

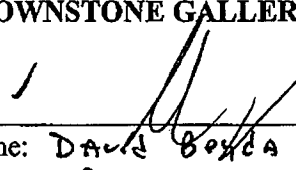
**TOWN & COUNTRY HOLDINGS, INC.**

By:   
Name: David Beyda  
Title: President

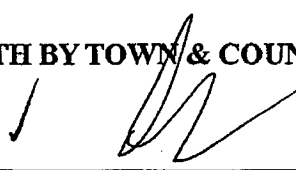
**TOWN & COUNTRY LINEN CORP.**

By:   
Name: David Beyda  
Title: President

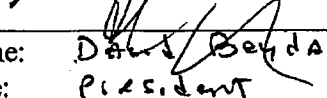
**BROWNSTONE GALLERY, LTD.**

By:   
Name: David Beyda  
Title: President

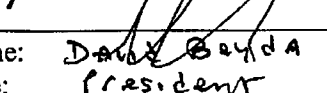
**BATH BY TOWN & COUNTRY INC.**

By:   
Name: David Beyda  
Title: President

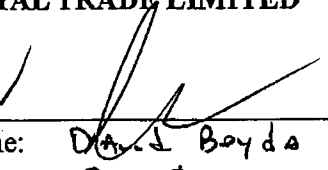
**PILLOWS BY TOWN & COUNTRY, INC.**

By:   
Name: David Boyda  
Title: President

**TCL GLOBAL, LTD.**

By:   
Name: David Boyda  
Title: President

**ROYAL TRADE LIMITED**

By:   
Name: David Boyda  
Title: Director

**AGENT:**

**ISRAEL DISCOUNT BANK OF NEW YORK**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**PILLOWS BY TOWN & COUNTRY, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**TCL GLOBAL, LTD.**


By: \_\_\_\_\_  
Name:  
Title:


**ROYAL TRADE LIMITED**

By: \_\_\_\_\_  
Name:  
Title:

**AGENT:**

**ISRAEL DISCOUNT BANK OF NEW YORK**

By:  \_\_\_\_\_  
Name: Matilde Reyes  
Title: First Vice President

By:  \_\_\_\_\_  
Name: Dina Tourloukis  
Title: Assistant Vice President

## SCHEDULE I

### REGISTERED PATENTS

Patent Title	Country	Patent Number	Application Number	Filing Date	Issue Date
Shower Curtain	US	D,441,244	29/111,678	1-Oct-1999	1-May-2001
Hand Portion of an Oven Mitt	US	D,476,777	29/168,031	24-Sep-2002	1-Jul-2003
Hand Portion of Pot Holder	US	D,476,778	29/168,030	24-Sep-2002	1-Jul-2003
Oven Mitt with Silicone Liner	US	D,518,921	29/203,600	16-Apr-2004	11-Apr-2006

### REGISTERED TRADEMARKS

Trademark	Country	Registration No	Registration Date	Goods
Town & Country Linen Logo	Australia	A391,0763	6/19/1987	Class: in 24 place mats, napkins, runners, table cloths, towels, potholders, toaster and blender covers
Town & Country Linen Logo	Australia	A536,575	1/28/1993	Class: in 25 int'l class 25
Town & Country Living	Australia	729,030	10/15/1999	Class: IN 20; Chair Pads, Decorative Pillows. Class: IN 21; tissue box, paper cup dispenser, tooth brush holder, waste disposal receptacles, wast basket, plastic cups. Class: IN 24; kitchen towels, tie towels, pot holders, napkins, oven mits, placemats (cloth), dish cloth, tablecloths, shower curtains, vinyl tablecloths, vinyl placemats and vinyl shower curtains.
Town & Country Linen Logo	Canada	427,182	5/13/1994	Class: NA N/A; napkin rings, place mats, napkins, runners, tablecloths, towels, toaster and blender covers, pot holders, oven mitts and aprons
Town & Country Living	Mexico	493765	6/7/1995	Class: IN 24 Textiles and Textile Goods, not included in other classes, bed and table covers
Town & Country	New Zealand	B140729	2/16/1982	Class 24; table linen including table cloths, table mats, table napkins, table runners; tea towels
Bath By Town & Country	USA	2,834,446	4/20/2004	Class 6: metal shower curtain rings and metal shower curtain rods; Class 20: non-metal shower curtain rings and non-metal shower curtain rods; class 21: bath accessory sets, namely dispensers for lotion, wastepaper baskets, soap dishes, toothbrush holders, tissue boxes, tubs, toilet bowl brushes; class 24: fabric shower curtains, vinyl shower curtains, vinyl shower curtain liners, bath towels, bath towel sets; class 27: bath mats, bath rugs
My Tunes	USA			Class: IN 20: Pillows having built-in audio speakers
Table Bliss	USA	2788967	12/2/2003	Class 24: Table linens, namely, vinyl tablecloths and placemats
TC Logo	USA	108347	3/14/1978	Class IN 21: Int'l. Class 21-napkin rings. Int'l. Class 24-fabric place mats. Int'l. Class 27-Plastic Place Mats
Town & Country Design	USA	618310	12/27/1955	Class NA 42: bed spreads, sheets, and pillow cases (Int Cl. 24)
Town & Country Linen Logo	USA	1319412	2/12/1985	Class IN 24: placemats, napkins, runners, tablecloths, towels, toaster and blender covers, and potholders and oven mitts; Class IN 25: aprons; Class IN 21: napkin rings
Town & Country Linen Living	USA	2021119	12/3/1996	Class IN 20: fabric decorate pillows, fabric chair pads

### **PENDING PATENT APPLICATIONS**

<b>Patent Title</b>	<b>Country</b>	<b>Patent Number</b>	<b>Application Number</b>	<b>Filing Date</b>	<b>Issue Date</b>
Shower Curtain	US		11/077,817	11-Mar-2005	
Pillow with Speakers	US		11//295,262	6-Dec-2005	
Oven Mitt with Silicone Liner	US		10/965.140	14-Oct-2004	

### **PENDING TRADEMARK APPLICATIONS**

None.

## SCHEDULE II

### SPECIAL POWER OF ATTORNEY

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

KNOW ALL PERSONS BY THESE PRESENTS, that each of Town & Country Holdings, Inc., a Delaware corporation, Town & Country Linen Corp., a New York corporation, Brownstone Gallery Ltd., a New Jersey corporation, Bath By Town & Country, Inc., a New Jersey corporation, Pillows By Town & Country, Inc., a New Jersey corporation, TCL Global, Ltd., a New Jersey corporation, and Royal Trade Limited, a Hong Kong corporation (each, a "Borrower", and, collectively, the "Borrowers"), pursuant to a Collateral Assignment and Security Agreement (Patents and Trademarks), dated the date hereof (the "Security Agreement"), hereby appoints and constitutes Israel Discount Bank of New York, as Agent ("Agent"), its true and lawful attorney, with full power of substitution, and with full power and authority to perform the following acts on behalf of Borrowers, exercisable only during the occurrence and continuance of an Event of Default (such term, as used in the Security Agreement):

1. Assigning, selling or otherwise disposing of all right, title and interest of Borrowers in and to the Patents and Trademarks listed on Schedule I of the Security Agreement, and including those trademarks which are added to the same subsequent hereto, and all registrations and recordings thereof, and all pending applications therefor, and for the purpose of the recording, registering and filing of, or accomplishing any other formality with respect to the foregoing, and to execute and deliver any and all agreements, documents, instruments of assignment or other papers necessary or advisable to effect such purpose;
2. To execute any and all documents, statements, certificates or other papers necessary or advisable in order to obtain the purposes described above as Agent may in its sole discretion determine.

This power of attorney is made pursuant to the Security Agreement, dated the date hereof, between Borrowers and Agent, and may not be revoked until the indefeasible payment in full of all Obligations as defined in such Security Agreement.

**TOWN & COUNTRY HOLDINGS, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**TOWN & COUNTRY LINEN CORP.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**BROWNSTONE GALLERY, LTD.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**BATH BY TOWN & COUNTRY INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**PILLOWS BY TOWN & COUNTRY, INC.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**TCL GLOBAL, LTD.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**ROYAL TRADE LIMITED**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



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

On this \_\_\_\_\_ day of September, 2006, before me personally came \_\_\_\_\_, to me known, who, being by me duly sworn, did depose and say that s/he is the \_\_\_\_\_ of TOWN & COUNTRY LINEN CORP., the corporation described in and which executed the foregoing instrument; and that s/he signed her/his name thereto by order of the board of directors of said corporation.

\_\_\_\_\_  
Notary Public

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

On this \_\_\_\_\_ day of September, 2006, before me personally came \_\_\_\_\_, to me known, who, being by me duly sworn, did depose and say that s/he is the \_\_\_\_\_ of BROWNSTONE GALLERY LTD., the corporation described in and which executed the foregoing instrument; and that s/he signed her/his name thereto by order of the board of directors of said corporation.

\_\_\_\_\_  
Notary Public

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

On this \_\_\_\_\_ day of September, 2006, before me personally came \_\_\_\_\_, to me known, who, being by me duly sworn, did depose and say that s/he is the \_\_\_\_\_ of BATH BY TOWN & COUNTRY INC., the corporation described in and which executed the foregoing instrument; and that s/he signed her/his name thereto by order of the board of directors of said corporation.

\_\_\_\_\_  
Notary Public

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

On this \_\_\_\_\_ day of September, 2006, before me personally came \_\_\_\_\_, to me known, who, being by me duly sworn, did depose and say that s/he is the \_\_\_\_\_ of PILLOWS BY TOWN & COUNTRY, INC., the corporation described in and which executed the foregoing instrument; and that s/he signed her/his name thereto by order of the board of directors of said corporation.

\_\_\_\_\_  
Notary Public

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

On this \_\_\_\_\_ day of September, 2006, before me personally came \_\_\_\_\_, to me known, who, being by me duly sworn, did depose and say that s/he is the \_\_\_\_\_ of TCL GLOBAL, LTD., the corporation described in and which executed the foregoing instrument; and that s/he signed her/his name thereto by order of the board of directors of said corporation.

\_\_\_\_\_  
Notary Public

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

On this \_\_\_\_\_ day of September, 2006, before me personally came \_\_\_\_\_, to me known, who, being by me duly sworn, did depose and say that s/he is the \_\_\_\_\_ of ROYAL TRADE LIMITED, the corporation described in and which executed the foregoing instrument; and that s/he signed her/his name thereto by order of the board of directors of said corporation.

\_\_\_\_\_  
Notary Public