

12-28-1998

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9-8-98

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To the Honorable Commissioner of

100867220

attached original documents or copy thereof.

1. Name of conveying party(ies):  
*RE MPD 12-23-98*  
 BNY Financial Corporation  
 1290 Avenue of the Americas  
 New York, New York 10104

Individual(s)                       Association  
 General Partnership               Limited Partnership  
 Corporation-State NY  
 Other \_\_\_\_\_

Additional name(s) of conveying party(ies) attached?  Yes  No

2. Name and address of receiving party(ies):

Name: Terry Products, Inc.  
 Internal Address: Drawer 108  
 Street Address: 200 Ruth Avenue  
 City: Kannapolis State: NC ZIP: 28082

Individual(s) citizenship \_\_\_\_\_  
 Association \_\_\_\_\_  
 General Partnership \_\_\_\_\_  
 Limited Partnership \_\_\_\_\_  
 Corporation-State DE  
 Other \_\_\_\_\_

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)  
 Additional name(s) & address(es) attached?  Yes  No

3. Nature of conveyance:

Assignment                               Merger  
 Security Agreement                       Change of Name  
 Other Secured Party General Conveyance  
and Bill of Sale

Execution Date: August 31, 1998

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)  
See attached Schedule A.

B. Trademark registration No.(s)  
See attached Schedule A.  
only record numbered items.

Additional numbers attached?  Yes  No

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

Name: Federal Research Corp.  
 Internal Address: \_\_\_\_\_  
 Street Address: 400 Seventh St NW  
Suite 101  
 City: Washington State: DC ZIP: 20004

6. Total number of applications and registrations involved: ..... 14

7. Total fee (37 CFR 3.41): ..... \$ 365.00

Enclosed  
 Authorized to be charged to deposit account

8. Deposit account number: \_\_\_\_\_

(Attach duplicate copy of this page if paying by deposit account)

09/10/1998 JSWBAZZ 00000004 1796417  
 01 FC:461 40.00 OP  
 02 FC:462 325.00 OP

DO NOT USE THIS SPACE

9. Statement and signature.  
 To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document

Daphne E. Schmitt  
 Name of Person Signing

[Signature] September 2, 1998  
 Signature Date

Total number of pages including cover sheet, attachments and document: 51

Mail documents to be recorded with required cover sheet information to:  
 Commissioner of Patents & Trademarks, Box Assignments  
 Washington, D.C. 20231

**Schedule A**  
to  
**Secured Party**  
**General Conveyance and Bill of Sale**

1. All Finished Goods Inventory set forth on the Inventory Listing;
2. The personal property of Debtor subject to lease set forth on Schedule A-1 annexed hereto and incorporated by reference herein (collectively, the "Leased Property").
3. All intellectual property and the good will represented thereby, including without limitation (a) the "Sparkle Sportswear", "Sparkle Baby", "Spark Plugs", "Sparkle Stars" and "U.S. Wear" trade names and/or trade styles, and (b) the following trademarks, including the registrations and applications appurtenant thereto:

<u>Trademark</u>	<u>Country</u>	<u>Registration Number</u>
U.S. WEAR	USA	1796417 1
SPARKLE	USA	1918043 2
SPARK PLUGS	USA	1786190 3
HER MAJESTY & CROWN LOGO	USA	690592 4
HER MAJESTY & DESIGN	USA	1187692 5
HER MAJESTY & DESIGN	USA	1134708 6
LOVE UNIVERSITY	USA	1411424 7
LOVE UNIVERSITY & DESIGN	USA	1409574 8
JUST JODIE	USA	1676832 9
BELLISSIMA	USA	641445 10
DREAMAWAY	USA	1559933 11
DREAMAWAY	USA	769971 12
JODIE ARDEN	USA	1460141 13
JODIE ARDEN (STYLIZED)	CANADA	365609
JODIE ARDEN (STYLIZED)	USA	1193673 14

4. One (1) share of common stock of Laro Manufacturing, Inc. (the "Laro Stock").
5. All vendor purchase orders and sales orders listed in Schedule D annexed hereto and made a part hereof.
6. All right, title and interest of Debtor under the Agreement dated as of June 28, 1996 by and between Her Majesty Industries, a division of Debtor, and Dana Undies Sales Corp.

**SECURED PARTY**  
**GENERAL CONVEYANCE AND BILL OF SALE**

KNOW ALL MEN BY THESE PRESENTS that BNY Financial Corporation of 1290 Avenue of the Americas, New York, New York 10104 ("Grantor") pursuant to its rights as a secured party under an Amended and Restated Factoring Agreement dated July 5, 1995 as the same may have been supplemented and amended (the "Factoring Agreement"), an Amended and Restated Inventory Security Agreement dated July 5, 1995, an Amended and Restated Equipment Security Agreement dated July 5, 1995, a Pledge Agreement dated July 5, 1995 (the "Pledge Agreement"), a Trademark Collateral Security Agreement dated July 5, 1995 and related agreements by and between Grantor and U.S. Wear, Inc., formerly known as Her Majesty Industries Corp. ("Debtor") and pursuant to and in exercise of its rights as a secured party under the Uniform Commercial Code as adopted by the State of New York, for and in consideration of an amount equal to the sum of (a) One Million Dollars and No Cents (\$1,000,000.00), which shall be paid to Grantor on the date hereof, plus (b) Forty Thousand Dollars and No Cents (\$40,000.00), which shall be paid to Grantor within sixty (60) days of the date hereof, plus (c) the "Finished Goods Inventory Purchase Price", as such term is defined herein, it being agreed that \$500,000 of the Finished Goods Inventory Purchase Price shall be paid to Grantor on the date hereof and the balance of the Finished Goods Inventory Purchase Price shall be paid to Grantor within sixty (60) days of the date hereof, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby grants, assigns, transfers, conveys and sets over to Terry Products, Inc. ("Grantee") all of Debtor's right, title and interest in and to the property described in Schedule A annexed hereto and made a part hereof (the "Conveyed Property").

TO HAVE AND TO HOLD the same unto Grantee, its successors and assigns.

"Finished Goods Inventory Purchase Price" shall mean (a) One Hundred Six Thousand Dollars and No Cents (\$106,000) plus (b) the product of (i) the actual quantities of the Debtor's finished goods inventory to be acquired pursuant hereto (the "Finished Goods Inventory"), as determined by an actual physical inventory count conducted by RGIS Inventory Specialists as of the date hereof, in the presence of representatives of the Debtor and Grantee and in accordance with the procedures set forth in Schedule B annexed hereto and made a part hereof (the "Count/Cost Procedures"), the results of which count shall be delivered to the parties hereto as soon as is practicable after the date hereof and which shall then be annexed hereto as Schedule C and made a part hereof (the "Inventory Listing"), times (ii) seventy-five percent (75%) of the actual cost to the Debtor of such inventory as determined by Grantee with reference to the Debtor's books and records and in accordance with the Count/Cost Procedures.

With respect to the Conveyed Property other than the Leased Property, as such term is defined in Schedule A, Grantor represents, warrants and covenants that it has (a) a valid, perfected and enforceable first priority lien and/or security interest in all of the property of the Debtor being transferred hereunder; and (b) all necessary right and authority to sell the property transferred and assigned hereby, free and clear of claims, liens and encumbrances, and, that Grantee will be vested with good and marketable title to such property. With respect to the Laro Stock, as such term is defined in Schedule A, Grantor additionally represents and warrants, in reliance upon and based solely upon the representation and warranty of Debtor in the Pledge Agreement with

respect thereto, that to the best of Grantor's knowledge, the Laro Stock represents one hundred percent (100%) of the issued and outstanding capital stock of Laro Manufacturing, Inc. With respect to the Leased Property, Grantor makes no representation, warranty or covenant whatsoever other than that, in reliance upon and based solely upon the letter of Borrower to Grantor dated August 31, 1998, Grantor represents and warrants that it is unaware that there is any personal property of Debtor subject to lease other than that set forth on Schedule A-2 annexed hereto and made a part hereof.

If a claim or demand is made by a third party against Grantee with respect to the Conveyed Property, other than the Leased Property, transferred to Grantee hereby, upon Grantee promptly advising Grantor of any such claim and providing Grantor with the right to defend same at Grantor's sole cost and expense and by counsel of Grantor's choosing, then with respect to such representations and warranties, Grantor shall be liable to Grantee to the extent of damages, if any, actually suffered by Grantee, but limited nevertheless to that portion of the purchase price paid by Grantee to Grantor hereunder allocable to the subject Conveyed Property, provided further that Grantor shall have no such liability to Grantee whatsoever under this sentence with respect to the Leased Property.

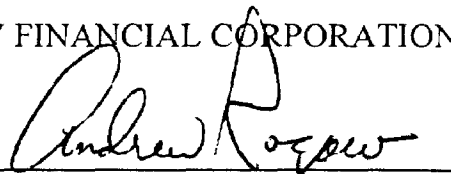
**EXCEPT AS HEREIN SPECIFICALLY SET FORTH, GRANTOR MAKES NO WARRANTY OR REPRESENTATION WITH RESPECT TO THE PROPERTY TRANSFERRED HEREUNDER, INCLUDING WITHOUT LIMITATION AS TO TITLE, AND GRANTEE ACKNOWLEDGES BY ITS ACCEPTANCE HEREOF THAT IT IS ACCEPTING ALL OF DEBTORS'S RIGHTS IN AND TO SUCH PROPERTY, "AS IS," "WHERE IS" AND WITHOUT IMPLIED OR EXPRESSED WARRANTY.**

The Grantee, by accepting this Secured Party General Conveyance and Bill of Sale, agrees to comply with all federal, state and local laws and regulations having force of law which apply to the Grantee's removal of and use of the property sold hereunder.

IN WITNESS WHEREOF, Grantor has caused this instrument to be duly executed this 31st day of August 1998.

BNY FINANCIAL CORPORATION

By:

  
Andrew Rogow  
Senior Vice President

ACCEPTED AND AGREED TO:

TERRY PRODUCTS, INC.

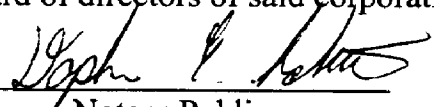
By:

Name: M.A. KRAFT

Title: President

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

On the 31<sup>st</sup> day of August 1998 before me personally came Andrew Rogow, to me known, who being by me duly sworn, did depose and say that he is a Senior Vice President of BNY Financial Corporation, 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.

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


**DAPHNE E. SCHMITT**  
Notary Public, State of New York  
No. 5008515  
Qualified in Onondaga County  
My Commission Expires February 22, 1999


CONSENT

The undersigned hereby consent to the aforesaid Secured Party General Conveyance and Bill of Sale.


HER MAJESTY OF SOUTH CAROLINA, INC.

CAMERON CREDIT CORP.

By:   
Name: Irit Glasser  
Title: President


By:   
Name: LAWRENCE SCHORR  
Title: President

HER MAJESTY OF PUERTO RICO, INC.

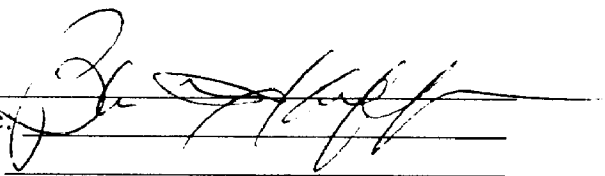
By:   
Name: Irit Glasser  
Title: President

  
Burton Koffman

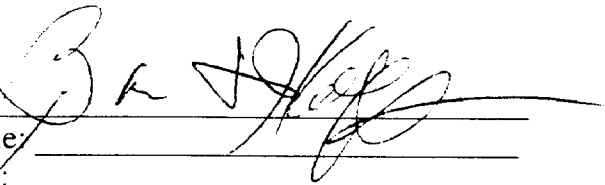
LARO MANUFACTURING, INC.

By:   
Name: Irit Glasser  
Title: President

NEW VALU, INC.

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

K 6 CORP.

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

SCHEDULE A-1

1. Northstar phone system -- NYC office phone
2. S/P: Modern Office Machines
  - A. Canon 450 Copier # NCJ17007
  - B. Canon 4000 Fax # ULM12792
  - C. Canon 450 Copier # NCJ13036
  - D. Canon Laser Fax # UBY79115
3. IBM Credit Corp.
  - A. A5400 Computer
4. Canon Copier NP6230 # NGM04936  
Canon Financial Services
5. '97 Ford Taurus  
Ford Credit Corp.

SCHEDULE 2A-2

1. Northstar phone system -- NYC office phone
2. S/P: Modern Office Machines
  - A. Canon 450 Copier # NCJ17007
  - B. Canon 4000 Fax # ULM12792
  - C. Canon 450 Copier # NCJ13036
  - D. Canon Laser Fax # UBY79115
  - E. Canon Copier # NP1820  
# BKB16944
3. IBM Credit Corp.
  - A. A5400 Computer
4. AT&T Credit Corp.
  - A. Maulden phone system
5. Canon Copier NP6230 # NGM04936  
Canon Financial Services
6. '97 Ford Taurus  
Ford Credit Corp.
7. '97 Freightliner Truck (24')  
Rollins Leasing Corp.