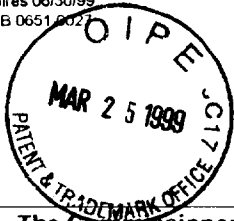


D

FORM PTO-1618A

Expires 06/30/99
OMB 0651-0027



03-25-1999

U.S. Department of Commerce
Patent and Trademark Office

04-07-1999



101003119

U.S. Patent & TMO/TM Mail Rcpt Dt. #10
**RECORDATION FORM COVER SHEET
TRADEMARKS ONLY**

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New 3-25-99
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment License
- Security Agreement Nunc Pro Tunc Assignment
Effective Date
Month Day Year
- Merger
- Change of Name
- Other

Conveying Party

Mark if additional names of conveying parties attached

Name

Execution Date
Month Day Year

Formerly

- Individual General Partnership Limited Partnership Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

State/Country

Zip Code

- Individual General Partnership Limited Partnership If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)
- Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

04/06/1999 DNGUYEN 00000187 75137175

FOR OFFICE USE ONLY

01 FC:481
02 FC:482

40.00 OP
600.00 OP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231
TRADEMARK
REEL: 1879 FRAME: 0001

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text" value="75/137,175"/>	<input type="text" value="75/137,002"/>	<input type="text" value="74/733,140"/>
<input type="text" value="74/730,086"/>	<input type="text" value="74/635,868"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

<input type="text" value="1,798,785"/>	<input type="text" value="1,937,382"/>	<input type="text" value="1,490,663"/>
<input type="text" value="1,933,322"/>	<input type="text" value="1,952,987"/>	<input type="text" value="1,937,383"/>
<input type="text" value="1,273,509"/>	<input type="text" value="1,398,606"/>	<input type="text" value="1,524,654"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

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. Charges to deposit account are authorized, as indicated herein.

Name of Person Signing

Signature

Date Signed

**RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY**

FORM PTO-1618C
Expires 08/30/99
OMB 0851-0027

U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK

Conveying Party
Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship State of Incorporation/Organization

Receiving Party

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

Individual General Partnership Limited Partnership

Corporation Association

Other

Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached (Designation must be a separate document from the Assignment.)

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

1,530,864	1,694,263	1,711,822
1,691,700	1,827,535	1,905,068
1,918,883	1,863,788	1,586,196
1,927,748	1,099,854	
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

**TRADEMARK AND TRADEMARK
APPLICATIONS SECURITY AGREEMENT BankBoston Retail Finance Inc., as Agent**

January 22, 1999

This Trademark and Trademark Application Security Agreement (the "**TM Security Agreement**") is made as of the 22nd day of January, 1999, by County Seat Stores, Inc., debtor-in-possession, a Minnesota corporation with its principal executive offices at 469 Seventh Avenue, New York, New York 10018 (the "**Obligor**"), and BankBoston Retail Finance Inc. (in such capacity, the "**Agent**"), a Delaware corporation with its principal executive offices at 40 Broad Street, Boston, Massachusetts 02109, as Agent for the Lenders under and as defined in that certain Loan and Security Agreement, dated as of January 22, 1999 amongst the Obligor on the one hand, and the Agent and the Lenders on the other, as such Loan and Security Agreement is amended from time to time (hereafter, the "**Loan Agreement**").

RECITALS

WHEREAS, pursuant to the Loan Agreement the Agent and the Lenders from time to time a party thereto have agreed to make certain loans and other financial accommodations (hereinafter, the "**Loans**") available to the Obligor, subject to, and in accordance with the provisions of, the Loan Agreement;

WHEREAS, under the Loan Agreement, the Obligor has created a security interest in the Obligor's assets to secure the **Liabilities** (as defined in the Loan Agreement and used herein as so defined);

WHEREAS, as a condition, among others, to the establishment of the credit facility contemplated by the Loan Agreement, the Obligor has executed this TM Security Agreement.

NOW THEREFORE, For good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Obligor and the Agent agree as follows:

1. Terms used herein which are defined the Loan Agreement are used as so defined.
2. To secure the Liabilities, the Obligor hereby grants to the Agent for the ratable benefit of the Lenders, a continuing security interest in and to, and assigns for security to the Agent for the ratable benefit of the Lenders (with power of sale exercisable upon the occurrence of an Event of Default as defined in the Loan Agreement), the following, and each item thereof, whether now owned or in which the Obligor has an existing interest or hereafter acquired or arising

and all products, proceeds, substitutions, and accessions of or to any of the following::

(a) All trademarks, trademark applications, service marks, registered service marks and service mark applications including, without limitation, those listed on **EXHIBIT A** annexed hereto and made a part hereof, together with any goodwill connected with and symbolized by any such trademarks, trademark applications, service marks, registered service marks, and service mark applications.

(b) All renewals of any of the foregoing.

(c) All income, royalties, damages and payments now and hereafter due and/or payable under and with respect to any of the foregoing, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof.

(d) The right to sue for past, present and future infringements and dilutions of any of the foregoing.

(e) All of Obligor's rights corresponding to any of the foregoing throughout the world.

All of the foregoing trademarks, registered trademarks and trademark applications, and service marks, registered service marks and service mark applications described in Subsection 2.(a), together with the items respectively described in Subsections 2.(b) through and including 2.(e) are hereinafter individually and/or collectively referred to as the "**Marks**".

3. Until this TM Security Agreement is terminated in writing by a duly authorized officer of the Agent, the Obligor shall undertake the following with respect to each Mark which is material to its business as then being conducted:

(a) Pay all renewal fees and other fees and costs associated with maintaining the Marks and with the processing of the Marks.

(b) At the Obligor's sole cost, expense, and risk, pursue the prompt, diligent, processing of each Application for Registration which is the subject of the security interest created herein.

(c) At the Obligor's sole cost, expense, and risk, take any and all action which Obligor deems desirable to protect the Marks, including, without limitation, but subject to Obligor's discretion, the prosecution and defense of infringement actions.

4. In the event of
- (a) the Obligor's failure, within Five (5) days of written notice from the Agent, to cure any failure by the Obligor to perform any of the Obligor's obligations set forth in Section 3, above; and/or
 - (b) the occurrence and continuance of any Event of Default beyond applicable grace periods as provided for in the Loan Agreement,

the Agent acting in its own name or in that of the Obligor may (but shall not be required to) act in the Obligor's place and stead and/or in the Agents' own right in connection therewith.

5. The Obligor represents and warrants that:

- (a) **EXHIBIT A** includes all of the registered trademarks, Federal trademark applications, registered service marks and Federal service mark applications now owned by the Obligor.

- (b) No liens, claims or security interests which are still in effect have been granted in any Mark by the Obligor to any Person other than to the Agent and to Back Bay Capital Funding, LLC pursuant to a certain Term Loan and Security Agreement of even date, as amended from time to time.

6. In order to further secure the Liabilities:

- (a) The Obligor shall give the Agent written notice (with reasonable detail) within Twenty-five (25) days following the occurrence of any of the following:

- (i) The Obligor obtains rights to, and files applications for registration of, any new trademarks, or service marks, or otherwise acquires ownership of any newly registered trademarks, registered service marks, trademark applications, or service mark applications.

- (ii) The Obligor becomes entitled to the benefit of any registered trademarks, trademark applications, trademark licenses, trademark license renewals, registered service marks, service mark applications, service mark licenses or service mark license renewals as licensee.

- (b) The provisions of this TM Security Agreement shall automatically apply to any such additional property or rights described in 6.(a), above, all of which shall be deemed to be and treated as "Marks" within the meaning of this TM Security Agreement.

- (c) The Obligor hereby authorizes the Agent to modify this agreement by amending EXHIBIT A to include any future registered trademarks, trademark applications,

registered service marks and service mark applications, written notice of which is so given, *provided, however*, the modification of said EXHIBIT shall not be a condition to the creation or perfection of the security interest created hereby.

7. Upon the occurrence of any Event of Default, and only if such default shall be continuing beyond applicable grace periods as provided for in the Loan Agreement, the Agent may exercise all rights and remedies of a secured party upon default under the Uniform Commercial Code as adopted in Massachusetts (Massachusetts General Laws, Chapter 106), with respect to the Marks, in addition to which the Agent, subject to the terms of the Loan Agreement, may sell, license, assign, transfer, or otherwise dispose of the Marks. Any person may conclusively rely upon an affidavit of an officer of the Agent that an Event of Default has occurred and that the Agent is authorized to exercise such rights and remedies.

8. The Obligor hereby irrevocably constitutes and designates the Agent as and for the Obligor's attorney in fact, effective with and upon the Agent's first exercise (the "**First Exercise**") of such powers following the occurrence of any Event of Default continuing beyond applicable grace periods as provided for in the Loan Agreement:

(a) To exercise any of the rights and powers referenced in Section 7.

(b) To execute all and singular such instruments, documents, and papers as the Agent determines to be appropriate in connection with the exercise of such rights and powers and to cause the sale, license, assignment, transfer, or other disposition of the Marks.

The within grant of a power of attorney, being coupled with an interest, shall be irrevocable until the within TM Security Agreement is terminated by a duly authorized officer of the Agent, but shall be exercisable only following the occurrence of an Event of Default.

9. Any use by the Agent of the Marks as authorized hereunder in connection with the exercise of the Agents' rights and remedies under the within TM Security Agreement and the Loan Agreement shall be coextensive with Obligor's rights thereunder and with respect thereto and without any liability for royalties or other related charges from the Agent to the Obligor. Such use by the Agent shall be permitted only with and upon the First Exercise following the occurrence of an Event of Default continuing beyond applicable grace periods as provided for in the Loan Agreement.

10. Agent hereby acknowledges that the Obligor shall continue to have the exclusive right, prior to notice from the Agent following the occurrence of an Event of Default continuing beyond applicable grace periods as provided for in the Loan Agreement, to sue for past, present and future infringement of the Marks including the right to seek injunctions and/or money damages, in an effort by Obligor to protect the Marks against encroachment by third parties; *provided, however,* that Obligor must promptly notify Agent in writing of its filing of a lawsuit for enforcement of the trademarks against a particular party. All costs arising in connection with any infringement shall be borne by Obligor.

11. Following the payment and satisfaction of all Liabilities, and the termination of any obligation of the Agent to provide loans or financial accommodations under the credit facility contemplated by the Loan Agreement, this TM Security Agreement shall terminate and the Agent shall execute and deliver to Obligor all such instruments as the Obligor reasonably may request to release any Encumbrance in favor of the Agent created hereby or pursuant hereto, subject, however, to any disposition thereof which may have been made by Agent pursuant hereto or pursuant to the Loan Agreement. The Agent will also execute and deliver to the Obligor such releases as Obligor shall reasonably request in connection with any disposition permitted hereunder or under the Loan Agreement of any Mark or other collateral pledged hereunder.

12. Neither anything contained in the within TM Security Agreement or in the Loan Agreement nor any act, omission, or circumstance may be construed as directly or indirectly conveying to the Agent any rights in and to the Marks (except the grant of security pursuant to Section 2 hereof, and Section 8.1 of the Loan Agreement) which rights are effective except following the occurrence and continuance of any Event of Default beyond applicable grace periods as provided for in the Loan Agreement (and in such circumstances, only with and upon the First Exercise).

13. This TM Security Agreement is intended to be supplemental of the Loan Agreement. All provisions of the Loan Agreement shall apply to the Marks and the Agent shall have the same rights with respect to any and all security interests in the Marks granted the Agent to secure the Liabilities hereunder as thereunder. Notwithstanding the foregoing in the event of a conflict between this TM Security Agreement and the Loan Agreement, the terms of this TM Security Agreement shall control with respect to the Marks and the Loan Agreement with respect to all other collateral, and *further* provided that in the event of any inconsistency between the provisions

of any Loan Document and the Borrowing Order, the provisions of the Borrowing Order shall govern and control.

14. This TM Security Agreement and all rights and obligations hereunder, including matters of construction, validity, and performance, shall be governed by the laws of The Commonwealth of Massachusetts.

IN WITNESS WHEREOF, the Obligor and the Agent respectively have caused this Loan Agreement to be executed by officers duly authorized so to do on the date first above written.

COUNTY SEAT STORES, INC.
(The "Obligor")

BANKBOSTON RETAIL FINANCE INC.
(The "Agent")

By *Allen Weiss*
Allen Weiss
Title: *Sr. V.P. and C.F.O.*

By *Michael J. Viola*
Michael J. Viola
Title: *Managing Director*

State of New York
COUNTY OF *New York*, SS

Then personally appeared before me *Allen Weiss* who acknowledged that such person is the duly authorized *Sr. V.P. and C.F.O.* of County Seat Stores, Inc. and that such person had executed the foregoing instrument on its behalf.

Witness my hand and seal this *22nd* day of *January*

Matthew J. Viola

, Notary Public

My Commission Expires:
MATTHEW J. VIOLA
NOTARY PUBLIC, State of New York
No. 6329224
Qualified in Kings County
Commission Expires January 18, *2008*

EXHIBIT A

Obligor's now owned or existing or hereafter acquired or arising registered service marks and Federal service mark applications, registered trademarks, and Federal trade mark applications:

Trademark/Service Mark Registrations

TRADEMARK REGISTRATION NUMBER REGISTRATION DATE

Trademark Applications

MARK SERIAL NUMBER FILING DATE

See Attached

358391.3

EXHIBIT A

LIST OF U.S. SERVICE MARKS AND TRADEMARKSI. Trademark and Service mark Applications Filed or to Be Filed in the United States Patent and Trademark Office

<u>Mark</u>	<u>Serial Number</u>	<u>Date of Filing</u>
1. CS USA & Design	75/137,175	July 22, 1996
2. CS USA & Design	75/137,002	July 22, 1996
3. The Old Farmer's Almanac General Store	74/733,140	September 11, 1995
4. The Old Farmer's Almanac General Store & Design	74/730,086	September 18, 1995
5. County Seat Supply Company	74/635,868	February 17, 1995
6. CS County Seat Jeans & Design		Pending
7. CS County Seat Jeans & Design		Pending
8. R and R		Application to be drafted
9. Tan Star		To be filed
10. The Seat		Application to be drafted

II. Trademarks Registered in the United States
Patent and Trademark Office

<u>Mark</u>	<u>U.S. Registration Number</u>	<u>Date of Registration</u>
1. County Seat	1,798,785	October 12, 1993
2. County Seat Easy Life Wrinkle Less	1,937,382	November 21, 1995
3. County Seat The Jean Store	1,490,663	May 31, 1988
4. Easy Life	1,933,322	November 7, 1995
5. Easy Life Wrinkle Less	1,952,987	January 30, 1996
6. Easy Life Wrinkle Less & Design	1,937,383	November 21, 1995
7. Locker Loot	1,273,509	April 10, 1984
8. New Forces	1,398,606	June 24, 1986
9. Nuovo	1,524,654	February 14, 1989
10. Nuovo	1,530,864	March 21, 1989
11. Nuovo	1,694,263	June 16, 1992
12. Nuovo	1,711,822	September 1, 1992
13. Nuovo	1,691,700	June 9, 1992
14. Nuovo County Seat	1,827,535	March 22, 1994
15. Ten Star	1,905,068	July 11, 1995
16. Ten Year Wash	1,918,883	September 12, 1995
17. Ten Year Wash	1,863,788	November 22, 1994

III. Service Marks Registered in the United States
Patent and Trademark Office

<u>Mark</u>	<u>U.S. Registration Number</u>	<u>Date of Registration</u>
1. Eagle (Design)	1,586,196	March 6, 1990
2. County Seat The Denim Authority	1,927,748	October 17, 1995
3. County Seat	1,099,854	August 15, 1978

LIST OF JAPANESE TRADEMARKS

<u>Mark</u>	<u>Registration Number</u>	<u>Date of Registration</u>
1. County Seat	2,144,369	June 23, 1989