

10-06-1999



101162408

MRD
10-1-99

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		Conveyance Type	
<input checked="" type="checkbox"/> New	<input type="checkbox"/> Resubmission (Non-Recordation) Document ID # _____	<input type="checkbox"/> Assignment	<input type="checkbox"/> License
<input type="checkbox"/> Correction of PTO Error Reel # _____ Frame # _____	<input type="checkbox"/> Corrective Document Reel # _____ Frame # _____	<input checked="" type="checkbox"/> Security Agreement	<input type="checkbox"/> Nunc Pro Tunc Assignment
		<input type="checkbox"/> Merger	Effective Date Month Day Year 09 17 99
		<input type="checkbox"/> Change of Name	
		<input type="checkbox"/> Other _____	

Conveying Party Mark if additional names of conveying parties attached

Name Al Baskin Co. Execution Date
Month Day Year
09 22 99

Formerly _____

Individual General Partnership Limited Partnership Corporation Association

Other _____

Citizenship/State of Incorporation/Organization Illinois

Receiving Party Mark if additional names of receiving parties attached

Name LaSalle Bank National Association

DBA/AKA/TA _____

Composed of _____

Address (line 1) 135 South LaSalle Street

Address (line 2) _____

Address (line 3) Chicago IL 60603
City State/Country Zip Code

Individual General Partnership Limited Partnership Corporation Association

Other A National Banking Association

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 Assignment.)

10/04/1999 JEMBAZZ 00000040 1250439

01 FC:481

40.00 CP

FOR OFFICE USE ONLY

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 (8501-0027), Washington, D.C. 20503. See GMS Information Collection Budget Package 8501-0027, Patent and Trademark Assignment Practices. 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: 001970 FRAME: 0068

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"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1,250,459"/>	<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"/>

Number of Properties Enter the total number of properties involved. #

Fee Amount Fee Amount for Properties Listed (37 CFR 3.41): \$

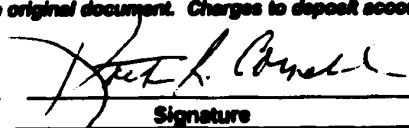
Method of Payment: Enclosed Deposit Account

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.

Kathleen R. Cornell  9/28/99

Name of Person Signing Signature Date Signed

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Agreement") is made as of September 17, 1999 by AL BASKIN CO., an Illinois corporation (d/b/a Mark Shale) ("Borrower") for the benefit of LASALLE BANK NATIONAL ASSOCIATION, a national banking association ("Lender").

RECITALS:

A. Borrower and Lender have entered into an Amended and Restated Loan and Security Agreement dated as of the date hereof (as the same may be amended, restated, modified or supplemented and in effect from time to time, the "Restated Loan Agreement"), which amends and restates that certain Credit Agreement and that certain Pledge and Security Agreement, each dated as of March 10, 1997. Pursuant to the Restated Loan Agreement, Lender has agreed to make revolving loans and a term loan to Borrower (collectively, the "Loans") in the aggregate principal amount of up to \$10,500,000, in each case, subject to the terms and conditions set forth in the Restated Loan Agreement. The Loans are evidenced by that certain Amended and Restated Revolving Note and that certain Amended and Restated Term Note (as each may be amended, restated, modified or supplemented and in effect from time to time, a "Note" and collectively, the "Notes").

B. One of the conditions precedent to the obligations of Lender to enter into the Restated Loan Agreement is the execution and delivery of this Agreement by the parties hereto.

NOW, THEREFORE, in order to induce Lender to make the initial extension of credit contemplated by the Loan Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

SECTION 1. Definitions. All capitalized terms used herein and not otherwise defined herein shall have the meaning ascribed to such terms in the Restated Loan Agreement.

SECTION 2. Grant of Security Interest. As security for the payment of the Notes and payment and performance of all the obligations of Borrower to Lender however created, whether absolute or contingent, now or hereafter existing (the "Obligations"), Borrower hereby mortgages, pledges and grants a security interest to Lender, its successors and assigns, in the entire right, title and interest of Borrower in and to the following, whether presently existing or hereafter arising or acquired:

(a) all patents and letters patent (whether foreign or United States patents) and applications for patents and letters patent throughout the world, including all patent applications in preparation for filing anywhere in the world and including, but not limited to, each patent and patent application listed on Schedule I attached hereto; all patent licenses under which Borrower now or hereafter has any rights as licensee or as licensor, throughout

the world, including each patent license listed on Schedule I attached hereto; all reissues, divisions, extensions, continuations, continuations-in-part, renewals and reexaminations of any of the items described above; the right to sue third parties for past, present and future infringements of any patent or patent application, including any patent or patent application referred to in Schedule I attached hereto, and for breach or enforcement of any patent license, including any patent license referred to in Schedule I attached hereto, and all rights corresponding thereto throughout the world; and all proceeds of the foregoing (including, without limitation, license royalties and proceeds of infringements suits) (all of the foregoing being herein called collectively the "Patents");

(b) all foreign and United States trademarks and trademark registrations, including, but not limited to, those listed on Schedule II attached hereto, and all goodwill connected with the use of, and symbolized by, each trademark and trademark registration, and all continuations and extensions thereof, all trademark licenses under which Borrower now or hereafter has any rights as licensee or as licensor, throughout the world, including each trademark license listed on Schedule II the right to sue for past, present, and future infringements or dilutions thereof or for injury to the goodwill associated therewith, all rights corresponding thereto throughout the world, and all proceeds of the foregoing (including, without limitation, license, royalties and proceeds of suit) (all of the foregoing being herein called, collectively, the "Trademarks"); and

(c) all copyrights, whether statutory or common law, registered or unregistered, now or hereafter in force throughout the world, including, without limitation, all of Borrower's right, title and interest in and to all copyrights registered in the United States Copyright Office or anywhere else in the world and also including, without limitation, the copyrights listed on Schedule III attached hereto, and all applications for registration thereof, whether pending or in preparation, all copyright licenses under which Borrower now or hereafter has any rights as licensee or as licensor, throughout the world, including each copyright license listed on Schedule III attached hereto, the right to sue for past, present and future infringements of any thereof, all rights corresponding thereto throughout the world, all extensions and renewals of any thereof, and all proceeds of the foregoing, including, without limitation, licenses, royalties, income, payments, claims, damages and proceeds of suit (all of the foregoing being herein called, collectively, the "Copyrights").

SECTION 3. Disposition of Patents, Trademarks and Copyrights. Borrower agrees not to sell, assign or license any of its right, title or interest in or to the Patents, Trademarks or Copyrights to any third party without the prior written consent of Lender.

SECTION 4. Warranties and Covenants. Borrower hereby warrants and agrees that: (a) to the best of Borrower's knowledge, each of the Patents, Trademarks and Copyrights is subsisting and has not been adjudged invalid or unenforceable, in whole or in part; (b) to the best of Borrower's knowledge, each of the Patents, Trademarks and Copyrights is valid and enforceable; (c) Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each

of the Patents, Trademarks and Copyrights, free and clear of any Liens, (except licenses in existence as of the date hereof and except for Liens in favor of Lender); (d) Borrower has the unqualified right to enter into this Agreement and perform its terms and to the extent necessary will enter into written agreements with each of its present and future employees, agents and consultants which will enable it to comply with the covenants herein contained; (e) to the best of Borrower's knowledge, no litigation is pending or threatened which contains allegations respecting the validity of any of the Patents, Trademarks or Copyrights; and (f) except to the extent that Lender shall consent in writing, Borrower (either itself or through licensees) will, unless Borrower shall reasonably determine that a Trademark is of negligible economic value to Borrower, (i) continue to use each Trademark on each and every trademark class of goods applicable to its current line as reflected in its current catalogs, brochures and price lists in order to maintain each Trademark in full force free from any claim of abandonment for non-use, (ii) maintain as in the past the quality of products and services offered under each Trademark, (iii) employ each Trademark with the appropriate notice of application or registration, (iv) not adopt or use any mark which is confusingly similar or a colorable imitation of any Trademark, (v) not use any Trademark except for the uses for which registration or application for registration of such Trademark has been made, and (vi) not (and not permit any licensee or sublicensee thereto to) do any act or knowingly omit to do any act whereby any Trademark may become invalidated or abandoned.

SECTION 5. Protection of Patents, Trademarks and Copyrights. Borrower shall have the duty to protect, preserve and maintain all rights in each of the Patents, Trademarks and Copyrights, including, but not limited to, the duty to prosecute and/or defend against any and all suits contesting infringement or dilution of the Patents, Trademarks or Copyrights, any other suits containing allegations respecting the validity of any of the Patents, the Trademarks or the Copyrights, and any suits claiming injury to the goodwill associated with any of the Trademarks.

SECTION 6. Reissues, etc. If, before the Obligations shall have been paid in full, Borrower shall become entitled to any patent for any reissue, division, continuation, renewal, extension, or continuation-in-part of any of the Patents, Trademarks or Copyrights, or to any improvement on any Patent, the provisions of Section 2 shall automatically apply thereto and Borrower shall give to Lender prompt notice thereof in writing. Borrower hereby authorizes Lender to modify this Agreement by amending the Schedules attached hereto to include any future Patents, Trademarks and Copyrights.

SECTION 7. Remedies. Whenever a Default shall have occurred and be continuing, all Obligations may or shall, as the case may be, become immediately due and payable as provided in the Restated Loan Agreement. If any Default under the Restated Loan Agreement shall exist and be continuing, Lender shall have, in addition to all other rights and remedies given it by this Agreement, 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 Patents, Trademarks or Copyrights or any of them may be located and, without limiting the generality of the foregoing, Lender may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to Borrower, all of which are hereby expressly waived, and without

advertisement, sell at public or private sale or otherwise realize upon, in Chicago, Illinois or elsewhere, the whole or from time to time any part of the Patents, Trademarks or Copyrights or any interest which Borrower may have therein. Notice of any sale or other disposition of the Patents, Trademarks or Copyrights or any thereof shall be given to Borrower at least ten days before the time of any intended public or private sale or other disposition of the Patents, Trademarks or Copyrights or any part thereof is to be made, which Borrower hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, Lender may, to the extent permissible under applicable law, purchase the whole or any part of any Patent or Trademark sold, free from any right of redemption on the part of Borrower, which right is hereby waived and released. The proceeds of such dispositions may be applied by Lender to the payment of reasonable expenses in connection with the Patents, Trademarks or Copyrights, including, without limitation, reasonable attorneys' fees and legal expenses, and any balance thereof may be applied by Lender toward the payment of the Obligations in such order of application as Lender may from time to time elect.

SECTION 8. General.

(i) Borrower will, upon request of Lender, execute such financing statements and other documents (and pay the cost of filing or recording the same in all public offices deemed necessary by Lender), and do such other acts and things, all as Lender may from time to time request to establish and maintain a valid perfected security interest in the Patents, Trademarks and Copyrights (whether now or hereafter existing or acquired) to secure payment of the Notes and all other Obligations.

(ii) This Agreement, and the terms and conditions hereof, shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that Borrower shall not be permitted to assign this Agreement or any interest herein or in the Patents, Trademarks or Copyrights, or any part thereof without the prior consent of Lender.

(iii) Neither this Agreement nor any provision hereof may be amended, modified, waived, discharged or terminated except by an instrument in writing signed by both parties hereto.

(iv) No delay on the part of Lender in exercising any rights, power or remedy hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any such right, power or remedy preclude any other further exercise thereof or the exercise of any other right, power or remedy. No amendment, modification or waiver of, or any consent with respect to, any provision of this Agreement shall in any event be effective unless the same shall be in writing, and signed and delivered by the party to be bound thereby, and then such amendment, modification, waiver of consent shall be effective only in the specific instance and for the purpose for which it was given.

(v) All rights, powers and remedies of Lender expressed herein are in addition to all other rights, powers and remedies possessed by Lender, including, without limitation, those provided by applicable law or in any other written instrument or agreement relating to any of the Obligations or security therefor.

(vi) At Lender's option, this Agreement, or a carbon, photographic or other reproduction of this Agreement or of any Uniform Commercial Code financing statement covering the Patents, Trademarks and Copyrights or any portion thereof, shall be sufficient as the Uniform Commercial Code financing statement and may be filed or recorded.

(vii) Section captions used in this Agreement are for convenience of reference only, and shall not affect the construction of this Agreement.

(viii) This Agreement shall in all respects be a continuing agreement and shall remain in full force and effect until the payment in full of all of the Obligations.

(ix) This Agreement has been delivered at Chicago, Illinois, and shall be construed in accordance with and governed by the laws of the State of Illinois, without regard to conflict of laws principles. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

(x) This Agreement is a "Financing Agreement" executed pursuant to the Restated Loan Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Restated Loan Agreement.

(xi) This Agreement has been executed and delivered by Borrower for the purpose of registering the security interest of Lender in the Patents and Trademarks with the United States Patent and Trademark Office, and registering its security interests in the Copyrights with the United States Copyright Office and corresponding offices in other countries. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to Lender under the Restated Loan Agreement. Borrower shall pay all applicable filing fees in connection with such filing.

(xii) All notices and communications under this Agreement shall be delivered in the manner set forth in the Restated Loan Agreement.

[Balance of page intentionally left blank; signature page follows.]

IN WITNESS WHEREOF, the parties have caused this Intellectual Property Security Agreement to be executed as of the above date.

AL BASKIN CO., an Illinois corporation

By: *[Signature]*
Its: President

ACCEPTED:

LASALLE BANK NATIONAL ASSOCIATION, a
national banking association

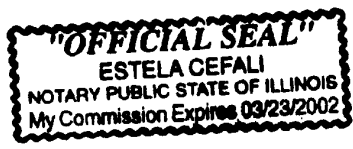
By: *[Signature]*
Its: FVP

TRADEMARK
REEL: 001970 FRAME: 0075

STATE OF Illinois)
) SS.
COUNTY OF COOK)

I, Estela Cefali, a Notary Public in and for said County, in the State aforesaid, do hereby certify that S. Will Baskin, the President of Al Baskin Co., who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such President, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 22nd day of September, 1999.



Estela Cefali
NOTARY PUBLIC

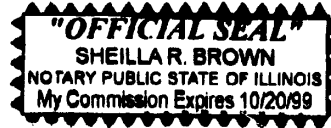
TRADEMARK
REEL: 001970 FRAME: 0076

STATE OF IL)
) SS.
COUNTY OF Cook)

I, Sheila R. Brown, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Marguerite A. Loughlin, a duly authorized signatory of **LaSalle Bank National Association**, who is personally known to me to be the same person whose name is subscribed to the foregoing instrument as such duly authorized signatory, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as his own free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal, this 27th day of September, 1999.

Sheila R. Brown
NOTARY PUBLIC



TRADEMARK
REEL: 001970 FRAME: 0077



SCHEDULE I


Patents

None

**TRADEMARK
REEL: 001970 FRAME: 0078**

SCHEDULE II

Trademarks



Trademark
Mark Shale

Registration No.
1,250,459

Issuance Date
September 6, 1983

TRADEMARK
REEL: 001970 FRAME: 0079



SCHEDULE III

Copyrights

None

RECORDED: 10/01/1999

**TRADEMARK
REEL: 001970 FRAME: 0080**