

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Record Town, Inc.		01/01/2005	CORPORATION: NEW YORK
RECEIVING PARTY DATA			
Name:	Trans World New York, LLC		
Street Address:	38 Corporate Circle		
City:	Albany		
State/Country:	NEW YORK		
Postal Code:	12203		
Entity Type:	Limited Liability Company: NEW YORK		
PROPERTY NUMBERS Total: 2			
Property Type	Number	Word Mark	
Registration Number:	1983910	SPECS MUSIC	
Registration Number:	1983911	SPECS MUSIC	
CORRESPONDENCE DATA			
Fax Number:	(202)862-8958		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	(202) 862-8900		
Email:	tm@cgrdc.com		
Correspondent Name:	Kathy Silberthau Strom, Esq.		
Address Line 1:	1990 K St., N.W.		
Address Line 2:	Suite 950		
Address Line 4:	Washington, DISTRICT OF COLUMBIA 20006-1181		
NAME OF SUBMITTER:	Kathy Silberthau Strom		
Signature:	/Kathy Silberthau Strom/		
Date:	08/11/2005		

OP \$65.00 1983910

Total Attachments: 7

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AGREEMENT TO TRANSFER SERVICE MARKS

AGREEMENT TO TRANSFER SERVICE MARKS (the "Agreement") dated as of the 1st day of January, 2005 (the "Effective Date") by and between Record Town, Inc., a New York corporation with a principal place of business at 38 Corporate Circle, Albany, New York ("RTI") and Trans World New York, LLC, a New York limited liability company with a principal place of business at 38 Corporate Circle, Albany, New York ("TWNY").

WHEREAS, both of the parties hereto are part of a related group of corporations and limited liability companies (the "Consolidated Group"), with Trans World Entertainment Corporation, a New York corporation with a principal office located at 38 Corporate Circle, Albany, New York 12203 ("TWEC"), as the common parent of the Consolidated Group; and

WHEREAS, RTI is the sole member of TWNY, which has filed an election to be treated as a corporation for federal income tax purposes (the "Election"); and

WHEREAS, as the result of the Election, TWNY is treated as the wholly owned subsidiary of RTI; and

WHEREAS, on the Effective Date, Spec's Music, Inc., a Florida corporation ("Spec's") was merged with and into RTI, with RTI as the surviving entity (the "Merger"); and

WHEREAS, as a result of the Merger, RTI acquired the ownership of certain service marks previously owned by Spec's (the "Service Marks"); and

WHEREAS, as of the Effective Date, RTI will transfer the ownership of the Service Marks to TWNY.

NOW THEREFORE, in consideration of the mutual premises set forth herein, the parties agree as follows:

1. Transfer of Service Marks.

As of the Effective Date, RTI hereby agrees to transfer all of its rights, title and interest, legal and equitable, in and to the Service Marks, copies of which are annexed hereto as Exhibit A and made a part hereof, to TWNY. The transfer of the Service Marks by RTI to TWNY is referred to herein as the "Transfer of the Service Marks."

2. Liabilities.

RTI and TWNY hereby agree that no liabilities shall be transferred as part of the Transfer of the Service Marks, and that the Service Marks are being transferred free and clear of any and all liens, claims, obligations and liabilities, which shall remain the sole responsibility of RTI, other than (i) liens under the Loan and Security Agreement dated July 9, 1997, by and among Congress Financial Corporation, TWEC and various subsidiaries and affiliates of TWEC, including RTI and TWNY, as amended from time to time (the "Loan Agreement"), and (ii) with respect to any consignment goods, liens held by the consignor.

3. Capital Contribution.

3.1. It is hereby understood, agreed and acknowledged by the parties that the Transfer of the Service Marks is intended to comply with the requirements of Section 351 of the Internal Revenue Code, as a transfer of property to a controlled corporation solely in exchange for stock of such controlled corporation, and that the receipt of the Service Marks by TWNY is intended to be treated as a contribution to the capital of TWNY under Section 118 of the Internal Revenue Code.

3.2. It is further understood, agreed and acknowledged that no additional shares of stock or membership interests will be issued by TWNY in connection with the Transfer of the Service Marks, and that, subsequent to the TWNY Capital Contribution, RTI will be treated as owning all of the outstanding stock of TWNY.

4. Power of Attorney.

4.1. RTI hereby constitutes and appoints TWNY, and its successors and assigns, as its true and lawful attorney-in-fact, with full power and authority (i) to make, execute, sign, acknowledge and file all documents, deeds, assignments and other instruments as may be necessary or appropriate to effect or finalize the transfer of title in and to all or any part of the Service Marks to TWNY, and (ii) to enforce any and all claims, rights, title or interests of any kind or nature with respect to or arising from the Service Marks.

4.2. The power of attorney granted pursuant to Section 4.1 hereof is a special power of attorney coupled with an interest and is irrevocable, and shall not be terminated by any act of RTI, or any of its respective successors or assigns, or by operation of law.

5. Miscellaneous.

5.1. No Third-Party Beneficiaries. This Agreement shall not confer any rights or remedies upon any person other than the parties and their respective successors and permitted assigns.

5.2. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes any prior understandings, agreements, or representations by or between the parties, written or oral, to the extent they related in any way to the subject matter hereof.

5.3. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties named herein and their respective successors and permitted assigns. No party may assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other parties.

5.4. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument.

5.5. Headings. The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

5.6. Notices. All notices, requests, demands, claims, and other communications hereunder will be in writing, and shall be sent to the address set forth for such party in the preamble to this Agreement. Any notice shall be deemed duly given two business days after it is sent by registered or certified mail, return receipt requested, postage prepaid, and addressed to the intended recipient, or one business day after it is sent by nationally recognized overnight courier, addressed to the intended recipient. Any party may send any notice, request, demand, claim, or other communication hereunder to the intended recipient at the address set forth above using any other means (including personal delivery, expedited courier, messenger service, telecopy, telex, ordinary mail, or electronic mail), but no such notice, request, demand, claim, or other communication shall be deemed to have been duly given unless and until it actually is received by the intended recipient. Any party may change the address to which notices, requests, demands, claims, and other communications hereunder are to be delivered by giving the other party notice in the manner herein set forth.

5.7. Governing Law. This Agreement shall be governed by and construed in accordance with the domestic laws of the State of New York without giving effect to any choice or conflict of law provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York.

5.8. Amendments and Waivers. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by both of the parties hereto.

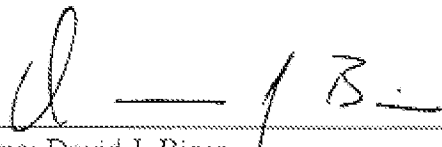
5.9. Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions hereof or the validity or

enforceability of the offending term or provision in any other situation or in any other jurisdiction.

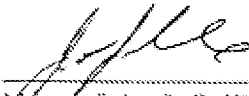
5.10. Further Assurances. The parties hereto agree to execute and deliver whatever additional documents and to perform such additional acts as may be necessary or appropriate to effectuate and perform all of the terms, provisions and conditions of this Agreement, and the transactions contemplated by this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date set forth above.

RECORD TOWN, INC.

By: 
Name: David J. Biese
Title: Vice President - Finance & Treasurer

TRANS WORLD NEW YORK, LLC

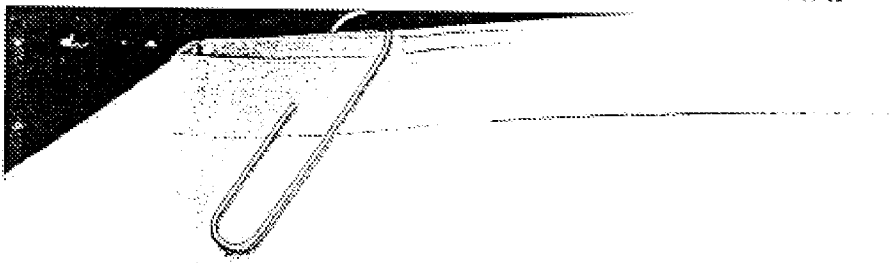
By: 
Name: John J. Sullivan
Title: Executive Vice President, Chief
Financial Officer & Secretary

703800/corporate restructuring/merger- SMI into RTI/agree to transfer service marks

EXHIBIT A
SERVICE MARKS

1. Reg. No. 1,983,910
2. Reg. No. 1,983,911

7038006 corporate restructuring/merger- SM1 into RTF agree to transfer service marks



Int. Cl.: 42



Prior U.S. Cls.: 100 and 101

Reg. No. 1,983,910

United States Patent and Trademark Office

Registered July 2, 1996

**SERVICE MARK
PRINCIPAL REGISTER**



SPEC'S MUSIC, INC. (FLORIDA CORPORATION)
1666 N.W. 82ND AVENUE
MIAMI, FL 33126

FOR: RETAIL RECORD, TAPE AND VIDEO
STORE SERVICES, IN CLASS 42 (U.S. CLS. 100
AND 101).

FIRST USE 4-27-1993, IN COMMERCE
4-27-1993.

OWNER OF U.S. REG. NOS. 1,407,112 AND
1,408,964.

NO CLAIM IS MADE TO THE EXCLUSIVE
RIGHT TO USE "MUSIC", APART FROM THE
MARK AS SHOWN.

SER. NO. 74-581,366, FILED 5-23-1995.

JEFFREY SMITH, EXAMINING ATTORNEY

Int. Cl.: 42

Prior U.S. Cls.: 100 and 101

United States Patent and Trademark Office

Reg. No. 1,983,911

Registered July 2, 1996

SERVICE MARK
PRINCIPAL REGISTER



SPEC'S MUSIC, INC. (FLORIDA CORPORATION)
1666 N.W. 82ND AVENUE
MIAMI, FL 33126

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JEFFREY SMITH, EXAMINING ATTORNEY