## Electronic Version v1.1 Stylesheet Version v1.1

 SUBMISSION TYPE:
 NEW ASSIGNMENT

 NATURE OF CONVEYANCE:
 SECURITY INTEREST

### **CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
Enthusiast Media LLC		109/26/2006	LIMITED LIABILITY COMPANY: DELAWARE

### **RECEIVING PARTY DATA**

Name:	CIT Lending Services Corporation
Street Address:	1 CIT Drive
Internal Address:	Communications and Media Finance
City:	Livingston
State/Country:	NEW JERSEY
Postal Code:	07039
Entity Type:	CORPORATION: DELAWARE

PROPERTY NUMBERS Total: 25

Property Type	Number	Word Mark
Registration Number:	2489887	СКОК
Registration Number:	2478963	СКОК
Registration Number:	2703742	CRAFTS
Registration Number:	2462962	CRAFTSHOP.COM
Registration Number:	2778816	CREATING KEEPSAKES
Registration Number:	2765973	CREATING KEEPSAKES
Registration Number:	3058377	CKU CREATING KEEPSAKES UNIVERSITY
Registration Number:	2626145	FLIPLETTES
Registration Number:	2602333	JOURNALETTES
Registration Number:	2469668	JOY OF SCENTS
Registration Number:	2553336	MOM'S LITTLE BOOK OF
Registration Number:	1554638	PCM PROFITABLE CRAFT MERCHANDISING
Registration Number:	2146731	QUICK QUILTS

TRADEMARK
REEL: 003401 FRAME: 0634

900059307

7489988

Registration Number:	2395118	READERS' CHOICE
Registration Number:	2391161	READERS' CHOICE
Registration Number:	1571806	SEW NEWS
Registration Number:	2522439	STAMP IT!
Registration Number:	2236306	VINTAGE QUILTS
Serial Number:	78498332	BECKY H.
Serial Number:	78533815	CREATING KEEPSAKES
Serial Number:	76317236	CREATING KEEPSAKES UNIVERSITY
Serial Number:	78498335	LISA B.
Serial Number:	78326879	PAPER CRAFTS MAGAZINE
Serial Number:	78461648	SCRAPLIFTABLES
Serial Number:	78883550	SIMPLE SCRAPBOOKS

### **CORRESPONDENCE DATA**

Fax Number: (202)887-4288

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

Phone: 202.887.4000

Email: dlee@akingump.com

Correspondent Name: David C. Lee

Address Line 1: 1333 New Hampshire Ave., N.W.

Address Line 4: Washington, DISTRICT OF COLUMBIA 20036-1564

ATTORNEY DOCKET NUMBER:	071935.0004
NAME OF SUBMITTER:	David C. Lee
Signature:	/David C. Lee/
Date:	10/03/2006

Total Attachments: 10

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### TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT, dated as of September 26, 2006, between ENTHUSIAST MEDIA LLC, a Delaware limited liability company (the "Borrower"), and CIT LENDING SERVICES CORPORATION, a Delaware corporation, in its capacity as Administrative Agent ("Agent"), for the Secured Parties (as defined below).

### WITNESSETH:

WHEREAS, pursuant to that certain Second Lien Credit Agreement dated as of the date hereof by and among Borrower, the other Credit Parties thereto, Agent and Lenders (including all annexes, exhibits and schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Credit Agreement"), Lenders have agreed to make the Loans to the Borrower; and

WHEREAS, in order to induce Agent and Lenders to enter into the Credit Agreement and other Loan Documents and to induce Lenders to make the Loans as provided for in the Credit Agreement, Borrower has agreed to grant a continuing Lien on the Collateral (as hereinafter defined) to secure the Obligations.

NOW, THEREFORE, in consideration of the premises and 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:

### SECTION 1. DEFINITIONS; INTERPRETATION.

All capitalized terms used but not otherwise defined herein have the meanings given to them in the Credit Agreement. All other terms contained in this Security Agreement, unless the context indicates otherwise, have the meanings provided for by the Code to the extent the same are used or defined therein. As used herein, "Secured Parties", shall mean the Agent and the Lenders.

### SECTION 2. SECURITY INTEREST.

- (a) <u>Grant of Security Interest</u>. As security for the payment and performance of the Obligations, Borrower hereby grants to Secured Parties a security interest in, and a lien upon, all of Borrower's right, title and interest in, to and under the following property, in each case whether now or hereafter existing or arising or in which Borrower now has or hereafter owns, acquires or develops an interest and wherever located (collectively, the "<u>Collateral</u>"):
- (i) all state (including common law), federal and foreign trademarks, service marks and trade names, and applications for registration of such trademarks, service marks and trade names (but excluding any application to register any trademark, service mark or other mark prior to the filing under applicable law of a verified statement of use (or the equivalent) for such trademark, service mark or other mark to the extent the creation of a security interest therein or the grant of a mortgage thereon would void or invalidate such trademark, service mark or other mark), all licenses relating to any of the foregoing and all income and royalties with respect to any licenses (including such marks, names and applications as described in Schedule A), whether registered or unregistered and wherever registered, all rights to sue for past, present or future

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infringement or unconsented use thereof, all rights arising therefrom and pertaining thereto and all reissues, extensions and renewals thereof;

- (ii) the entire goodwill of or associated with the businesses now or hereafter conducted by Borrower connected with and symbolized by any of the aforementioned properties and assets;
- (iii) all general intangibles and all intangible intellectual or other similar property of Borrower of any kind or nature, associated with or arising out of any of the aforementioned properties and assets and not otherwise described above; and
- (iv) all proceeds of any and all of the foregoing Collateral (including license royalties, rights to payment, accounts receivable and proceeds of infringement suits) and, to the extent not otherwise included, all payments under insurance (whether or not Secured Parties are the loss payee thereof) or any indemnity, warranty or guaranty payable by reason of loss or damage to or otherwise with respect to the foregoing Collateral.
- (b) <u>Continuing Security Interest</u>. Borrower agrees that this Agreement shall create a continuing security interest in the Collateral which shall remain in effect until terminated in accordance with Section 11.
- SECTION 3. <u>SUPPLEMENT TO CREDIT AGREEMENT</u>. This Agreement has been entered into in conjunction with the security interests granted to the Secured Parties under the Credit Agreement or other security documents referred to therein. The rights and remedies of Secured Party with respect to the security interests granted herein are without prejudice to, and are in addition to those set forth in the Credit Agreement or any other security documents referred to therein, all terms and provisions of which are incorporated herein by reference.

SECTION 4. <u>REPRESENTATIONS AND WARRANTIES</u>. Borrower represents and warrants to the Secured Parties that:

(a) <u>Trademarks</u>. A true and correct list of all of the existing Collateral consisting of U.S. trademarks, trademark registrations or applications owned by the Borrower, in whole or in part, is set forth in Schedule A.

SECTION 5. <u>FURTHER ACTS</u>. On a continuing basis, the Borrower shall make, execute, acknowledge and deliver, and file and record in the proper filing and recording places, all such instruments and documents, and take all such action as may be necessary or advisable or may be requested by the Agent, on behalf of the Secured Parties, to carry out the intent and purposes of this Agreement, or for assuring, confirming or protecting the grant or perfection of the security interest granted or purported to be granted hereby, to ensure the Borrower's compliance with this Agreement or to enable the Agent, on behalf of the Secured Parties, to exercise and enforce its rights and remedies hereunder with respect to the Collateral (other than with respect to rights in any new trademarks, which shall be governed by paragraph 6 hereof), including any documents for filing with the United States Patent and Trademark Office ("<u>PTO</u>") or any applicable state office. The Agent, on behalf of the Secured Parties, may record this Agreement, an abstract thereof, or any other document describing the Secured Parties' interest in the Collateral with the PTO, at the expense of the Borrower. In addition, the Borrower authorizes the the Agent to file financing

statements describing the Collateral in any Code filing office deemed appropriate by the Agent. If the Borrower shall at any time hold or acquire a commercial tort claim in excess of \$250,000 arising with respect to the Collateral, the Borrower shall notify the Agent within ten (10) Business Days in a writing signed by the Borrower of the brief details thereof and grant to the Secured Parties in such writing a security interest therein and in the proceeds thereof, all upon the terms of this Agreement, with such writing to be in form and substance satisfactory to the Agent.

SECTION 6. <u>AUTHORIZATION TO SUPPLEMENT</u>. If the Borrower shall obtain rights to any new trademarks, the provisions of this Agreement shall automatically apply thereto. The Borrower shall give prompt notice in accordance with the terms of the Security Agreement in writing to the Agent with respect to any such new trademarks or renewal or extension of any trademark registration. Without limiting the Borrower's obligations under this Section 6, the Borrower authorizes the Agent to modify this Agreement by amending Schedule A to include any such new patent or trademark rights. Notwithstanding the foregoing, no failure to so modify this Agreement or amend Schedule A shall in any way affect, invalidate or detract from Secured Parties' continuing security interest in all Collateral, whether or not listed on Schedule A.

SECTION 7. <u>BINDING EFFECT</u>. This Agreement shall be binding upon, inure to the benefit of and be enforceable by the Borrower, the Agent and each of the Secured Parties and their respective successors and assigns. The Borrower may not assign, transfer, hypothecate or otherwise convey its rights, benefits, obligations or duties hereunder except as specifically permitted by the Credit Agreement.

SECTION 8. <u>GOVERNING LAW</u>. This Agreement shall be governed by, and construed in accordance with, the law of the State of New York, except as required by mandatory provisions of law or to the extent the validity, perfection or priority of the security interests hereunder, or the remedies hereunder, in respect of any Collateral are governed by the law of a jurisdiction other than State of New York.

SECTION 9. ENTIRE AGREEMENT; AMENDMENT. This Agreement, the Credit Agreement and the other Loan Documents together with the Schedules hereto and thereto, contains the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior drafts and communications relating to such subject matter. Neither this Agreement nor any provision hereof may be modified, amended or waived except by the written agreement of the parties, as provided in the Credit Agreement. Notwithstanding the foregoing, the Agent unilaterally may re-execute this Agreement or modify, amend or supplement the Schedules hereto as provided in Section 6 hereof. To the extent that any provision of this Agreement conflicts with any provision of the Credit Agreement, the provision giving the Secured Parties greater rights or remedies shall govern, it being understood that the purpose of this Agreement is to add to, and not detract from, the rights granted to Secured Parties under the Credit Agreement.

SECTION 10. <u>COUNTERPARTS</u>. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute but one and the same agreement. Delivery of an executed counterpart of this Agreement by facsimile shall be equally as effective as delivery of a manually executed counterpart. Any party hereto delivering a counterpart of this Agreement by facsimile shall also deliver a manually executed counterpart, but

the failure to so deliver a manually executed counterpart shall not affect the validity, enforceability, or binding effect hereof.

SECTION 11. <u>TERMINATION</u>. Upon payment and performance in full of all Obligations, the security interests created by this Agreement shall terminate and the Agent (at Borrower's expense) shall promptly execute and deliver to the Borrower such documents and instruments reasonably requested by the Borrower as shall be necessary to evidence termination of all such security interests given by the Borrower to the Secured Parties hereunder, including cancellation of this Agreement by written notice from the Agent to the PTO.

SECTION 12. <u>NO INCONSISTENT REQUIREMENTS</u>. The Borrower acknowledges and agrees that this Agreement and the other documents, agreements and instruments entered into or executed in connection herewith may contain covenants and other terms and provisions variously stated regarding the same or similar matters, and the Borrower agrees that all such covenants, terms and provisions are cumulative and all shall be performed and satisfied in accordance with their respective terms.

SECTION 13. <u>SEVERABILITY</u>. If one or more provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect in any jurisdiction or with respect to any party, such invalidity, illegality or unenforceability in such jurisdiction or with respect to such party shall, to the fullest extent permitted by applicable law, not invalidate or render illegal or unenforceable any such provision in any other jurisdiction or with respect to any other party, or any other provisions of this Agreement.

SECTION 14. <u>NOTICES</u>. All notices and other communications hereunder shall be in writing and shall be mailed, sent or delivered in accordance with the Credit Agreement.

SECTION 15. INTERCREDITOR AGREEMENT. Notwithstanding anything herein to the contrary, the lien and security interest granted to the Agent pursuant to this Agreement and the exercise of any right or remedy by the Agent hereunder are subject to the provisions of the Intercreditor Agreement, dated as of September [\_\_], 2006, as amended, restated, supplemented or otherwise modified from time to time, by and among the Borrower, CIT, as First Lien Collateral Agent, and CIT, as Second Lien Collateral Agent, and certain other persons party or that may become party thereto from time to time (the "Intercreditor Agreement"). In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement, the terms of the Intercreditor Agreement shall govern and control. In addition, to the extent any obligation of the Borrower hereunder, including without limitation any obligation to grant sole control or deliver property to the Agent, conflicts with the obligations or requirements under a substantially similar provision of any First Lien Collateral Document (as defined in the Intercreditor Agreement), the Borrower shall not be deemed to be in violation of this Agreement (and Borrower's obligations hereunder with respect to such grant or delivery shall be deemed satisfied) as a result of its performance of the obligations or requirements of such First Lien Collateral Document.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have duly executed this Trademark Security Agreement, as of the date first above written.

### BORROWER:

ENTHUSIAST MEDIA LLC
By:
SECURED PARTY:
CIT LENDING SERVICES CORPORATION, as Agent
By: Name: Title:

IN WITNESS WHEREOF, the parties hereto have duly executed this Trademark Security Agreement, as of the date first above written.

BORROWE	R:
ENTHUSIA	ST MEDIA LLC
By: Name: David Title: Chief I	O'Neil Executive Officer and President
SECURED 1	PARTY:
CIT LEND	ING SERVICES CORPORATION, a
By:/	
Title:	Michael V. Monahan Vice President

## SCHEDULE A to the Trademark Security Agreement

# Trademarks and Trademark Applications

MARK	COUNTRY	REGISTERED OR PENDING	SERIAL NUMBER	FILING	REGISTRATION NUMBER	REGISTRATION DATE	OWNER
CREATING KEEPSAKES	Australia	Registered			933445	6/1/2004	Вопожег
CREATING KEEPSAKES UNIVERSITY	Japan	Registered			4911819	12/2/2005	Вотгомет
KEBPSAKES with Katakana	Japan	Registered			4918214	12/72/2005	Вотоже
SIMPLE SCRAPBOOKS	lapam	Registered			4919368	90079/1	Вотожет
CK OK	United States	Registered			2489887	1007/81/6	Волгожет
CK OK and Design	United States	Registered			2478963	8/21/2001	Вотоwег
CRAFTS (STYLIZED)	United States	Registered			2703742	4/8/2003	Borrower
CRAFTSHOP.COM	United States	Registered			2462962	6/19/2001	Волгожел
CREATING KEEPSAKES	United States	Registered			2778816	11/4/2003	Borrower
CREATING KEEPSAKES and Design	United States	Registered			2765973	9/23/2003	Botrower

CREATING KEEPSAKES UNIVERSITY & DESIGN	United States	Registered		3058377	2/14/2006	Borrower
RUPLETTES	United States	Registered		2626145	9/24/2002	Вогожег
JOURNALETTES	United States	Registered		2602333	7/30/2002	Вопожег
JOY OF SCENTS	United States	Registered		246968	7/17/2001	Вотожет
MOM'S LITTLE BOOK OF	United States	Registered		2553336	3/26/2002	Вотоwег
PCM PROFITABLE CRAFT MERCHANDISING & DESIGN	United States	Registered		1254638	6861/5/6	Воложет
QUICKQUILTS	United States	Registered		2146731	3/24/1998	Вотоwет
READERS' CHOICE and Design	United States	Registered		2395418	10/17/2000	Borrower
READERS' CHOICE and Design	United States	Registered		2391161	10/3/2000	Borrower
SEW NEWS	United States	Registered		1571806	12/19/1989	Borrower
STAMP III	Unified States	Registered		2522439	12/25/2001	Вотоwег
VINTAGEQUILTS	United States	Registered		2236306	3/30/1999	Borrower
CREATING KEEPSAKES	Japan	Pending 47543/2005	15 5/30/2005			Borrower

Borrower	Borrower	Borrower	Borrower	Borrower	Borrowe	Borrower	Вотгожет	Borrower	Вопочет	Вопомог	Borrower	Borrower
9/20/2005	9/20/2005	9/20/2005	9/20/2005	9/20/2005	9/20/2005	9/20/2005	10/12/2004	12/16/2004	100Z/9Z/6	10/12/2004	11/23/2003	8/4/2004
2005/19903	2005/19904	2005/19905	2005/19906	2005/19901	2005/19902	2005/19907	78/498332	78/533815	76/31/7236	78/498335	78/326879	78/461648
Pending	Pending	Pending	Pending	Pending	Pending	Pending						
South Africa	United States	United States	United States	United States	United States	United States						
CREATING KEEPSAKES	BECKY H	CREATING KEEPSAKES and Design	CREATING KEEPSAKES UNIVERSITY	LISAB	PAPER CRAFTS and Design	SCRAPLIFTABLES						

Воггоwег 5/15/2006 78/883550 Pending United States SIMPLE SCRAPBOOKS

RECORDED: 10/03/2006