

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	SECURITY INTEREST

**CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
Burnes Home Accents, LLC		03/29/2011	LIMITED LIABILITY COMPANY: DELAWARE

**RECEIVING PARTY DATA**

<b>Name:</b>	Bank of America, N.A.
<b>Street Address:</b>	300 Galleria Parkway
<b>Internal Address:</b>	Suite 800
<b>City:</b>	Atlanta
<b>State/Country:</b>	GEORGIA
<b>Postal Code:</b>	30339
<b>Entity Type:</b>	national banking association: UNITED STATES

**PROPERTY NUMBERS Total: 35**

Property Type	Number	Word Mark
Registration Number:	3743179	NO MORE CROOKED LEDGES!
Registration Number:	3743177	NO MORE CROOKED PICTURES!
Registration Number:	3723042	BURNES ENVUE
Registration Number:	3626935	BB BURNES
Registration Number:	3622888	HEIRLOOM
Registration Number:	3514031	LEVEL-LINE
Registration Number:	3481733	BB
Registration Number:	3481732	BB BURNES
Registration Number:	3447541	STATE STREET
Registration Number:	3375463	BB BURNES OF BOSTON
Registration Number:	3331196	BURNES OF BOSTON
Registration Number:	3313281	LEVEL-LINE
Registration Number:	3077436	MAILABLE MOMENTS

CH \$890.00 3743179

Registration Number:	2988024	NAMEWORKS
Registration Number:	2296802	DECOR ESSENTIALS
Registration Number:	1968927	CONNOISSEUR
Registration Number:	1896214	D DECOREL
Registration Number:	1835473	DAX
Registration Number:	1800750	DECOREL
Registration Number:	1762894	OLD CRAFTSMAN
Registration Number:	1750065	BURNES
Registration Number:	1612966	CARR
Registration Number:	1549092	HOLSON
Registration Number:	1541577	ULTIMIZER
Registration Number:	1448540	FRAMES AS SPECIAL AS THE MEMORIES THEY HOLD
Registration Number:	1363411	RARE WOODS
Registration Number:	1182018	INTERCRAFT
Registration Number:	1153176	THE FRAME PEOPLE
Registration Number:	1079906	TERRAGRAFICS
Registration Number:	1057648	BURNES OF BOSTON
Registration Number:	1055591	BB
Serial Number:	85189193	MAKEOVER IN A MINUTE
Serial Number:	85189175	EVERY BUDGET DESERVES A GREAT DESIGN
Serial Number:	85189151	BURNES INTERIORS
Serial Number:	85189115	TAKING DESIGN OUT OF THE BOX

**CORRESPONDENCE DATA**

Fax Number: (678)533-7787  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
Phone: 404-523-5300  
Email: sls@phrd.com  
Correspondent Name: Steven L. Schaaf, Paralegal  
Address Line 1: 285 Peachtree Center Avenue, N.E.  
Address Line 2: Suite 1500  
Address Line 4: Atlanta, GEORGIA 30303

ATTORNEY DOCKET NUMBER:	2689.82
NAME OF SUBMITTER:	Douglas A. Nail
Signature:	/DAN/
Date:	03/29/2011

**Total Attachments: 13**

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## TRADEMARK SECURITY AGREEMENT

This **TRADEMARK SECURITY AGREEMENT** is made this 29th day of March, 2011, between **BANK OF AMERICA, N.A.**, national banking association ("Lender"), having an office at 300 Galleria Parkway, Suite 800, Atlanta, Georgia, 30339, and **BURNES HOME ACCENTS, LLC**, a Delaware limited liability company ("Company"), having its principal place of business at 3101 Clairmont Road, Suite G, Atlanta, Georgia 30329.

### Recitals:

Company and certain of its affiliates (collectively, the "Borrowers") desire to obtain loans and other financial accommodations from Lender that are parties from time to time to that certain Loan and Security Agreement dated as of March 29, 2011, (as from time to time amended, restated, supplemented or otherwise modified, the "Loan Agreement") by and among the Company, certain of its affiliates and Lender.

Lender is willing to make loans and other financial accommodations to the Borrowers from time to time pursuant to the terms of the Loan Agreement, provided that the Company executes this Agreement.

NOW, THEREFORE, for Ten Dollars (\$10.00) in hand paid and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company hereby agrees with Lender as follows:

1. Capitalized terms used herein (including those used in the Recitals hereto), unless otherwise defined, shall have the meanings ascribed to them in the Loan Agreement.

2. To secure the prompt payment and performance of all of the Obligations, the Company hereby grants, assigns and pledges to Lender a continuing security interest in and Lien upon all of the following property of the Company, whether now existing or hereafter created or acquired (collectively, the "Trademark Collateral"):

(a) all trademarks, trademark registrations, trade names and trademark applications, including, without limitation, the trademarks and applications listed on Exhibit A attached hereto and made a part hereof (as the same may be amended from time to time), and (i) all renewals thereof, (ii) all income, royalties, damages and payments now or hereafter due or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing trademarks, trademark registrations, trade names and applications, together with the items described in clauses (i)-(iv), are hereinafter collectively referred to as the "Trademarks");

(b) the goodwill of the Company's business connected with and symbolized by the Trademarks; and

(c) all proceeds of the foregoing.

3. The Company represents and warrants to Lender that:

(a) Each of the Trademarks is subsisting and has not been adjudged invalid or unenforceable;

(b) Upon filing of this Agreement in the United States Patent and Trademark Office, this Agreement will create a legal, valid and perfected Lien upon and security interest in the Trademark Collateral that is registered in that office and that is listed on Exhibit A attached hereto, enforceable against Company and all third Persons in accordance with its terms;

(c) No claim has been made that the use of any of the Trademarks does or may violate the rights of any Person;

(d) The Company has the unqualified right to enter into this Agreement and perform its terms;

(e) Each of the Trademarks is valid and enforceable; and

(f) The Company is the sole and exclusive owner of the entire right, title and interest in and to all of the Trademark Collateral, free and clear of any Liens, charges and encumbrances (except licenses permitted pursuant to paragraph 6 below), including, without limitation, pledges, assignments, licenses, registered user agreements and covenants by the Company not to sue third Persons, except Permitted Liens.

4. The Company covenants and agrees with Lender that:

(a) The Company will maintain the quality of the products associated with the Trademarks, at a level consistent with the quality at the time of this Agreement, and will, upon Lender 's request, provide Lender quarterly with a certificate to that effect in the form attached hereto as Exhibit B executed by an officer of the Company;

(b) The Company will not change the quality of the products associated with the Trademarks without Lender's prior written consent; and

(c) Except for Trademarks abandoned by the Company in the ordinary course of business (provided such abandonment could not be reasonably expected to have a Material Adverse Effect), the Company has used and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the registered Trademarks, including, without limitation, filing an affidavit of use with the United States Patent and Trademark Office and any applicable foreign filing office for each registered Trademark as required by applicable law to maintain the registration thereof without loss of protection therefor.

5. The Company hereby grants to Lender, and its employees and agents, the visitation, audit, and inspection rights with respect to Company and the Collateral as set forth in the Loan Agreement.

6. Until Full Payment of the Obligations, the Company shall not enter into any license agreement relating to any of the Trademarks with any Person except non-exclusive licenses to customers, vendors, suppliers, agents or other service providers of the Company in the regular and ordinary course of the Company's business as presently conducted and for reasonable and customary compensation, and shall not become a party to any agreement with any Person that is inconsistent with the Company's obligations under this Agreement.

7. If, before Full Payment of the Obligations, the Company shall obtain rights to any new trademarks, or become entitled to the benefit of any trademark application or trademark or any renewal of any Trademark, the provisions of paragraph 2 hereof shall automatically apply thereto, and the Company shall give to Lender prompt notice thereof in writing.

8. The Company irrevocably authorizes and empowers Lender to modify this Agreement by amending Exhibit A to include any future trademarks and trademark applications under paragraph 2 or paragraph 7 hereof.

9. At any time that an Event of Default exists, Lender shall have, in addition to all other rights and remedies given it by this Agreement and the other Loan Documents, all rights and remedies under applicable law and all rights and remedies of a secured party under the UCC and all other rights and remedies under any other applicable law. Without limiting the generality of the foregoing, Lender may immediately, without demand of performance and without notice (except as described in the next sentence, if required by applicable law), or demand whatsoever to the Company, each of which the Company hereby expressly waives, collect directly any payments due the Company in respect of the Trademark Collateral, or sell at public or private sale or otherwise realize upon all or from time to time, any of the Trademark Collateral. The Company hereby agrees that ten (10) days written notice to the Company of any public or private sale or other disposition of any of the Trademark Collateral shall be reasonable notice; provided, however, that no notice shall be required hereunder if not otherwise required by applicable law. At any such sale or disposition, Lender may, to the extent permitted by law, purchase the whole or any part of the Trademark Collateral sold, free from any right of redemption on the part of the Company, which right the Company hereby waives and releases. After deducting from the proceeds of such sale or other disposition of the Trademark Collateral all reasonable costs and expenses incurred by Lender in enforcing its rights hereunder (including, without limitation, all reasonable attorneys' fees), Lender shall apply the remainder of such proceeds to the payment of the Obligations in such order and manner as may be authorized or required by the Loan Agreement. Any remainder of the proceeds after Full Payment of the Obligations shall be paid over to the Company. If any deficiency shall arise, the Company and each Guarantor of the Obligations (to the extent of its Guaranty) shall remain jointly and severally liable therefor.

10. The Company hereby makes, constitutes and appoints Lender and any officer or agent of Lender as Lender may select, as the Company's true and lawful attorney-in-fact, with full power to do any or all of the following if an Event of Default shall exist: to endorse the Company's name on all applications, documents, papers and instruments necessary for Lender to

continue the registration of or to use the Trademarks, or to grant or issue any exclusive or nonexclusive license under the Trademarks to any other Person, or to assign, pledge, convey or otherwise transfer title in or dispose of any Trademark Collateral to any other Person. The Company hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable until Full Payment of the Obligations.

11. Any and all reasonable fees, costs and expenses, of whatever kind or nature (including, without limitation, reasonable attorneys' fees and legal expenses) incurred by Lender in connection with the preparation of this Agreement and any other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including, without limitation, all taxes in connection therewith) with the United States Patent and Trademark Office or in any other public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, Liens or otherwise protecting, maintaining, or preserving the Trademark Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademark Collateral, shall be borne and paid by the Company (it being the intent of the Company and Lender that the Company shall be responsible for the payment of all sums, fees, costs and expenses, including, without limitation, all renewal fees with respect to the Trademarks) or, if paid by Lender in its sole discretion, shall be reimbursed by the Company **on demand** by Lender and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the per annum interest rate then applicable for Base Rate Loans.

12. The Company shall use its commercially reasonable efforts to detect any infringers of the Trademarks and shall notify Lender in writing of material infringements detected. The Company shall have the duty, through counsel acceptable to Lender, to prosecute diligently any trademark application for a Trademark pending as of the date of this Agreement or thereafter until Full Payment of the Obligations, to make federal application on registrable but unregistered Trademarks (subject to Company's reasonable discretion in the ordinary course of business or, during the existence of an Event of Default or a Default, promptly upon Lender's request), to file and prosecute opposition and cancellation proceedings, to file and prosecute lawsuits to enforce the Trademarks and to do any and all acts which are deemed necessary or desirable by Lender to preserve and maintain all rights in the Trademarks. Any expenses incurred in connection with such applications or proceedings shall be borne by the Company. The Company shall not abandon any right to file a trademark application, or any pending trademark application or trademark without the consent of Lender, unless the Company has determined that such trademark application or trademark is no longer necessary or material to the conduct of its business.

13. Notwithstanding anything to the contrary contained in paragraph 12 hereof, at any time that an Event of Default exists, Lender shall have the right, but shall in no way be obligated, to bring suit instead in its own name to enforce the Trademarks and any license hereunder, or to defend any suit or counterclaim in its own name to protect the Trademarks or any license hereunder, in either of which events the Company shall at the request of Lender do any and all lawful acts (including bringing suit) and execute any and all proper documents required by Lender to aid such enforcement, or defense, and the Company shall promptly, **upon demand**, reimburse and indemnify Lender for all reasonable costs and expenses incurred in the exercise of Lender's rights under this paragraph 13.

14. If the Company fails to comply with any of its obligations hereunder and at the time of such failure or as a result thereof an Event of Default exists , then to the extent permitted by applicable law, Lender may discharge such obligations in the Company's name or in Lender's name, in Lender's sole discretion, but at the Company's expense, and the Company agrees to reimburse Lender in full for all expenses, including, without limitation, reasonable attorneys' fees, incurred by Lender in prosecuting, defending or maintaining the Trademarks or Lender's interest therein pursuant to this Agreement.

15. No course of dealing between the Company and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder or under any of the other Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

16. All of Lender's rights and remedies with respect to the Trademark Collateral, whether established hereby or by any of the other Loan Documents, or by any other agreements or by applicable law shall be cumulative and may be exercised singularly or concurrently.

17. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

18. This Agreement, together with the other Loan Documents, constitutes and expresses the entire understanding of the parties hereto with respect to the subject matter hereof, and supercedes all prior agreements and understandings, inducements or conditions, whether expressed or implied, oral or written. This Agreement is subject to modification only by a writing signed by the parties, except as provided in paragraph 8 hereof.

19. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the successors and assigns of Lender and upon the successors and permitted assigns of the Company. The Company shall not assign its rights or delegate its duties hereunder without the prior written consent of Lender.

20. The Company hereby waives notice of Lender's acceptance hereof.

21. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Georgia.

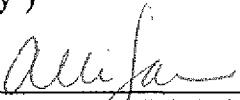


22. To the fullest extent permitted by applicable law, the Company and Lender each waives the right to trial by jury in any action, suit, proceeding or counterclaim of any kind arising out of or related to this Agreement or the Trademark Collateral.

*[Remainder of page intentionally left blank-signatures appear on following page]*

WITNESS the execution hereof under seal on the day and year first above written.

**BURNES HOME ACCENTS, LLC**  
("Company")

By:   
**Allison Jackson**, Chief Financial  
Officer

Accepted:

**BANK OF AMERICA, N.A.,**  
as Lender

By: \_\_\_\_\_  
**Dennis S. Losin**, Senior Vice President

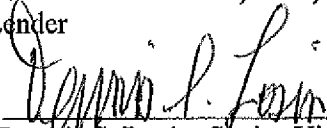
WITNESS the execution hereof under seal on the day and year first above written.

**BURNES HOME ACCENTS, LLC**  
("Company")

By: \_\_\_\_\_  
**Allison Jackson, Chief Financial  
Officer**

Accepted:

**BANK OF AMERICA, N.A.,**  
as Lender

By:  \_\_\_\_\_  
**Dennis S. Losin, Senior Vice President**





**EXHIBIT A**

**United States Trademarks and Trademark Applications**

Registered Trademarks:

<u>Trademark</u>	<u>Registration No.</u>	<u>Registration Date</u>
NO MORE CROOKED LEDGES!	3,743,179	01/26/2010
NO MORE CROOKED PICTURES!	3,743,177	01/26/2010
BURNES ENVUE	3,723,042	12/08/2009
BB BURNES	3,626,935	05/26/2009
HEIRLOOM	3,622,888	05/19/2009
LEVEL-LINE	3,514,031	10/07/2008
BB	3,481,733	08/05/2008
BB BURNES	3,481,732	08/05/2008
STATE STREET	3,447,541	06/17/2008
BB BURNES OF BOSTON	3,375,463	01/29/2008
BURNES OF BOSTON	3,331,196	11/06/2007
LEVEL-LINE	3,313,281	10/06/2007
MAILABLE MOMENTS	3,077,436	04/04/2006
NAMEWORKS	2,988,024	08/23/2005
DECOR ESSENTIALS	2,296,802	11/30/1999
CONNOISSEUR	1,968,927	04/16/1996
D DECOREL	1,896,214	05/30/1995
DAX	1,835,473	05/10/1994
DECOREL	1,800,750	10/26/1993
OLD CRAFTSMAN	1,762,894	04/06/1993
BURNES	1,750,065	02/02/1993
CARR	1,612,966	09/11/1990
HOLSON	1,549,092	07/25/1989
ULTIMIZER	1,541,577	05/30/1989
FRAMES AS SPECIAL AS THE MEMORIES THEY HOLD	1,448,540	07/21/1987

<u>Trademark</u>	<u>Registration No.</u>	<u>Registration Date</u>
RARE WOODS	1,363,411	10/01/1985
INTERCRAFT	1,182,018	12/15/1981
THE FRAME PEOPLE	1,153,176	05/05/1981
TERRAGRAFICS	1,079,906	12/20/1977
BURNES OF BOSTON	1,057,648	02/01/1977
BB	1,055,591	01/04/1977

Trademarks Applications:

<u>Trademark</u>	<u>Serial No.</u>	<u>File Date</u>
MAKEOVER IN A MINUTE	85/189,193	12/02/2010
EVERY BUDGET DESERVES A GREAT DESIGN	85/189,175	12/02/2010
BURNES INTERIORS	85/189,151	12/02/2010
TAKING DESIGN OUT OF THE BOX	85/189,115	12/02/2010

**EXHIBIT B**  
**CERTIFICATE**

The undersigned officer of \_\_\_\_\_ (the "Company"), DOES HEREBY CERTIFY to Bank of America, N.A. ("Lender"), as Lender under the Loan Agreement dated as of March \_\_\_\_, 2011, among Lender and Company and certain of Company's affiliates, that the quality of the products associated with the Trademarks listed on Exhibit A of the Trademark Security Agreement dated as of March \_\_\_\_, 2011, between the Company and Lender (as amended from time to time to include future trademarks and trademark applications, the "Agreement"), has been maintained at a level consistent with the quality of such products at the time of the execution of the Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Certificate, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

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