



**FLEER TRADEMARK REGISTRATIONS AND APPLICATIONS  
IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

<u>TRADEMARK</u>	<u>CLASS</u>	<u>REGISTRATION DATE</u>	<u>APPLICATION #</u>	<u>REGISTRATION #</u>
BIG WAD (Stylized)	30	July 8, 1969		872,792
BLC-HO-HO	30	July 5, 1994		1,843,818
BLOOD SUCKERS	30	November 7, 1995		1,933,892
BONANZA	30	July 18, 1995		1,906,715
BOO BUBBLES	30	April 13, 1994		1,764,727
BUBBLE BUNNY	30	March 22, 1988		1,481,780
BUBBLE BURGER	30	September 18, 1979		1,135,223
BUCKET 'O' BLOOD	30	June 21, 1994		1,840,729
DRAC'S BATS	30	November 1, 1994	74/593,574	
DUBBLE BUBBLE	30	September 24, 1991		1,658,380
DUBBLE BUBBLE AND DESIGN	30	January 6, 1959		672,273
DUBBLE BUBBLE (STYLIZED)	30	November 29, 1994		1,865,362
FIREPLUG CANDY	30	August 27, 1985		1,357,059
FLEER	30	October 29, 1991		1,662,637
FLEER AND DESIGN	30	March 13, 1984		1,270,137
FLEER DUBBLE BUBBLE AND DESIG	30	January 10, 1901		709,732
FLEER DUBBLE BUBBLE AND DESIG	30	January 12, 1965		783,318
FULL-OF-HEARTS	30	September 18, 1990		1,614,083
GAME TIME	30	January 5, 1996	75/040,622	
GIVE-A-HEART	30	March 1, 1988		1,478,908
GOBLIN STIX	30	August 18, 1992		1,709,442
GOOSE BUMPS	30	June 15, 1993		1,777,361
GRIDIRON STIX	30	August 18, 1992		1,709,441

HEART STOPPERS	30	January 10, 1995		1,873,365
HORROR POPS	30	November 21, 1994	74/601,717	
KORN HEADS	30	June 14, 1994		1,840,050
MONSTER STIX	30	March 7, 1995	74/645,077	
MUMMIES AND DEADIES	30	June 21, 1994		1,841,452
MR. BONES AND DESIGN	30	May 1, 1979		1,117,394
PUD	30	January 9, 1996		1,946,825
PUD	16	January 16, 1996		1,948,105
PUD CARTOON CHAR DCS.	16	January 16, 1996		1,948,112
PUMPKIN FACE	30	April 5, 1986		1,483,732
PUPPY LOVE	30	December 17, 1991		1,668,716
QUICKSAND (STYLIZED)	30	September 15, 1970		898,671
RAZZLES AND DESIGN	30	December 20, 1966		820,666
SAF-T-POPS	30	January 10, 1967		822,017
SOUR POWER (STYLIZED)	30	February 12, 1974		978,735
STAR BUBBLES	30	March 6, 1991	74/145,109	
STARS 'N STRIPES	30	March 17, 1992		1,679,914
SWEET 'N SOUR BUNNIES	30	January 12, 1993		1,746,519
SWEET SPICE	30	April 28, 1959		677,839
TASTY FRUIT	30	April 28, 1959		677,840

**ASHER TRADEMARK REGISTRATIONS AND APPLICATIONS  
IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

ASHER	30	October 4, 1994		1,856,869
ASHER AND DESIGN	30	September 28, 1992	74/318,199	

GOURMET CANES AND DESIGN	30	May 18, 1993	1,771,711
TIGER TAILS	30	April 30, 1993	1,766,099

**FLEER TRADEMARK REGISTRATIONS AND APPLICATIONS**  
**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

BACK-SLAPPER	16	July 18, 1967	832,224
BONANZA	16	July 18, 1995	1,906,715
BOSS	16	April 7, 1995	74/660,299
CANVAS	16	January 16, 1996	75/043,552
DIAMOND TRIBUTE	16	February 26, 1996	75/061,997
ENCRYPTALYZER	16	February 13, 1996	75/057,473
EXCEL	16	November 2, 1993	1,802,691
EXTRA BASES	16	July 4, 1995	1,902,714
FLAIR	16	May 10, 1994	1,836,149
FLEER	16	January 7, 1992	1,671,098
FLEER ULTRA	16	January 11, 1994	1,816,398
FLEER ULTRA TEAM	16	January 4, 1994	1,815,416
HOLO F/X	16	January 16, 1996	75/043,551
HOLOPIX	16	January 16, 1996	75/043,723
HOT GLOVE	16	February 26, 1996	75/062,987
HOT PACKS	16	October 31, 1995	1,931,650
INFINITY	16	March 22, 1994	74/504,140
LEAGUE LEADERS	16	March 22, 1994	74/504,147
M BOSS	16	January 16, 1996	75/043,409
METAL	16	January 26, 1995	74/625,877

METAL UNIVERSE	16	January 16, 1996	75/044,369	
OVERPOWER	28	January 26, 1995	74/625,899	
POWER PLAY	16	June 14, 1994		1,839,939
POWER PLUS	16	February 26, 1996	75/063,061	
POWER SURGE	28	August 31, 1995	74/723,648	
PRIME LEATHER	16	February 26, 1996	75/068,026	
PROCARDS	16	November 29, 1988		1,514,561
RISING STAR	16	January 12, 1995	74/621,965	
ROOKIE SENSATIONS	16	August 15, 1995		1,912,846
ROOKIE SENSATIONS	16	September 8, 1995	74/726,754	
SCHOOL-DAZE	16	November 14, 1967		838,832
SEASON CROWNS	16	February 26, 1996	75/063,701	
SMOOTH LEATHER	16	February 26, 1996	75/062,995	
	16	April 15, 1969		868,213
STAND OUTS	16	March 22, 1994	74/606,229	
STARS 'N STRIPES	16	March 31, 1992		1,681,611
TEAM LEADER	16	September 12, 1995		1,917,864
TEAM LEADERS	16	January 31, 1995		1,876,585
TOMORROW'S HEROES	16	June 29, 1993		1,778,920
WAVE OF THE FUTURE (BASEBALL)	16	January 24, 1995	74/524,959	
WAVE OF THE FUTURE (BASKETBAL	16	January 24, 1995	74/624,973	
WAVE OF THE FUTURE (FOOTBALL)	16	January 24, 1995	74/624,972	

RELEASE  
(Trademarks)

Dated: September 29, 1998

Reference is made to that certain Fleeer Trademark Security Agreement, dated as of March 27, 1996 (as amended, supplemented or otherwise modified from time to time, the "Agreement"), made by Fleeer Corp. in favor of The Chase Manhattan Bank (formerly known as Chemical Bank), as administrative agent (in such capacity, the "Administrative Agent").

As of the date hereof, we hereby release all security interests, liens, encumbrances and other liens of any kind (the "Liens") in or to the intellectual property granted to the Administrative Agent by **Fleeer Corp.** pursuant to the Agreement and **recorded with the United States Patent and Trademark Office at Reel 1472, Frame 0175**, including, without limitation, the Liens (if any) on each of the trademarks listed on the attachment hereto.

Such release is made without representation, warranty or recourse, express or implied.

IN WITNESS WHEREOF, the undersigned has caused this Release to be duly executed by its officer thereunto duly authorized as of the date indicated above.

THE CHASE MANHATTAN BANK, as  
Administrative Agent

By: Susan E Atkins  
Name: Susan E Atkins  
Title: Vice President

# FLEER TRADEMARK SECURITY AGREEMENT

FLEER TRADEMARK SECURITY AGREEMENT, dated as of March 27, 1996, made by FLEER CORP., a Delaware corporation (the "Grantor"), in favor of CHEMICAL BANK, a New York banking corporation, as administrative agent (in such capacity, the "Administrative Agent").

## W I T N E S S E T H :

WHEREAS, the Secured Parties (as defined below) have agreed to make certain extensions of credit to Marvel Entertainment Group, Inc., a Delaware corporation (the "Company"), and certain of its Subsidiaries, including the Grantor, and the Grantor has guaranteed the prompt payment of certain of such extensions of credit;

WHEREAS, the Grantor is a party to the Flee Security Agreement, dated as of March 27, 1996, made by the Grantor in favor of the Administrative Agent, for the ratable benefit of the Secured Parties (as amended, supplemented or otherwise modified from time to time, the "Flee Security Agreement");

WHEREAS, the Grantor owns certain Trademarks listed on Schedule I hereto;

WHEREAS, the Grantor is a licensee under certain Trademark Licenses listed on Schedule II hereto and Schedule II to the Flee Security Agreement;

WHEREAS, pursuant to the Flee Security Agreement, the Grantor has mortgaged, pledged and granted to the Administrative Agent, for the ratable benefit of the Secured Parties, a security interest in all right, title and interest of the Grantor in, to and under the Collateral, including the property listed on the attached Schedules I and II hereto and Schedule II of the Flee Security Agreement, together with any renewal or extension thereof, and all Proceeds thereof, to secure the payment of the Obligations;

WHEREAS, for convenience of reference and recordation, but with no intention to supersede the terms of the Flee Security Agreement, the parties hereto have entered into this Flee Trademark Security Agreement; and

WHEREAS, it is a condition precedent to the obligation of the Secured Parties to continue to make such extensions of credit that the Grantor shall have executed and delivered this Flee Trademark Security Agreement to the Administrative Agent, for the ratable benefit of the Secured Parties;

NOW, THEREFORE, in consideration of the premises, the Grantor hereby agrees with the Administrative Agent, for the ratable benefit of the Secured Parties, as follows:

1. Defined Terms. Unless otherwise defined herein, terms which are used herein without definition shall have the meaning assigned thereto in the Fleeer Security Agreement and, if not defined therein, shall have the meaning assigned thereto in the Panini Credit Agreement, and the following terms shall have the following meanings:

"Ancillary Document" means each instrument, document and agreement executed and delivered by an Obligor pursuant to a Covered Document.

"Collateral" has the meaning assigned to it in Section 2 of this Security Agreement.

"Covered Documents" means the collective reference to (a) the Panini Credit Agreement, (b) the SkyBox Credit Agreement, (a) the Line of Credit, (d) each letter of credit issued by a bank or other financial institution which is a party to the Panini Credit Agreement or the SkyBox Credit Agreement for the account of the Guarantor or any of its Subsidiaries and (e) each interest rate agreement between the Guarantor or any of its Subsidiaries and a bank or other financial institution which is party to the Panini Credit Agreement or the SkyBox Credit Agreement.

"Default" means a "Default" under (and as defined in) any of the Covered Documents.

"Event of Default" shall mean an "Event of Default" under (and as defined in) any of the Covered Documents.

"Fleeer Guarantee" means the Fleeer Guarantee, dated as of the date hereof, made by the Grantor in favor of the Administrative Agent, as the same may be amended, supplemented or otherwise modified from time to time.

"Fully Satisfied" shall mean, with respect to the Payment Obligations as of any date, that, on or before such date, (a) the principal of and interest accrued to such date on such Payment Obligations shall have been paid in full in cash, (b) all fees, expenses and other amounts then due and payable which constitute Payment Obligations shall have been paid in full in cash, (c) all commitments to make further extensions of credit under the Covered Documents shall have expired or irrevocably been terminated and (d) any Undrawn L/C Obligations shall have been secured by the grant to the relevant issuer by the Obligor who is the account party with respect thereto of a first priority, perfected security interest in, and Lien on, (i) cash or cash equivalents in an amount at least equal to the amount of such Undrawn L/C Obligations on such date or (ii) other collateral security which is acceptable to such issuer.

"General Intangibles" means all personal property (including things in action) of the Grantor located in the United States (other than goods, accounts, chattel paper, documents, instruments and money), including, without limitation, all customer lists, licenses, permits, Trademarks and Copyrights and other rights in intellectual property now or hereafter owned by the Grantor in the United States; provided that the



term "General Intangibles" shall not include any right of the Grantor to property of another Person where such contract or agreement giving rise to such right prohibits the assignment or encumbrance of such right (or the contract or agreement giving rise thereto), except to the extent that such prohibition would be ineffective pursuant to Section 9-318(4) of the UCC.

**"Line of Credit"** means the Line of Credit, dated as of the date hereof, among Grantor, the banks and other financial institutions from time to time parties thereto and the Administrative Agent, as the same may be amended, supplemented or otherwise modified from time to time.

**"Obligations"** means (a) the "Fleer Obligations" under (and as defined in) the Panini Credit Agreement, (b) the "Fleer Obligations" under (and as defined in) the SkyBox Credit Agreement and (c) all obligations and liabilities of the Grantor under the Guarantees.

**"Obligor"** means, with respect to any Payment Obligation, the Subsidiary of the Guarantor which is a party to the Covered Document under which such Payment Obligation arises.

**"Panini Credit Agreement"** means the Amended and Restated Credit and Guarantee Agreement, dated as of August 30, 1994, among the Company, the Grantor, the banks and other financial institutions from time to time parties thereto, the Co-Agents named therein and the Administrative Agent, as the same may be amended, supplemented or otherwise modified from time to time; provided that, from and after the date upon which such Amended and Restated Credit and Guarantee Agreement is terminated, the term "Panini Credit Agreement" shall mean such Amended and Restated Credit and Guarantee Agreement as in effect immediately prior to the termination thereof.

**"Payment Obligations"** shall mean (a) all principal, interest, fees, charges, expenses, attorneys' fees and disbursements, indemnities and any other amounts payable by any Subsidiaries of the Grantor under each Covered Document and each Ancillary Document and (b) any amount in respect of any of the foregoing that the Administrative Agent or any bank or other financial institution party to any Covered Document, in its sole discretion, may elect to pay or advance under a Covered Document on behalf of such Person after the occurrence and during the continuance of a Default or an Event of Default.

**"Proceeds"** means (a) any and all proceeds of any insurance, indemnity, warranty or guaranty payable to the Grantor or any Subsidiary from time to time with respect to any of the Collateral, (b) any and all payments (in any form whatsoever) made or due and payable to the Grantor from time to time in connection with any requisition, confiscation, condemnation, seizure or forfeiture of all or any part of the Collateral by any governmental body, authority, bureau or agency (or any person acting under color of governmental authority), (c) any claim of the Grantor or any Subsidiary against third parties for past, present or future infringement or dilution of,

any Trademark or Trademark License, Trademark registration or Trademark licensed under any Trademark License, or for breach of any Trademark License, (d) any and all other amounts from time to time paid or payable under or in connection with any of the Collateral and (e) any "proceeds" as such term is defined in Section 9-306(1) of the UCC.

**"Secured Party"** means each bank and other financial institution party to a Covered Document which is a holder of obligations owing under such Covered Document.

**"Security Agreement"** means this Fler Trademark Security Agreement, as amended, supplemented or otherwise modified from time to time.

**"SkyBox Credit Agreement"** means the Credit and Guarantee Agreement, dated as of April 24, 1995, among the Company, the Grantor, the banks and other financial institutions from time to time parties thereto, the Co-Agents named therein and the Administrative Agent, as the same may be amended, supplemented or otherwise modified from time to time.

**"Trademarks"** means (a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source of business identifiers, and the goodwill associated therewith, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, whether in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof, or any political subdivision thereof, or otherwise, including, without limitation, any thereof referred to in Schedule I hereto and (b) all renewals thereof.

**"Trademark Licenses"** means any written agreement, naming the Grantor as licensor or licensee, granting any right under any Trademark, including, without limitation, the agreements described in Schedule II to the Fler Security Agreement and the agreements described Schedule II hereto, as the same may be amended, supplemented or otherwise modified from time to time, including, without limitation, (i) all rights of the Grantor to receive moneys due and to become due to it thereunder or in connection therewith, (ii) all rights of the Grantor to damages arising out of or for breach or default in respect thereof and (iii) all rights of the Grantor to exercise all remedies thereunder; provided that the term "Trademark Licenses" shall not include any license (or any contract or agreement giving rise thereto) by the Grantor of property of another Person where such contract or agreement prohibits the assignment or encumbrance of such license (or the contract or agreement giving rise thereto), except to the extent that such prohibition would be ineffective pursuant to Section 9-318(4) of the UCC.

**"UCC"** means the Uniform Commercial Code from time to time in effect in the State of New York.

"Undrawn L/C Obligations" shall mean the portion, if any, of the Payment Obligations constituting the contingent obligation of the relevant Obligor to reimburse the relevant issuer in respect of the then undrawn and unexpired portions of each letter of credit constituting a Covered Document hereunder.

2. Grant of Security Interest. As collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations, the Grantor hereby grants to the Administrative Agent for the ratable benefit of the Secured Parties a security interest in all of the following property now owned or at any time hereafter acquired by the Grantor or in which the Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "Collateral"):

(i) all Trademarks;

(ii) all Trademark Licenses;

(iii) all General Intangibles; and

(iv) to the extent not otherwise included, all Proceeds and products of any and all of the foregoing.

3. Representations and Warranties Concerning Trademarks. Schedule I hereto includes all registered Trademarks owned by the Grantor in its own name as of the date hereof. To the best of the Grantor's knowledge, each Trademark is valid, subsisting, unexpired, enforceable and has not been abandoned. Except as set forth in Schedule II to the Fler Security Agreement and except for immaterial oral or written non-commercial permissions and settlement agreements, none of such Trademarks is the subject of any licensing or franchise agreement. No holding, decision or judgment has been rendered by any United States Governmental Authority which would be reasonably likely to limit, cancel or question the validity of any material Trademark. No United States action or proceeding is pending which, if adversely determined, would be reasonably likely to have a material adverse effect on the value of any material Trademark.

4. Covenants. The Grantor covenants and agrees with the Administrative Agent and the Secured Parties that, from and after the date of this Security Agreement until the date upon which the Payment Obligations have been Fully Satisfied:

(a) Further Documentation. At any time and from time to time, upon the written request of the Administrative Agent, and at the sole expense of the Grantor, the Grantor will promptly and duly execute and deliver such further instruments and documents and take such further action as the Administrative Agent may reasonably request for the purpose of obtaining or preserving the full benefits of this Security Agreement and of the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the Uniform Commercial Code in effect in any jurisdiction with respect to the Liens created hereby. The Grantor also hereby authorizes the Administrative Agent to file any such financing or continuation statement without the signature of the

Grantor to the extent permitted by applicable law, if the Administrative Agent gives notice of its actions to the Grantor; provided that the failure to give such notice shall not invalidate or otherwise impair the filing of such statement. A carbon, photographic or other reproduction of this Security Agreement shall be sufficient as a financing statement for filing in any jurisdiction if permitted by such jurisdiction and the Administrative Agent agrees to notify the Grantor that any such filing has been made.

(b) Limitation on Liens on Collateral. The Grantor will not create, incur or permit to exist any Lien or claim on or to the Collateral, and will defend the Collateral against, and will take such other action as is necessary to remove, any known Lien or claim on or to the Collateral, other than the Liens created hereby and other than as permitted pursuant to the Covered Documents and the Ancillary Documents, and will defend the right, title and interest of the Administrative Agent and the Secured Parties in and to any of the Collateral against the claims and demands of all Persons whomsoever.

(c) Limitations on Dispositions of Collateral. The Grantor will not sell, transfer, lease or otherwise dispose of any of the Collateral, or attempt, offer or contract to do so except as permitted in the Covered Documents.

(d) Limitations on Modifications, Waivers, Extensions of Trademark Licenses. The Grantor will not (i) amend, modify, terminate or waive any provision of any Trademark License in any manner which would be reasonably likely to materially adversely affect the value of any material Trademark License as Collateral, (ii) fail to exercise promptly and diligently each and every right which it may have under each material Trademark License (other than any right of termination and other than such rights as the Grantor might reasonably choose to forego in accordance with its ordinary business practice when all such failures to exercise such rights would not, in the aggregate, be reasonably likely to materially impair the value of the Collateral as a whole) or (iii) fail to deliver to the Administrative Agent a copy of each material demand, notice or document received by it relating in any way to any Trademark License except (in the case of this clause (iii) only) to the extent that the matters contained in such demand notice or document would not be reasonably likely to materially impair the value of such Trademark License as Collateral.

(e) Notices. The Grantor will advise the Administrative Agent promptly, in reasonable detail, at its address set forth in subsection 12.2 of the Panini Credit Agreement, (i) of any Lien (other than Liens created hereby or permitted under the Covered Documents or the Ancillary Documents) on, or claim asserted against, Trademarks when any such Lien or claim would be reasonably likely to have a material adverse effect upon the value of the Trademarks taken as a whole and (ii) of the occurrence of any other event which would be reasonably likely to have a material adverse effect on the aggregate value of the Collateral or on the Liens created hereunder.

(f) Trademarks.

(i) Except as permitted pursuant to subsections 7.4, 8.5 and 8.6 of the Panini Credit Agreement, the Grantor (either itself or through licensees) will, except with respect to any Trademark that the Grantor shall reasonably determine is of

negligible economic value to it, (A) continue to use each Trademark on each and every trademark class of goods applicable to its current line with respect to such Trademark as reflected in its current publications, brochures and price lists in order to maintain such Trademark in full force free from any claim of abandonment for non-use, except with regard to discontinuations resulting from the expiration of license agreements which the Grantor, in accordance with its reasonable business judgment, chooses not to renew or otherwise reissue, (B) use its best efforts to maintain as in the past the quality of products and services offered under such Trademark, (C) employ such Trademark with the notice of registration or notice of trademark, as applicable, sufficient to protect such Trademark, (D) not adopt or use any mark which is confusingly similar or a colorable imitation of such Trademark unless the Grantor shall grant to the Administrative Agent, for the ratable benefit of the Secured Parties, a perfected security interest in such mark pursuant to this Security Agreement, and (E) not (and not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby any Trademark may become invalidated.

(ii) The Grantor will notify the Administrative Agent and the Secured Parties immediately if it knows, or has reason to know, that any application or registration relating to any material Trademark may become abandoned or dedicated, or of any adverse determination or development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office or any court or tribunal in the United States or any political subdivision thereof), other than non-final determinations of the United States Patent and Trademark Office, regarding the Grantor's ownership of any Trademark or its right to register the same or to keep and maintain the same.

(iii) On each January 31 and July 31 of each year following the date hereof (or, if the Administrative Agent reasonably so requests in writing, more often), the Grantor either itself or through any agent, employee, licensee or designee, shall provide to the Administrative Agent, with a copy for each Secured Party, a document confirming the Secured Parties' security interest in any Trademark with respect to which the Grantor has filed an application for registration with the United States Patent and Trademark Office during the two preceding calendar quarters, duly executed and in proper form for filing in the United States Patent and Trademark Office or other applicable United States Governmental Authority. Upon request of the Administrative Agent, the Grantor shall execute and deliver any and all additional agreements, instruments, documents, and papers as the Administrative Agent may request to evidence the Administrative Agent's and the Secured Parties' security interest in any Trademark and the goodwill and general intangibles of the Grantor relating thereto or represented thereby, and the Grantor hereby constitutes the Administrative Agent its attorney-in-fact to execute and file all such writings for the foregoing purposes (and the Administrative Agent agrees to notify the Grantor that any such filing has been made), all lawful acts of such attorney being hereby ratified and confirmed; such power being coupled with an interest is irrevocable until the Payment Obligations have been Fully Satisfied.

(iv) The Grantor will take all necessary steps, as it shall deem appropriate under the circumstances, in accordance with its reasonable business judgment, to maintain and pursue each application filed (and to obtain the relevant registration) and to maintain to the extent permitted by law each registration of each material Trademark owned by the Grantor including, without limitation, filing of applications for renewal, affidavits of use and affidavits of incontestability where necessary.

(v) The Grantor will promptly notify the Administrative Agent and the Secured Parties of any material infringement of any material Trademark owned by it of which it becomes aware and will take such actions as it shall reasonably deem appropriate under the circumstances, in accordance with its reasonable business judgment, to protect such Trademark, including, where appropriate, the bringing of suit or the settling of actual or potential suits for infringement, misappropriation or dilution, seeking injunctive relief and seeking to recover any and all damages for such infringement, misappropriation or dilution.

5. Administrative Agent's Appointment as Attorney-in-Fact.

(a) Powers. The Grantor hereby irrevocably constitutes and appoints the Administrative Agent and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Grantor and in the name of the Grantor or in its own name, from time to time in the Administrative Agent's discretion, for the purpose of carrying out the terms of this Security Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Security Agreement, and, without limiting the generality of the foregoing, the Grantor hereby gives the Administrative Agent the power and right, on behalf of the Grantor without notice to or assent by the Grantor, to do the following:

(i) at any time when any Event of Default shall have occurred and is continuing, in the name of the Grantor or its own name, or otherwise, to take possession of and indorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under, or with respect to, any Collateral and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Administrative Agent for the purpose of collecting any and all such moneys due with respect to such Collateral whenever payable;

(ii) to pay or discharge taxes and Liens levied or placed on or threatened against the Collateral, to effect any repairs or any insurance called for by the terms of this Security Agreement and to pay all or part of the premiums therefor and the costs thereof; and

(iii) upon the occurrence and during the continuance of any Event of Default, (a) to direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Administrative Agent or as the Administrative Agent shall direct; (b) to ask or demand

for, collect, receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral; (c) to sign and indorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other documents in connection with any of the Collateral; (d) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any portion thereof and to enforce any other right in respect of any Collateral; (e) to defend any suit, action or proceeding brought against the Grantor with respect to any Collateral; (f) to settle, compromise or adjust any suit, action or proceeding described in the preceding clause and, in connection therewith, to give such discharges or releases as the Administrative Agent may deem appropriate; (g) to assign any Trademark (along with goodwill of the business to which such Trademark pertains), throughout the world for such term or terms, on such conditions, and in such manner, as the Administrative Agent shall in its sole discretion determine; and (h) generally, to sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Administrative Agent were the absolute owner thereof for all purposes, and to do, at the Administrative Agent's option and the Grantor's expense, at any time, or from time to time, all acts and things which the Administrative Agent reasonably deems necessary to protect, preserve or realize upon the Collateral and the Liens of the Administrative Agent and the Secured Parties thereon and to effect the intent of this Security Agreement, all as fully and effectively as the Grantor might do.

The Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable until the Payment Obligations have been Fully Satisfied.

(b) Other Powers. The Grantor also authorizes the Administrative Agent, at any time and from time to time, to execute, in connection with the sale provided for in Section 8 hereof, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral.

(c) No Duty on the Part of Administrative Agent or Secured Parties. The powers conferred on the Administrative Agent and the Secured Parties hereunder are solely to protect the interests of the Administrative Agent and the Secured Parties in the Collateral and shall not impose any duty upon the Administrative Agent or any Secured Party to exercise any such powers. The Administrative Agent and the Secured Parties shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their officers, directors, employees or agents shall be responsible to the Grantor for any act or failure to act hereunder, except for their own gross negligence or willful misconduct.

6. Performance by Administrative Agent of Grantor's Obligations. If the Grantor fails to perform or comply with any of its agreements contained herein and the Administrative Agent, as provided for by the terms of this Security Agreement, shall itself perform or comply, or otherwise cause performance or compliance, with such agreement, the reasonable expenses of the Administrative Agent incurred in connection with such

performance or compliance, together with interest thereon at a rate per annum 3% above the Alternate Base Rate, shall be payable by the Grantor to the Administrative Agent on demand and shall constitute Obligations secured hereby.

7. Proceeds. It is agreed that if an Event of Default shall occur and be continuing (a) all Proceeds received by the Grantor consisting of cash, checks and other near-cash items shall be held by the Grantor in trust for the Administrative Agent and the Secured Parties, segregated from other funds of the Grantor, and shall, forthwith upon receipt by the Grantor, be turned over to the Administrative Agent in the exact form received by the Grantor (duly indorsed by the Grantor to the Administrative Agent, if required), and (b) any and all such Proceeds received by the Administrative Agent (whether from the Grantor or otherwise) may, in the sole discretion of the Administrative Agent, be held by the Administrative Agent for the ratable benefit of the Secured Parties as collateral security for, and/or then or at any time thereafter may be applied by the Administrative Agent against, the Obligations (whether matured or unmatured), such application to be in such order as the Administrative Agent shall elect. Any balance of such Proceeds remaining after the Payment Obligations have been Fully Satisfied shall be paid over to the Grantor or to whomsoever may be lawfully entitled to receive the same.

8. Remedies. If an Event of Default shall occur and be continuing, the Administrative Agent, on behalf of the Secured Parties may exercise, in addition to all other rights and remedies granted to them in this Security Agreement and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of a secured party under the UCC. Without limiting the generality of the foregoing, the Administrative Agent without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon the Grantor or any other Person (all and each of which demands, defenses, advertisements and notices are hereby waived to the extent permitted by applicable law), may in such circumstances forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option or options to purchase, or otherwise dispose of and deliver the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of the Administrative Agent or any Secured Party or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. The Administrative Agent or any Secured Party shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in the Grantor, which right or equity is hereby waived or released to the extent permitted by applicable law. The Grantor further agrees, at the Administrative Agent's request, to assemble the Collateral and make it available to the Administrative Agent at places which the Administrative Agent shall reasonably select, whether at the Grantor's premises or elsewhere. The Administrative Agent shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all reasonable costs and expenses of every kind incurred therein or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Administrative Agent and the Secured Parties hereunder, including, without limitation, reasonable attorneys' fees



and disbursements, to the payment in whole or in part of the Obligations, in such order as the Administrative Agent may elect, and only after such application and after the payment by the Administrative Agent of any other amount required by any provision of law, need the Administrative Agent account for the surplus, if any, to the Grantor. To the extent permitted by applicable law, the Grantor waives all claims, damages and demands it may acquire against the Administrative Agent or any Secured Party arising out of the exercise by them of any rights hereunder, except for gross negligence, bad faith or willful misconduct on the part of the Administrative Agent or such Secured Party. If any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least 10 days before such sale or other disposition. All waivers by the Grantor of rights (including rights to notice), and all rights and remedies afforded the Administrative Agent herein, and all other provisions of this Security Agreement, are expressly made subject to any applicable mandatory provisions of law limiting, or imposing conditions (including conditions as to reasonableness) upon, such waivers or the effectiveness thereof or any such rights and remedies. Any sale or other disposition of the Collateral and the possession thereof by the Administrative Agent shall be in compliance with all provisions of applicable law (including applicable securities laws and applicable provisions of the UCC). The Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay the Obligations and the fees and disbursements of any attorneys employed by the Administrative Agent or any Secured Party to collect such deficiency.

9. Limitation on Duties Regarding Preservation of Collateral. The Administrative Agent's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the UCC or otherwise, shall be to deal with it in the same manner as the Administrative Agent would deal with similar property for its own account. Neither the Administrative Agent, any Secured Party, nor any of their respective directors, officers, employees or agents shall be liable for failure to demand, collect or realize upon all or any part of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of the Grantor or otherwise.

10. Powers Coupled with an Interest. All authorizations and agencies herein contained with respect to the Collateral are, until the Payment Obligations have been Fully Satisfied, irrevocable and powers coupled with an interest.

11. Severability. Any provision of this Security Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

12. Paragraph Headings. The paragraph headings used in this Security Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

13. No Waiver; Cumulative Remedies. Neither the Administrative Agent nor any Secured Party shall by any act (except by a written instrument pursuant to Section 14 hereof), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default or in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of the Administrative Agent or any Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Administrative Agent or any Secured Party of any right or remedy hereunder on any occasion shall not be construed as a bar to any right or remedy which the Administrative Agent or such Secured Party would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any rights or remedies provided by law.

14. Waivers and Amendments; Successors and Assigns. None of the terms or provisions of this Security Agreement may be waived, amended, supplemented or otherwise modified except by a written instrument executed by the Grantor and the Administrative Agent, provided that any provision of this Security Agreement may be waived by the Administrative Agent in a written letter or agreement executed by the Administrative Agent or by telex or facsimile transmission from the Administrative Agent. This Security Agreement shall be binding upon the successors and assigns of the Grantor and shall inure to the benefit of the Administrative Agent and the Secured Parties and their respective successors and assigns.

15. Notices. Notices hereunder to be effective shall be in writing and unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered by hand, or three Business Days after being deposited in the mail, certified mail, return receipt requested, postage prepaid, or in the case of telecopy notice, where sent to such Person's address or transmission number set forth in subsection 12.2 of the Panini Credit Agreement. The Grantor may change its address and transmission number by written notice to the Administrative Agent, and the Administrative Agent may change its address and transmission number by written notice to the Grantor.

16. Authority of Administrative Agent. The Grantor acknowledges that the rights and responsibilities of the Administrative Agent under this Security Agreement with respect to any action taken by the Administrative Agent or the exercise or non-exercise by the Administrative Agent of any option, right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Security Agreement shall, as between the Administrative Agent and the Secured Parties, be governed by the definitive documentation giving rise to the obligations owing to the Secured Parties and by such other agreements with respect thereto as may exist from time to time among them, but, as between the Administrative Agent and the Grantor, the Administrative Agent shall be conclusively presumed to be acting as agent for the Secured Parties with full and valid authority so to act or refrain from acting, and the Grantor shall not be under any obligation, or entitlement, to make any inquiry respecting such authority.

**17. GOVERNING LAW. THIS SECURITY AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

**18. Incorporation of Provisions of Fleeer Security Agreement.** The Grantor hereby acknowledges and affirms that the rights and remedies of the Administrative Agent with respect to the security interest in the Collateral made and granted hereby are more fully set forth in the Fleeer Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. Nothing in this Security Agreement shall defer or impair the attachment or perfection of any security interest in any Collateral covered by the Fleeer Security Agreement which would attach or be perfected pursuant to the terms thereof without action by the Grantor or any other Person.

**19. Release of Collateral and Termination.** (a) The Collateral shall be released from time to time from the Liens created hereby in accordance with the provisions of subsection 12.12 of the Panini Credit Agreement.

(b) At such time as the Payment Obligations have been Fully Satisfied, the Collateral shall be released from the Liens created hereby, and this Security Agreement and all obligations of the Administrative Agent and the Grantor hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Collateral shall revert to the Grantor.

(c) Upon request of the Grantor following any such termination, the Administrative Agent will deliver (at the sole cost and expense of the Grantor) to the Grantor any Collateral held by the Administrative Agent hereunder, and execute and deliver (at the sole cost and expense of the Grantor) to the Grantor such documents as the Grantor shall reasonably request to evidence such termination.

IN WITNESS WHEREOF, the Grantor has caused this Security Agreement to be duly executed and delivered as of the date first above written.

FLEER CORP.

By: 

Title: E. V. R.

Trademarks

**FLEER TRADEMARK REGISTRATIONS AND APPLICATIONS  
IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

<u>TRADEMARK</u>	<u>CLASS</u>	<u>REGISTRATION DATE</u>	<u>APPLICATION #</u>	<u>REGISTRATION #</u>
BIG WAD (Stylized)	30	July 8, 1969		872,792
BLC-HO-HO	30	July 5, 1994		1,843,818
BLOOD SUCKERS	30	November 7, 1995		1,933,892
BONANZA	30	July 18, 1995		1,906,715
BOO BUBBLES	30	April 13, 1994		1,764,727
BUBBLE BUNNY	30	March 22, 1988		1,481,780
BUBBLE BURGER	30	September 18, 1979		1,135,223
BUCKET 'O' BLOOD	30	June 21, 1994		1,840,729
DRAC'S BATS	30	November 1, 1994	74/593,574	
DUBBLE BUBBLE	30	September 24, 1991		1,658,380
DUBBLE BUBBLE AND DESIGN	30	January 6, 1959		672,273
DUBBLE BUBBLE (STYLIZED)	30	November 29, 1994		1,865,362
FIREPLUG CANDY	30	August 27, 1985		1,357,059
FLEER	30	October 29, 1991		1,662,637
FLEER AND DESIGN	30	March 13, 1984		1,270,137
FLEER DUBBLE BUBBLE AND DESIG	30	January 10, 1901		709,732
FLEER DUBBLE BUBBLE AND DESIG	30	January 12, 1965		783,318
FULL-OF-HEARTS	30	September 18, 1990		1,614,083
GAME TIME	30	January 5, 1996	75/040,622	
GIVE-A-HEART	30	March 1, 1988		1,478,908
GOBLIN STIX	30	August 18, 1992		1,709,442
GOOSE BUMPS	30	June 15, 1993		1,777,361
GRIDIRON STIX	30	August 18, 1992		1,709,441

HEART STOPPERS	30	January 10, 1995		1,873,365
HORROR POPS	30	November 21, 1994	74/601,717	
KORN HEADS	30	June 14, 1994		1,840,050
MONSTER STIX	30	March 7, 1995	74/645,077	
MUMMIES AND DEADIES	30	June 21, 1994		1,841,452
MR. BONES AND DESIGN	30	May 1, 1979		1,117,394
PUD	30	January 9, 1996		1,946,825
PUD	16	January 16, 1996		1,948,105
PUD CARTOON CHAR DCS.	16	January 16, 1996		1,948,112
PUMPKIN FACE	30	April 5, 1986		1,483,732
PUPPY LOVE	30	December 17, 1991		1,668,716
QUICKSAND (STYLIZED)	30	September 15, 1970		898,671
RAZZLES AND DESIGN	30	December 20, 1966		820,666
SAF-T-POPS	30	January 10, 1967		822,017
SOUR POWER (STYLIZED)	30	February 12, 1974		978,735
STAR BUBBLES	30	March 6, 1991	74/145,109	
STARS 'N STRIPES	30	March 17, 1992		1,679,914
SWEET 'N SOUR BUNNIES	30	January 12, 1993		1,746,519
SWEET SPICE	30	April 28, 1959		677,839
TASTY FRUIT	30	April 28, 1959		677,840

**ASHER TRADEMARK REGISTRATIONS AND APPLICATIONS  
IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

ASHER	30	October 4, 1994		1,856,869
ASHER AND DESIGN	30	September 28, 1992	74/318,199	

GOURMET CANES AND DESIGN	30	May 18, 1993	1,771,711
TIGER TAILS	30	April 30, 1993	1,766,099

**FLEER TRADEMARK REGISTRATIONS AND APPLICATIONS  
IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

BACK-SLAPPER	16	July 18, 1967	832,224
BONANZA	16	July 18, 1995	1,906,715
BOSS	16	April 7, 1995	74/660,299
CANVAS	16	January 16, 1996	75/043,552
DIAMOND TRIBUTE	16	February 26, 1996	75/061,997
ENCRYPTALYZER	16	February 13, 1996	75/057,473
EXCEL	16	November 2, 1993	1,802,691
EXTRA BASES	16	July 4, 1995	1,902,714
FLAIR	16	May 10, 1994	1,836,149
FLEER	16	January 7, 1992	1,671,098
FLEER ULTRA	16	January 11, 1994	1,816,398
FLEER ULTRA TEAM	16	January 4, 1994	1,815,416
HOLO F/X	16	January 16, 1996	75/043,551
HOLOPIX	16	January 16, 1996	75/043,723
HOT GLOVE	16	February 26, 1996	75/062,987
HOT PACKS	16	October 31, 1995	1,931,650
INFINITY	16	March 22, 1994	74/504,140
LEAGUE LEADERS	16	March 22, 1994	74/504,147
M BOSS	16	January 16, 1996	75/043,409
METAL	16	January 26, 1995	74/625,877



METAL UNIVERSE	16	January 16, 1996	75/044,369	
OVERPOWER	28	January 26, 1995	74/625,899	
POWER PLAY	16	June 14, 1994		1,839,939
POWER PLUS	16	February 26, 1996	75/063,061	
POWER SURGE	28	August 31, 1995	74/723,648	
PRIME LEATHER	16	February 26, 1996	75/068,026	
PROCARDS	16	November 29, 1988		1,514,561
RISING STAR	16	January 12, 1995	74/621,965	
ROOKIE SENSATIONS	16	August 15, 1995		1,912,846
ROOKIE SENSATIONS	16	September 8, 1995	74/726,754	
SCHOOL-DAZE	16	November 14, 1967		838,832
SEASON CROWNS	16	February 26, 1996	75/063,701	
SMOOTH LEATHER	16	February 26, 1996	75/062,995	
	16	April 15, 1969		868,213
STAND OUTS	16	March 22, 1994	74/606,229	
STARS 'N STRIPES	16	March 31, 1992		1,681,611
TEAM LEADER	16	September 12, 1995		1,917,864
TEAM LEADERS	16	January 31, 1995		1,876,585
TOMORROW'S HEROES	16	June 29, 1993		1,778,920
WAVE OF THE FUTURE (BASEBALL)	16	January 24, 1995	74/524,959	
WAVE OF THE FUTURE (BASKETBAL	16	January 24, 1995	74/624,973	
WAVE OF THE FUTURE (FOOTBALL)	16	January 24, 1995	74/624,972	

Trademark Licenses

SCHEDULE II TO  
FLEER SECURITY AGREEMENT

Copyright Licenses and Trademark Licenses

<u>Licensor</u>	<u>Contract Term</u>	<u>Subject</u>
MTV Network	1/1/94-6/30/96	Beavis & Butthead, The Maxx, The Head, The Brothers Grunt
Sony Signatures	4/1/95-12/31/97	Jumanji

<u>Licensee</u>	<u>Contract Term</u>	<u>Subject</u>
The Highland Mint	6/1/95-12/31/96	Marvel Entertainment Cards (Metal)
The Highland Mint	1/1/96-7/31/97	NBA Cards (Metal)

Trademark Licenses

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