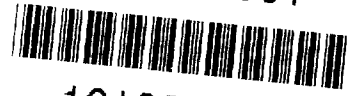


10-31-2001



101890984

U.S. DEPARTMENT OF COMMERCE  
U.S. Patent and Trademark Office

10-25-01

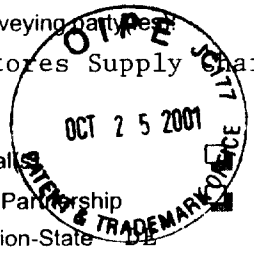
Form PTO-1594  
(Rev. 03/01)  
OMB No. 0651-0027 (exp. 5/31/2002)  
Tab settings ⇌ ⇌ ⇌

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies)  
 Jo-Ann Stores Supply Chain Management, Inc.

Individual  Association  
 General Partnership  Limited Partnership  
 Corporation-State  Other

Additional name(s) of conveying party(ies) attached?  Yes  No



2. Name and address of receiving party(ies)  
 Name: Fleet Retail Finance  
 Internal Address: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Street Address: 40 Williams Street  
 City: Wellesley State: MA Zip: 02481

Individual(s) citizenship \_\_\_\_\_  
 Association \_\_\_\_\_  
 General Partnership \_\_\_\_\_  
 Limited Partnership \_\_\_\_\_  
 Corporation-State DE  
 Other \_\_\_\_\_

If assignee is not domiciled in the United States, a domestic representative designation is attached:  Yes  No  
 (Designations must be a separate document from assignment)  
 Additional name(s) & address(es) attached?  Yes  No

3. Nature of conveyance:  
 Assignment  Merger  
 Security Agreement  Change of Name  
 Other Corrective Document

Execution Date: April 24, 2001

4. Application number(s) or registration number(s):  
 A. Trademark Application No.(s)  
76/036,723

Additional number(s) attached  Yes  No

B. Trademark Registration No.(s)

5. Name and address of party to whom correspondence concerning document should be mailed:  
 Name: Christopher E. Kondracki  
 Internal Address: \_\_\_\_\_  
 Street Address: 2001 Jefferson Davis, Hwy.,  
Suite 505  
 City: Arlington State: VA Zip: 22202

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41) ..... \$ 40.00  
 Enclosed  
 Authorized to be charged to deposit account

8. Deposit account number: \_\_\_\_\_

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.  
*To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.*

Christopher E. Kondracki  
 Name of Person Signing

Christopher E. Kondracki  
 Signature

10/24/01  
 Date

Total number of pages including cover sheet, attachments, and document: 25

Mail documents to be recorded with required cover sheet information to:  
 Commissioner of Patent & Trademarks, Box Assignments  
 Washington, D.C. 20231

10/30/2001 TDIAZ1 00000047 76036723  
 01 FC:481 40.00 OP

TRADEMARK  
 REEL: 002392 FRAME: 0421

08-10-2001



101807752

481-40 482-25

MRO  
8-10-01

RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

New

Resubmission (Non-Recordation)  
Document ID #

Correction of PTO Error  
Reel #  Frame #

Corrective Document  
Reel #  Frame #

Conveyance Type

Assignment  License

Security Agreement  Nunc Pro Tunc Assignment

Merger

Change of Name

Other

Conveying Party

Mark if additional names of conveying parties attached

Name  Execution Date  
Month Day Year

Formerly

Individual  General Partnership  Limited Partnership  Corporation  Association

Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)     
City State/Country Zip Code

Individual  General Partnership  Limited Partnership  Association

Corporation  Association

Other

Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

08/13/2001 6TOM11 00000028 75879176

01 FC:481 40.00 OP

02 FC:482 25.00 OP

FOR OFFICE USE ONLY

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:  
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Correspondent Name and Address**

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Pages**

Enter the total number of pages of the attached conveyance document including any attachments.

#

**Trademark Application Number(s) or Registration Number(s)**

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text" value="75/879,176"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="75/036,723"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

**Number of Properties**

Enter the total number of properties involved.

#

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

**Statement and Signature**

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Christopher E. Kondracki



8/9/01

Name of Person Signing

Signature

Date Signed

**TRADEMARK AND TRADEMARK  
APPLICATIONS SECURITY AGREEMENT**



April 24, 2001

TRADEMARK AND TRADEMARK APPLICATIONS SECURITY AGREEMENT dated as of April 24, 2001 by and among JO-ANN STORES SUPPLY CHAIN MANAGEMENT, INC., (the "Assignor"); and FLEET RETAIL FINANCE INC., a Delaware corporation ("FRF"), as collateral agent (in such capacity, the "Collateral Agent") for the Secured Parties (as defined herein) in consideration of the mutual covenants contained herein and benefits to be derived herefrom.

WITNESSETH:

1. **BACKGROUND:** Reference is made to the Credit Agreement of even date herewith (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Borrowers, Fleet Retail Finance Inc. as Administrative Agent and Collateral Agent for the Lenders, the Lenders, Fleet National Bank, as Issuing Bank, Congress Financial Corporation, as Documentation Agent, GMAC Commercial Credit, LLC, National City Commercial Finance, Inc., The CIT Group/Business Credit, Inc., as Co-Agents, and Fleet Securities Inc., as Syndication Agent and Arranger. Reference is further made to the Security Agreement of even date herewith entered into among the Borrowers and Fleet Retail Finance Inc. as Collateral Agent (as amended, supplemented or otherwise modified from time to time, the "Security Agreement"). Capitalized terms used herein and not defined herein shall have the meanings assigned to such terms in the Credit Agreement.

2. **GRANT OF SECURITY INTEREST:** To secure the Obligations (as defined in the Credit Agreement), Assignor hereby creates a security interest in favor of the Collateral Agent (for the benefit of the Secured Parties), with power of sale (which power of sale shall be exercisable only following the occurrence of an Event of Default) in and to the following and all proceeds thereof (collectively, the "**TM Collateral**"):

(a) All of Assignor's now owned or existing or hereafter acquired or arising trademarks, trademark applications, service marks, registered service marks and service mark applications including, without limitation, those listed on **EXHIBIT A** annexed hereto and made a part hereof, together with any goodwill connected with and symbolized by any such trademarks, trademark applications, service marks, registered service marks, and service mark applications.

(b) All renewals of any of the foregoing.

(c) All income, royalties, damages and payments now and hereafter due and/or payable under and with respect to any of the foregoing, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof.

(d) The right to sue for past, present and future infringements and dilutions of

any of the foregoing.

(e) All of Assignor's rights corresponding to any of the foregoing throughout the world.

3. **PROTECTION OF MARKS BY ASSIGNOR:** Assignor shall undertake the following with respect to each items respectively described in Sections 2(a) and 2(b) (collectively, the "Marks"):

(a) Pay all renewal fees and other fees and costs associated with maintaining the Marks and with the processing of the Marks.

(b) At Assignor's sole cost, expense, and risk, pursue the prompt, diligent, processing of each Application for Registration which is the subject of the security interest created herein and not abandon or delay any such efforts.

(c) At Assignor's sole cost, expense, and risk, take any and all action which Assignor deems desirable to protect the Marks, including, without limitation, but subject to Assignor's discretion, the prosecution and defense of infringement actions.

4. **ASSIGNOR'S REPRESENTATIONS AND WARRANTIES:** Assignor represents and warrants that:

(a) **EXHIBIT A** includes all of the registered trademarks, Federal trademark applications, registered service marks and Federal service mark applications now owned by Assignor.

(b) All TM Collateral is and shall remain, free and clear of all Liens, or security interests to any Person other than to the Collateral Agent.

(c) Assignor shall give the Collateral Agent written notice (with reasonable detail) within ten (10) days following the occurrence of any of the following:

(i) Assignor's obtaining rights to, and filing applications for registration of, any new trademarks, or service marks, or otherwise acquires ownership of any newly registered trademarks, registered service marks, trademark applications, or service mark applications, (other than Assignor's right to sell products containing the trademarks of others in the ordinary course of Assignor's business).

(ii) Assignor's becoming entitled to the benefit of any registered trademarks, trademark applications, trademark licenses, trademark license renewals, registered service marks, service mark applications, service mark licenses or service mark license renewals whether as licensee or licensor (other than Assignor's right to sell products containing the trademarks of others in the ordinary course of Assignor's business).

(iii) Assignor's entering into any new trademark license agreement or service mark license agreement.

5. **AGREEMENT APPLIES TO FUTURE MARKS:**

(a) The provisions of this TM Security Agreement shall automatically apply to any such additional property or rights described in 4(c), above, all of which shall be deemed to be and treated as "Marks" within the meaning of this TM Security Agreement.

(b) Assignor hereby authorizes the Collateral Agent to take all such action to protect the Collateral Agent's interest in and concerning any future registered trademarks,

trademark applications, registered service marks and service mark applications, written notice of which is so given, *provided, however*, the Collateral Agent's taking of such action shall not be a condition to the creation or perfection of the security interest created hereby.

6. **ASSIGNOR'S RIGHTS TO ENFORCE MARKS:** Prior the Collateral Agent's giving of notice to Assignor following the occurrence of an Event of Default, Assignor shall have the exclusive right to sue for past, present and future infringement of the Marks including the right to seek injunctions and/or money damages, in an effort by Assignor to protect the Marks against encroachment by third parties, *provided, however*:

(a) Assignor first provides the Collateral Agent with written notice of Assignor's intention to so sue for enforcement of any Mark.

(b) Any money damages awarded or received by Assignor on account of such suit (or the threat of such suit) shall constitute TM Collateral.

(c) Following the occurrence of any Event of Default, the Collateral Agent, by notice to Assignor may be terminate or limit Assignor's rights under this Section 6.

7. **COLLATERAL AGENT'S ACTIONS TO PROTECT MARKS:** In the event of

(a) Assignor's failure, within five (5) days of written notice from the Collateral Agent, to cure any failure by Assignor to perform any of Assignor's Obligations set forth in Section 3; and/or

(b) the occurrence of any Event of Default, the Collateral Agent, acting in its own name, on behalf of the Secured Parties, or in that of Assignor, may (but shall not be required to) act in Assignor's place and stead and/or in the Collateral Agent's own right in connection therewith.

8. **RIGHTS UPON DEFAULT:** Upon the occurrence of any Event of Default, the Collateral Agent, on behalf of the Secured Parties, may exercise all rights and remedies of a secured party upon default under the Uniform Commercial Code as adopted in Massachusetts (Massachusetts General Laws, Chapter 106), with respect to the Marks, in addition to which the Collateral Agent may sell, license, assign, transfer, or otherwise dispose of the Marks. Any person may conclusively rely upon an affidavit of an officer of the Collateral Agent that an Event of Default has occurred and that the Collateral Agent is authorized to exercise such rights and remedies.

9. **COLLATERAL AGENT AS ATTORNEY IN FACT:**

(a) Assignor hereby irrevocably constitutes and designates the Collateral Agent as and for Assignor's attorney in fact, effective following the occurrence of any Event of Default:

(i) To exercise any of the rights and powers referenced in Sections 3 and 5(b).

(ii) To execute all such instruments, documents, and papers as the Collateral Agent determines to be appropriate in connection with the exercise of such rights and remedies and to cause the sale, license, assignment, transfer, or other disposition of the Marks.

(b) The grant of a power of attorney, being coupled with an interest, shall be

irrevocable until this Agreement is terminated by a duly authorized officer of the Collateral Agent.

(c) The Collateral Agent shall not be obligated to do any of the acts or to exercise any of the powers authorized by Section 9(a) herein, but if the Collateral Agent elects to do any such act or to exercise any of such powers, it shall not be accountable for more than it actually receives as a result of such exercise of power, and shall not be responsible to Assignor for any act or omission to act except hereunder, except for its own gross negligence or wilful misconduct.

10. **COLLATERAL AGENT'S RIGHTS:**

(a) Any use by the Collateral Agent of the Marks, as authorized hereunder in connection with the exercise of the Collateral Agent's rights and remedies under this Agreement and under the Credit Agreement shall be coextensive with Assignor's rights thereunder and with respect thereto and without any liability for royalties or other related charges.

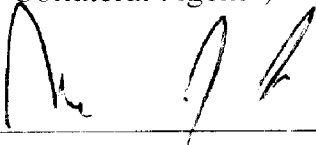
(b) None of this Agreement, the Credit Agreement, or any act, omission, or circumstance taken or arising hereunder may be construed as directly or indirectly conveying to the Collateral Agent any rights in and to the Marks, which rights are effective except following the occurrence of any Event of Default.

11. **INTENT:** It is intended that this Agreement supplement the Security Agreement. All provisions of the Credit Agreement shall apply to the Marks. The Collateral Agent, on behalf of the Secured Parties, shall have the same rights, remedies, powers, privileges and discretions, with respect to the security interests created in the TM Collateral as in all other Collateral. In the event of a conflict between this Agreement and the Security Agreement, the terms of this Agreement shall control with respect to the TM Collateral and the Security Agreement with respect to all other Collateral.

12. **CHOICE OF LAWS:** It is intended that this Agreement take effect as a sealed instrument and that all rights and obligations hereunder, including matters of construction, validity, and performance, shall be governed by the laws of The Commonwealth of Massachusetts.

IN WITNESS WHEREOF, Assignor and the Collateral Agent respectively have caused this Agreement to be executed by their respective duly authorized officers as of the date first above written.

FLEET RETAIL FINANCE INC.  
(The "Collateral Agent")

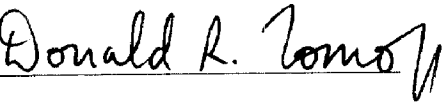
By 

Name MARK J. Fort.

Title Director

ASSIGNOR:

<sup>STORES</sup>  
JO-ANN/SUPPLY CHAIN MANAGEMENT, INC.

By 

Name Donald R Tomoff

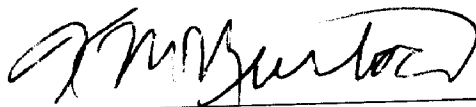
Title TREASURER

THE COMMONWEALTH OF MASSACHUSETTS

COUNTY OF SUFFOLK

Then personally appeared before me Mark J. Fort, who acknowledged that such person is the duly authorized Director of Fleet Retail Finance Inc. and that such person executed the foregoing instrument on its behalf.

Witness my hand and seal this 24 day of April, 2001.



, Notary Public

My Commission Expires:

**KEVIN M. MURTAGH, Notary Public**  
**My Commission Expires May 12, 2006**



THE COMMONWEALTH OF MASSACHUSETTS

COUNTY OF SUFFOLK

Then personally appeared before me Donald R Tomuff who acknowledged that such person is the duly authorized Treasurer of Jo-Ann Supply Chain Mangement, Inc. and that such person had executed the foregoing instrument on its behalf. Stores

Witness my hand and seal this 24 day of April, 2001.

[Handwritten Signature]

, Notary Public  
My Commission Expires:

**KEVIN M. MURTAGH, Notary Public**  
**My Commission Expires May 12, 2006**

**EXHIBIT A  
TRADEMARKS/TRADEMARKS APPLICATIONS**

Assignor's now owned or existing or hereafter acquired or arising registered service marks and Federal service mark applications, registered trademarks, and Federal trade mark applications:

**JO-ANN STORES SUPPLY CHAIN MANAGEMENT, INC.**

<u>TRADEMARK DESCRIPTION</u>	<u>COUNTRY</u>	<u>SERIAL NO.</u>	<u>REG. NO.</u>	<u>STATUS</u>
CAR SEAT COVERALLS	USA	74/604,617		Pending
GARDEN GATES DESIGN	USA	75/355,600		Pending
BOO-TIQUE	USA	75/589,841		Pending
I AM	USA	75/879,179		Pending
CLINGERS	USA	<del>76/063,723</del> 76/078,152		Pending
AUTUMN ACCENTS	USA	76/113,965		Pending
JOANN STORES INC.	USA	76/209,918		Pending
JO-ANN FABRICS AND CRAFTS	USA	76/209,919		Pending
INTERIOR ACCENT	USA	78/047,744		Pending
PRICED SEW RIGHT	USA	78/048,100-086		Pending
JO-ANN FABRICS & CRAFTS	USA	78/048,100		Pending
AUTUMN ACCENTS	USA	78/048,164		Pending

HOUSE OF FINE FABRICS	USA	73/428,062	1,149,223	Registered- Renewal 3/24/05
SHOWCASE OF FINE FABRICS	USA	73/162,314	1,162,314	Registered- Renewal 7/21/01
SHOWCASE OF FINE FABRICS	USA	73/204,422	1,162,802	Registered- Renewal 7/28/01
JO-ANN FABRIC'S FASHION MAKER SEWING CLASS	USA	73/332,001	1,222,939	Registered- Renewal 1/04/03
JO-ANN FABRICS	USA	73/427,970	1,289,452	Registered- Renewal 8/07/04
JO-ANN FABRICS	USA	73/428,150	1,289,456	Registered- Renewal 8/07/04
ULTRAPRESS	USA	73/427,971	1,310,789	Registered- Renewal 12/25/04
BEACHWOOD LTD.	USA	73/534,305	1,393,371	Registered- Renewal 5/13/06
BRISTOL	USA	73/602,790	1,430,300	Registered- Renewal 2/24/07
MONTAGE	USA	73/602,791	1,434,785	Registered- Renewal 3/31/07
CORNERSTONE	USA	73/602,792	1,435,617	Registered- Renewal 4/07/07
BEACHWOOD BEARS	USA	73/614,057	1,438,175	Registered- Renewal 4/28/07
WHERE SEWING JUST GOT BETTER USA		73/663,146	1,474,593	Registered- Renewal 1/26/08

SANTA'S WORKBENCH	USA	74/153,628	1,772,745	Registered- Renewal 5/25/03
SPOOKY HOLLOW	USA	75/060,172	2,173,418	Registered- Renewal 7/14/08
SPOOKY HOLLOW	USA	75/043,082	2,162,449	Registered- Renewal 6/02/08
THE PICNIC PLACE	USA	75/355,826	2,269,959	Registered- Renewal 8/10/09
KID'S CAMP	USA	75/355,957	2,216,110	Registered- Renewal 1/05/09
PRICED SEW RIGHT COLLECTION	USA	74/464,689	1,904,469	Registered- Renewal 7/11/05
JO-ANN FABRICS & CRAFTS	USA	74/470,982	1,882,636	Registered- Renewal 3/07/05
JOANN ETC	USA	75/033,883	2,030,030	Registered- Renewal 1/14/07
EXPERIENCE THE CREATIVITY	USA	75/033,882	2,013,829	Registered- Renewal 11/05/06
J ETC ANN	USA	75/355,956	2,206,988	Registered- Renewal 12/01/08
JO-ANN ETC	USA	75/355,834	2,210,674	Registered- Renewal 12/15/08
ETC	USA	75/355,955	2,205,463	Registered- Renewal 11/24/08

ETC	USA	75/355,840	2,210,675	Registered- Renewal 12/15/08
ETC YOU CAN WITH JO-ANN	USA	75/355,833	2,210,673	Registered- Renewal 12/15/08
EXCLUSIVELY YOU CAN WITH JO-ANN!	USA	75/355,841	2,205,461	Registered- Renewal 11/24/08
YOU CAN WITH JO-ANN!	USA	75/355,842	2,205,462	Registered- Renewal 11/24/08
EXCLUSIVELY ETC	USA	75/355,843	2,203,892	Registered- Renewal 11/17/08
FINDING THE BEST FOR LESS	USA	75/920,616	2,433,438	Registered- Renewal 2/15/04
CREATIVE CASH	USA	75/672,075	2,397,168	Registered- Renewal 3/29/03
RIGHT PRICE RIGHT NOW	USA	75/607,556	2,374,491	Registered- Renewal 12/17/02
JO-ANN FABRIC SHOPS	USA	73/004,836	999,848	Registered- Renewal 12/17/02
CARGO EXPRESS	USA	73/525,161	1,383,758	Registered- Renewal 12/18/06
CARGO EXPRESS	USA	73/525,162	1,383,759	Registered- Renewal 12/18/06
SONATA BY JO-ANN	USA	73/762,333	1,540,156	Registered- Renewal 5/23/09

PROTOCOL	USA	73/602,788	1,423,815	Registered- Renewal 1/06/07
COMPU-SEW	USA	73/752,504	1,533,946	Registered- Renewal 4/11/09
SONATA	USA	73/762,333	1,540,156	Registered- Renewal 5/23/09
ELEGANT ACCENTS	USA	73/813,812	1,649,428	Registered- Renewal 7/02/01
FABRIC EXPRESS	USA	73/715,428	1,707,359	Registered- Renewal 8/11/02
CARGO EXPRESS	USA	74/262,821	1,740,410	Registered- Renewal 12/15/02
ETC SIGNATURE SERIES CUSTOM FURNITURE	USA	75/355,844	2,317,617	Registered- Renewal 2/15/10