

RE

01-09-2002



3 SHEET -Y

U.S. DEPARTMENT OF Patent and Trademark

Tab settings

101938534

To the Honorable Commissioner of Pat.

Attached original documents or copy thereof.

1. Name of conveying party(ies): AKI, Inc.

1/2/02



- Individual(s), Association, General Partnership, Limited Partnership, Corporation-State DE, Other

2. Name and address of receiving party(ies)

Name Heller Financial, Inc., as Agent

Internal Address:

Street Address : 500 West Monroe Street

City: Chicago State: IL Zip: 60661

- Individual(s) citizenship, Association, General Partnership, Limited Partnership, Corporation State Delaware, Other

If assignee is not domiciled in the United States, a 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

Execution Date: December 18, 2001

4. Application number(s) or trademark

A. Trademark Application No.(s) See the Attached

B. Trademark Registration 2078,154

Additional numbers attached? YES

5. Name and address of party to whom correspondence concerning document should be mailed:

Name:

Internal Address: Return to: LexisNexis Document Solutions Post Office Box 2969 Springfield, Illinois 62708

Street Address:

City: Sta: Zip:

6. Total number of applications and registrations

6

7. Total fee (37 CFR 3.41) \$ 165.00

- Enclosed, Authorized to be charged to deposit

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 of the original document.

Terese M. Scholl Name of Person

Terese M. Scholl Signature

12/27/01 Date

9

01/08/2002 DRYRNE 00000053 2078154

Total number of pages including cover sheet, attachments, and

01 FC:481 02 FC:482

Mail documents to be recorded with required cover sheet information to: 40.00 OP 125.00 OP

ATTACHMENT 1

<u>Country</u>	<u>Trademark</u>	<u>Registration No.</u>	<u>File Date</u>
USA	ARCADE	2,078,154	07.08.97

<u>Country</u>	<u>Trademark</u>	<u>Application No.</u>	<u>File Date</u>
USA	BEAUTISEAL	75/223,162	01.08.97
USA	POWDASEAL	75/276,807	04.17.97
USA	POWDATOUCH	75/318,614	07.02.97
USA	SMELL THE TASTE	75/233,160	01.08.97
USA	SMELL THE TASTE	75/241,268	02.13.97

AMENDMENT AND ASSIGNMENT OF TRADEMARK SECURITY AGREEMENT

This Amendment and Assignment of Trademark Security Agreement dated as of December 16th, 2001 (this "**Amendment**"), is made by and among Heller Financial, Inc., a Delaware corporation (individually, "**Heller**"), in its capacity as Agent (in such capacity, "**Agent**") under the Credit Agreement (as defined below), and AKI, Inc., a Delaware corporation and successor by merger to Arcade, Inc., a Tennessee corporation ("**Borrower**").

RECITALS

WHEREAS, Borrower and Heller entered into that certain Trademark Security Agreement dated December 12, 1997 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "**Trademark Agreement**"), which Trademark Agreement was recorded in the United States Patent and Trademark Office on February 25, 1998 on Reel 1689, Frame 0378;

WHEREAS, pursuant to the Trademark Agreement, Borrower granted to Heller a continuing security interest in, among other things, all of Borrower's right, title and interest in and to the Trademarks and Trademark applications, including without limitation those Trademarks referred to in Attachment 1 hereto;

WHEREAS, pursuant to that certain Second Amended and Restated Credit Agreement of even date herewith (as the same may hereafter be amended, restated, supplemented or otherwise modified from time to time, the "**Credit Agreement**") by and among Borrower, Agent and the financial institutions party thereto as Lenders, and the "Loan Documents" (as defined in the Credit Agreement) rendered pursuant thereto, Heller has transferred all security interests granted to it by Borrower to Agent and has assigned and delegated its rights, remedies, duties and obligations regarding "Collateral" (as defined in the Credit Agreement) to Agent;

WHEREAS, Agent has agreed to accept the assignment of the rights, remedies, and duties and assumes the obligations of Heller under the Credit Agreement and the other Loan Documents pursuant to the terms of the Credit Agreement;

WHEREAS, the parties hereto desire to execute this Amendment for the purposes of (i) amending the Trademark Agreement in certain respects to reflect the transfer of Heller's interest to Agent and (ii) evidencing in the United States Patent and Trademark Office the assignment by Heller to Agent of all of Heller's rights, remedies, duties and obligations under the Trademark Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower, Heller and Agent hereby agree as follows:

1. Definitions. All capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Trademark Agreement.

2. Amendment of Copyright Agreement. The Trademark Agreement shall be amended such that Agent shall replace Heller as the "Grantee" referred to under the Trademark Agreement. All references to "Grantee" in the Trademark Agreement shall hereinafter refer to Heller Financial, Inc., a Delaware corporation, as Agent for the Lenders under that certain Credit Agreement dated December ***, 2001 by and among Grantor, Agent and the financial institutions party thereto as lenders.

3. Assignment. In connection with the assignments from Heller to Agent under the Credit Agreement and the other Loan Documents, Heller does hereby assign and transfer all of its respective rights, remedies, and duties and assumes the obligations as "Grantee" under the Trademark Agreement to Agent. Agent hereby accepts Heller's assignment and transfer of its rights, remedies, duties and obligations as "Grantee" under the Trademark Agreement. The execution and delivery of this Amendment shall not in any way affect or modify the liability of Borrower under the Trademark Agreement hereby assigned, it being understood and agreed that notwithstanding this Amendment, all of the obligations of Borrower under the Trademark Agreement shall be and remain enforceable by Agent, as "Grantee" under the Trademark Agreement, or by its successors and assigns against Borrower.

4. Severability. Whenever possible, each provision of this Amendment will be interpreted in such manner as to be effective and valid under applicable law. In the event any provision of this Amendment is or is held to be invalid, illegal, or unenforceable under applicable law, such provision will be ineffective only to the extent of such invalidity, illegality, or unenforceability, without invalidating the remainder of such provision or the remaining provisions of this Amendment. In addition, in the event any provision of or obligation under this Amendment is or is held to be invalid, illegal, or unenforceable in any jurisdiction, the validity, legality, and enforceability of the remaining provisions or obligations in any other jurisdictions will not in any way be affected or impaired thereby.

5. Section Titles. Section and Subsection titles in this Amendment are included for convenience of reference only, do not constitute a part of this Amendment for any other purpose, and have no substantive effect.

6. Successors and Assigns. This Amendment will be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

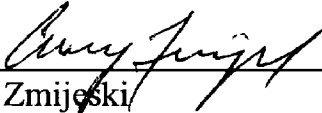
7. APPLICABLE LAW. THIS AMENDMENT WILL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS TO CONTRACTS MADE AND PERFORMED IN THAT STATE.

8. Counterparts. This Amendment may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which, when so executed and delivered, will be deemed an original and all of which shall together constitute one and the same instrument. Any such counterpart which may be delivered by facsimile transmission shall be deemed the equivalent of an originally signed counterpart and shall be fully admissible in any enforcement proceedings regarding this Agreement.

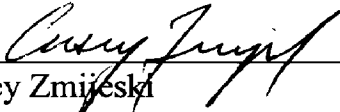
[remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, each of the parties hereto has caused this Amendment to be executed by its duly qualified officer on the date first written above.

HELLER FINANCIAL, INC.,
a Delaware corporation

By: 
Name: Casey Zmijewski
Title: Vice President

HELLER FINANCIAL, INC., , a Delaware corporation, as Agent and as successor in interest hereunder to Heller Financial, Inc. in its individual capacity

By: 
Name: Casey Zmijewski
Title: Vice President

AKI, INC., a Delaware corporation and successor by merger to Arcade, Inc., a Tennessee corporation

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, each of the parties hereto has caused this Amendment to be executed by its duly qualified officer on the date first written above.

HELLER FINANCIAL, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

HELLER FINANCIAL, INC., , a Delaware corporation, as Agent and as successor in interest hereunder to Heller Financial, Inc. in its individual capacity

By: _____
Name: _____
Title: _____

AKI, INC., a Delaware corporation and successor by merger to Arcade, Inc., a Tennessee corporation

By: _____
Name: _____
Title: _____

[Handwritten signature]
W. F. F. F.
President

STATE OF _____)
) ss.
COUNTY OF _____)

I, Evelyn Muñoz, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that William Fox personally known to me to be a President of AKI, INC., a Delaware corporation and successor by merger to Arcade, Inc., a Tennessee corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as such officer of said corporation, pursuant to authority, given by the Board of Directors of said corporation as such person's free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 20th day of December, 2001.

Evelyn Muñoz
Notary Public

My commission expires: _____

EVELYN MUNOZ
Notary Public State of New York
No. 01MU6041897
Qualified in New York County
Commission Expires May 15, 2002

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