

Form PTO-159-4
(Rev. 6-93)
OMB No. 0651-0011 (exp. 4/94)

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

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

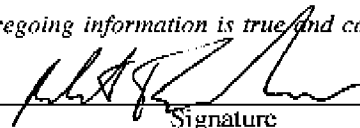
<p>1. Name of conveying party(ies): <u>RC2 Corporation</u></p> <p><input type="checkbox"/> Individual(s) <input type="checkbox"/> Association <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input checked="" type="checkbox"/> Corporation <u>Delaware</u> <input type="checkbox"/> Other _____ Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>2. Name and address of receiving party(ies) <u>Harris Trust and Savings Bank,</u> Name: <u>as administrative agent</u> Internal Address: _____ Street Address: <u>111 West Monroe Street</u> City: <u>Chicago</u> State: <u>IL</u> ZIP: <u>60603</u></p> <p><input type="checkbox"/> Individual(s) citizenship _____ <input type="checkbox"/> Association _____ <input type="checkbox"/> General Partnership _____ <input type="checkbox"/> Limited Partnership _____ <input checked="" type="checkbox"/> Corporation-State <u>Illinois</u> <input type="checkbox"/> Other _____</p> <p>If assignee is not domiciled in the United States, a domestic representative designation is attached: <input type="checkbox"/> Yes <input type="checkbox"/> No <small>(Designations must be a separate document from assignment)</small> Additional names(s) & address(s) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>3. Nature of conveyance: <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____ Execution Date: <u>September 15, 2004</u></p>	

<p>4. Application number(s) or trademark number(s): A. Trademark Application No.(s)</p>	<p>B. Trademark Registration No.(s) <u>1,590,061</u> <u>1,910,242</u> <u>2,643,147</u> <u>2,101,905</u></p> <p>Additional numbers attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
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<p>5. Name and address of party to whom correspondence concerning document should be mailed: Name: <u>Robert J. Schneider</u> Internal Address: <u>Chapman and Cutler LLP</u> _____ _____ Street Address: <u>111 West Monroe Street</u> _____ _____ City: <u>Chicago</u> State <u>IL</u> ZIP: <u>60603</u></p>	<p>6. Total number of applications and trademarks involved: 4</p> <p>7. Total fee (37 CFR 3.41) ... \$ <u>115.00</u> <input type="checkbox"/> Enclosed <input checked="" type="checkbox"/> Authorized to be charged to deposit account</p> <p>8. Deposit account number: <u>50-0305</u> <small>(Attach duplicate copy of this page if paying by deposit account)</small> Attorney Docket No. <u>1592864</u></p>
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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.

Robert J. Schneider  September 30, 2004
Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and document: 6

MAIL DOCUMENTS TO BE RECORDED WITH REQUIRED COVER SHEET INFORMATION TO:
United States Patent and Trademark Office, Box Assignments
Washington, DC 20231

CH \$116.00 600306 1690061

TRADEMARK COLLATERAL AGREEMENT

This 15th day of September, 2004, RC2 CORPORATION, a Delaware corporation (as successor by merger to Racing Champions, Inc.) ("*Debtor*"), with its principal place of business and mailing address at 1111 West 22nd Street, Oak Brook, Illinois 60523, in consideration of ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, assigns, mortgages and pledges to HARRIS TRUST AND SAVINGS BANK, an Illinois banking corporation ("*HTSB*") with its mailing address at 111 West Monroe Street, Chicago, Illinois 60603, acting as administrative agent defined for the Secured Creditors defined in that certain Security Agreement hereinafter defined (HTSB acting as such administrative agent and any successor or successors to HTSB acting in such capacity being hereinafter referred to as "*Agent*"), and grants to Agent a continuing security interest in, the following property:

(i) Each trademark, trademark registration and trademark application listed on Schedule A-1 hereto, and all of the goodwill of the business connected with the use of, and symbolized by, each such trademark, trademark registration and trademark application; and

(ii) Each trademark license listed on Schedule A-2 hereto and all royalties and other sums due or to become due under or in respect of each such trademark license, together with the right to sue for and collect all such royalties and other sums; and

(iii) All proceeds of the foregoing, including without limitation any claim by Debtor against third parties for damages by reason of past, present or future infringement of any trademark or trademark registration listed on Schedule A-1 hereto or of any trademark licensed under a trademark license listed on Schedule A-2 or by reason of injury to the goodwill associated with any such trademark, trademark registration or trademark license, in each case together with the right to sue for and collect said damages;

to secure performance of all Secured Obligations of Debtor as set out in that certain Amended and Restated Security Agreement bearing even date herewith between Debtor, certain subsidiaries of the Debtor and the Agent, as the same may be amended, modified, supplemented or restated from time to time (the "*Security Agreement*").

Notwithstanding anything herein to the contrary, this Trademark Collateral Agreement shall not operate as a sale, transfer, conveyance or other assignment to Agent of any applications by Debtor for a Trademark based on an intent to use the same if and so long as such application is pending without a Statement of Use having been filed and accepted (such pending applications which are based on intent to use being hereinafter referred to collectively as "*Intent-To-Use Applications*"), but rather, if and so long as Debtor's Intent-To-Use Application is pending without a Statement of Use having been filed and accepted, then this Trademark Collateral Agreement shall operate only to create a security interest for collateral purposes in favor of Agent on such Intent-To-Use Application as collateral security for the Obligations. When a

Statement of Use is filed and accepted by the Trademark Office, then that application shall cease to be partly exempted from this Agreement.

Debtor does hereby further acknowledge and affirm that the rights and remedies of Agent with respect to the assignment, mortgage, pledge and security interest in the trademarks, trademark registrations, trademark applications and trademark licenses made and granted hereby are more fully set forth in the Security Agreement.

IN WITNESS WHEREOF, Debtor has caused this Trademark Collateral Agreement to be duly executed as of the date and year last above written.

RC2 CORPORATION (as successor by merger to Racing Champions, Inc.)

By Jody L. Taylor
Name: JODY L. TAYLOR
Its: CHIEF FINANCIAL OFFICER

Accepted and agreed to at Chicago, Illinois as of the day and year last above written.

HARRIS TRUST AND SAVINGS BANK, as administrative agent

By _____
Name: _____
Its: _____

Statement of Use is filed and accepted by the Trademark Office, then that application shall cease to be partly exempted from this Agreement.

Debtor does hereby further acknowledge and affirm that the rights and remedies of Agent with respect to the assignment, mortgage, pledge and security interest in the trademarks, trademark registrations, trademark applications and trademark licenses made and granted hereby are more fully set forth in the Security Agreement.

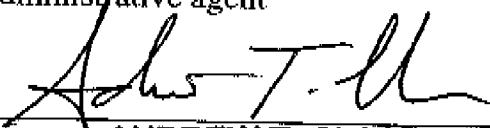
IN WITNESS WHEREOF, Debtor has caused this Trademark Collateral Agreement to be duly executed as of the date and year last above written.

RC2 CORPORATION (as successor by merger to
Racing Champions, Inc.)

By _____
Name: _____
Its: _____

Accepted and agreed to at Chicago, Illinois as of the day and year last above written.

HARRIS TRUST AND SAVINGS BANK, as
administrative agent

By  _____
Name: **ANDREW T. CLAAR**
Its: **VICE PRESIDENT**

**SCHEDULE A-1
TO TRADEMARK COLLATERAL AGREEMENT**

**REGISTERED TRADEMARKS
AND TRADEMARK APPLICATIONS**

FEDERAL TRADEMARK REGISTRATIONS

TRADEMARK	REGISTRATION NUMBER
RACING CHAMPIONS	1,590,061
RACING CHAMPIONS (and design)	1,910,242
RACING CHAMPIONS AUTHENTICS (ITU)	2,643,147
RACING CHAMPIONS MINT	2,101,905

PENDING FEDERAL TRADEMARK APPLICATIONS

NONE

**SCHEDULE A-2
TO TRADEMARK COLLATERAL AGREEMENT**

TRADEMARK LICENSES

NONE