Form PTO-1594 (Rev. 06/04)
OMB Collection 0651-0027 (exp. 6/30/2005)

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

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies)/Execution Date(s):

Learning Horizons, Inc.

- [ ] Individual(s)
- [ ] Association
- [ ] General Partnership
- [ ] Limited Partnership
- [x] Corporation-State
- [ ] Other

Citizenship (see guidelines) Ohio

Execution Date(s) May 11, 2004

Additional names of conveying parties attached? [ ] Yes [x] No

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? [ ] Yes [x] No

Name: National City Bank

Internal Address:

Street Address: 1900 East Ninth Street

City: Cleveland

State: Ohio

Country: United States Zip: 44114

- [x] Association Citizenship National Bank
- [ ] General Partnership Citizenship
- [ ] Limited Partnership Citizenship
- [ ] Corporation Citizenship
- [ ] Other Citizenship

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)

3. Nature of conveyance:

- [ ] Assignment
- [ ] Merger
- [x] Security Agreement
- [ ] Change of Name
- [ ] Other

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

78/262,022 (See Attached Schedule A)

B. Trademark Registration No.(s)

Additional sheet(s) attached? [x] Yes [ ] No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

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

Name: Jacqueline M. O'Brien

Internal Address: Jones Day

Street Address: 901 Lakeside Avenue

City: Cleveland

State: Ohio Zip: 44114

Phone Number: 216-586-1309

Fax Number: 216-579-0212

Email Address: jobrien@jonesday.com

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 2.6(b)(6) & 3.41) $ 40.00

- [ ] Authorized to be charged by credit card
- [x] Authorized to be charged to deposit account
- [ ] Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers
Expiration Date

b. Deposit Account Number 50-1432

Authorized User Name Jacqueline M. O'Brien

9. Signature: Jacqueline M. O'Brien — January 28, 2005

Signature — Date

Jacqueline M. O'Brien

Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 8

Documents to be recorded (including cover sheet) should be faxed to (703) 306-5995, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

CH $40.00 501432 78262022

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of May 11, 2004, is made between LEARNING HORIZONS, INC., an Ohio corporation ("Grantor"), and NATIONAL CITY BANK, as collateral agent pursuant to Section 9.22 of the Pledge and Security Agreement (together with any successor collateral agent that may be appointed, "Collateral Agent") for the benefit of the Secured Creditors, as defined in the Pledge and Security Agreement.

Grantor and Collateral Agent hereby agree as follows:

SECTION 1. Definitions; Interpretation.

(a) Terms Defined in Credit Agreement. All capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings assigned to them in the Credit Agreement.

(b) Certain Defined Terms. As used in this Agreement, the following terms shall have the following meanings:

"Collateral" has the meaning set forth in Section 2 hereof.

"Company" means American Greetings Corporation, an Ohio corporation, and its successors and assigns.

"Credit Agreement" means the Credit Agreement, dated as of the date hereof, among the Company, the lending institutions party thereto, and National City Bank, as administrative agent, as the same may from time to time be amended, restated or otherwise modified.

"Pledge and Security Agreement" means the Pledge and Security Agreement, dated as of the date hereof, among, the Company, certain subsidiaries of the Company and the Collateral Agent, as the same may from time to time be amended, restated or otherwise modified.

"PTO" means the United States Patent and Trademark Office.

"UCC" means, unless the context indicates otherwise, the Uniform Commercial Code, as at any time adopted and in effect in the State of Ohio, specifically including and taking into account all amendments, supplements, revisions and other modifications thereto.

(c) Terms Defined in UCC. Where applicable in the context of this Agreement and except as otherwise defined herein, terms used in this Agreement shall have the meanings assigned to them in the UCC.

(d) Construction. In this Agreement, the following rules of construction and interpretation shall be applicable: (i) no reference to "proceeds" in this Agreement authorizes any sale, transfer, or other disposition of any Collateral by Grantor; (ii) "includes" and

"including" are not limiting; (iii) "or" is not exclusive; and (iv) "all" includes "any" and "any" includes "all." To the extent not inconsistent with the foregoing, the rules of construction and interpretation applicable to the Credit Agreement shall also be applicable to this Agreement and are incorporated herein by this reference.

SECTION 2. Security Interest.

(a) Grant of Security Interest. As security for the payment and performance of the Obligations (as defined in the Pledge and Security Agreement), Grantor hereby assigns, transfers and conveys to Collateral Agent, and grants to Collateral Agent a security interest in and mortgage to, all of Grantor's right, title and interest in, to and under the following property, in each case whether now or hereafter existing or arising or in which Grantor now has or hereafter owns, acquires or develops an interest and wherever located (collectively, the "Collateral"):

(i) all state (including common law), federal and foreign trademarks, service marks and trade names, and applications for registration of such trademarks, service marks and trade names (but excluding each application to register any trademark, service mark or other mark prior to the filing under applicable law of a verified statement of use (or the equivalent) for such trademark or service mark), all licenses relating to any of the foregoing and all income and royalties with respect to any licenses (including such marks, names and applications as described in Schedule A), whether registered or unregistered and wherever registered, all rights to sue for past, present or future infringement or unconsented use thereof, all rights arising therefrom and pertaining thereto and all reissues, extensions and renewals thereof;

(ii) the entire goodwill of or associated with the businesses now or hereafter conducted by Grantor connected with and symbolized by any of the aforementioned properties and assets;

(iii) all general intangibles and all intangible intellectual or other similar property of Grantor of any kind or nature, associated with or arising out of any of the aforementioned properties and assets and not otherwise described above; and

(iv) all proceeds of any and all of the foregoing Collateral (including license royalties, rights to payment, accounts receivable and proceeds of infringement suits) and, to the extent not otherwise included, all payments under insurance (whether or not Collateral Agent is the loss payee thereof) or any indemnity, warranty or guaranty payable by reason of loss or damage to or otherwise with respect to the foregoing Collateral.

(b) Continuing Security Interest. Grantor agrees that this Agreement shall create a continuing security interest in the Collateral which shall remain in effect until terminated in accordance with Section 11 hereof or until disposed of as permitted by the Pledge and Security Agreement.

SECTION 3. Supplement to Credit Agreement. This Agreement has been granted in conjunction with the security interests granted to Collateral Agent under the Pledge and Security Agreement and/or other Loan Documents. The rights and remedies of Collateral Agent with respect to the security interests granted herein are without prejudice to, and are in

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addition to those set forth in the Pledge and Security Agreement and/or any other Loan Document, all terms and provisions of which are incorporated herein by reference.

SECTION 4. Representations and Warranties. Grantor represents and warrants to Collateral Agent that a true and correct list of all of the existing Collateral consisting of U.S. registered trademarks and trademark applications owned by Grantor, in whole or in part, is set forth in Schedule A.

SECTION 5. Further Acts. On a continuing basis, Grantor shall make, execute, acknowledge and deliver, and file and record in the proper filing and recording places, all such instruments and documents, and take all such action as may be necessary or advisable or may be requested by Collateral Agent to carry out the intent and purposes of this Agreement, or for assuring, confirming or protecting the grant or perfection of the security interest granted or purported to be granted hereby, to ensure Grantor's compliance with this Agreement or to enable Collateral Agent to exercise and enforce its rights and remedies hereunder with respect to the Collateral, including any documents for filing with the PTO or any applicable state office. Collateral Agent may record this Agreement, an abstract thereof, or any other document describing Collateral Agent's interest in the Collateral with the PTO, at the expense of Grantor. In addition, Grantor authorizes Collateral Agent to file financing statements describing the Collateral in any UCC filing office deemed appropriate by Collateral Agent.

SECTION 6. Authorization to Supplement. If Grantor shall obtain rights to any new trademarks, the provisions of this Agreement shall automatically apply thereto. Grantor shall give prompt notice in writing to Collateral Agent with respect to any such new trademarks or renewal or extension of any trademark registration. Without limiting Grantor's obligations under this Section 6, Grantor authorizes Collateral Agent unilaterally to modify this Agreement by amending Schedule A to include any such new trademark rights. Notwithstanding the foregoing, no failure to so modify this Agreement or amend Schedule A shall in any way affect, invalidate or detract from Collateral Agent's continuing security interest in all Collateral, whether or not listed on Schedule A.

SECTION 7. Binding Effect. This Agreement shall be binding upon, inure to the benefit of and be enforceable by Grantor, Collateral Agent and their respective successors and assigns. Grantor may not assign, transfer, hypothecate or otherwise convey its rights, benefits, obligations or duties hereunder except as specifically permitted by the Credit Agreement.

SECTION 8. Governing Law. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND BE GOVERNED BY THE INTERNAL LAWS OF THE STATE OF OHIO WITHOUT ANY EFFECT GIVEN TO THE CONFLICTS OF LAW PRINCIPLES THEREOF.

SECTION 9. Entire Agreement; Amendment. This Agreement, the Credit Agreement and the Pledge and Security Agreement, together with the Schedules hereto and thereto, contains the entire agreement of the parties with respect to the subject matter hereof and supersedes all prior drafts and communications relating to such subject matter. Neither this

Agreement nor any provision hereof may be modified, amended or waived except by the written agreement of the parties hereto. Notwithstanding the foregoing, Collateral Agent unilaterally may re-execute this Agreement or modify, amend or supplement the Schedules hereto as provided in Section 6 hereof. To the extent that any provision of this Agreement conflicts with any provision of the Credit Agreement, the provision giving Collateral Agent greater rights or remedies shall govern, it being understood that the purpose of this Agreement is to add to, and not detract from, the rights granted to Collateral Agent under the Credit Agreement.

SECTION 10. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, including via facsimile transmission or other electronic transmission capable of authentication, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same agreement. A set of counterparts executed by all the parties hereto shall be lodged with the Company and Collateral Agent.

SECTION 11. Termination. This Agreement shall terminate upon the earlier to occur of (a) the Collateral Release Date, in accordance with Section 2.19 of the Credit Agreement, and (b) the date upon which (i) the Commitments, the Credit Agreement, all other Loan Documents and all Designated Hedge Documents have been terminated, (ii) no Note or Letter of Credit is outstanding, and (iii) all Loans and other Obligations, as defined in the Credit Agreement (other than unasserted indemnity obligations), owing to the Lenders have been indefeasibly paid in full, notwithstanding that any Senior Indenture Obligations remain outstanding. Upon such termination, the Collateral Agent, at the request and expense of Grantor, will execute and deliver to Grantor a proper instrument or instruments (including UCC termination statements on form UCC-3) acknowledging the satisfaction and termination of this Agreement.

SECTION 12. No Inconsistent Requirements. Grantor acknowledges that this Agreement and the other documents, agreements and instruments entered into or executed in connection herewith may contain covenants and other terms and provisions variously stated regarding the same or similar matters, and Grantor agrees that all such covenants, terms and provisions are cumulative and all shall be performed and satisfied in accordance with their respective terms.

SECTION 13. Severability. If one or more provisions contained in this Agreement shall be invalid, illegal or unenforceable in any respect in any jurisdiction or with respect to any party, such invalidity, illegality or unenforceability in such jurisdiction or with respect to such party shall, to the fullest extent permitted by applicable law, not invalidate or render illegal or unenforceable any such provision in any other jurisdiction or with respect to any other party, or any other provisions of this Agreement.

SECTION 14. Notices. All notices and other communications hereunder shall be in writing and shall be mailed, sent or delivered in accordance with the Pledge and Security Agreement.

SECTION 15. WAIVER OF JURY TRIAL. GRANTOR, COLLATERAL AGENT AND EACH SECURED CREDITOR HEREBY IRREVOCABLY WAIVES ALL

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RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. GRANTOR HEREBY (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY SECURED CREDITOR HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH SECURED CREDITOR WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement ıe date first above written.

LEARNING HORIZONS, INC.

By: _____
Name: STEPHEN J. SMITH
Title: TREASURER

NATIONAL CITY BANK,
as Collateral Agent

By: _____
Name: ROBERT S. COLEMAN
Title: SENIOR VICE PRESIDENT

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Schedule A

American Greetings
Trademarks
Owner: Learning Horizons, Inc.

MARK	STATUS	REGN NO./ SERIAL NO	OWNER
Here We Grow Press	Pending	78/262022	Learning Horizons, Inc.