

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Homeworks, Inc.		04/29/2005	CORPORATION: OHIO
RECEIVING PARTY DATA			
Name:	KeyBank National Association		
Street Address:	127 Public Square		
City:	Cleveland		
State/Country:	OHIO		
Postal Code:	44114		
Entity Type:	national banking association: UNITED STATES		
PROPERTY NUMBERS Total: 3			
Property Type	Number	Word Mark	
Registration Number:	2419269	ARHAUS	
Registration Number:	1743196	ARHAUS FURNITURE	
Registration Number:	2421419	THE HARMONY OF LIFE, HOME AND STYLE	
CORRESPONDENCE DATA			
Fax Number:	(937)443-6635		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	937-443-6958		
Email:	trademarks@thompsonhine.com		
Correspondent Name:	Theodore D. Lienesch		
Address Line 1:	10 West Second Street		
Address Line 2:	2000 Courthouse Plaza NE		
Address Line 4:	Dayton, OHIO 45402-1758		
NAME OF SUBMITTER:	Rene M. LaForte		
Signature:	/rmlaforte/		

OP \$90.00 2419269

Date:

05/23/2005

Total Attachments: 13

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INTELLECTUAL PROPERTY COLLATERAL ASSIGNMENT AGREEMENT

This INTELLECTUAL PROPERTY COLLATERAL ASSIGNMENT AGREEMENT (as the same may from time to time be amended, restated or otherwise modified, this "Agreement") is made as of the 29th day of April, 2005, by HOMEWORKS, INC., an Ohio corporation ("Borrower") in favor of KEYBANK NATIONAL ASSOCIATION ("Lender").

1. Recitals.

Borrower is entering into that certain Credit and Security Agreement, dated as of April 29, 2005, with Lender (as the same may from time to time be amended, restated or otherwise modified, the "Credit Agreement"). Borrower desires that Lender grant to Borrower the financial accommodations as described in the Credit Agreement.

Borrower deems it to be in its direct pecuniary and business interests that it obtain from Lender the Commitment, as defined in the Credit Agreement, and the Loans and Letters of Credit, as each term is defined in the Credit Agreement, provided for in the Credit Agreement.

Borrower understands that Lender is willing to grant such financial accommodations to Borrower only upon certain terms and conditions, one of which is that Borrower grant to Lender, a security interest in and collateral assignment of the Collateral, as hereinafter defined, and this Agreement is being executed and delivered in consideration of each financial accommodation granted to Borrower by Lender and for other valuable considerations.

2. Definitions. Except as specifically defined herein, (a) capitalized terms used herein that are defined in the Credit Agreement shall have their respective meanings ascribed to them in the Credit Agreement, and (b) unless otherwise defined in the Credit Agreement, terms that are defined in the U.C.C. are used herein as so defined. As used in this Agreement, the following terms shall have the following meanings:

"Assignment" shall mean an Assignment in the form of Exhibit A attached hereto.

"Collateral" shall mean, collectively, all of Borrower's existing and future right, title and interest in, to and under (a) industrial designs, patents, patent registrations, patent applications, trademarks, trademark registrations, trademark applications, service marks, trade names, copyright registrations and other intellectual property or registrations, whether federal, state or foreign, including, but not limited to, those listed on Schedule 1 hereto (as such Schedule 1 may from time to time be amended, supplemented, restated or otherwise modified); (b) common law trademark rights, copyrights, improvements, confidential information and inventions; (c) renewals, continuations, extensions, reissues and divisions of any of the foregoing; (d) rights to sue for past, present and future infringements or any other commercial tort claims relating to any of the foregoing; (e) all licenses and all income, revenue and royalties with respect to any licenses, whether registered or unregistered and all other payments earned under contract rights relating to any of the foregoing; (f) all general intangibles and all intangible intellectual or similar property of Borrower connected with and symbolized by any of the foregoing; (g) goodwill associated with any of the foregoing; (h) all payments under insurance, including

the returned premium upon any cancellation of insurance (whether or not Lender is the loss payee thereof) or any indemnity, warranty or guaranty payable by reason of loss or damage to or otherwise with respect to any of the foregoing; and (i) Proceeds of any of the foregoing.

“Event of Default” shall mean an event or condition that constitutes an Event of Default, as defined in Section 8 hereof.

“Obligations” shall mean, collectively, (a) all Loans and Letters of Credit; (b) all other Indebtedness or other obligations now owing or hereafter incurred by Borrower to Lender pursuant to the Credit Agreement and any Note executed in connection therewith; (c) each renewal, extension, consolidation or refinancing of any of the foregoing, in whole or in part; (d) all interest from time to time accruing on any of the foregoing, and all fees and other amounts payable to Lender by Borrower pursuant to the Credit Agreement or any other Loan Document; (e) all obligations and liabilities of any Company now existing or hereafter incurred to Lender (or any affiliate of Lender) under, arising out of, or in connection with any Hedge Agreement; (f) every other liability, now or hereafter owing to Lender (or any affiliate of Lender) by Borrower and includes, without limitation, every liability, whether owing by only Borrower or by Borrower with one or more others in a several, joint or joint and several capacity, whether owing absolutely or contingently, whether created by note, overdraft, guaranty of payment or other contract or by a quasi-contract, tort, statute or other operation of law, whether incurred directly to Lender (or such affiliate) or acquired by Lender (or such affiliate) by purchase, pledge or otherwise and whether participated to or from Lender (or such affiliate) in whole or in part; and (g) all Related Expenses.

“Proceeds” shall mean (a) any proceeds, and (b) whatever is received upon the sale, exchange, collection, or other disposition of Collateral or proceeds, whether cash or non-cash. Cash proceeds includes, without limitation, moneys, checks, and Deposit Accounts. Except as expressly authorized in this Agreement, the right of Lender to Proceeds specifically set forth herein or indicated in any financing statement shall never constitute an express or implied authorization on the part of Lender to Borrower’s sale, exchange, collection, or other disposition of any or all of the Collateral.

“U.C.C.” shall mean the Uniform Commercial Code, as in effect from time to time in Ohio.

“USCO” shall mean the United States Copyright Office in Washington D.C.

“USPTO” shall mean the United States Patent and Trademark Office in Washington D.C.

3. Grant of Assignment and Security Interest. In consideration of and as security for the full and complete payment of all of the Obligations, Borrower hereby agrees that Lender shall at all times have, and hereby grants to Lender, a security interest in and a collateral assignment of all of the Collateral, including (without limitation) all of Borrower’s future Collateral, irrespective of any lack of knowledge by Lender of the creation or acquisition thereof.

4. Representations and Warranties. Borrower hereby represents and warrants to Lender as follows:

4.1. Borrower owns all of the Collateral and, whether the same are registered or unregistered, no such Collateral has been adjudged invalid or unenforceable;

4.2. The Collateral is valid and enforceable;

4.3. Borrower has no knowledge of any claim that the use of any of the Collateral does or may violate the rights of any Person;

4.4. Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to the Collateral, free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses, registered user agreements and covenants by Borrower not to sue third Persons;

4.5. Borrower has full power, authority and legal right to pledge the Collateral and enter into this Agreement and perform its terms; and

4.6. Borrower has used, and shall continue to use, for the duration of this Agreement, proper statutory notice in connection with its use of the Collateral, except where the failure to do so will not have a Material Adverse Effect.

5. Further Assignment Prohibited. Borrower shall not enter into any agreement that is inconsistent with Borrower's obligations under this Agreement and shall not otherwise sell or assign its interest in, or grant any license or sublicense with respect to, any of the Collateral without Lender's prior written consent. Absent such prior written consent, any attempted sale or license is null and void.

6. Right to Inspect. Borrower hereby grants to Lender and its employees and agents the right, during regular business hours, to visit any location of Borrower or, if applicable, any other location, and to inspect the products and quality control records relating thereto at Borrower's expense.

7. Standard Patent and Trademark Use. Borrower shall not use the Collateral in any manner that would jeopardize the validity or legal status thereof. Borrower shall comply with all patent marking requirements as specified in 35 U.S.C. §287. Borrower shall further conform its usage of any trademarks to standard trademark usage, including, but not limited to, using the trademark symbols ®, ™, and SM where appropriate.

8. Event of Default.

8.1. Any of the following shall constitute an Event of Default under this Agreement: (a) an Event of Default, as defined in the Credit Agreement, shall occur under the Credit Agreement; (b) any representation, warranty or statement made by Borrower in or pursuant to this Agreement or in any other writing received by Lender in connection with the Obligations

shall be false or erroneous in any material respect; or (c) Borrower shall fail or omit to perform or observe any agreement made by Borrower in or pursuant to this Agreement or in any other writing received by Lender pursuant hereto.

8.2. Borrower expressly acknowledges that Lender shall record this Agreement with the USCO and the USPTO, as appropriate. Contemporaneously herewith, Borrower shall execute and deliver to Lender the Assignment, which Assignment shall have no force and effect and shall be held by Lender in escrow until the occurrence of an Event of Default; provided, that, anything herein to the contrary notwithstanding, the security interest and collateral assignment granted herein shall be effective as of the date of this Agreement. After the occurrence of an Event of Default, the Assignment shall immediately take effect upon certification of such fact by an authorized officer of Lender in the form reflected on the face of the Assignment and Lender may, in its sole discretion, record the Assignment with the USCO and the USPTO, as appropriate.

8.3. If an Event of Default shall occur, Borrower irrevocably authorizes and empowers Lender to terminate Borrower's use of the Collateral and to exercise such rights and remedies as allowed by law. Without limiting the generality of the foregoing, after any delivery or taking of possession of the Collateral, or any thereof, pursuant to this Agreement, then, with or without resort to Borrower or any other Person or property, all of which Borrower hereby waives, and upon such terms and in such manner as Lender may deem advisable, Lender, in its sole discretion, sell, assign, transfer and deliver any of the Collateral, together with the associated goodwill, or any interest that Borrower may have therein, at any time, or from time to time. No prior notice need be given to Borrower or to any other Person in the case of any sale of Collateral that Lender determines to be declining speedily in value or that is customarily sold in any recognized market, but in any other case Lender shall give Borrower no fewer than ten days prior notice of either the time and place of any public sale of the Collateral or of the time after which any private sale or other intended disposition thereof is to be made. Borrower waives advertisement of any such sale and (except to the extent specifically required by the preceding sentence) waives notice of any kind in respect of any such sale. At any such public sale, Lender may purchase the Collateral, or any part thereof, free from any right of redemption, all of which rights Borrower hereby waives and releases. After deducting all Related Expenses, and after paying all claims, if any, secured by liens having precedence over this Agreement, Lender may apply the net proceeds of each such sale to or toward the payment of the Obligations, whether or not then due, in such order and by such division as Lender in its sole discretion may deem advisable. Any excess, to the extent permitted by law, shall be paid to Borrower, and the obligors on the Obligations shall remain liable for any deficiency. In addition, Lender shall at all times have the right to obtain new appraisals of Borrower or the Collateral, the cost of which shall be paid by Borrower.

9. Maintaining Collateral; Attorneys' Fees, Costs and Expenses. Borrower shall have the obligation and duty to perform all acts necessary to maintain or preserve the Collateral, provided that Borrower shall not be obligated to maintain any Collateral in the event Borrower determines, in the reasonable business judgment of Borrower, that the maintenance of such Collateral is no longer necessary in Borrower's business. Any and all fees, costs and expenses, of whatever kind or nature, including, without limitation, the attorneys' fees and legal expenses incurred by Lender in connection with the amendment and enforcement of this Agreement, all

renewals, required affidavits and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise protecting, maintaining or preserving the Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Collateral, shall be borne and paid by Borrower, upon demand by Lender, and, until so paid, shall be added to the principal amount of the Obligations.

10. Borrower's Obligation to Prosecute. Except as otherwise agreed to by Lender in writing, Borrower shall have the duty to prosecute diligently any patent, trademark, servicemark or copyright application pending as of the date of this Agreement or thereafter until the Obligations shall have been paid in full, to file and prosecute opposition and cancellation proceedings and to do any and all acts that are necessary or desirable to preserve and maintain all rights in the Collateral, including, but not limited to, payment of any maintenance fees. Any expenses incurred in connection with the Collateral shall be borne by Borrower. Borrower shall not abandon any Collateral without the prior written consent of Lender, unless such abandonment will not have a material adverse effect on Borrower or such abandonment is in connection with the abandonment of a product or product line.

11. Lender's Right to Enforce. Borrower shall have the right to bring any opposition proceeding, cancellation proceeding or lawsuit in its own name to enforce or protect the Collateral. Lender shall have the right, but shall have no obligation, to join in any such action. Borrower shall promptly, upon demand, reimburse and indemnify Lender for all damages, reasonable costs and expenses, including attorneys' fees incurred by Lender in connection with the provisions of this Section 11, in the event Lender elects to join in any such action commenced by Borrower.

12. Power of Attorney. Borrower hereby authorizes and empowers Lender to make, constitute and appoint any officer or agent of Lender as Lender may select, in its exclusive discretion, as Borrower's true and lawful attorney-in-fact, with the power to endorse, after the occurrence of an Event of Default, Borrower's name on all applications, documents, papers and instruments necessary for Lender to use the Collateral, or to grant or issue any exclusive or nonexclusive license under the Collateral to any third party, or necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Collateral, together with associated goodwill to a third party or parties. Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable for the life of this Agreement.

13. Lender's Right to Perform Obligations. If Borrower fails to comply with any of its obligations under this Agreement Lender may, but is not obligated to, do so in Borrower's name or in the name of Lender, but at Borrower's expense, and Borrower hereby agrees to reimburse Lender, upon request, in full for all expenses, including attorneys' fees, incurred by Lender in protecting, defending and maintaining the Collateral.

14. Additional Documents. Borrower shall, upon written request of Lender, enter into such additional documents or instruments as may be required by Lender in order to effectuate, evidence or perfect Lender's interest in the Collateral, as evidenced by this Agreement.

15. New Collateral. If, before the Obligations shall have been irrevocably paid in full and the Commitment terminated, Borrower shall obtain rights to any new Collateral, the provisions of this Agreement hereby shall automatically apply thereto as if the same were identified on Schedule 1 as of the date hereof and Borrower shall give Lender prompt written notice thereof.

16. Modifications for New Collateral. Borrower hereby authorizes Lender to modify this Agreement by amending Schedule 1 to include any future Collateral as contemplated by Sections 1 and 15 hereof and, at Lender's request, Borrower shall execute any documents or instruments required by Lender in order to modify this Agreement as provided by this Section 16, provided that any such modification to Schedule 1 shall be effective without the signature of Borrower.

17. Termination. At such time as the Obligations have been irrevocably paid in full, the Commitment, as defined in the Credit Agreement, terminated, and the Credit Agreement terminated and not replaced by any other credit facility with Lender, Borrower shall have the right to terminate this Agreement. Upon written request of Borrower, Lender shall execute and deliver to Borrower all deeds, assignments, and other instruments as may be necessary or proper to release Lender's security interest in and assignment of the Collateral and to re-vest in Borrower full title to the Collateral, subject to any disposition thereof that may have been made by Lender pursuant hereto.

18. No Waiver. No course of dealing between Borrower and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder or under any of the Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

19. Remedies Cumulative. All of the rights and remedies of Lender with respect to the Collateral, whether established hereby or by the Loan Documents, or by any other agreements or by law shall be cumulative and may be executed singularly or concurrently.

20. Severability. The provisions of this Agreement are severable, and, if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

21. Modifications. This Agreement may be amended or modified only by a writing signed by Borrower and Lender. In the event that any provision of this Agreement is deemed to be inconsistent with any provision of any other document, other than the Credit Agreement, the provisions of this Agreement shall control.

22. Assignment and Successors. This Agreement shall not be assigned by Borrower without the prior written consent of Lender. This Agreement shall bind the successors and permitted assigns of Borrower and shall benefit the successors and assigns of Lender. Any attempted assignment or transfer without the prior written consent of Lender shall be null and void.

23. Notice. All notices, requests, demands and other communications provided for hereunder shall be in writing and, if to Borrower, mailed or delivered to it, addressed to it at the address specified on the signature page of this Agreement, if to Lender, mailed or delivered to it, addressed to the address of Lender specified on the signature pages of the Credit Agreement or, as to each party, at such other address as shall be designated by such party in a written notice to each of the other parties. All notices, statements, requests, demands and other communications provided for hereunder shall be deemed to be given or made when delivered or two Business Days after being deposited in the mails with postage prepaid by registered or certified mail, addressed as aforesaid, or sent by facsimile with telephonic confirmation of receipt, except that notices from Borrower to Lender pursuant to any of the provisions hereof shall not be effective until received by Lender.

24. Governing Law; Submission to Jurisdiction. The provisions of this Agreement and the respective rights and duties of Borrower and Lender hereunder shall be governed by and construed in accordance with Ohio law, without regard to principles of conflict of laws. Borrower hereby irrevocably submits to the non-exclusive jurisdiction of any Ohio state or federal court sitting in Cleveland, Ohio, over any action or proceeding arising out of or relating to this Agreement, any Loan Document or any Related Writing, and Borrower hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such Ohio state or federal court. Borrower hereby irrevocably waives, to the fullest extent permitted by law, any objection it may now or hereafter have to the laying of venue in any such action or proceeding in any such court as well as any right it may now or hereafter have to remove such action or proceeding, once commenced, to another court on the grounds of FORUM NON CONVENIENS or otherwise. Borrower agrees that a final, nonappealable judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

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25. JURY TRIAL WAIVER. BORROWER AND LENDER, TO THE EXTENT PERMITTED BY LAW, EACH WAIVE ANY RIGHT TO HAVE A JURY PARTICIPATE IN RESOLVING ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, BETWEEN LENDER AND BORROWER, ARISING OUT OF, IN CONNECTION WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THIS AGREEMENT OR ANY NOTE OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION THEREWITH OR THE TRANSACTIONS RELATED THERETO. THIS WAIVER SHALL NOT IN ANY WAY AFFECT, WAIVE, LIMIT, AMEND OR MODIFY THE ABILITY OF ANY LENDER TO PURSUE REMEDIES PURSUANT TO ANY CONFESSION OF JUDGMENT OR COGNOVIT PROVISION CONTAINED IN ANY NOTE, OR OTHER INSTRUMENT, DOCUMENT OR AGREEMENT BETWEEN BORROWER AND LENDER.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Intellectual Property Collateral Assignment Agreement at Cleveland, Ohio as of the date first set forth above.

Address: 7700 Northfield Road
Walton Hills, Ohio 44146
Attention: Chief Financial Officer

HOMEWORKS, INC.

By: 
Name: Sam Helfenstine
Title: Vice President and Chief Financial Officer

Signature Page to
Intellectual Property Collateral Assignment Agreement

ACKNOWLEDGMENTS

THE STATE OF OHIO)
) SS:
COUNTY OF CUYAHOGA)

BEFORE ME, the undersigned authority, on this day personally appeared Sam Helfautstine, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the said Homeworks, Inc., an Ohio corporation, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this 29th day of April, 2005.



NOTARY PUBLIC

Adam R. Nazette
Notary Public State of Ohio
My Commission Has No Expiration

SCHEDULE 1

Owned by Homeworks, Inc.

Trademark/Service mark: Arhaus
Registration Number: 2,419,269
Registration Date: January 9, 2001

Trademark/Service mark: Arhaus Furniture
Registration Number: 1,743,196
Registration Date: December 29, 1992

Trademark/Service mark: The Harmony of Life, Home and Style
Registration Number: 2,421,419
Registration Date: January 16, 2001

EXHIBIT A
FORM OF ASSIGNMENT

THIS DOCUMENT SHALL BE HELD BY LENDER, IN ESCROW PURSUANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF THE INTELLECTUAL PROPERTY COLLATERAL ASSIGNMENT AGREEMENT (THE "AGREEMENT"), DATED AS OF APRIL 29, 2005, EXECUTED BY HOMEWORKS, INC., AN OHIO CORPORATION ("BORROWER"), IN FAVOR OF KEYBANK NATIONAL ASSOCIATION, (TOGETHER WITH ITS SUCCESSORS AND ASSIGNS, "LENDER"). BY SIGNING IN THE SPACE PROVIDED BELOW, THE UNDERSIGNED OFFICER OF LENDER CERTIFIES THAT AN EVENT OF DEFAULT, AS DEFINED IN THE AGREEMENT, HAS OCCURRED AND THAT LENDER HAS ELECTED TO TAKE POSSESSION OF THE COLLATERAL, AS DEFINED BELOW, AND TO RECORD THIS DOCUMENT WITH THE UNITED STATES PATENT AND TRADEMARK OFFICE. UPON RECORDING OF THIS DOCUMENT WITH THE UNITED STATES PATENT AND TRADEMARK OFFICE, THIS LEGEND SHALL CEASE TO HAVE ANY FORCE OR EFFECT.

KEYBANK NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

ASSIGNMENT

WHEREAS, HOMEWORKS, INC. , an Ohio corporation ("Borrower"), is the owner of the Collateral, as hereinafter defined;

WHEREAS, Borrower has executed an Intellectual Property Collateral Assignment Agreement, dated as of April 29, 2005 (as the same may from time to time be amended, restated or otherwise modified, the "Agreement"), in favor of KeyBank National Association (together with its successors and assigns, "Lender"), pursuant to which Borrower has granted to Lender, a security interest in and collateral assignment of the Collateral as security for the Obligations, as defined in the Agreement;

WHEREAS, the Agreement provides that the security interest in and collateral assignment of the Collateral is effective as of the date of the Agreement;

WHEREAS, the Agreement provides that this Assignment shall become effective upon the occurrence of an Event of Default, as defined in the Agreement, and Lender's election to take actual title to the Collateral;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, Borrower, its successors and assigns, subject to the limitations stated in the paragraph immediately following,

does hereby transfer, assign and set over unto Lender, and its successors, transferees and assigns, all of Borrower's existing and future right, title and interest in, to and under (a) patents, patent registrations, patent applications, trademarks, trademark registrations, trademark applications, service marks, trade names and copyright registrations, whether federal, state or foreign; (b) common law trademark rights, copyrights, improvements and inventions; (c) renewals, continuations, extensions, reissues and divisions of any of the foregoing; (d) rights to sue for past, present and future infringements or any other commercial tort claims relating to any of the foregoing; (e) all licenses and all income, revenue and royalties with respect to any licenses, whether registered or unregistered, and all other payments earned under contract rights, relating to any of the foregoing; (f) all general intangibles and all intangible intellectual or similar property of Borrower connected with and symbolized by any of the foregoing; (g) goodwill associated with any of the foregoing; (h) all payments under insurance, including the returned premium upon any cancellation of insurance, (whether or not Lender is the loss payee thereof) or any indemnity, warranty or guaranty payable by reason of loss or damage to or otherwise with respect to any of the foregoing; and (i) Proceeds of any of the foregoing (collectively, the "Collateral"), including, but not limited to, the Collateral listed on Schedule 1 hereto that is (i) registered in the United States Copyright Office in Washington, D.C., or (ii) registered in the United States Patent and Trademark Office in Washington, D.C. or that is the subject of pending applications in the United States Patent and Trademark Office.

This Assignment shall be effective only upon certification of an authorized officer of Lender, as provided above, that (a) an Event of Default, as defined in the Agreement, has occurred, and (b) Lender has elected to take actual title to the Collateral.

IN WITNESS WHEREOF, the undersigned has caused this Agreement to be executed by its duly authorized officer on April 29, 2005.

HOMEWORKS, INC.

By: _____
Name: _____
Title: _____

THE STATE OF OHIO)
) SS:
COUNTY OF CUYAHOGA)

BEFORE ME, a Notary Public, the undersigned, on this day personally appeared _____, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of HOMEWORKS, INC., an Ohio corporation, and that she/he executed the same as the act of such corporation for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this ____ day of April, 2005.

Notary Public