

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
AMERICAN STUDIOS, INC.		07/15/2005	CORPORATION: NORTH CAROLINA
RECEIVING PARTY DATA			
Name:	THE BANK OF NEW YORK TRUST COMPANY, N.A., AS COLLATERAL AGENT		
Street Address:	10161 Centurion Parkway		
City:	Jacksonville		
State/Country:	FLORIDA		
Postal Code:	32256		
Entity Type:	NATIONAL BANKING ASSOCIATION:		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	1976759		
CORRESPONDENCE DATA			
Fax Number:	(312)701-7711		
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>			
Phone:	312-701-7237		
Email:	cdore@mayerbrownrowe.com		
Correspondent Name:	Christopher Dore		
Address Line 1:	71 South Wacker Drive		
Address Line 2:	Mayer Brown Rowe & Maw LLP		
Address Line 4:	Chicago, ILLINOIS 60606-4637		
NAME OF SUBMITTER:	Christopher Dore		
Signature:	/Christopher Dore/		
Date:	08/23/2005		

OP \$40.00 1976759

900030689

TRADEMARK
REEL: 003145 FRAME: 0648

Total Attachments: 5

source=american#page1.tif

source=american#page2.tif

source=american#page3.tif

source=american#page4.tif

source=american#page5.tif

TRADEMARK SECURITY AGREEMENT

This **TRADEMARK SECURITY AGREEMENT** (this "Trademark Security Agreement") is made this 15th day of July, 2005, among Grantors listed on the signature pages hereof (collectively, jointly and severally, "Grantors" and each individually "Grantor"), and **THE BANK OF NEW YORK TRUST COMPANY, N.A.** ("BNY"), solely in its capacity as Collateral Agent for the Trustee and the Noteholders (together with its successors and assigns in such capacity, "Collateral Agent").

WITNESSETH:

WHEREAS, PCA LLC, a Delaware limited liability company, as issuer ("PCA"), PCA FINANCE CORP., a Delaware corporation, as co-issuer ("PCA Finance" and collectively with PCA, the "Issuers"), PORTRAIT CORPORATION OF AMERICA, INC., a Delaware corporation (the "Parent Guarantor") and each other Guarantor (as referred to below and as defined in the Indenture, collectively, together with the Parent Guarantor, the "Guarantors"), and BNY, as Collateral Agent (in such capacity, together with any successor or permitted assign, the "Collateral Agent") and as trustee (in such capacity, together with any successor or permitted assign, the "Trustee"), have entered into an Indenture, dated as of July 15, 2005 (as amended, restated, supplemented or otherwise modified from time to time, the "Indenture"), pursuant to which the Issuers have issued \$50,000,000 in aggregate principal amount of their Notes (the "Notes"); and

WHEREAS, each Domestic Subsidiary of the Issuers is required under the Indenture to (a) become a party to the Indenture and deliver a Guarantee to guarantee the payment of the Notes and the other Obligations of the Issuers thereunder and under the Indenture Loan Documents to which the Issuers are a party and (b) become a party to the Security Agreement as a Grantor and secure its Obligations under the Indenture, such Guarantee and the other Indenture Loan Documents to which it is a party pursuant to the terms hereof; and

WHEREAS, each of the Issuers, the Parent Guarantor and each other Grantor signatory thereto in such capacity has executed and delivered to the Collateral Agent, for the benefit of itself, the Trustee and the Noteholders, that certain Security Agreement, dated as of July 15, 2005 (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Security Agreement"); and

WHEREAS, PCA, PCA Finance and each of PCA's subsidiaries signatory thereto each in its capacity as a borrower (such subsidiaries, together with PCA, are referred to hereinafter each individually as a "Borrower", and individually and collectively, jointly and severally, as the "Borrowers"), the Parent Guarantor, each other subsidiary of the Borrowers signatories thereto in its capacity as a guarantor (collectively, the "Loan Guarantors"), the various lenders party thereto as "Lenders" (such lenders, together with their respective successors and permitted assigns, are referred to hereinafter each individually as a "Lender" and collectively as the "Lenders"), and WELLS FARGO FOOTHILL, INC., in its capacity as administrative agent for the Lenders (in such capacity, together with any successor or permitted assign, hereinafter referred to as the "Administrative Agent") have entered into that certain Credit Agreement, dated as of July 15, 2005 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "Credit Agreement"); and

WHEREAS, the Borrowers, the Parent Guarantor and each other Loan Guarantor have entered into that certain Security Agreement, dated as of July 15, 2005 (as amended, restated,

supplemented or otherwise modified from time to time, the "Lender Security Agreement") in favor of the Administrative Agent; and

WHEREAS, the Collateral Agent (on behalf of itself, the Trustee and the Noteholders), the Administrative Agent (on behalf of the Lenders), and the Issuers, the Parent Guarantor and each other Guarantor party thereto in such capacity have entered into that certain Intercreditor and Lien Subordination Agreement, dated as of July 15, 2005 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the "Intercreditor Agreement"), which agreement, among other things, sets forth, as between the Collateral Agent and the Administrative Agent, the relative priority of their respective Liens in the Collateral and their rights with respect thereto; and

WHEREAS, pursuant to the Security Agreement, Grantors are required to execute and deliver to Collateral Agent, for the benefit of itself, the Trustee and the Noteholders, this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor hereby agrees as follows:

1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Security Agreement, the Indenture Loan Documents and/or the Intercreditor Agreement, as applicable.

2. GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL. Each Grantor hereby grants to the Collateral Agent, for the benefit of itself, the Trustee and the Noteholders, a continuing security interest (subject in priority only to the first priority perfected security interests in favor of the Administrative Agent in accordance with the provisions of the Intercreditor Agreement) in all of such Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Trademark Collateral"):

(a) all of its Trademarks and rights in and to Trademark Intellectual Property Licenses to which it is a party referred to on Schedule I hereto;

(b) all extensions, modifications and renewals of the foregoing;

(c) all goodwill of the business connected with the use of, and symbolized by, each Trademark and each Trademark Intellectual Property License; and

(d) all products and proceeds of the foregoing, including, without limitation, any claim by such Grantor against third parties for past, present or future (i) infringement or dilution of any Trademark or any Trademark licensed under any Intellectual Property License or (ii) injury to the goodwill associated with any Trademark or any Trademark licensed under any Intellectual Property License.

3. SECURITY AGREEMENT. The security interests granted pursuant to this Trademark Security Agreement are granted in conjunction with the security interests granted to the Collateral Agent, for the benefit of itself, the Trustee and the Noteholders, pursuant to the Security Agreement. Each Grantor hereby acknowledges and affirms that the rights and remedies of the Collateral Agent with respect to the security interest in the Trademark Collateral made and

granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

4. AUTHORIZATION TO SUPPLEMENT. If any Grantor shall obtain rights to any new trademarks, the provisions of this Trademark Security Agreement shall automatically apply thereto. Grantors shall give prompt notice in writing to the Collateral Agent with respect to any such new trademarks or renewal or extension of any trademark registration. Without limiting Grantors' obligations under this Section 4, Grantors hereby authorize the Collateral Agent unilaterally to modify this Agreement by amending Schedule I to include any such new trademark rights of Grantors. Notwithstanding the foregoing, no failure to so modify this Trademark Security Agreement or amend Schedule I shall in any way affect, invalidate or detract from the Collateral Agent's continuing security interest in all Collateral, whether or not listed on Schedule I.

5. COUNTERPARTS. This Trademark Security Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute but one and the same instrument. In proving this Trademark Security Agreement or any other Indenture Loan Document in any judicial proceedings, it shall not be necessary to produce or account for more than one such counterpart signed by the party against whom such enforcement is sought. Any signatures delivered by a party by facsimile transmission or by e-mail transmission shall be deemed an original signature hereto.

6. INCORPORATION BY REFERENCE. In connection with its appointment and acting hereunder, the Collateral Agent is entitled to all rights, privileges, protections, immunities, benefits and indemnities of the "Collateral Agent" under the Security Agreement.

[signature page follows]

IN WITNESS WHEREOF, each Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

AMERICAN STUDIOS, INC.,
a North Carolina corporation

By: 

Name: _____

Title: _____

ACCEPTED AND ACKNOWLEDGED BY:

THE BANK OF NEW YORK TRUST COMPANY,
N.A., as Collateral Agent

By: 
Name: CRAG A KAYE

Title: ASSISTANT VICE PRESIDENT

SCHEDULE I
to
TRADEMARK SECURITY AGREEMENT

Trademark Registrations/Applications

<u>Reg./App. No.</u>	<u>Mark</u>	<u>Reg./App. Date</u>
<u>United States</u>		
1976759	EYE DESIGN – Continued through May 28, 2006	Reg. 5-28-96