

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
MEGA BLOKS INC.		07/26/2005	CORPORATION: CANADA

RECEIVING PARTY DATA

Name:	BANK OF NOVA SCOTIA, AS AGENT
Street Address:	1002 Sherbrooke Street West
Internal Address:	9th Floor
City:	Montreal, Quebec H3A 3L6
State/Country:	CANADA
Entity Type:	A CANADIAN CHARTERED BANK:

PROPERTY NUMBERS Total: 4

Property Type	Number	Word Mark
Registration Number:	2102250	MEGA
Registration Number:	1464722	MEGA BLOKS
Registration Number:	1468445	MEGA BLOKS
Registration Number:	2142361	MEGA BLOKS

CORRESPONDENCE DATA

Fax Number: (312)701-7711
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 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

DOMESTIC REPRESENTATIVE

OP \$115.00 2102250

Name:
Address Line 1:
Address Line 2:
Address Line 3:
Address Line 4:

NAME OF SUBMITTER:

Christopher Dore

Signature:

/Christopher Dore/

Date:

08/25/2005

Total Attachments: 7

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TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT, dated as of July 26, 2005 (this "Agreement"), is made by MEGA BLOKS INC., a corporation incorporated under the laws of Canada (the "Grantor"), in favor of THE BANK OF NOVA SCOTIA, as agent (together with its successor(s) thereto in such capacity, the "Agent") for each of the Lenders.

W I T N E S S E T H :

WHEREAS, pursuant to a Credit Agreement, dated as of July 26, 2005 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), among the Grantor, the other Borrowers, the Lenders, and the Agent, the Lenders have agreed to make the Facilities available to the Borrowers;

WHEREAS, in connection with the Credit Agreement, the Grantor has executed and delivered a General Security Agreement, dated as of July 26, 2005 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Security Agreement");

WHEREAS, pursuant to the Credit Agreement and pursuant to the Security Agreement, the Grantor is required to grant to the Agent a continuing security interest in all of the Trademark Collateral (as defined below) to secure all Obligations; and

WHEREAS, the Grantor has duly authorized the execution, delivery and performance of this Agreement; and

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees, for the benefit of each Lender, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided in the Security Agreement and the Credit Agreement.

SECTION 2. Grant of Security Interest. The Grantor hereby collaterally assigns, pledges and transfers to the Agent, for its benefit and the ratable benefit of each other Lender, and hereby grants to the Agent, for its benefit and the ratable benefit of each other Lender, a continuing security interest in all of the following property, whether now or hereafter existing or acquired by the Grantor (the "Trademark Collateral"):

- (a) (i) all of its trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, certification marks, collective marks, logos and other source or business identifiers, and all goodwill of the business associated therewith, now existing or hereafter adopted or acquired including those referred to in Item A of Schedule I

hereto, whether currently in use or not, all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications in the United States Patent and Trademark Office or in any office or agency of the United States of America or any State thereof or any other country or political subdivision thereof or otherwise, and all common-law rights relating to the foregoing, and (ii) the right to obtain all reissues, extensions or renewals of the foregoing (collectively referred to as the "Trademark");

(b) all Trademark licenses for the grant by or to the Grantor of any right to use any Trademark, including each Trademark license referred to in Item B of Schedule I hereto;

(c) all of the goodwill of the business connected with the use of, and symbolized by the items described in, clause (a), and to the extent applicable clause (b);

(d) the right to sue third parties for past, present and future infringements of any Trademark Collateral described in clause (a) and, to the extent applicable, clause (b); and

(e) all proceeds of, and rights associated with, the foregoing, including any claim by the Grantor against third parties for past, present or future infringement or dilution of any Trademark, Trademark registration or Trademark license, or for any injury to the goodwill associated with the use of any such Trademark or for breach or enforcement of any Trademark license and all rights corresponding thereto.

SECTION 3. Security Agreement. This Agreement has been executed and delivered by the Grantor for the purpose of registering the security interest of the Agent in the Trademark Collateral with the United States Patent and Trademark Office. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the Agent for its benefit and the ratable benefit of each other Lender under the Security Agreement. The Security Agreement (and all rights and remedies of the Agent and each Lender thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Liens. Upon (i) the Disposition of Trademark Collateral in accordance with the Credit Agreement or (ii) the occurrence of the Termination Date, the security interests granted herein shall automatically terminate with respect to (A) such Trademark Collateral (in the case of clause (i)) or (B) all Trademark Collateral (in the case of clause (ii)). Upon any such Disposition or termination, the Agent will, at the Grantor's sole expense, deliver to the Grantor, without any representations, warranties or recourse of any kind whatsoever, the Trademark Collateral so released from the security interest held by the Agent hereunder, and execute and deliver to the Grantor such documents as the Grantor shall reasonably request to evidence such termination.

SECTION 5. Acknowledgment. The Grantor does hereby further acknowledge and affirm that the rights and remedies of the Agent with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

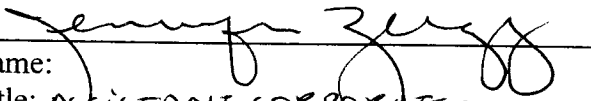
SECTION 6. Loan Document. This Agreement is a Loan Document executed pursuant to the Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions thereof, including Article 18 thereof.


SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

* * * * *

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed and delivered by Authorized Officer as of the date first above written.

MEGA BLOKS INC.

By: 
Name:
Title: ASSISTANT CORPORATE SECRETARY



THE BANK OF NOVA SCOTIA,
as Agent

By: 

Name:

Title:



SCHEDULE I
to Trademark Security Agreement

Item A. Trademarks

<u>Registered Trademarks</u>				
<u>Country</u>	<u>Trademark</u>	<u>Registration No.</u>	<u>Registration Date</u>	
U.S.A.	MEGA	2,102,250	Sep 30 1997	
U.S.A.	MEGA BLOKS	1,464,722	Nov 10 1987	
U.S.A.	MEGA BLOKS Logo	1,468,445	Dec 08 1987	
U.S.A.	New MEGA BLOKS Logo	2,142,361	Mar 10 1998	
<u>Published Trademarks</u>				
<u>Country</u>	<u>Trademark</u>	<u>Application No.</u>	<u>Filing Date</u>	
None.				
<u>Pending Trademark Applications</u>				
<u>Country</u>	<u>Trademark</u>	<u>Application No.</u>	<u>Filing Date</u>	
None.				
<u>Trademark Applications in Preparation</u>				
<u>Expected Country</u>	<u>Trademark</u>	<u>Docket No.</u>	<u>Filing Date</u>	<u>Products/ Services</u>
None.				

Item B. Trademark Licenses

<u>Country or Territory</u>	<u>Trademark</u>	<u>Licensor</u>	<u>Licensee</u>	<u>Effective Date</u>	<u>Expiration Date</u>
None.					