

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	SECURITY INTEREST		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Child Craft Industries, Inc.		06/27/2005	CORPORATION: INDIANA
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	FCC, LLC		
<b>Street Address:</b>	125 TownPark Drive		
<b>Internal Address:</b>	Suite 190		
<b>City:</b>	Kennesaw		
<b>State/Country:</b>	GEORGIA		
<b>Postal Code:</b>	30144		
<b>Entity Type:</b>	Limited Liability Company: FLORIDA		
<b>PROPERTY NUMBERS Total: 1</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
<b>Registration Number:</b>	1229857		
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(678)553-2212		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
<b>Phone:</b>	678-553-2100		
<b>Email:</b>	atltrademark@gtlaw.com		
<b>Correspondent Name:</b>	Stephen Palmer, Esq.		
<b>Address Line 1:</b>	3290 Northside Parkway, Suite 400		
<b>Address Line 4:</b>	Atlanta, GEORGIA 30327		
<b>NAME OF SUBMITTER:</b>	Carolyn Scott, Trademark Paralegal		
<b>Signature:</b>	/carolyn scott/		
<b>Date:</b>	09/23/2005		

Total Attachments: 7

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**TRADEMARK  
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## TRADEMARK SECURITY AGREEMENT

This Trademark Security Agreement (this "Agreement"), dated as of 27 JUNE 2005, is made by and between Child Craft Industries, Inc. (referred to herein "Borrower") and FCC, LLC, a Florida limited liability company, d/b/a First Capital (the "Lender").

### Recitals

Borrower and Lender are parties to a Loan and Security Agreement of even date herewith (as the same may hereafter be amended, supplemented or restated from time to time, the "Loan Agreement") setting forth the terms on which Lender may now or hereafter extend credit to or for the account of Borrower.

As a condition to extending credit to or for the account of Borrower, Lender has required the execution and delivery of this Agreement by Borrower.

ACCORDINGLY, in consideration of the mutual covenants contained in the Loan Documents and herein, the parties hereby agree as follows:

1. Definitions. All terms defined in the Recitals hereto or in the Loan Agreement that are not otherwise defined herein shall have the meanings given to them therein. In addition, the following terms have the meanings set forth below:

"Obligations" means each and every debt, liability and obligation of every type and description arising under or in connection with any Loan Document (as defined in the Loan Agreement) which Borrower may now or at any time hereafter owe to Lender, whether such debt, liability or obligation now exists or is hereafter created or incurred and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, independent, joint, several or joint and several, and including specifically, but not limited to, the Obligations (as defined in the Loan Agreement).

"Security Interest" has the meaning given in Section 2.

"Trademarks" means all of Borrower's right, title and interest in and to: (i) trademarks, service marks, collective membership marks, registrations and applications for registration for each, and the respective goodwill associated with each, (ii) licenses, fees or royalties with respect to each, (iii) the right to sue for past, present and future infringement, dilution and damages therefor, (iv) and licenses thereunder, all as presently existing or hereafter arising or acquired, including, without limitation, the marks listed on **Exhibit B**.

2. Security Interest. Each Borrower hereby irrevocably pledges and assigns to, and grants Lender a security interest (the "Security Interest") with power of sale to the extent permitted by law, in the Trademarks to secure payment of the Obligations. As set forth in the Loan Agreement, the Security Interest is coupled with a security interest in substantially all of the

personal property of each Borrower. This Agreement grants only the Security Interest herein described, is not intended to and does not affect any present transfer of title of any trademark registration or application and makes no assignment and grants no right to assign or perform any other action with respect to any intent to use trademark application, unless such action is permitted under 15 U.S.C. § 1060.

3. Representations, Warranties and Agreements. Borrower represents, warrants and agrees as follows:

(a) **Trademarks. Exhibit B** accurately lists all Trademarks owned or controlled by any Borrower as of the date hereof and accurately reflects the existence and status of Trademarks and all applications and registrations pertaining thereto as of the date hereof; provided, however, that **Exhibit B** need not list common law marks (i.e., Trademarks for which there are no applications or registrations) which are not material to any Borrower's or any Affiliate's business(es). If after the date hereof, Borrower owns or controls any Trademarks not listed on **Exhibit B** (other than common law marks which are not material to Borrower's or any Affiliate's business(es)), or if **Exhibit B** ceases to accurately reflect the existence and status of applications and registrations pertaining to the Trademarks, then Borrower shall promptly provide written notice to Lender with a replacement **Exhibit B**, which upon acceptance by Lender shall become part of this Agreement.

(b) **Affiliates.** As of the date hereof, no Affiliate of any Borrower owns, controls, or has a right to have assigned to it any items that would, if such item were owned by any Borrower, constitute Trademarks. If after the date hereof any Affiliate of any Borrower owns, controls, or has a right to have assigned to it any such items, then Borrower shall promptly either: (i) cause such Affiliate to assign all of its rights in such item(s) to an Borrower; or (ii) notify Lender of such item(s) and cause such Affiliate to execute and deliver to Lender a trademark security agreement substantially in the form of this Agreement.

(c) **Title.** Borrower identified as the owner of each Trademark on **Exhibits A** and **B** has absolute title to each Trademark listed thereon, free and clear of all Liens except Permitted Liens. The applicable Borrower (i) will have, at the time such Borrower acquires any rights in Trademarks hereafter arising, absolute title to each such Trademark free and clear of all Liens except Permitted Liens, and (ii) will keep all Trademarks free and clear of all Liens except Permitted Liens.

(f) **No Sale.** No Borrower will assign, transfer, encumber or otherwise dispose of the Trademarks, or any interest therein, without Lender's prior written consent.

(g) **Defense.** Borrower will, at their own expense and using commercially reasonable efforts, protect and defend the Trademarks against all claims or demands of all Persons other than those holding Permitted Liens.

(h) **Maintenance.** Borrower will at their own expense maintain the Trademarks to the extent reasonably advisable in its business including, but not limited to, filing all applications to obtain trademark registrations and all affidavits, maintenance fees, annuities, and renewals possible with respect to trademark registrations and applications therefor. Borrower covenant that they will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Trademark, nor fail to file any required affidavit or renewal in support thereof, without first providing Lender: (i) sufficient written notice, of at least 30 days, to allow Lender to timely pay any such maintenance fees or annuities which may become due on any Trademarks, or to file any affidavit or renewal with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit or renewal, should such be necessary or desirable.

(i) **Lender's Right to Take Action.** If Borrower fail to perform or observe any of their covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days after Lender gives Borrower written notice thereof (or, in the case of the agreements contained in subsection (h), immediately upon the occurrence of such failure, without notice or lapse of time), or if Borrower notify Lender that they intend to abandon a Trademark, Lender may (but need not) perform or observe such covenant or agreement or take steps to prevent such intended abandonment on behalf and in the name, place and stead of one or more Borrower (or, at Lender's option, in Lender's own name) and may (but need not) take any and all other actions which Lender may reasonably deem necessary to cure or correct such failure or prevent such intended abandonment.

(j) **Costs and Expenses.** Except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, Borrower shall pay Lender on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees and disbursements) incurred by Lender in connection with or as a result of Lender's taking action under subsection (i) or exercising its rights under Section 6, together with interest thereon from the date expended or incurred by Lender at the default rate of interest provided for in the Loan Agreement.

(k) **Power of Attorney.** To facilitate Lender's taking action under subsection (i) and exercising its rights under Section 6, each Borrower hereby irrevocably appoints (which appointment is coupled with an interest) Lender, or its delegate, as the attorney-in-fact of such Borrower with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of such Borrower, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by such Borrower under this Section 3, or, necessary for Lender, after a Default, to enforce or use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Trademarks to any third party. Each Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done

by virtue hereof. The power of attorney granted herein shall terminate upon the termination of the Loan Agreement as provided therein and the payment and performance of all Obligations.

4. Borrower' Use of the Trademarks. Borrower shall be permitted to control and manage the Trademarks, including the right to exclude others from making, using or selling items covered by the Trademarks and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Default exists.

5. Defaults. Each of the following occurrences shall constitute an event of default under this Agreement (herein called a "Default"): (a) a Default, as defined in the Loan Agreement, shall occur; or (b) any Borrower shall fail promptly to observe or perform any covenant or agreement herein binding on it; or (c) any of the representations or warranties contained in Section 3 shall prove to have been incorrect in any material respect when made.

6. Remedies. While a Default exists, Lender may, at its option, take any or all of the following actions:

(a) Lender may exercise any or all remedies available under the Loan Agreement.

(b) Lender may sell, assign, transfer, pledge, encumber or otherwise dispose of the Trademarks.

(c) Lender may enforce the Trademarks and any licenses thereunder, and if Lender shall commence any suit for such enforcement, Borrower shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents required by Lender in aid of such enforcement.

7. Miscellaneous. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by Lender. A waiver signed by Lender shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of Lender's rights or remedies. All rights and remedies of Lender shall be cumulative and may be exercised singularly or concurrently, at Lender's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. All notices to be given to any Borrower under this Agreement shall be given in the manner and with the effect provided in the Loan Agreement. Lender shall not be obligated to preserve any rights any Borrower may have against prior parties, to realize on the Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of Borrower and Lender and their respective participants, successors and assigns and shall take effect when signed by Borrower and delivered to Lender, and each Borrower waives notice of Lender's acceptance hereof. Lender may execute this Agreement if appropriate for the purpose of filing, but the failure of Lender to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon,

photographic or other reproduction of this Agreement or of any financing statement authorized by any Borrower shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the internal law of Georgia without regard to conflicts of law provisions. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. All representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations.

**THE PARTIES WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.**

IN WITNESS WHEREOF, the parties have executed this Trademark Security Agreement as of the date first written above.

Child Craft Industries, Inc.

By: [Signature]  
William S. Suvak, President

FCC, LLC d/b/a FIRST CAPITAL  
By: [Signature]  
Name: David G. Walker  
Title: V.P.

STATE OF Indiana )  
COUNTY OF Washington )

The foregoing instrument was acknowledged before me this 27 day of June 2005, by William S. Suvak the President of Child Craft Industries, Inc. on behalf of such corporation.

[Signature]  
Notary Public

STATE OF Georgia )  
COUNTY OF Fulton )

MELISSA D. PRATER  
NOTARY PUBLIC, STATE OF INDIANA  
WASHINGTON COUNTY  
MY COMMISSION EXP. AUGUST 27, 2006

The foregoing instrument was acknowledged before me this 30<sup>th</sup> day of June, 2005, by David G. Walker, a Vice President of FCC, LLC, a Florida limited liability company, d/b/a First Capital, on behalf of such limited liability company.

[Signature]  
Notary Public

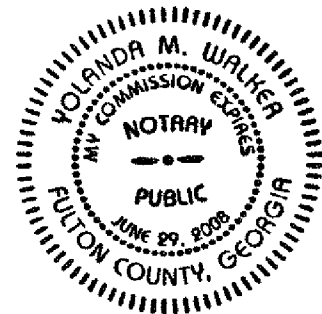




EXHIBIT A

TRADEMARKS

Mark	Registration Number	Registration Date
STICK FIGURE LOGO	1229857	March 8, 1983