TRADEMARK ASSIGNMENT

Electronic Version v1.1
Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Trademark and Trademark Applications Security Agreement

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
KB Holdings, LLC		01/31/2007	LIMITED LIABILITY COMPANY: NEVADA

RECEIVING PARTY DATA

Name:	General Electric Capital Corporation, as Collateral Agent
Street Address:	401 Merrit 7
City:	Norwalk
State/Country:	CONNECTICUT
Postal Code:	06851
Entity Type:	CORPORATION: DELAWARE

PROPERTY NUMBERS Total: 20

Property Type	Number	Word Mark
Registration Number:	2674290	BE-BOPPIN' BOOGIE LIGHTS
Registration Number:	3101155	COLORFUL EXPRESSIONS HAVE FUN EXPRESSING YOURSELF
Registration Number:	2998915	CRITTER CORNER
Registration Number:	2256262	K B TOY EXPRESS
Registration Number:	2203538	K B TOY WORKS
Registration Number:	2185412	K B TOYS
Serial Number:	76212547	K B TOYS CLEARANCE
Registration Number:	2035542	KAY TOYS BEE
Registration Number:	1651141	KAY-BEE AMERICA'S TOY STORE
Registration Number:	1341681	KAY-BEE TOY & HOBBY
Registration Number:	2364972	KAY-BEE TOY OUTLET
Registration Number:	1652713	KAY-BEE TOY STORES
Registration Number:	2300569	KAY-BEE TOYS

OP $515.00 2674290

Registration Number:	1863363	K B TOY
Registration Number:	1366022	
Registration Number:	1527480	PLAY THINGS
Registration Number:	2369727	TOY LIQUIDATORS
Registration Number:	2161162	TOY WORKS
Registration Number:	2104633	TOYWORKS
Registration Number:	2435960	WHERE GREAT IDEAS COME TO YOU

CORRESPONDENCE DATA

Fax Number: (617)951-8736

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 617-951-8073

Email: jessica.davis@bingham.com

Correspondent Name: Jessica Davis

Address Line 1: 150 Federal Street

Address Line 2: Bingham McCutchen LLP

Address Line 4: Boston, MASSACHUSETTS 02110

NAME OF SUBMITTER:	Jessica Davis
Signature:	/JDavis/
Date:	02/01/2007

Total Attachments: 11

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TRADEMARK AND TRADEMARK APPLICATIONS SECURITY AGREEMENT

THIS TRADEMARK AND TRADEMARK APPLICATIONS SECURITY AGREEMENT (this "Agreement") is dated as of January 31, 2007, by and between:

GENERAL ELECTRIC CAPITAL CORPORATION (in such capacity, the "Collateral Agent"), with offices at 401 Merrit 7, Norwalk, CT 06851, as Collateral Agent for the Secured Parties (as defined in the Credit Agreement referenced below),

and

KB HOLDINGS, LLC (hereinafter, "Grantor"), a limited liability company organized under the laws of the State of Nevada with a mailing address at 330 E. Warm Springs Road, Las Vegas, NV 89119.

in consideration of the mutual covenants contained herein and benefits to be derived herefrom.

WITNESSETH:

1. BACKGROUND. Reference is made to that certain Credit Agreement dated January 31, 2007 (as amended, modified, supplemented or restated from time to time, the "Credit Agreement"), among (i) KB Toys Retail, Inc., as Lead Borrower, (ii) the other Loan Parties (including, without limitation, the Grantor) party thereto, (iii) the Lenders party thereto, (iv) General Electric Capital Corporation, as Administrative Agent and Collateral Agent for the Lenders, and as Issuing Bank and (b) the Security Agreement of even date herewith (as amended, modified, supplemented or restated from time to time, the "Security Agreement") by and among the Loan Parties and the Collateral Agent. Capitalized terms used herein and not defined herein shall have the meanings assigned to such terms in the Credit Agreement or, if not defined in the Credit Agreement, in the Security Agreement.

2. GRANT OF SECURITY INTEREST. In furtherance and as confirmation of the Security Interest granted by, among others, the Grantor to the Collateral Agent (for the ratable benefit of the Secured Parties) under the Security Agreement, and as further security for the payment or performance, as the case may be, in full of the Obligations, Grantor hereby ratifies such Security Interest and grants to the Collateral Agent a security interest in favor of the Collateral Agent, for the ratable benefit of the Secured Parties, with power of sale (which power of sale shall be exercisable only following the occurrence and during the continuance of an Event of Default) in and to the following and all proceeds thereof (collectively, the "TM Collateral"):

   a. All of Grantor's now owned or existing or hereafter acquired or arising trademarks, trademark applications, service marks, registered service marks and service mark applications including, without limitation, those listed on EXHIBIT A annexed hereto and made a part hereof, together with any goodwill of the business connected with and symbolized by any such trademarks, trademark

applications, service marks, registered service marks, and service mark applications.

b. All renewals of any of the foregoing.

c. All income, royalties, damages and payments now and hereafter due and/or payable under and with respect to any of the foregoing, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof.

d. The right to sue for past, present and future infringements and dilutions of any of the foregoing.

e. All of Grantor's rights corresponding to any of the foregoing throughout the world.

3. PROTECTION OF MARKS BY GRANTOR. Grantor shall undertake the following with respect to each item respectively described in Sections 2(a) and 2(b) (collectively, the "Marks"):

a. Pay all renewal fees and other fees and costs associated with maintaining the Marks and with the processing of the Marks necessary for the conduct of the business of the Grantor from time to time.

b. At Grantor's sole cost, expense, and risk, pursue the prompt, diligent processing of each application for registration of the Marks which is the subject of the security interest created herein and in the reasonable business judgment of Grantor should be registered, and not abandon or delay any such efforts.

c. At Grantor's sole cost, expense, and risk, take any and all action which Grantor deems desirable to protect the Marks, including, without limitation, but subject to Grantor's sole discretion, the prosecution and defense of infringement actions.

4. GRANTOR'S REPRESENTATIONS AND WARRANTIES. Grantor represents and warrants that:

a. EXHIBIT A includes all of the registered trademarks, federal trademark applications, registered service marks and Federal service mark applications now owned by Grantor.

b. All TM Collateral is and shall remain, free and clear of all Liens to any Person other than to the Collateral Agent, except as permitted under the Credit Agreement. This restriction shall not apply to license agreements in the ordinary course of business.

c. Grantor shall give the Collateral Agent written notice (with reasonable detail) within ten (10) days following the occurrence of any of the following:

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i. Grantor's obtaining rights to, and filing applications for registration of, any new trademarks or service marks which are necessary for the conduct of the business of the Grantor, or otherwise acquiring ownership of any newly registered trademarks, registered service marks, trademark applications, or service mark applications, in each case which are necessary for the conduct of the business of the Grantor (other than Grantor's right to sell products bearing the trademarks of others in the ordinary course of Grantor's business).

ii. Grantor's becoming entitled to the benefit of any registered trademarks, trademark applications, trademark licenses, trademark license renewals, registered service marks, service mark applications, service mark licenses or service mark license renewals whether as licensee or licensor, in each case which are necessary for the conduct of the business of the Grantor (other than Grantor's right to sell products bearing the trademarks of others in the ordinary course of Grantor's business).

iii. Grantor's entering into any new trademark license agreement or service mark license agreement.

5. AGREEMENT APPLIES TO FUTURE MARKS.

a. The provisions of this Agreement shall automatically apply to any such additional property or rights described in Section 4(c), above, all of which shall be deemed to be and treated as "Marks" within the meaning of this Agreement, except trademark licenses.

b. Grantor hereby authorizes the Collateral Agent to take all such reasonable action to protect the Collateral Agent's interest in and concerning any future registered trademarks, trademark applications, registered service marks and service mark applications, written notice of which is so given, *provided, however*, the Collateral Agent's taking of such action shall not be a condition to the creation or perfection of the security interest created hereby.

6. GRANTOR'S RIGHTS TO ENFORCE MARKS. Prior to the Collateral Agent's giving of notice to Grantor following the occurrence and during the continuance of an Event of Default, Grantor shall have the exclusive right to sue for past, present and future infringement of the Marks including the right to seek injunctions and/or money damages, in an effort by Grantor to protect the Marks against encroachment by third parties, provided, however:

a. Grantor first provides the Collateral Agent with written notice of Grantor's intention to so sue for enforcement of any Mark.

b. Any money damages awarded or received by Grantor on account of such suit (or the threat of such suit) shall constitute TM Collateral.

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c. Following the occurrence and during the continuance of any Event of Default, the Collateral Agent, by notice to Grantor, may terminate or limit Grantor's rights under this Section 6.

7. COLLATERAL AGENT'S ACTIONS TO PROTECT MARKS. IN THE EVENT OF

a. Grantor's failure, within five (5) days of written notice from the Collateral Agent, to cure any failure by Grantor to perform any of Grantor's obligations set forth in Section 6; and/or

b. the occurrence and continuance of any Event of Default,

the Collateral Agent, acting in its own name or in that of Grantor, may (but shall not be required to) act in Grantor's place and stead and/or in the Collateral Agent's own right in taking actions to protect the Marks.

8. RIGHTS UPON DEFAULT. Upon the occurrence and during the continuance of any Event of Default, the Collateral Agent may exercise all rights and remedies of a secured party upon default under the Uniform Commercial Code as adopted in the State of New York with respect to the Marks, in addition to which the Collateral Agent may sell, license, assign, transfer, or otherwise dispose of the Marks. Any person may conclusively rely upon an affidavit of an officer of the Collateral Agent that an Event of Default has occurred and is continuing and that the Collateral Agent is authorized to exercise such rights and remedies, subject to any court order to the contrary.

9. COLLATERAL AGENT AS ATTORNEY IN FACT.

a. Grantor hereby irrevocably constitutes and designates the Collateral Agent as and for Grantor's attorney in fact, effective following the occurrence and during the continuance of any Event of Default:

i. To exercise any of the rights and powers referenced herein.

ii. To execute all such instruments, documents, and papers as the Collateral Agent reasonably determines to be appropriate in connection with the exercise of such rights and remedies and to cause the sale, license, assignment, transfer, or other disposition of the Marks.

b. The within grant of a power of attorney, being coupled with an interest, shall be irrevocable until this Agreement is terminated by a duly authorized officer of the Collateral Agent.

c. The Collateral Agent shall not be obligated to do any of the acts or to exercise any of the powers authorized by Section 9(a) herein, but if the Collateral Agent elects to do any such act or to exercise any of such powers, it shall not be accountable for more than it actually receives as a result of such exercise of power, and shall not be responsible to Grantor for any act or omission to act except for any act or omission to act as to which there is a final determination made in a judicial

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proceeding (in which proceeding the Collateral Agent has had an opportunity to be heard) which determination includes a specific finding that the subject act or omission to act had been grossly negligent or in actual bad faith or willful misconduct.

10. COLLATERAL AGENT'S RIGHTS.

a. Any use by the Collateral Agent of the Marks, as authorized hereunder in connection with the exercise of the Collateral Agent' rights and remedies under this Agreement and under the Credit Agreement shall be coextensive with Grantor's rights thereunder and with respect thereto and without any liability for royalties or other related charges.

b. None of this Agreement, the Credit Agreement, the Security Agreement, or any act, omission, or circumstance taken or arising hereunder may be construed as directly or indirectly conveying to the Collateral Agent any rights in and to the Marks, which rights are only effective following the occurrence and continuance of any Event of Default.

11. INTENT. This Agreement is being executed and delivered by the Grantor for the purpose of registering and confirming the grant of the security interest of the Collateral Agent in the TM Collateral with the United States Patent and Trademark Office. It is intended that the security interest granted pursuant to this Agreement is granted as a supplement to, and not in limitation of, the Security Interest granted to the Collateral Agent, for the ratable benefit of the Secured Parties, under the Security Agreement. All provisions of the Security Agreement shall apply to the Marks. The Collateral Agent shall have the same rights, remedies, powers, privileges and discretions, with respect to the security interests created in the TM Collateral as in all other Collateral. In the event of a conflict between this Agreement and the Security Agreement, the terms of this Agreement shall control with respect to the TM Collateral and the Security Agreement with respect to all other Collateral.

12. CHOICE OF LAWS. It is intended that this Agreement and all rights and obligations hereunder, including matters of construction, validity, and performance, shall be governed by the laws of the State of New York without regard to conflicts of law principles thereof (other than Section 5-1401 of the General Obligations Laws of the State of New York).

13. TERMINATION; RELEASE OF TRADEMARK COLLATERAL. This Agreement shall terminate when all the Obligations have been paid in full in cash, the Lenders have no further commitment to lend, there are no Letter of Credit Outstandings (or all such Letter of Credit Outstandings are fully cash collateralized in a manner reasonably satisfactory to the Issuing Bank) and the Issuing Bank has no further commitment to issue Letters of Credit under the Credit Agreement, at which time the Collateral Agent shall execute and deliver to Grantor, at Grantor's expense, all termination statements that Grantor shall reasonably request to evidence such termination. Notwithstanding anything herein to the contrary, this Agreement and the security interest granted hereby shall continue to be

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effective or to be reinstated, as the case may be, if at any time payment and performance of the Obligations, or any part thereof, is, pursuant to Applicable Law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. Any execution and delivery of termination statements or documents pursuant to this Section 13 shall be without recourse to or warranty by the Collateral Agent.

[SIGNATURE PAGES FOLLOW]

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IN WITNESS WHEREOF, Grantor and the Collateral Agent respectively have caused this Agreement to be executed by their respective duly authorized officers as of the date first above written.

KB HOLDINGS, LLC
("Grantor")

By:_____
Name: Wm. Gordon Prescott
Title: Manager

CERTIFICATE OF ACKNOWLEDGEMENT

COMMONWEALTH OF MASSACHUSETTS)
) ss.
BERKSHIRE COUNTY)

On this 31st day of January, 2007 before me, the undersigned notary public, personally appeared Wm. Gordon Prescott, proved to me through satisfactory evidence of identification, which was personal knowledge of his identity, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that (he)(she) signed it voluntarily for its stated purpose as Manager for KB Holdings, LLC, a Nevada limited liability company.

(official signature and seal of notary)
Colleen McGrath
My commission expires: 2/1/13

COLLEEN M. McGRATH
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
Feb. 1, 2013

GENERAL ELECTRIC CAPITAL CORPORATION
(The "Collateral Agent")

By:_____
Name: Craig Winslow
Title: Its Duly Authorized Signatory

EXHIBIT A

CTY	TMARK	APPNO	REGNO	STATUS	FILE	REG
US	BE-BOPPIN' BOOGIE LIGHTS	76/309,150	2,674,290	REGISTERED	09/05/2001	01/14/2003
US	COLORFUL EXPRESSIONS HAVE FUN EXPRESSING YOURSELF	76/530,268	3,101,155	REGISTERED	07/18/2003	06/06/2006
US	CRITTER CORNER	78/219,253	2,998,915	REGISTERED	02/26/2003	09/20/2005
US	K*B TOY EXPRESS (STYLIZED)	75/224,192	2,256,262	REGISTERED	01/10/1997	06/29/1999
US	K*B TOY WORKS	75/223,850	2,203,538	REGISTERED	01/10/1997	11/17/1998
CA	K*B TOYS	858,415	522495	REGISTERED	10/10/1997	01/28/2000
US	K*B TOYS	75/223,826	2,185,412	REGISTERED	01/10/1997	09/01/1998
US	K B TOYS CLEARANCE	76/212,547		ABANDONED	02/20/2001	
US	KAY TOYS BEE (AND DESIGN)	75/065,721	2,035,542	REGISTERED	02/29/1996	02/04/1997
US	KAY-BEE AMERICA'S TOY STORE	74/084,912	1,651,141	REGISTERED	08/06/1990	07/16/1991
US	KAY-BEE TOY & HOBBY	73/504,580	1,341,681	REGISTERED	10/19/1984	06/11/1985
US	KAY-BEE TOY OUTLET	75/383,599	2,364,972	REGISTERED	11/03/1997	07/04/2000
US	KAY-BEE TOY STORES	74/084,911	1,652,713	REGISTERED	08/06/1990	07/30/1991
US	KAY-BEE TOYS	75/383,574	2,300,569	REGISTERED	11/03/1997	12/14/1999
US	KB TOY	74/377,836	1,863,363	REGISTERED	04/12/1993	11/15/1994
US	MISCELLANEOUS DESIGN (LITTLE TOY SOLDIER)	73/501,812	1,366,022	REGISTERED	10/01/1984	10/15/1985
US	PLAY THINGS (AND WHIMSICAL DESIGN)	73/708,703	1,527,480	REGISTERED	02/01/1988	02/28/1989
US	TOY LIQUIDATORS	75/381,855	2,369,727	REGISTERED	10/30/1997	07/25/2000
MD (s)	TOY WORKS	22600347	1994-S3295	REGISTERED	08/19/1994	08/19/1994
MA (s)	TOY WORKS	22500861	50039	REGISTERED	08/29/1994	08/29/1994
RI (s)	TOY WORKS	232007700	941004	REGISTERED	10/04/1994	10/26/1994

EXHIBIT A

CTY	TMARK	APPNO	REGNO	STATUS	FILE	REG
US	TOY WORKS (STYLIZED)	74/566,900	2,161,162	REGISTERED	08/29/1994	06/02/1998
US	TOYWORKS & DESIGN	75/016,116	2,104,633	REGISTERED	10/23/1995	10/14/1997
US	WHERE GREAT IDEAS COME TO YOU	75/812,233	2,435,960	REGISTERED	09/30/1999	03/13/2001