

10-11-2007



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ARD 10/10/07

To the Director of the U. S. Pat.

Please refer to the attached documents or the new address(es) below.

10-10-07

1. Name of conveying party(ies):

New Creative Enterprises, Inc.

- Individual(s)
- General Partnership
- Corporation- State: Ohio
- Other
- Association
- Limited Partnership

Citizenship (see guidelines)

Additional names of conveying parties attached? Yes No

3. Nature of conveyance /Execution Date(s) :

Execution Date(s) August 30, 2007

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? Yes No

Name: LaSalle Business Credit, LLC,

Internal - as Agent

Address: Suite 425

Street Address: 135 South LaSalle Street

City: Chicago

State: Illinois

Country: USA Zip: 60603

Association Citizenship

General Partnership Citizenship

Limited Partnership Citizenship

Corporation Citizenship

Other LLC Citizenship Delaware

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

75/182,248

B. Trademark Registration No.(s)

3,025,965; 3,022,720

Additional sheet(s) attached? Yes No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

Homestyle Selections; New Creative; NCE

5. Name & address of party to whom correspondence concerning document should be mailed:

Name: Diana Y. Tsai, Esq.

Internal Address: Schwartz Cooper Chartered

Street Address: 180 North LaSalle Street

City: Chicago

State: Illinois Zip: 60601

Phone Number: 312-516-4490

Fax Number: 312-264-2484

Email Address: dtsai@schwartzcooper.com

6. Total number of applications and registrations involved:

3

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 90.00

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers

10/10/2007 Expiration Date 00000005 75182248

b. Deposit Account Number 01 01 0521 40.00 OF

Authorized User Name 02 FC:8522 50.00 OF

9. Signature:

Signature

10/5/07
Date

Diana Y. Tsai, Esq.

Name of Person Signing

Total number of pages including cover sheet, attachments, and document:

11

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

AMENDED AND RESTATED TRADEMARK SECURITY AGREEMENT

THIS AMENDED AND RESTATED TRADEMARK SECURITY AGREEMENT (this "**Security Agreement**") is made as of this 30th day of August, 2007, by NEW CREATIVE ENTERPRISES, INC., an Ohio corporation ("**Borrower**"), in favor of LASALLE BUSINESS CREDIT, LLC, a Delaware limited liability company, as agent ("**Agent**") for itself and various other lenders (the "**Lenders**") with an office at 135 South LaSalle Street, Suite 425, Chicago, Illinois 60603.

W I T N E S S E T H

WHEREAS, Borrower, Agent and certain other lenders (the "**Existing Lenders**") entered into that certain Loan and Security Agreement dated as of December 9, 2004, as amended from time to time (as amended, restated, modified or supplemented and in effect from time to time, the "**Existing Loan Agreement**"), pursuant to which Agent and the Existing Lenders agreed to extend loans and certain other financial accommodations to Borrower and Borrower granted to Agent a security interest in substantially all of Borrower's assets;

WHEREAS, pursuant to the Existing Loan Agreement, Borrower entered into that certain Trademark Security Agreement dated as of December 9, 2004 (as amended, restated, modified or supplemented and in effect from time to time, the "**Existing Trademark Agreement**"), pursuant to which Borrower pledged to Agent for the benefit of the Existing Lenders all of its right, title and interest in and to its Trademarks (as defined therein) as security for Borrower's obligations and liabilities to Agent and the Existing Lenders under the Existing Loan Agreement and the Other Agreements (as defined in the Existing Loan Agreement);

WHEREAS, Borrower, Agent and the Lenders are entering into an Amended and Restated Loan and Security Agreement dated as of even date herewith (as it may be amended, restated, modified or supplemented and in effect from time to time, the "**Loan Agreement**"), which amends and restates the Existing Loan Agreement in its entirety; and

WHEREAS, it is a condition precedent to Lenders' willingness to extend and/or continue to extend loans and certain other financial accommodations to Borrower that Borrower execute and deliver to Agent, for the benefit of the Lenders, as security for Borrower's obligations and liabilities to Agent and Lenders under the Loan Agreement and the Other Agreements (as defined in the Loan Agreement), this Security Agreement;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, Borrower agrees as follows:

1. Incorporation of Loan Agreement and Other Agreements. The Loan Agreement and the Other Agreements (collectively, as each may be amended, restated, modified or supplemented and in effect from time to time, the "**Financing Agreements**") and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.

All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Loan Agreement.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the complete and timely payment and satisfaction of the Liabilities, Borrower hereby grants to Agent, for the benefit of Lenders, and hereby reaffirms its prior grant pursuant to the Financing Agreements of, a continuing security interest in all of Borrower's entire right, title and interest in, to and under all of its now owned or existing or hereafter acquired or arising, whether registered or unregistered, all common law, state and federal trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, Internet domain names, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, together with all licenses therefor, all registrations and recordings thereof, and all applications (other than "intent to use" applications until a verified statement of use is filed with respect to such applications) in connection therewith, and all extensions or renewals thereof, including, without limitation, the trademarks and applications listed on Schedule A attached hereto and made a part hereof and the trademarks, and any and all variations thereof, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "**Trademarks**"); all rights corresponding to any of the foregoing throughout the world and the goodwill of the Borrower's business connected with the use of and symbolized by the Trademarks; all intangible intellectual or other similar property of Borrower of any kind or nature, whether now owed or hereafter acquired or developed, associated with or arising out of any Trademarks and not otherwise described above; and all products and proceeds of any of the foregoing.

3. Warranties and Representations. Borrower warrants and represents to Agent that:

(a) no Trademark has been adjudged invalid or unenforceable by a court of competent jurisdiction nor has any such Trademark been canceled, in whole or in part and each such Trademark is presently subsisting;

(b) Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each Trademark, free and clear of any liens, charges and encumbrances, including without limitation, shop rights and covenants by Borrower not to sue third persons;

(c) Borrower has no notice of any suits or actions commenced or threatened with reference to any Trademark; and

(d) Borrower has the unqualified right to execute and deliver this Security Agreement and perform its terms.

4. Restrictions on Future Agreements. Borrower agrees that until Borrower's Liabilities shall have been satisfied in full and the Financing Agreements shall have been

terminated, Borrower shall not, without the prior written consent of Agent, sell or assign its interest in any Trademark or enter into any other agreement with respect to any Trademark which would affect the validity or enforcement of the rights transferred to Agent under this Security Agreement.

5. New Trademarks. Borrower represents and warrants that, based on a diligent investigation by Borrower, the Trademarks listed on Schedule A constitute all of the federally registered Trademarks, and federal applications for registration of Trademarks (other than "intent to use" applications until a verified statement of use is filed with respect to such applications) now owned by Borrower. If, before Borrower's Liabilities shall have been satisfied in full or before the Financing Agreements have been terminated, Borrower shall (i) become aware of any existing Trademarks of which Borrower has not previously informed Agent, or (ii) become entitled to the benefit of any Trademarks, which benefit is not in existence on the date hereof, the provisions of this Security Agreement above shall automatically apply thereto and Borrower shall give to Agent prompt written notice thereof, but in any event not less frequently than on a quarterly basis. Borrower hereby authorizes Agent to modify this Security Agreement by amending Schedule A to include any such Trademarks.

6. Royalties; Term. The term of this Security Agreement shall extend until the payment in full of Borrower's Liabilities and the termination of the Financing Agreements. Borrower agrees that upon the occurrence of an Event of Default, the use by Agent of all Trademarks shall be without any liability for royalties or other related charges from Agent or any Lender to Borrower.

7. Product Quality. Borrower agrees to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with commercially reasonable business practices. Upon the occurrence of an Event of Default, Borrower agrees that Agent, or a conservator appointed by Agent, shall have the right to establish such additional product quality controls as Agent, or said conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Borrower under the Trademarks.

8. Release of Security Agreement. This Security Agreement is made for collateral purposes only. Upon payment in full of Borrower's Liabilities and termination of the Financing Agreements, Agent shall take such actions as may be necessary or proper to terminate the security interests created hereby and pursuant to the Financing Agreements

9. Expenses. All expenses incurred in connection with the performance of any of the agreements set forth herein shall be borne by Borrower. All fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees, costs and legal expenses, incurred by Agent in connection with the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or otherwise in protecting, maintaining or preserving the Trademarks or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks shall be borne by and paid by Borrower and until paid shall constitute Liabilities.

10. Duties of Borrower. Borrower shall have the duty (i) to file and prosecute diligently any trademark applications pending as of the date hereof or hereafter until Borrower's Liabilities shall have been paid in full and the Financing Agreements have been terminated, (ii) to preserve and maintain all rights in the Trademarks, as commercially reasonable and (iii) to ensure that the Trademarks are and remain enforceable, as commercially reasonable. Any expenses incurred in connection with Borrower's Liabilities under this Section 10 shall be borne by Borrower.

11. Agent's Right to Sue. After the occurrence and during the continuance of an Event of Default, Agent shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks and, if Agent shall commence any such suit, Borrower shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents required by Agent in aid of such enforcement and Borrower shall promptly, upon demand, reimburse and indemnify Agent for all costs and expenses incurred by Agent in the exercise of its rights under this Section 11.

12. Waivers. No course of dealing between Borrower and Agent, nor any failure to exercise, nor any delay in exercising, on the part of Agent, any right, power or privilege hereunder or under the Financing Agreements 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.

13. Severability. The provisions of this Security 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 Security Agreement in any jurisdiction.

14. Modification. This Security Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 5 hereof or by a writing signed by the parties hereto.

15. Cumulative Remedies; Power of Attorney; Effect on Financing Agreements. All of Agent's rights and remedies with respect to the Trademarks, whether established hereby or by the Financing Agreements, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Borrower hereby authorizes Agent upon the occurrence and during the continuance of an Event of Default, to make, constitute and appoint any officer or agent of Agent as Agent may select, in its sole discretion, as Borrower's true and lawful attorney-in-fact, with power to (i) endorse Borrower's name on all applications, documents, papers and instruments necessary or desirable for Agent in the use of the Trademarks or (ii) take any other actions with respect to the Trademarks as Agent deems to be in the best interest of Agent, or (iii) grant or issue any exclusive or non-exclusive license under the Trademarks to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone. 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 until Borrower's Liabilities shall have been paid in full and the Financing Agreements have been

terminated. Borrower acknowledges and agrees that this Security Agreement is not intended to limit or restrict in any way the rights and remedies of Agent under the Financing Agreements but rather is intended to facilitate the exercise of such rights and remedies. Agent shall have, in addition to all other rights and remedies given it by the terms of this Security Agreement and the Financing Agreements, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in Illinois.

16. Binding Effect; Benefits. This Security Agreement shall be binding upon Borrower and its respective successors and assigns, and shall inure to the benefit of Agent, its successors, nominees and assigns.

17. Governing Law. This Security Agreement shall be governed by and construed in accordance with the laws of the State of Illinois and applicable federal law.

18. Headings. Paragraph headings used herein are for convenience only and shall not modify the provisions which they precede.

19. Further Assurances. Borrower agrees to execute and deliver such further agreements, instruments and documents, and to perform such further acts, as Agent shall reasonably request from time to time in order to carry out the purpose of this Security Agreement and agreements set forth herein.

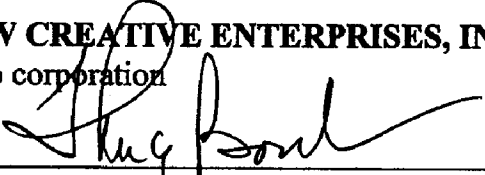
20. Survival of Representations. All representations and warranties of Borrower contained in this Security Agreement shall survive the execution and delivery of this Security Agreement and shall be remade on the date of each borrowing under the Financing Agreements.

21. Effect of Amendment and Restatement. This Security Agreement amends and restates the Existing Trademark Agreement in its entirety effective as of the date hereof. Nothing herein shall be construed as having the effect of terminating or releasing the obligations of Borrower under the Existing Trademark Agreement. Instead, it is the express intention of Borrower to reaffirm such obligations as valid and enforceable obligations of Borrower pursuant to the Existing Trademark Agreement and which shall be continuing obligations (in addition to any new obligations hereunder) in favor of Agent under this Agreement. Neither the execution and delivery of this Security Agreement nor any of the terms hereof shall be deemed to adversely affect any of the obligations of Borrower in favor of Agent under the Existing Trademark Agreement as amended and restated hereby.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, Borrower has duly executed this Amended and Restated Trademark Security Agreement as of the date first written above.

NEW CREATIVE ENTERPRISES, INC., an
Ohio corporation

By: 
Name: Thomas G. Bowles
Title: Chief Executive Officer

Agreed and Accepted
As of the Date First Written Above

LASALLE BUSINESS CREDIT, LLC, a
Delaware limited liability company, as Agent

By: _____
Name: _____
Title: _____

[Amended and Restated Trademark Security Agreement]

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NEW CREATIVE ENTERPRISES, INC., an
Ohio corporation

By: _____
Name: Thomas G. Bowles
Title: Chief Executive Officer

Agreed and Accepted
As of the Date First Written Above

LASALLE BUSINESS CREDIT, LLC, a
Delaware limited liability company, as Agent

By: Jason M. Davis
Name: Jason M. Davis
Title: Vice President

[Amended and Restated Trademark Security Agreement]

SCHEDULE A**TRADEMARK REGISTRATIONS**

<u>Trademark Description</u>	<u>U.S. Registration No.</u>	<u>Registration Date</u>
NCE	2,632,374	October 8, 2002
DECORATIVE CONCEPTS INCORPORATED	2,872,057	August 10, 2004
DECORATIVE CONCEPTS INCORPORATED	2,872,056	August 10, 2004
DECORATIVE CONCEPTS INCORPORATED	2,872,055	August 10, 2004
DECORATIVE CONCEPTS INCORPORATED	2,825,562	March 23, 2004
DECORATIVE CONCEPTS INCORPORATED	2,820,166	March 2, 2004
DECORATIVE CONCEPTS INCORPORATED	2,820,165	March 2, 2004
DECORATIVE CONCEPTS INCORPORATED	2,709,853	April 22, 2003
DECORATIVE CONCEPTS INCORPORATED	2,714,178	May 6, 2003
DECORATIVE CONCEPTS INCORPORATED	2,809,008	January 27, 2004
DECORATIVE CONCEPTS INCORPORATED	2,802,811	January 6, 2004
DECORATIVE CONCEPTS INCORPORATED	2,802,810	January 6, 2004
DECORATIVE CONCEPTS INCORPORATED	2,636,748	October 15, 2002
DECORATIVE CONCEPTS INCORPORATED	2,664,195	December 17, 2002
NEW CREATIVE NCE	3,025,965	December 13, 2005
BOOKINS & Design	3,022,720	December 6, 2005
BREEZIES & Design	2,625,976	September 24, 2002
IMAGES IN ART	2,427,127	February 6, 2001
IMPRESSIONS	2,633,078	October 8, 2002
IMPRESSIONS	2,583,499	June 18, 2002
IN THE WIND PRODUCTS	2,574,444	May 28, 2002
KERSPLATZ	2,145,031	March 17, 1998
MEADOW CREEK	2,552,323	March 26, 2002
NCEGIFTS.COM	2,554,034	March 26, 2002
PART OF THE LANDSCAPE OF AMERICA	2,531,815	January 22, 2002
SKY SENSATIONS	2,550,920	March 19, 2002
	2,523,293	December 25, 2001

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<u>Trademark Description</u>	<u>U.S. Registration No.</u>	<u>Registration Date</u>
THE SQUARE NEST & Design	2,811,376	February 3, 2004
VERANDA FLORALS	2,851,476	June 8, 2004
WINDSCULPTS	2,138,958	February 24, 1998
CUTTINGS	2,505,621	November 6, 2001
KATHY HATCH COLLECTION & Design	2,565,845	April 30, 2002
NEW CREATIVE ENTERPRISES	3019488	November 29, 2005
NEW CREATIVE ENTERPRISES	3025965	December 13, 2005
NCE	3022720	December 6, 2005
NCE	3019468	November 29, 2005

ABANDONED TRADEMARK APPLICATIONS

<u>Trademark Application Description</u>	<u>U.S. Serial No.</u>	<u>Filing Date</u>
NEW CREATIVE ENTERPRISES	76/616,154	October 12, 2004
NEW CREATIVE ENTERPRISES	76/615,673	October 7, 2004
NCE	76/615,671	October 7, 2004
NCE	76/614,947	October 6, 2004
THE SQUARE NEST A DECORATIVE CONCEPTS COMPANY	76/165,335	May 28, 2002
SUPERSILK	76/182,248	December 19, 2000
NEW IDEAS FROM CREATIVE PEOPLE	75/869,923	December 13, 1999
PHANTOM FLYERS & Design	76/022,423	April 10, 2000
WHITE PINE	76/042,979	May 8, 2000
EARTHENWARE ALPINE VILLAGE COLLECTION	74/676,175	May 18, 1995
FRAMESCAPES	76/015,592	April 3, 2000
TULIPS & TAILS	75/810,864	September 29, 1999
AUTHENTIC 20TH CENTURY AIR A BLAST FROM THE PAST	75/702,976	May 11, 1999
GARDENSCULPTS	75/390,318	November 14, 1997
LAWNSCULPTS	75/390,317	November 14, 1997
MYPCPALS	75/143,298	August 1, 1996

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Trademark Application
Description

U.S. Serial No.

Filing Date

BANNER GUARD	74/560,333	August 12, 1994
WILDLIFE KINGDOM	74/155,546	April 9, 1991
THE TRAVELING TEDDY	74/031,208	February 21, 1990
THE TRAVELING BEAR	74/029,951	February 20, 1990
PLEASANT RIVER DESIGN COMPANY	76/478,825	December 30, 2002
HOMESTYLE SELECTIONS	75/182248	October 16, 1996

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RECORDED: 10/10/2007

TRADEMARK
REEL: 003638 FRAME: 0607