

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 Brands International, Luxembourg, Zug Branch		07/28/2008	Foreign Country:

RECEIVING PARTY DATA

Name:	Bank of Montreal
Street Address:	100 King Street West
Internal Address:	First Canadian Place, 19th Floor
City:	Ontario
State/Country:	CANADA
Postal Code:	M5X 1A3
Entity Type:	Bank:

PROPERTY NUMBERS Total: 20

Property Type	Number	Word Mark
Serial Number:	78519842	ROSEART BRAND SINCE 1923
Registration Number:	2900883	THINK SMART ROSE ART
Registration Number:	2016492	FUZZY
Registration Number:	2498335	FUZZY
Registration Number:	1914886	FUZZY POSTERS
Registration Number:	2852063	MAGNETIX
Registration Number:	2856972	MAGNETIX
Registration Number:	1411451	MAGNETIX
Registration Number:	2284955	GLAMOUR GEAR
Registration Number:	1957625	ROSE ART
Registration Number:	1957628	ROSE ART
Registration Number:	1957626	ROSE ART
Registration Number:	1968561	ROSEART FUN DOUGH

CH \$515.00 78519842

Registration Number:	1822018	ROSEART
Serial Number:	78148771	THINK SMART ROSE ART
Serial Number:	78148772	THINK SMART ROSE ART
Serial Number:	78516018	ESPHERA 360°
Serial Number:	78529063	ESPHERA 360°
Serial Number:	78596453	MAGNABEADS
Serial Number:	78519841	ROSEART BRAND SINCE 1923

CORRESPONDENCE DATA

Fax Number: (202)408-3141
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 800-927-9801 x2348
Email: jpaterso@cscinfo.com
Correspondent Name: Corporation Service Company
Address Line 1: 1090 Vermont Avenue NW, Suite 430
Address Line 2: Attn: Jean Paterson
Address Line 4: Washington, DISTRICT OF COLUMBIA 20005

ATTORNEY DOCKET NUMBER: 681471

DOMESTIC REPRESENTATIVE

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

NAME OF SUBMITTER: Jean Paterson

Signature: /Jean Paterson/

Date: 08/11/2008

Total Attachments: 6

source=8-11-08 Mega Brands int-TM#page1.tif
source=8-11-08 Mega Brands int-TM#page2.tif
source=8-11-08 Mega Brands int-TM#page3.tif
source=8-11-08 Mega Brands int-TM#page4.tif
source=8-11-08 Mega Brands int-TM#page5.tif
source=8-11-08 Mega Brands int-TM#page6.tif

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

Tab settings: ⇄ ⇄ ⇄ ▼ ▼ ▼ ▼ ▼ ▼ ▼

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
Mega Brands International, Luxembourg,
Zug Branch

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State
 Other Foreign Company

Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies)

Name: Bank of Montreal
Internal
Address: 100 King Street West
Street Address: First Canadian Place, 19th Floor
Ontario,
City: Toronto State: Canada Zip: M5X 1A3

Individual(s) citizenship
 Association
 General Partnership
 Limited Partnership
 Corporation-State
 Other Bank

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)
Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: July 28, 2008

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)
78/148,771
78/148,772

B. Trademark Registration No.(s)
2,900,863
2,016,492

Additional number(s) attached Yes No

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

Name: Joel Dodson, Banking Paralegal
Internal Address: Allen & Overy LLP

Street Address: 1221 Avenue of the Americas

City: New York State: NY Zip: 10020

6. Total number of applications and registrations involved: 20

7. Total fee (37 CFR 3.41).....\$ _____

Enclosed
 Authorized to be charged to deposit account

8. Deposit account number: _____

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

9. Statement and signature.
To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Joel Dodson [Signature] August 6, 2008
Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and document: 6

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT, dated as of July 28, 2008 (this "Agreement"), is made by MEGA BRANDS INTERNATIONAL, LUXEMBOURG, ZUG BRANCH (the "Grantor"), in favor of BANK OF MONTREAL, as administrative agent (together with its successor(s) thereto in such capacity, the "Administrative Agent") for each of the Secured Parties.

WITNESSETH:

WHEREAS, pursuant to a Credit Agreement, dated as of July 25, 2006 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), among MEGA BLOKS INC., ROSE ART INDUSTRIES, INC., 3102448 NOVA SCOTIA COMPANY (the "Borrowers"), the various financial institutions and other Persons from time to time parties thereto (the "Lenders"), and the Administrative Agent, the Lenders have agreed to make the Facilities available to the Borrowers;

WHEREAS, the intellectual property listed on Schedule I hereto was transferred to the Grantor, subject to a lien previously granted in favor of the Secured Parties, and this Agreement is being filed to continue the perfection of the lien on such intellectual property against the Grantor; and

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

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor agrees, for the benefit of each Secured Party, 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 Credit Agreement.

SECTION 2. Grant of Security Interest. The Grantor hereby collaterally assigns, pledges and transfers to the Administrative Agent, for its benefit and the ratable benefit of each other Secured Party, and hereby grants to the Administrative Agent, for its benefit and the ratable benefit of each other Secured Party, 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, among other things, registering the security interest of the Administrative Agent in the Trademark Collateral listed on Schedule I with the United States Patent and Trademark Office.

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 Administrative 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 Administrative Agent hereunder, and execute and deliver to the Grantor such documents as the Grantor shall reasonably request to evidence such termination.

SECTION 5. 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 6. 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 BRANDS INTERNATIONAL,
LUXEMBOURG, ZUG BRANCH

By: _____

Name: *Alan Ingouy*

Title: *Executive Vice President and Chief Financial Officer*

BANK OF MONTREAL,
as Administrative Agent

By: _____

Name:

Title: **RICHARD BELZIL**
Vice President

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	Think Smart Rose Art	2,900,883	02-Nov-2004
U.S.A	Fuzzy	2,016,492	12-Nov-1996
U.S.A	Fuzzy	2,498,335	16-Oct-2001
U.S.A	Fuzzy Posters	1,914,886	29-Aug-1995
U.S.A	Magnetix	2,852,063	08-Jun-2004
U.S.A.	Magnetix & Design	2,856,972	22-Jun-2004
U.S.A	Magnetix (stylized)	1,411,451	30-Sep-1986
U.S.A	Glamour Gear	2,284,955	12-Oct-1999
U.S.A	Rose Art	1,957,625	20-Feb-1996
U.S.A	Rose Art	1,957,628	20-Feb-1996
U.S.A	Rose Art	1,957,626	20-Feb-1996
U.S.A	Rose Art Fun Dough	1,968,561	16-Apr-1996
U.S.A	Rose Art in oval design	1,822,018	15-Feb-1994
<u>Published Trademarks</u>			
<u>Country</u>	<u>Trademark</u>	<u>Application No.</u>	<u>Filing Date</u>
U.S.A	Think Smart Rose Art	78/148,771	30-Jul-2002
U.S.A	Think Smart Rose Art	78/148,772	30-Jul-2002
<u>Pending Trademark Applications</u>			
<u>Country</u>	<u>Trademark</u>	<u>Application No.</u>	<u>Filing Date</u>
U.S.A	Esphera 360	78/516,018	12 Nov 2004
U.S.A	Esphera 360 & design	78/529,063	08 -Dec-2004
U.S.A	Magnabeads	78/596,453	28-Mar-2005
U.S.A	Rose Art brand since	78/519,841	19-Nov-2004

U.S.A	1923 Rose Art brand since 1923	78/519,842	19-Nov-2004	
<u>Trademark Applications in Preparation</u>				
<u>Expected Country</u> None.	<u>Trademark</u>	<u>Docket No.</u>	<u>Filing Date</u>	<u>Products/ Services</u>

Item B. Trademark Licenses

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