

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	RELEASE BY SECURED PARTY

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
PNC BANK, NATIONAL ASSOCIATION		09/28/2008	ASSOCIATION: UNITED STATES

RECEIVING PARTY DATA

Name:	HORIZON GROUP USA, INC.
Street Address:	76 Stirling Road
Internal Address:	Suite 101
City:	Warren
State/Country:	NEW JERSEY
Postal Code:	07059
Entity Type:	CORPORATION: NEW JERSEY

Name:	HORIZON FABRICS, INC.
Street Address:	76 Stirling Road
Internal Address:	Suite 101
City:	Warren
State/Country:	NEW JERSEY
Postal Code:	07059
Entity Type:	CORPORATION: NEW JERSEY

Name:	HIRSCHBERG SCHUTZ & CO., INC.
Street Address:	76 Stirling Road
Internal Address:	Suite 101
City:	Warren
State/Country:	NEW JERSEY
Postal Code:	07059
Entity Type:	CORPORATION: NEW JERSEY

Name:	DEVRIAN GLOBAL INDUSTRIES, LLC

CH \$540.00 76187998

Street Address:	76 Stirling Road
Internal Address:	Suite 101
City:	Warren
State/Country:	NEW JERSEY
Postal Code:	07059
Entity Type:	LIMITED LIABILITY COMPANY: NEW JERSEY

PROPERTY NUMBERS Total: 21

Property Type	Number	Word Mark
Serial Number:	76187998	DECORATIVE DETAILS
Serial Number:	76189126	PATCH IT UP
Serial Number:	76189129	BETTER BEADS
Serial Number:	76322868	BETTER BEADS
Serial Number:	76411053	INSTA CURL
Serial Number:	76411557	COOKIE TIME
Serial Number:	76411605	INSTA CURL
Serial Number:	76411954	COOKIE TIME
Serial Number:	76435326	THE CARD CONNECTION
Serial Number:	76435367	THE CARD CONNECTION
Serial Number:	76554536	IT'S SO ME
Serial Number:	76650201	GO CREATE
Serial Number:	76650246	SPRAY TECH
Serial Number:	76650247	MAGNE-TECH
Serial Number:	76656509	THINK BOX
Serial Number:	76660978	COLOR ZONE
Serial Number:	78262436	3RD MOTION
Serial Number:	78693778	CELEBRATION LIGHTS
Serial Number:	78695116	TRIM COUTURE
Serial Number:	78859817	FANCY FINERY
Serial Number:	78859868	CELL STONES

CORRESPONDENCE DATA

Fax Number: (973)597-2400
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
 Phone: 973-597-2500
 Email: lstrademark@lowenstein.com
 Correspondent Name: VANESSA A. IGNACIO, ESQ.

Address Line 1: Lowenstein Sandler PC
Address Line 2: 65 Livingston Avenue
Address Line 4: Roseland, NEW JERSEY 07068

ATTORNEY DOCKET NUMBER:	20492/4
NAME OF SUBMITTER:	Vanessa A. Ignacio, Esq.
Signature:	/Vanessa A. Ignacio/
Date:	11/12/2008

Total Attachments: 7

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September 29, 2008

HORIZON GROUP USA, INC.
HORIZON FABRICS, INC
HIRSCHBERG SCHUTZ & CO., INC.
DEVRIAN GLOBAL INDUSTRIES, LLC
76 Stirling Road
Warren, New Jersey 07059
Attention: Roshan Wijerama

Re: Payoff of all Obligations by Horizon Group USA, Inc., Horizon
Fabrics, Inc., Hirschberg Schutz & Co., Inc. and Devrian Global
Industries, LLC to PNC Bank, National Association

Dear Ladies and Gentlemen:

PNC Bank, National Association ("PNC"), as Agent for Lenders under that certain Amended and Restated Revolving Credit and Security Agreement by and among Horizon Group USA, Inc. ("Horizon"), Horizon Fabrics, Inc. ("Fabrics"), Hirschberg Schutz & Co., Inc. ("HSC"), Devrian Global Industries, LLC ("DGI" and collectively with Horizon, Fabrics and HSC, the "Borrower"), PNC and the other Lenders dated September 25, 2006 (as amended, restated, replaced, modified and/or extended from time to time, the "Loan Agreement"), hereby confirms receipt of notice from the Borrower, with respect to the Loan Agreement, of prepayment of all outstanding Obligations and requesting termination of the Obligations in their entirety, including, but not limited to, all Obligations with regard to the Letter of Credit which remains outstanding. PNC consents to such termination of the Obligations, effective on the Computation Date (as hereinafter defined), provided that the Borrower complies with the provisions of this agreement (this "Agreement") as set forth below.

PNC confirms that as of September 26, 2008 (the "Computation Date") the following constitute all of the Obligations of the Borrower pursuant to the Loan Agreement and the Other Documents executed in connection therewith and all of the obligations of the Borrower to PNC Equipment Finance, LLC (collectively, the "Pay-off Amount"):

- | | | |
|--|----|--|
| (i) Principal outstanding on Revolving Advances | \$ | |
| (ii) Interest outstanding on Revolving Advances | \$ | |
| (iii) Total Buyout Amount on Equipment Lease #092.4376.001 | \$ | |
| (iv) Total Buyout Amount on Equipment Lease #092.4376.002 | \$ | |
| (v) Total Buyout Amount on Equipment Lease #092.4376.003 | \$ | |
| (vi) Early Termination Fee | \$ | |
| (vii) Outstanding legal fees and expenses | \$ | |

Member of The PNC Financial Services Group

70 East 55th Street New York New York 10022

#3091189 (093193.262)

(viii) All other fees and expenses due pursuant to the Other Documents, including without limitation, any accrued and unpaid Facility Fees, collateral monitoring and management fees and/or Letter of Credit Fees.

\$ [REDACTED]

TOTAL:

[REDACTED]

PNC, on behalf of itself and its affiliate PNC Equipment Finance, LLC, hereby acknowledges and agrees that, upon receipt by PNC of payment in immediately available funds of the Pay-off Amount in accordance with the wire instructions set forth below at or prior to 3:00 p.m. (New York time) and receipt of a fully executed copy of this Agreement, in accordance with the terms and conditions hereof (the time of such receipt, the "Payoff Time"), (a) all amounts owing under the Loan Agreement and the Other Documents shall be paid in full, (b) all Obligations owing to PNC under the Other Documents shall be deemed canceled including, but not limited to, any and all Obligations of the Guarantor with regard to the Guaranty, (c) all of the Borrower's rights to obtain Advances and the Letter of Credit under the Loan Agreement shall cease, (d) all obligations owing to PNC Equipment Finance, LLC shall be deemed canceled, (e) all of PNC's and PNC Equipment Finance LLC's security interest in, security titles to and other liens on all real and personal assets and property of the Borrower shall be terminated automatically without any further action, (f) the Borrower and its attorneys and agents and Wells Fargo Bank, National Association ("WF") and its attorneys and agents, are authorized to file UCC-3 Termination Statements for each of the UCC-1 Financing Statements previously filed by PNC or PNC Equipment Finance LLC against the Borrower including, without limitation, those UCC financing statements described on Schedule A attached hereto, and (g) PNC shall deliver to WF any collateral of the Borrower that PNC has in its possession. By signing in the space provided below, PNC represents to Borrower and WF that it is authorized to execute and deliver this Agreement on behalf of its affiliate, PNC Equipment Finance, LLC.

The Borrower acknowledges that it may incur additional interest, fees and expenses under the Loan Agreement and that the Pay-off Amount may increase thereby if the Pay-off Amount is not received by the time noted above on the Pay-off Date. For each day after the Pay-off Time and until the Obligations are paid in full, (i) additional interest shall accrue and be payable with regard to the Revolving Loan in the amount of \$ [REDACTED] and (ii) additional Facility Fees shall accrue and be payable in the amount of \$ [REDACTED] subject to changes in the applicable rate indexes prior to PNC's receipt of the Pay-off Amount.

PNC hereby further acknowledges and agrees that the Pay-Off Amount represents the entire obligations of the Borrower owing under the Loan Agreement and the Other Documents; provided, however, that any indemnification obligations of the Borrower to PNC under the Loan Agreement and the Other Documents that by their terms survive the repayment of the Obligations shall remain in full force and effect until their expiration by their terms.

By acknowledging below, the Borrower and WF, intending to be legally bound, each agrees, for itself, that the Borrower and WF will, on demand, indemnify and hold PNC harmless for and from any losses or damages (including, without limitation, all customary bank charges and costs, expenses and reasonable attorney's fees) sustained or which may be sustained by PNC arising from any non-payment, claim, refund or charge back of any checks or any other

failure or inability to collect the full face amount of any checks or similar items which have been credited to any loan, lockbox, blocked account or deposit accounts of, or for the benefit of, the Borrower with, or in favor or on behalf of, PNC and applied by PNC to the outstanding balance of Obligations outstanding under the Other Documents as of or prior to the date the Pay-off Amount is received by PNC. Any demand upon WF for payment under this paragraph shall be made in writing within ninety (90) days from the date hereof. PNC shall, in accordance with Borrower's instructions, forward all checks, remittances and other proceeds of accounts or other collateral received or collected by PNC on or after the date the Pay-off Amount is received by PNC less the costs incurred by PNC in forwarding such items, to Borrower. Any and all such losses and/or damages shall be paid by the Borrower to PNC in immediately available funds within three (3) days of Borrower's receipt of demand therefor. Without in any way limiting this paragraph, the Borrower agrees that the Borrower will, on demand, indemnify and hold PNC harmless for and from any change in the Pay-off Amount due to unforeseen circumstances, calculation errors, and amounts payable by the Borrower which are not included in the Pay-off Amount and should have been included in the Pay-Off Amount but for an error and/or oversight by PNC and such indemnification obligation shall survive the execution of this Agreement. Borrower acknowledges that if and to the extent that WF shall be called upon to pay to PNC any amount in respect of the foregoing, the amount so paid shall be deemed an advance by WF on behalf of the Borrower and shall be added to the principal amount outstanding in favor of WF.

Furthermore, by acknowledging below, the Borrower, intending to be legally bound, agrees that the Borrower hereby fully and unconditionally waives, releases and discharges PNC, all subsidiaries and affiliates of PNC and all of the directors, officers, employees, attorneys, representatives and agents of PNC, from any and all claims, demands, suits, damages, liabilities, actions or causes of action of every kind or nature, whether known or unknown, matured or contingent, foreseen or unforeseen, at law or in equity, which the Borrower and/or any successor, assignee or legal representative thereof now has, arising out of or in any way relating to the Loan Agreement and the Other Documents and/or any documents, agreements, instruments, dealings, transactions or other matters connected with the Loan Agreement, the Other Documents, the Obligations and the Collateral; or the administration thereof provided the claims are not the result of PNC's gross negligence or willful misconduct; provided, further, that, such release shall not extend to any and all claims, demands, suits, damages, liabilities, actions or causes of action of every kind or nature, whether known or unknown, matured or contingent, foreseen or unforeseen, at law or in equity, which the Borrower now or hereafter has or may have or claim to have, arising out of or in any way relating to this Agreement or the obligations of the parties hereunder.

PNC agrees to execute and deliver, at the Borrower's expense, from time to time, all such other documents, discharges, agreements, certificates and instruments and do such further acts as the Borrower and WF may reasonably request in order to evidence or give public notice of the lien terminations, releases and cancellations referred to above including, without limitation, any and all documents, discharges, agreements, certificates and instruments required to terminate liens and security interests held by PNC in and on all patents, trademarks and copyrights of Borrower, and to re-assign all right title and interest in such patents, trademarks and copyrights previously assigned by Borrower to PNC, all in form and substance reasonably acceptable to Borrower and WF.

Payments of the Payoff Amount shall be made via wire transfer of immediately available federal funds to:

PNC Bank, National Association
ABA No.: 031207607
Account Name: PNC Bank, National Association
Account No.: #196039957830
Reference: Horizon Group Payoff Proceeds

Notwithstanding anything to the contrary herein, the Borrower shall be obligated to pay to PNC any and all of PNC's standard fees and expenses with regard to any accounts maintained by the Borrower with PNC after the date hereof including, but not limited to, wire transfer fees.

Capitalized terms used herein and defined in the Loan Agreement shall have the same meanings as set forth therein unless otherwise specifically defined herein.

This Agreement shall be binding on and inure to the benefit of each party and their respective representatives, successors, and assigns. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall be deemed to constitute one and the same document.

This Agreement shall be deemed to have been made and executed in the State of New York, and the validity, construction, interpretation, effect, and enforcement thereof shall be governed by the laws of the State of New York.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

PNC BANK, NATIONAL ASSOCIATION

By: Thanyawantie Somar
Name: THANYAWANTIE SOMAR
Title: Assistant Vice President

Agreed to and accepted this
29th day of September, 2008

Borrower:

HORIZON GROUP USA, INC.

By: _____
Name: ROSHAN WIJERAMA
Title: President

HORIZON FABRICS, INC.

By: _____
Name: ROSHAN WIJERAMA
Title: President

HIRSCHBERG SCHUTZ & CO., INC.

By: _____
Name: ROSHAN WIJERAMA
Title: President

DEVRIAN GLOBAL INDUSTRIES, LLC

By: _____
Name: JAMES CASH
Title: Manager

New Lender:

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: _____
Name: RICHARD N. MAHTANI
Title: Vice President

PNC BANK, NATIONAL ASSOCIATION

By: _____
Name: THANWANTIE SOMAR
Title: Assistant Vice President

Agreed to and accepted this
29th day of September, 2008

Borrower:

HORIZON GROUP USA, INC.

By: Rebecca Rowell
Name: REBECCA S. ROWELL
Title: Chief Financial Officer

HORIZON FABRICS, INC.

By: Rebecca Rowell
Name: REBECCA S. ROWELL
Title: Chief Financial Officer

HIRSCHBERG SCHUTZ & CO., INC.

By: Rebecca Rowell
Name: REBECCA S. ROWELL
Title: Chief Financial Officer

DEVRIAN GLOBAL INDUSTRIES, LLC

By: Rebecca Rowell
Name: REBECCA S. ROWELL
Title: Chief Financial Officer

New Lender:

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: Richard N. Mahtani
Name: RICHARD N. MAHTANI
Title: Vice President

#3691189 (06/3/03,262)

Schedule A to Payoff Letter

<u>Debtor Name</u>	<u>File Number</u>	<u>Filing Office</u>	<u>Filing Date</u>
Horizon Group USA, Inc.	21183324	NJ Department of Treasury	8/19/2002
Horizon Group USA, Inc.	23964693	NJ Department of Treasury	12/29/2006
Horizon Fabrics, Inc.	21183331	NJ Department of Treasury	8/19/2002
Hirschberg Schutz & Co., Inc.	21183348	NJ Department of Treasury	8/19/2002
Devrian Global Industries, LLC	2383609-9	NJ Department of Treasury	9/28/2006