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
Michaels Stores Procurement Company, Inc.		02/18/2010	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	Deutsche Bank AG New York Branch, as Collateral Agent
Street Address:	60 Wall Street
City:	New York
State/Country:	NEW YORK
Postal Code:	10005
Entity Type:	Collateral Agent: GERMANY

PROPERTY NUMBERS Total: 1

Property Type	Number	Word Mark
Serial Number:	77376602	THE KNACK

CH $40.00 77376602

CORRESPONDENCE DATA

Fax Number: (646)728-2841
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 617.951.7000
Email: trademarks@ropesgray.com
Correspondent Name: Ann M. Tigani
Address Line 1: Ropes & Gray LLP
Address Line 2: One International Place
Address Line 4: Boston, MASSACHUSETTS 02110-2624

ATTORNEY DOCKET NUMBER:	BCCI-253-006
NAME OF SUBMITTER:	Ann M. Tigani
Signature:	/Ann M. Tigani/

Date:	03/03/2010

Total Attachments: 4
source=DeutscheBankMichaelsSecurityAgmt#page1.tif
source=DeutscheBankMichaelsSecurityAgmt#page2.tif
source=DeutscheBankMichaelsSecurityAgmt#page3.tif
source=DeutscheBankMichaelsSecurityAgmt#page4.tif

GRANT OF SECURITY INTEREST
IN UNITED STATES TRADEMARKS

February 18, 2010

FOR GOOD AND VALUABLE CONSIDERATION, receipt and sufficiency of which are hereby acknowledged, Michaels Stores Procurement Company, Inc., a Delaware corporation (the "Grantor") with principal offices at 8000 Bent Branch Drive, Irving, TX 75063, hereby grants to DEUTSCHE BANK AG NEW YORK BRANCH, as Collateral Agent, with principal offices at 60 Wall Street, New York, NY 10005 (the "Grantee"), a continuing security interest in (i) all of the Grantor's right, title and interest in, to and under to the United States trademarks, trademark registrations and trademark applications (the "Marks") set forth on Schedule A attached hereto, (ii) all Proceeds (as such term is defined in the Security Agreement referred to below) and products of the Marks, (iii) the goodwill of the businesses with which the Marks are associated and (iv) all causes of action arising prior to or after the date hereof for infringement of any of the Marks or unfair competition regarding the same.

THIS GRANT is made to secure the satisfactory performance and payment of all the Obligations of the Grantor, as such term is defined in the Security Agreement among the Grantor, the other assignors from time to time party thereto and the Grantee, dated as of October 31, 2006 (as amended, modified, restated and/or supplemented from time to time, the "Security Agreement").

This Grant has been granted in conjunction with the security interest granted to the Grantee under the Security Agreement. The rights and remedies of the Grantee with respect to the security interest granted herein are as set forth in the Security Agreement, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this Grant are deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall govern.

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

IN WITNESS WHEREOF, the undersigned have executed this Grant as of the date first set forth above.

MICHAELS STORES PROCUREMENT COMPANY, INC., Grantor

By Elaine D Crowley
Name: Elaine D. Crowley
Title: Executive Vice President – Chief Financial Officer

DEUTSCHE BANK AG NEW YORK BRANCH, as Collateral Agent and Grantee

By_____
Name:
Title:

By_____
Name:
Title:

IN WITNESS WHEREOF, the undersigned have executed this Grant as of the date first set forth above.

MICHAELS STORES PROCUREMENT COMPANY, INC., Grantor

By_____
Name:
Title:

DEUTSCHE BANK AG NEW YORK BRANCH, as Collateral Agent and Grantee

By_____
Name: Scottye Lindsey
Title: Director

By_____
Name:
Title: Erin Morrissey
Vice President

NEWYORK 5817413 (2K)

SCHEDULE A

MARK	REGISTRATION NUMBER/APPLICATION NUMBER	REGISTRATION/APPLICATION DATE
The Knack	77376602	1/21/08