

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
Spencer Gifts LLC		09/28/2010	LIMITED LIABILITY COMPANY: DELAWARE
Spirit Halloween Superstores LLC		09/28/2010	LIMITED LIABILITY COMPANY: DELAWARE
RECEIVING PARTY DATA			
Name:	Wells Fargo Retail Finance, LLC, as Collateral Agent		
Street Address:	One Boston Place		
Internal Address:	18th Floor		
City:	Boston		
State/Country:	MASSACHUSETTS		
Postal Code:	02108		
Entity Type:	LIMITED LIABILITY COMPANY: DELAWARE		
PROPERTY NUMBERS Total: 76			
Property Type	Number	Word Mark	
Registration Number:	3767437	"IT'S OKAY TO PLAY!"	
Registration Number:	2600486	BODY RAGE	
Registration Number:	3750661	BODYRAGE	
Registration Number:	3692073	BODY RAGE	
Registration Number:	2716217	BODY RAGE	
Registration Number:	3681402	BOOBIES MAKE ME SMILE	
Registration Number:	3778914	BOOBIES MAKE ME SMILE FOUNDATION	
Registration Number:	3674332	BULLET BEAUTY	
Registration Number:	2585092	CINEMA SCREAMS	
Registration Number:	2572359	DAISY	
Registration Number:	1689438	DAPY	

900174393

TRADEMARK
REEL: 004299 FRAME: 0570

CH \$1915.00 3767437

Registration Number:	2583531	DAPY
Registration Number:	3271251	EVIL OWEN
Registration Number:	3525569	EXTREME PASSION
Registration Number:	3703169	FINGER PASSION
Registration Number:	2081567	FORBIDDEN PLEASURES
Registration Number:	3528194	FREE AT LAST! DIVORCE PARTY
Registration Number:	3767409	FRIGHT SQUAD
Registration Number:	1518073	FRIGHT STUFF
Registration Number:	2204299	
Registration Number:	2722394	GROOVE TUBE
Registration Number:	2547947	HALLOWEEN HEADQUARTERS
Registration Number:	2832621	HIDDEN ILLUSIONS
Registration Number:	2931490	HIDDEN ILLUSIONS
Registration Number:	2000248	HOLLYWOOD ILLUSIONS
Registration Number:	3615959	HOTT LOVE
Registration Number:	3517991	HOTT LOVE
Registration Number:	3767436	IT'S OKAY TO PLAY!
Registration Number:	3068834	LINK'D
Registration Number:	2227195	LUMASERIES
Registration Number:	2694886	MEGAVOLT
Registration Number:	3039238	MIDNIGHT REALMS
Registration Number:	2911523	MOLTEN MOTION WAX LITE
Registration Number:	2911522	MOLTEN MOTION WAX LITE
Registration Number:	2722355	NEUTRON
Registration Number:	3378579	ORIGINAL PRANKSTERS
Registration Number:	3599741	PETITE PASSION
Registration Number:	3691480	SEXOLOGY
Registration Number:	3731979	SEX-OLOGY
Registration Number:	3652447	SEXY BITCH
Registration Number:	3624564	SEXY BITCH
Registration Number:	3632667	SEXY BITCH
Registration Number:	3560069	SMART ASS CLASSIC
Registration Number:	3229261	SMART ASS CLASSIC
Registration Number:	3121185	SPENCER'S
Registration Number:	3405103	SPENCER'S

Registration Number:	3002385	SPENCER'S
Registration Number:	2341574	SPIRIT
Registration Number:	2341576	SPIRIT
Registration Number:	3652413	SPIRIT GALLERY
Registration Number:	3655716	SPIRIT GALLERY
Registration Number:	3405068	SPIRIT HALLOWEEN
Registration Number:	3729152	SPIRIT HALLOWEEN GALLERY
Registration Number:	2353856	SPIRIT HALLOWEEN SUPERSTORES
Registration Number:	3714331	STROBE PLUS
Registration Number:	3022733	THE DEATH CRAWLER
Registration Number:	3022734	THE ROTTEN HEADS
Registration Number:	3800941	TOYZAM!
Registration Number:	3797408	TOYZAM!
Registration Number:	2686244	WILD 'N' CRAZY
Registration Number:	2776366	WORLD'S HALLOWEEN HEADQUARTERS
Serial Number:	77712261	
Serial Number:	85067762	BODY RAGE
Serial Number:	85066029	JET LASER
Serial Number:	77871384	PIN THE JUNK ON THE HUNK
Serial Number:	72276293	SPENCER GIFTS
Serial Number:	77957435	SPENCER'S BABY
Serial Number:	77805924	SPENCER'S MOMMY 2 BE
Serial Number:	77959138	SPENCER'S MOMMY 2 BE
Serial Number:	85041202	SPIRIT FOR SCHOOLS
Serial Number:	85001051	SPIRIT HALLOWEEN
Serial Number:	77814198	TEC SPY PEN
Serial Number:	77950884	ZOMBIE BABIES
Serial Number:	85041628	SPIRIT FOR SCHOOLS
Serial Number:	77885292	SPIRIT OF CHILDREN
Serial Number:	77806611	THE UNDERGROUND

CORRESPONDENCE DATA

Fax Number: (703)415-1557

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

Phone: 703-415-1555

Email: mail@specializedpatent.com

TRADEMARK
REEL: 004299 FRAME: 0572

Correspondent Name: Christopher E. Kondracki
Address Line 1: 1501 Wilson Boulevard
Address Line 2: Suite 510
Address Line 4: Arlington, VIRGINIA 22209

ATTORNEY DOCKET NUMBER:

10009809

NAME OF SUBMITTER:

Christopher E. Kondracki

Signature:

/Christopher E. Kondracki/

Date:

10/19/2010

Total Attachments: 22

source=Spencer Gifts#page1.tif
source=Spencer Gifts#page2.tif
source=Spencer Gifts#page3.tif
source=Spencer Gifts#page4.tif
source=Spencer Gifts#page5.tif
source=Spencer Gifts#page6.tif
source=Spencer Gifts#page7.tif
source=Spencer Gifts#page8.tif
source=Spencer Gifts#page9.tif
source=Spencer Gifts#page10.tif
source=Spencer Gifts#page11.tif
source=Spencer Gifts#page12.tif
source=Spencer Gifts#page13.tif
source=Spencer Gifts#page14.tif
source=Spencer Gifts#page15.tif
source=Spencer Gifts#page16.tif
source=Spencer Gifts#page17.tif
source=Spencer Gifts#page18.tif
source=Spencer Gifts#page19.tif
source=Spencer Gifts#page20.tif
source=Spencer Gifts#page21.tif
source=Spencer Gifts#page22.tif

INTELLECTUAL PROPERTY SECURITY AGREEMENT

INTELLECTUAL PROPERTY SECURITY AGREEMENT (this “**Agreement**”) dated as of September 28, 2010 by and among (a) each of the Persons listed on Schedule I hereto (each such Person, individually, a “**Borrower**” and, collectively, the “**Borrowers**”), and (b) Wells Fargo Retail Finance, LLC, a Delaware limited liability company with offices at One Boston Place, 18th Floor, Boston, Massachusetts 02108, as collateral agent (in such capacity, the “**Collateral Agent**”) for the ratable benefit of the Secured Parties, in consideration of the mutual covenants contained herein and benefits to be derived herefrom.

WITNESSETH:

Reference is made to the Loan and Security Agreement dated as of September 28, 2010 (as such may be amended, modified, supplemented or restated hereafter, the “**Loan Agreement**”) with, among others, (i) the Borrowers, (ii) the Facility Guarantors named therein, (iii) the Revolving Credit Lenders named therein, and (iv) Wells Fargo Retail Finance, LLC, as Administrative Agent and Collateral Agent for the Secured Parties named therein and as SwingLine Lender. Capitalized terms used herein and not defined herein shall have the meanings assigned to such terms in the Loan Agreement.

The Lenders have agreed to make Revolving Credit Loans (the “**Loans**”) to the Borrowers, and the Issuer has agreed to issue L/Cs for the account of the Borrowers, pursuant to, and upon the terms and subject to the conditions specified in, the Loan Agreement. The obligations of the Lenders to make Loans and of the Issuer to issue L/Cs are each conditioned upon, among other things, the execution and delivery by the Borrowers of an agreement in the form hereof to secure the Liabilities.

Accordingly, the Borrowers and the Collateral Agent, on behalf of itself and each other Secured Party (and each of their respective successors or assigns), hereby agree as follows:

1. **DEFINITIONS:** As used herein, the following terms shall have the following meanings:

“Copyrights” shall mean all copyrights and like protections in each work of authorship or derivative work thereof of the Borrowers, whether registered or unregistered and whether published or unpublished, including, without limitation, the copyrights listed on **EXHIBIT A** annexed hereto and made a part hereof, together with all registrations and recordings thereof, all applications in connection therewith.

“Copyright Licenses” shall mean all agreements, whether written or oral, providing for the grant by or to any Borrower of any right to use any Copyright, including, without limitation, the agreements listed on **EXHIBIT A** annexed hereto and made a part hereof.

“Copyright Office” shall mean the United States Copyright Office or any other federal governmental agency which may hereafter perform its functions.

“Intellectual Property” shall have the meaning assigned to such term in Section 3 hereof.

“IP Collateral” shall have the meaning assigned to such term in Section 2 hereof.

“Licenses” shall mean, collectively, the Copyright Licenses, Patent Licenses and Trademark Licenses.

“Patents” shall mean all letters patent and applications for letters patent of the Borrowers, and the inventions and improvements therein disclosed, and any and all divisions, reissues and continuations of said letters patent including, without limitation the patents listed on **EXHIBIT B** annexed hereto and made a part hereof.

“Patent Licenses” shall mean all agreements, whether written or oral, providing for the grant by or to any Borrower of any right to manufacture, use or sell any invention covered by a Patent, including, without limitation, the agreements listed on **EXHIBIT B** annexed hereto and made a part hereof.

“PTO” shall mean the United States Patent and Trademark Office or any other federal governmental agency which may hereafter perform its functions.

“Trademarks” shall mean all trademarks, trade names, corporate names, company names, business names, fictitious business names, internet domain names, trade dress, trade styles, service marks, designs, logos and other source or business identifiers of the Borrowers, whether registered or unregistered, including, without limitation, the trademarks and trademark applications listed on **EXHIBIT C** annexed hereto and made a part hereof, together with all registrations and recordings thereof, all applications in connection therewith, and any goodwill of the business connected with, and symbolized by, any of the foregoing.

“Trademark Licenses” shall mean all agreements, whether written or oral, providing for the grant by or to any Borrower of any right to use any Trademark, including, without limitation, the agreements listed on **EXHIBIT C** annexed hereto and made a part hereof.

2. **GRANT OF SECURITY INTEREST:** In furtherance and as confirmation of the security interest granted by the Borrowers to the Collateral Agent (for the ratable benefit of the Secured Parties) under the Loan Agreement, and as further security for the payment or performance, as the case may be, in full of the Liabilities, each Borrower hereby ratifies such security interest and grants to the Collateral Agent (for the ratable benefit of the Secured Parties) a continuing security interest, with a power of sale (which power of sale shall be exercisable only following the occurrence of an Event of Default), in all of the present and future right, title and interest of the Borrowers in and to the following property, and each item thereof, whether now owned or existing or hereafter acquired or arising, together with all products, proceeds,

substitutions, and accessions of or to any of the following property (collectively, the “IP Collateral”):

- (a) All Copyrights and Copyright Licenses.
- (b) All Patents and Patent Licenses.
- (c) All Trademarks and Trademark Licenses.
- (d) All renewals of any of the foregoing.
- (e) All General Intangibles connected with the use of, or related to, any and all Intellectual Property (including, without limitation, all goodwill of the Borrowers and their business, products and services appurtenant to, associated with, or symbolized by, any and all Intellectual Property and the use thereof).
- (f) 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.
- (g) The right to sue for past, present and future infringements and dilutions of any of the foregoing.
- (h) All of the Borrowers’ rights corresponding to any of the foregoing throughout the world.

3. **PROTECTION OF INTELLECTUAL PROPERTY BY BORROWERS:** Except as set forth below in this Section 3, the Borrowers shall undertake the following with respect to each of the items respectively described in Sections 2(a), 2(b), 2(c) and 2(d) (collectively, the “Intellectual Property”):

- (a) Pay all renewal fees and other fees and costs associated with maintaining the Intellectual Property and with the processing of the Intellectual Property and take all other reasonable and necessary steps to maintain each registration of the Intellectual Property.
- (b) Take all actions reasonably necessary to prevent any of the Intellectual Property from becoming forfeited, abandoned, dedicated to the public, invalidated or impaired in any way.
- (c) At the Borrowers’ sole cost, expense, and risk, pursue the reasonably prompt, diligent processing of each application for registration which is the subject of the security interest created herein and not abandon or delay any such efforts.

(d) At the Borrowers' sole cost, expense, and risk, take any and all action which the Borrowers reasonably deem appropriate under the circumstances to protect the Intellectual Property from infringement, misappropriation or dilution, including, without limitation, the prosecution and defense of infringement actions.

Notwithstanding the foregoing, so long as no Event of Default has occurred and is continuing, and no Material Adverse Effect would result therefrom, no Borrower shall have an obligation to use or to maintain any Intellectual Property (i) that relates solely to any product that has been discontinued, abandoned or terminated or (ii) that has been replaced with Intellectual Property substantially similar to the Intellectual Property that may be abandoned or otherwise become invalid, so long as the failure to use or maintain such Intellectual Property does not materially adversely affect the validity of such replacement Intellectual Property and so long as such replacement Intellectual Property is subject to the lien created by this Agreement.

4. **BORROWERS' REPRESENTATIONS AND WARRANTIES:** The Borrowers represent and warrant that:

(a) **EXHIBIT A** is a true, correct and complete list of all registered Copyrights and Copyright Licenses (other than the Immaterial Copyrights) owned by the Borrowers as of the date hereof.

(b) **EXHIBIT B** is a true, correct and complete list of all Patents and Patent Licenses owned by the Borrowers as of the date hereof.

(c) **EXHIBIT C** is a true, correct and complete list of all registered Trademarks and Trademark Licenses owned by the Borrowers as of the date hereof.

(d) Except as set forth in **EXHIBITS A, B and C**, none of the Intellectual Property is the subject of any licensing or franchise agreement pursuant to which any Borrower is the licensor or franchisor as of the date hereof.

(e) The Immaterial Copyrights are not necessary for the conduct of the business of the Borrowers as currently conducted and relate solely to a line of business of the Borrowers that has been discontinued, abandoned or terminated.

(f) All IP Collateral is, and shall remain, free and clear of all liens, Encumbrances, or security interests in favor of any Person, other than Permitted Encumbrances and liens in favor of the Collateral Agent.

(g) The Borrowers own, or are licensed to use, all Intellectual Property necessary for the conduct of its business as currently conducted. No material claim has been asserted and is pending by any Person challenging or questioning the use by any Borrower of any of its Intellectual Property or the validity or effectiveness of any of its Intellectual Property, nor does any Borrower know of any valid basis for any such claim, except for any such claim that could not reasonably be expected to have a Material Adverse Effect. The Borrowers consider

that the use by the Borrowers of the Intellectual Property does not infringe the rights of any Person in any respect that could reasonably be expected to have a Material Adverse Effect. No holding, decision or judgment has been rendered by any governmental authority which would limit, cancel or question the validity of, or any Borrower's rights in, any Intellectual Property in any respect that could reasonably be expected to have a Material Adverse Effect.

(h) The Borrowers shall give the Collateral Agent written notice (with reasonable detail) within ten (10) days following the occurrence of any of the following:

(i) The Borrowers' filing applications for registration of, any new Intellectual Property, or otherwise acquiring ownership of any newly registered Intellectual Property (other than the Borrowers' right to sell products containing the trademarks of others in the ordinary course of the Borrowers' business).

(ii) The Borrowers' entering into any new material Licenses, whether as licensor or licensee (other than the Borrowers' right to sell products containing the trademarks of others in the ordinary course of the Borrowers' business).

(iii) The Borrowers' obtaining knowledge that any application or registration relating to any material Intellectual Property may become forfeited, abandoned or dedicated to the public, or of any adverse determination or development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the PTO, the Copyright Office or any court or tribunal) regarding the Borrowers' ownership of, or the validity of, any material Intellectual Property or the Borrowers' right to register the same or to own and maintain the same, in each case, which could reasonably be expected to have a Material Adverse Effect.

5. AGREEMENT APPLIES TO FUTURE INTELLECTUAL PROPERTY:

(a) The provisions of this Agreement shall automatically apply to any such additional property or rights described in subsections (i), (ii) and (iii) of Section 4(h), above, all of which shall be deemed to be and treated as "Intellectual Property" within the meaning of this Agreement.

(b) Upon the reasonable request of the Collateral Agent, the Borrowers shall execute and deliver, and have recorded, any and all agreements, instruments, documents and papers as the Collateral Agent may request to evidence the Collateral Agent's security interest in any Copyright (other than any Immaterial Copyright, subject, however, to Section 5(c)), Patent or Trademark and the goodwill and General Intangibles of the Borrowers relating thereto or represented thereby (including, without limitation, filings with the PTO, the Copyright Office or any similar office), and the Borrowers hereby constitute the Collateral Agent as their attorney-in-fact to execute and file all such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed; 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.

(c) No Borrower will permit any security interest in the Immaterial Copyrights to be registered with the Copyright Office to secure the obligations under the Term Facility (or any Permitted Replacement Indebtedness in respect thereof) unless such Borrower also offers to register, and, at the option of the Collateral Agent, registers a security interest on the Immaterial Copyrights to secure the Liabilities concurrently with the registration of a security interest thereon in favor of the Term Lender (or to the agent or trustee for the holders of any Permitted Replacement Indebtedness) in accordance with the priorities set forth in the Intercreditor Agreement.

6. BORROWERS' RIGHTS TO ENFORCE INTELLECTUAL PROPERTY: Prior to the Collateral Agent's giving of notice to the Borrowers following the occurrence of an Event of Default, the Borrowers shall have the exclusive right to sue for past, present and future infringement of the Intellectual Property including the right to seek injunctions and/or money damages, in an effort by the Borrowers to protect the Intellectual Property against encroachment by third parties; provided, however:

(a) The Borrowers shall provide the Collateral Agent with written notice of any such suit for enforcement of any Intellectual Property.

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

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

7. COLLATERAL AGENT'S ACTIONS TO PROTECT INTELLECTUAL PROPERTY: In the event of:

(a) the Borrowers' failure, within five (5) days of written notice from the Collateral Agent, to cure any failure by the Borrowers to observe or perform any of the Borrowers' covenants, agreements or other obligations hereunder; and/or

(b) the occurrence and continuance of any other Event of Default,

the Collateral Agent, acting in its own name or in that of the Borrowers, may (but shall not be required to) act in the Borrowers' place and stead and/or in the Collateral Agent's own right in connection therewith.

8. RIGHTS UPON DEFAULT: Upon the occurrence 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 Intellectual Property, in addition to which, in connection with the exercise of any such rights and remedies, the Collateral Agent may sell, license, assign, transfer, or otherwise dispose of the Intellectual Property. The Collateral Agent shall give the Borrowers at least ten (10) days' prior written

notice, by authenticated record, of any such intended disposition of the Intellectual Property. Any person may conclusively rely upon an affidavit of an officer of the Collateral Agent that an Event of Default has occurred and that the Collateral Agent is authorized to exercise such rights and remedies.

9. COLLATERAL AGENT AS ATTORNEY IN FACT:

(a) The Borrowers hereby irrevocably constitute and designate the Collateral Agent as and for the Borrowers' attorney in fact, effective following the occurrence and during the continuance of any Event of Default:

(i) To supplement and amend from time to time **EXHIBITS A, B and C** of this Agreement to include any new or additional Intellectual Property of the Borrowers.

(ii) To exercise any of the rights and powers referenced herein.

(iii) To execute all such instruments, documents, and papers as the Collateral Agent 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 Intellectual Property.

(b) The within grant of a power of attorney, being coupled with an interest, shall be irrevocable until this Agreement is terminated in accordance with the terms hereof.

(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), 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 any Borrower 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 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. Upon the Borrowers' reasonable request, the Collateral Agent shall provide the Borrowers with an accounting in connection with amounts received by the Collateral Agent.

10. COLLATERAL AGENT'S RIGHTS:

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

(b) None of this Agreement, the Loan 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 Intellectual Property, which rights are effective only following the occurrence of any Event of Default.

11. **INTENT:** This Agreement is being executed and delivered by the Borrowers for the purpose of registering and confirming the grant of the security interest of the Collateral Agent in the IP Collateral with the PTO and the Copyright 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 Loan Agreement. All provisions of the Loan Agreement shall apply to the IP Collateral. The Collateral Agent shall have the same rights, remedies, powers, privileges and discretions with respect to the security interests created in the IP Collateral as in all other Collateral. In the event of a conflict between this Agreement and the Loan Agreement, the terms of this Agreement shall control with respect to the IP Collateral and the Loan Agreement with respect to all other Collateral.

12. **TERMINATION:** The security interest created and granted herein shall, except as otherwise expressly provided in the Loan Agreement or the Intercreditor Agreement, continue in full force and effect until: (i) all Liabilities have been paid and/or satisfied in full; (ii) satisfactory arrangements with respect to all outstanding L/Cs as provided in Section 18.2 of the Loan Agreement have been made; and (iii) all Loan Commitments have been terminated.

13. **CHOICE OF LAWS:** It is intended that this Agreement take effect as a sealed instrument and that all rights and obligations hereunder, including matters of construction, validity, and performance, shall be governed by the laws of the State of New York.

14. **INTERCREDITOR AGREEMENT:** Notwithstanding anything herein to the contrary, the lien and security interest granted to the Collateral Agent pursuant to this Agreement and the exercise of any right or remedy by the Collateral Agent hereunder (including the application of any proceeds thereof) are subject to the provisions of the Intercreditor Agreement. In the event of any conflict between the terms of the Intercreditor Agreement and the terms of this Agreement, the terms of the Intercreditor Agreement shall govern and control; provided that nothing contained in the Intercreditor Agreement shall be deemed to modify any of the provisions of this Agreement as among the Borrowers, on the one hand, and the Collateral Agent, on the other hand, which shall remain in full force and effect.

Until the later of the maturity date of the Term Facility or the termination date of any Permitted Replacement Indebtedness in respect thereof (such date, the “**Applicable Termination Date**”), (a) the delivery of any possessory Term Priority Collateral to the Term Lender (or to the agent or trustee for the holders of any Permitted Replacement Indebtedness) shall satisfy any delivery requirement under this Agreement or under any other Loan Document and (b) notwithstanding anything to the contrary contained in this Agreement or any other Loan Document, the Loan Parties shall be permitted to deliver all identifiable receipts and cash

proceeds arising from the sale or other disposition of any Term Priority Collateral to the Term Lender (or to the agent or trustee for the holders of any Permitted Replacement Indebtedness) or a segregated account for the benefit of such creditor to the extent required pursuant to the terms of the Intercreditor Agreement or the documents governing any Permitted Replacement Indebtedness.


[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Borrowers 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.

BORROWERS:

SPENCER GIFTS LLC

By: Spencer Spirit Holdings, Inc., its Sole Member

By: 

Name: Isaac M. Silvera

Title: Chief Operating Officer & CFO

SPIRIT HALLOWEEN SUPERSTORES LLC

By: Spencer Gifts LLC, its Sole Member

By: Spencer Spirit Holdings, Inc., its Sole Member

By: 


Name: Isaac M. Silvera

Title: Chief Operating Officer & CFO

[Signature Page to Intellectual Property Security Agreement]

COLLATERAL AGENT:

WELLS FARGO RETAIL FINANCE, LLC,
as Collateral Agent

By: 
Name: Danielle Baldelli
Title: VP

[Signature Page to Intellectual Property Security Agreement]

SCHEDULE I

Borrowers

Spencer Gifts LLC, a Delaware limited liability company

Spirit Halloween Superstores LLC, a Delaware limited liability company

EXHIBIT A

List of Copyrights and Copyright Licenses

Copyright Registrations and Applications

Title of Work	Serial No	Registration No.	Registration Date
Screaming Figure	NA	VA-1-273-648	6/18/2004
Polar Bear	NA	VA-51-412	2/14/1980
Baseball Dog	NA	VA-51-413	2/14/1980

Copyright Licenses

None.

EXHIBIT B

List of Patents and Patent Licenses

Patents and Patent Applications

Title	Country	Serial No.	Patent No.	Date of Filing	Date of Issuance
Artificial Novelty Head	United States	29275856	D580,298S	1/8/2007	11/11/2008
Artificial Novelty Head	United States	29/216,394	D564,399	11/2/2004	3/18/2008
Artificial Partial Novelty Corpse	United States	29/216,395	D568206	11/2/2004	5/6/2008
Combined Helmet and Drink Holder	United States	29118395	D448,527 S	2/8/2000	9/25/2001
Disco Tower	United States	29162879	D475156 S	6/20/2002	5/27/2003
Drink Holder	United Kingdom	2094760	2094760	2/8/2000	11/22/2000
Drink Holder	Canada	2000-1578	92575	6/21/2000	5/31/2001
Lamp	United States	29/109847	D426667	8/23/1999	6/13/2000
Lamp	United States	29/128280	D443384 S	8/21/2000	6/5/2001
Lamp	United States	29/133847	D450,151 S	12/8/2000	11/6/2001
Lamp	United States	29/118874	D438666 S	2/18/2000	3/6/2001
Lamp	Canada	2000-0508	89716		6/23/2000
Lamp	United States	29186769	D496,125 S	7/21/2003	9/14/2004
Lamp	United States	29/212,532	D509,316 S	9/2/2004	9/6/2005
Luminescent Star	United States	63961	D390807	12/19/1996	2/17/1998
Neon Illumination System	United States	233492	5483124	4/26/1994	1/9/1996
Novelty Lamp	Canada	2234479	2234479	4/9/1998	6/25/2002
Novelty Lamp	United States	713916	5778576	9/13/1996	7/14/1998

Patent Licenses

None.

EXHIBIT C

List of Trademarks and Trademark Licenses

Trademark Registrations and Applications

Trademark	Country	Serial No.	Registration No.	Registration Date
"It's Okay to Play!" Logo	United States	77841617	3767437	3/30/2010
Beer Pong Logo	United States	77712261		
Body Rage	United States	85067762		
Body Rage	United States	76167809	2600486	7/30/2002
Body Rage	United States	77692898	3750661	2/16/2010
Body Rage	United States	77692996	3692073	10/6/2009
Body Rage	United States	76130831	2716217	5/13/2003
Boobies Make Me Smile	United States	77623774	3681402	9/8/2009
Boobies Make Me Smile Foundation	United States	77546101	3778914	4/20/2010
Bullet Beauty	United States	77581092	3674332	8/25/2009
Cinema Screams	United States	76276580	2585092	6/25/2002
Daisy	United States	76191366	2572359	5/21/2002
Dapy	Australia		779140	11/23/1998
Dapy	Canada	827284	514986	8/24/1999
Dapy	United Kingdom	2182310	2182310	1/28/2000
Dapy	United Kingdom	2248914	2248914	3/16/2001
Dapy	United States	74157140	1689438	5/26/1992
Dapy and Design	United States	76115076	2583531	6/18/2002
Evil Owen	United States	77015920	3271251	7/31/2007
Extreme Passion	United States	77377375	3525569	10/28/2008
Finger Passion	United States	77576913	3703169	10/27/2009
Forbidden Pleasures	United States	75152264	2081567	7/22/1997
Free at Last! Divorce Party	United States	77102624	3528194	11/4/2008
Fright Squad	Canada	1456827		
Fright Squad	United States	77726455	3767409	3/30/2010
Fright Stuff and Design	United States	73717876	1518073	12/27/1988
Glow	United Kingdom	2248911	2248911	3/16/2001
Glow - Exclamation Point Design	United States	75143139	2204299	11/17/1998
Glow and Design	Australia		779143	11/23/1998
Glow and Design	Canada	861964	509875	3/24/1999

Glow and Design	European CTM		000994244	2/21/2001
Groove Tube	United States	76319307	2722394	6/3/2003
Halloween Headquarters	Canada	1456824		
Halloween Headquarters	United States	75773918	2547947	3/12/2002
Hidden Illusions	Canada	1136927	TMA608,028	4/20/2004
Hidden Illusions	United States	76366310	2832621	4/13/2004
Hidden Illusions	United States	76977147	2931490	3/8/2005
Hollywood Illusions and Design	United States	74522449	2000248	9/10/1996
Hott Love	United States	77588069	3615959	5/5/2009
Hott Love	United States	77366648	3517991	10/14/2008
It's Okay to Play!	United States	77841566	3767436	3/30/2010
Jet Laser	United States	85066029		
LINK'D	United States	76/610,205	3068834	3/14/2006
Lumaseries	Canada	846476	514142	8/9/1999
Lumaseries	United States	75272499	2227195	3/2/1999
Megavolt	United States	76/308,256	2694886	3/11/2003
Midnight Realms	United States	76/592,546	3039238	1/10/2006
Molten Motion Wax Lite	United States	7651452	2911523	12/14/2004
Molten Motion Wax Lite and Design	United States	76514541	2,911,522	12/14/2004
Neutron	United States	76307006	2722355	6/3/2003
Original Pranksters	United States	78811045	3378579	2/5/2008
Petite Passion	United States	77366638	3599741	3/31/2009
Pin the Junk on the Hunk	United States	77871384		
Sexology	United States	77577758	3691480	10/6/2009
Sex-ology	United States	77366628	3731979	12/29/2009
Sexy Bitch	United States	77518334	3652447	7/7/2009
Sexy Bitch	United States	77552879	3624564	5/19/2009
Sexy Bitch	United States	77425026	3632667	6/2/2009
Smart Ass Classic	United States	77426196	3560069	1/13/2009
Smart Ass Classic	United States	78764212	3229261	4/17/2007
Spencer Gifts	Canada	338654	182764	4/10/1987
Spencer Gifts	European CTM	2439701	002439701	1/8/2003
Spencer Gifts	European CTM		000994251	11/17/1998
Spencer Gifts	Puerto Rico	65,958	65,958	8/7/2006
Spencer Gifts	ROC (Taiwan)	90044131	191440	11/28/2003
Spencer Gifts	United States	72276293	857651	9/24/1968
Spencer Gifts and Design	Ireland	220456	220456	12/28/2000
Spencer Gifts and Leaf Design	Canada	1096168	TMA590,978	9/29/2003
Spencer Gifts UK and	United Kingdom	2261901	2261901	8/24/2001

Design				
Spencer's	Canada	1455761		
Spencer's	Puerto Rico	67,323	67,323	8/7/2006
Spencer's	United States	76/564,495	3121185	7/25/2006
Spencer's	United States	77243137	3405103	4/1/2008
Spencer's	United States	76/564,494	3002385	9/27/2005
Spencer's Baby and Design	United States	77957435		
Spencer's Mommy 2 Be	United States	77805924		
Spencer's Mommy 2 Be and Design	United States	77959138		
Spirit	Canada	1456822		
Spirit	United States	75776163	2341574	4/11/2000
Spirit and Design	United States	75776555	2341576	4/11/2000
Spirit for Schools	United States	85041202		
Spirit for Schools & Design	United States	85041628		
Spirit Gallery	United States	77504438	3652413	7/7/2009
Spirit Gallery and Design	United States	77503183	3655716	7/14/2009
Spirit Halloween	Canada	1398387	753249	11/18/2009
Spirit Halloween	United States	77242184	3405068	4/1/2008
Spirit Halloween Gallery	Canada	1456826		
Spirit Halloween Gallery	United States	77413198	3729152	12/22/2009
Spirit Halloween Grim Reaper Logo	United States	85001051		
Spirit Halloween Superstores	Canada	1456823		
Spirit Halloween Superstores	United States	75776245	2353856	5/30/2000
Spirit of Children	United States	77885292		
Strobe Plus	United States	77629734	3714331	11/24/2009
Tec Spy Pen	United States	77814198		
The Death Crawler	United States	76616492	3022733	12/6/2005
The Rotten Heads	United States	76/616493	3022734	12/6/2005
The Underground and Design	United States	77806611		
This Ain't No Library Card	Canada	850795	516180	9/13/1999
Toyzam!	Canada	1456828		
Toyzam!	United States	77757332	3800941	6/8/2010
Toyzam! And Design	United States	77768912	3797408	6/1/2010
Wild 'N' Crazy	United Kingdom	2269905	2269905	5/11/2001
Wild 'N' Crazy	United States	76398176	2686244	2/11/2003

Wild 'N' Crazy Card	Canada	849711	508080	2/15/1999
World's Halloween Headquarters	Canada	1118957	614,153	7/6/2004
World's Halloween Headquarters	United Kingdom	2282744	2282744	7/5/2002
World's Halloween Headquarters	United States	76295365	2776366	10/21/2003
World's Halloween Headquarters and Design	Canada	1117001	614,347	7/8/2004
Zombie Babies	United States	77950884		

Trademark Licenses

1. Trademark License Agreement, dated April 30, 2003, between Spencer Gifts LLC and Vivendi Universal Entertainment LLLP ("VUE"), granting VUE rights to use the DAPY and GLOW! trademarks at Universal City Walk, Hollywood, California.
2. Trademark License Agreement, dated April 30, 2003, between Spencer Gifts LLC and Vivendi Universal Entertainment LLLP ("VUE"), granting VUE rights to use the DAPY and GLOW! trademarks at Universal City Walk, Orlando, Florida.

Internet Domain Names

Domain Name
aboutspencergifts.com
boomms.com
boomms.net
boomms.org
boycottspencergifts.com
boycottspencers.com
buyatspencers.com
changehalloween.com
changehalloween.net
changehalloween.org
frightsqquad.ca
frightsqquad.net
frightsqquad.org
glowstore.com
halloweenheadquarters.ca
halloweenheadquarters.net
halloweenheadquarters.org
halloweenspencers.com
ihatespencergifts.com
ihatespencers.com
saturdayhalloween.com
saturdayhalloween.net
saturdayhalloween.org
sghalloween.com
sgsucks.com
sgvendors.com
shopatspencers.com
spencerafterdark.com
spencercollectibles.com
spencergift.com
spencergiftcollectibles.com
spencergifts.co.uk
spencergifts.com
spencer-gifts.com
spencergifts.info
spencergifts.net
spencergifts.org
spencergifts.us
spencer-gifts.us

spencergiftsblows.com
spencergiftscollectibles.com
spencergiftshalloween.com
spencergiftsonline.ca
spencergiftsonline.com
spencergiftsonline.net
spencergiftsonline.org
spencergiftssucks.com
spencergiftssux.com
spencergiftsunderground.com
spencerhalloween.com
spencerkidshalloween.com
spenceronline.com
spencersafterdark.com
spencersbites.com
spencerscollectiblesite.com
spencersgifts.com
spencershalloween.com
spencershalloweencostumes.com
spencershalloweendecorations.com
spencershalloweenkidscostumes.com
spencerskidscostumes.com
spencerskidshalloween.com
spencerskidshalloweencostumes.com
spencersonline.ca
spencersonline.com
spencersonline.net
spencersonline.org
spencersstuff.com
spencerssucks.com
spencersunderground.com
spencieboy.com
spensors.com
spirit-christmas.com
spiritchristmas.net
spirit-christmas.net
spirit-costume.com
spiritcostume.net
spirit-costume.net
spiritcostumes.net
spirit-costumes.net

spiritforschools.com
spiritforschools.net
spiritforschools.org
spiritfrightsqquad.ca
spiritfrightsqquad.com
spiritfrightsqquad.net
spiritfrightsqquad.org
spirithalloweekend.com
spirithalloweekend.net
spirithalloweekend.org
spirithalloween.com
spirit-halloween.com
spirithalloween.net
spirithalloween.org
spirithalloween.us
spirithalloweencustomes.com
spirithalloweendecorations.com
spirithalloweenkidscostumes.com
spirithalloweenonline.ca
spirithalloweenonline.com
spirithalloweenonline.net
spirithalloweenonline.org
spirithalloweensuperstores.ca
spirit-holiday.com
spiritholiday.net
spirit-holiday.net
spiritofchildren.net
spiritofchildren.org
spiritonline.ca
spiritzombiebabies.com
spiritzombiebabies.net
spiritzombiebabies.org
toyzam.ca
toyzam.com
toyzam.net
toyzam.org
toyzamerica.com
toyzamerica.net
toyzamerica.org
worldshalloweenheadquarters.ca
worldshalloweenheadquarters.com

Domain Name
worldshalloweenheadquarters.net
worldshalloweenheadquarters.org
zombiebabies.net
zombiebabies.org