

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	SECURITY INTEREST		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Jo-Ann Stores, Inc.		03/18/2011	CORPORATION: OHIO
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Bank of America, N.A.		
<b>Street Address:</b>	100 Federal Street		
<b>Internal Address:</b>	9th Floor		
<b>City:</b>	Boston		
<b>State/Country:</b>	MASSACHUSETTS		
<b>Postal Code:</b>	02110		
<b>Entity Type:</b>	Association: UNITED STATES		
<b>PROPERTY NUMBERS Total: 21</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
Registration Number:	2205463	ETC	
Registration Number:	2013829	EXPERIENCE THE CREATIVITY	
Registration Number:	3709703	GO GREEN JO-ANN FABRIC AND CRAFT STORES	
Registration Number:	2206988	J ETC ANN	
Registration Number:	3367237	JO ANN FABRIC AND CRAFT STORES	
Registration Number:	3317406	JO-ANN	
Registration Number:	3367236	JO-ANN FABRIC AND CRAFT STORES	
Registration Number:	1289452	JO-ANN FABRICS	
Registration Number:	2515591	JO-ANN FABRICS & CRAFTS	
Registration Number:	2544619	JO-ANN FABRICS AND CRAFTS	
Registration Number:	3542904	JOANN.COM	
Registration Number:	3222262	GARDEN GATE DESIGNS	
Registration Number:	3232052	GARDEN GATE DESIGNS	

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Registration Number:	3909542	CRAFT, CREATE AND CONSERVE
Registration Number:	2397168	CREATIVE CASH
Registration Number:	2216110	KIDS' CAMP!
Registration Number:	3914163	LA COLLECTION
Registration Number:	3856747	MAKE IT-GIVE IT
Registration Number:	1772745	SANTA'S WORKBENCH
Registration Number:	3557515	SKEIN GANG
Registration Number:	3143807	THE GARDEN GATE

**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 4: Washington, DISTRICT OF COLUMBIA 20005

ATTORNEY DOCKET NUMBER:	714047-010
NAME OF SUBMITTER:	Jean Paterson
Signature:	/jep/
Date:	03/18/2011

Total Attachments: 7  
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## TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (as amended, amended and restated, supplemented or otherwise modified from time to time, the "*Trademark Security Agreement*") dated March 18, 2011, is made by the Persons listed on the signature pages hereof (collectively, the "*Grantors*") in favor of Bank of America, N.A., as collateral agent (the "*Collateral Agent*") for the Secured Parties (as defined in the Credit Agreement referred to below).

Reference is made to (i) the Credit Agreement, dated as of March 18, 2011 (as amended, restated, amended and restated, extended, renewed, replaced, refinanced, supplemented and/or otherwise modified from time to time, the "*Credit Agreement*"), among Needle Merger Sub Corp., Jo-Ann Stores, Inc., Needle Holdings Inc., the Lenders party thereto from time to time and Bank of America, N.A., as Administrative Agent and Collateral Agent, (ii) each Secured Hedge Agreement and (iii) each agreement relating to Cash Management Services. The Lenders have agreed to extend credit to the Borrower subject to the terms and conditions set forth in the Credit Agreement, the Issuers have agreed to issue Letters of Credit for the account of the Borrower or a Restricted Subsidiary on the terms and conditions set forth in the Credit Agreement, the Hedge Banks have agreed to enter into and/or maintain one or more Secured Hedge Agreements and the Cash Management Banks have agreed to enter into and/or maintain Cash Management Services, on the terms and conditions set forth in the Credit Agreement, in such Secured Hedge Agreements or agreements relating to Cash Management Services, as applicable.

Whereas, as a condition precedent to the Lenders' extension of such credit, the issuance by the Issuers of Letters of Credit for the account of the Borrower or a Restricted Subsidiary, the Hedge Banks entering into and/or maintaining such Secured Hedge Agreements and the Cash Management Banks entering into and/or maintaining such Cash Management Services, each Grantor has executed and delivered that certain Security Agreement dated March 18, 2011, made by the Grantors to the Collateral Agent (as amended, amended and restated, supplemented or otherwise modified from time to time, the "*Security Agreement*").

Whereas, under the terms of the Security Agreement, the Grantors have granted to the Collateral Agent, for the benefit of the Secured Parties, a security interest in, among other property, certain Intellectual Property of the Grantors, and have agreed as a condition thereof to execute this Trademark Security Agreement for recording with the USPTO and other governmental authorities.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor agrees as follows:

SECTION 1. Terms. Terms defined in the Credit Agreement and Security Agreement and not otherwise defined herein are used herein as defined in the Credit Agreement and Security Agreement.

SECTION 2. Grant of Security. Each Grantor hereby grants to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties a continuing security interest in all of the Grantor's right, title and interest in, to and under the Trademarks, including the registered Trademarks and Trademark registration applications set forth on Schedule A attached hereto.

SECTION 3. Security for Obligations. The grant of a security interest in the Trademarks by each Grantor under this Trademark Security Agreement is made to secure the payment or performance, as the case may be, in full of the Secured Obligations.

SECTION 4. Recordation. Each Grantor authorizes and requests that the Commissioner for Trademarks and any other applicable government officer record this Trademark Security Agreement.

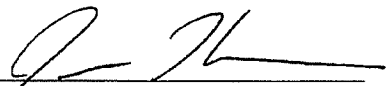
SECTION 5. Execution in Counterparts. This Trademark Security Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

SECTION 6. Security Agreement. This Trademark Security Agreement has been entered into in conjunction with the provisions of the Security Agreement. Each Grantor does hereby acknowledge and confirm that the grant of the security interest hereunder to, and the rights and remedies of, the Collateral Agent with respect to the Collateral are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated herein by reference as if fully set forth herein.

[Remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the undersigned have executed this Trademark Security Agreement as of the date first above written.

JO-ANN STORES, INC., as Grantor

By:   
Name: James C. Kerr  
Title: Executive Vice President and  
Chief Financial Officer

BANK OF AMERICA, N.A., as Collateral Agent  
and Grantee

By: \_\_\_\_\_  
Name:  
Title:

IN WITNESS WHEREOF, the undersigned have executed this Trademark Security Agreement as of the date first above written.

JO-ANN STORES, INC., Grantor

By: \_\_\_\_\_

Name:

Title:

BANK OF AMERICA, N.A. as Collateral Agent  
and Grantee

By: Christine Hutchinson

Name: Christine Hutchinson

Title: Director

Signature Page to Trademark Security Agreement

**TRADEMARK**  
**REEL: 004501 FRAME: 0198**

SCHEDULE A

<b>Trademark/Image</b>	<b>Application Number Registration Number</b>	<b>Application Date Registration Date</b>	<b>Status</b>
ETC	75355955 2205463	9/12/1997 11/24/1998	REGISTERED RENEWED
EXPERIENCE THE CREATIVITY	75033882 2013829	12/18/1995 11/5/1996	REGISTERED RENEWED
GO GREEN JO-ANN FABRIC AND CRAFT STORES	77483915 3709703	5/27/2008 11/10/2009	REGISTERED
J ETC ANN	75355956 2206988	9/12/1997 12/1/1998	REGISTERED RENEWED
JO ANN FABRIC AND CRAFT STORES	78969184 3367237	9/7/2006 1/8/2008	REGISTERED
JO-ANN	78791522 3317406	1/13/2006 10/23/2007	REGISTERED
JO-ANN FABRIC AND CRAFT STORES	78969122 3367236	9/7/2006 1/8/2008	REGISTERED
JO-ANN FABRICS	73427970 1289452	5/27/1983 8/7/1984	REGISTERED RENEWED
JO-ANN FABRICS & CRAFTS	78048100 2515591	2/13/2001 12/4/2001	REGISTERED
JO-ANN FABRICS AND CRAFTS	76209919 2544619	2/14/2001 3/5/2002	REGISTERED
JOANN.COM	77396746 3542904	2/14/2008 12/9/2008	REGISTERED
GARDEN GATE DESIGNS	78855044 3222262	4/5/2006 3/27/2007	REGISTERED
GARDEN GATE DESIGNS	75355600 3232052	9/12/1997 4/24/2007	REGISTERED
CRAFT, CREATE AND CONSERVE	85019541 3909542	4/21/2010 1/18/2011	REGISTERED
CREATIVE CASH	75672075 2397168	3/29/1999 10/24/2000	REGISTERED
KIDS' CAMP!	75355957 2216110	9/12/1997 1/5/1999	REGISTERED RENEWED
LA COLLECTION	85067557 3914163	6/21/2010 2/1/2011	REGISTERED

MAKE IT-GIVE IT	77953361 3856747	3/8/2010 10/5/2010	REGISTERED
SANTA'S WORKBENCH	74153628 1772745	4/3/1991 5/25/1993	REGISTERED RENEWED
SKEIN GANG	77540702 3557515	8/6/2008 1/6/2009	REGISTERED
THE GARDEN GATE	75531467 3143807	8/5/1998 9/19/2006	REGISTERED

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