

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
Sax Arts and Crafts, Inc.		01/31/2013	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	Bayside Finance LLC, as Agent		
Street Address:	600 Fifth Avenue, 24th Floor		
Internal Address:	c/o Capital Finance Inc.		
City:	New York		
State/Country:	NEW YORK		
Postal Code:	10020		
Entity Type:	LIMITED LIABILITY COMPANY: DELAWARE		
PROPERTY NUMBERS Total: 5			
Property Type	Number	Word Mark	
Registration Number:	3646434	NATURE'S IMPRESSIONS	
Registration Number:	2257283	SAX	
Registration Number:	1271755	TRUE-FLOW	
Registration Number:	1746677	VERSA TEMP	
Registration Number:	1262365	WRITE ON	
CORRESPONDENCE DATA			
Fax Number:	2128721002		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>			
Phone:	2128362264		
Email:	pgunn@akingump.com		
Correspondent Name:	Patricia Gunn, c/o Akin Gump		
Address Line 1:	One Bryant Park		
Address Line 4:	New York, NEW YORK 10036-6745		

ATTORNEY DOCKET NUMBER:	687732.0004
NAME OF SUBMITTER:	Patricia Gunn
Signature:	/s/ Patricia Gunn
Date:	02/08/2013
Total Attachments: 4 source=tmgrantsax#page1.tif source=tmgrantsax#page2.tif source=tmgrantsax#page3.tif source=tmgrantsax#page4.tif	

GRANT OF TRADEMARK SECURITY INTEREST

WHEREAS, SAX ARTS AND CRAFTS, INC., a Delaware corporation (“**Grantor**”), owns, and may in the future adopt and use, various intangible assets, including the Trademark Collateral (as defined below); and

WHEREAS, Grantor has entered into a Senior Secured Super Priority Debtor-in-Possession Credit Agreement, dated as of January 31, 2013 (as it may hereafter be amended, restated, supplemented or otherwise modified from time to time, the “**Credit Agreement**” with the financial institutions named therein (collectively, together with their respective successors and assigns party to the Credit Agreement from time to time, the “**Lenders**”) and Bayside Finance LLC, as Agent for Lenders (in such capacity, “**Agent**”) pursuant to which Lenders have made certain commitments, subject to the terms and conditions set forth in the Credit Agreement, to make post-petition loans and advances and provide other financial accommodations to the Borrowers thereunder; and

WHEREAS, pursuant to the terms of a Security and Pledge Agreement, dated as of January 31, 2013 (as it may heretofore have been and as it may hereafter be further amended, restated, supplemented or otherwise modified from time to time, the “**Security and Pledge Agreement**”), among Grantor, Agent and the other grantors named therein, Grantor has created in favor of Agent, for the benefit of Secured Parties, a security interest in, and Agent has become a secured creditor with respect to, the Trademark Collateral. Capitalized terms used herein not otherwise defined herein shall have the meanings ascribed thereto in the Security and Pledge Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, subject to the terms and conditions of the Security and Pledge Agreement, to evidence further the security interest granted by Grantor to Agent pursuant to the Security and Pledge Agreement, Grantor hereby grants to Agent, for the benefit of Secured Parties, a security interest in all of Grantor’s right, title and interest in and to the following, in each case whether now or hereafter existing or in which Grantor now has or hereafter acquires an interest and wherever the same may be located (the “**Trademark Collateral**”):

- (i) all rights, title and interest (including rights acquired pursuant to a license or otherwise) in and to all trademarks, service marks, designs, logos, indicia, tradenames, trade dress, corporate names, company names, business names, fictitious business names, trade styles and/or other source and/or business identifiers and applications pertaining thereto, owned by such Grantor, or hereafter adopted and used, in its business (including, without limitation, the trademarks set forth on Schedule A annexed hereto) (collectively, the “**Trademarks**”), all registrations that have been or may hereafter be issued or applied for thereon in the United States and any state thereof and in foreign countries (including, without limitation, the registrations and applications set forth on Schedule A annexed hereto), all common law and other rights (including the right to sue in the name of Grantor or in the name of Agent or Lenders for past, present and future infringements)(but in no event any of the obligations) in and to the

Trademarks in the United States and any state thereof and in foreign countries, and all goodwill of such Grantor's business symbolized by the Trademarks and associated therewith; and

(ii) all proceeds, products, rents and profits of or from any and all of the foregoing Trademark Collateral and, to the extent not otherwise included, all payments under insurance (whether or not Agent is the loss payee thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing Trademark Collateral. For purposes of this Grant of Trademark Security Interest, the term "**proceeds**" includes whatever is receivable or received when Trademark Collateral or proceeds are sold, licensed, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary.

Grantor does hereby further acknowledge and affirm that the rights and remedies of Agent with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security and Pledge Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, Grantor has caused this Grant of Trademark Security Interest to be duly executed and delivered by its officer thereunto.

SAX ARTS AND CRAFTS, INC.

By: *Michael Powell*
Name: _____
Title: _____

SCHEDULE A
TO
TRADEMARK SECURITY AGREEMENT (Bayside)
Sax Arts & Crafts, Inc.
United States

Mark	Reg. No.	App. No.	Reg. Date	Filing Date
NATURE'S IMPRESSIONS	3646434	77/598,303	30-Jun-2009	22-Oct-2008
SAX	2257283	75/525,966	29-Jun-1999	27-Jul-1998
TRUE-FLOW	1271755	73/378,143	27-Mar-1984	04-Aug-1982
VERSA TEMP	1746677	74/263,859	19-Jan-1993	08-Apr-1992
WRITE ON and Design	1262365	73/378,144	27-Dec-1983	04-Aug-1982