

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM311320

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Security Agreement

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Spencer Gifts LLC, as Grantor		07/16/2014	LIMITED LIABILITY COMPANY: DELAWARE
Spirit Halloween Superstores LLC, as Grantor		07/16/2014	LIMITED LIABILITY COMPANY: DELAWARE

RECEIVING PARTY DATA

Name:	Wells Fargo Bank, National Association, as Administrative Agent
Street Address:	West W.T. Harris Blvd. , MAC D1109-019
City:	Charlotte
State/Country:	NORTH CAROLINA
Postal Code:	28262
Entity Type:	Association: UNITED STATES

PROPERTY NUMBERS Total: 76

Property Type	Number	Word Mark
Registration Number:	3865286	
Registration Number:	4018793	BLACK LABEL
Registration Number:	2716217	BODY RAGE
Registration Number:	2600486	BODY RAGE
Registration Number:	3949325	BODY RAGE
Registration Number:	3750661	BODYRAGE
Registration Number:	3692073	BODY RAGE
Registration Number:	4444795	BODY RAGE
Registration Number:	3681402	BOOBIES MAKE ME SMILE
Registration Number:	4015765	BOOBIES MAKE ME SMILE
Registration Number:	3778914	BOOBIES MAKE ME SMILE FOUNDATION
Registration Number:	3674332	BULLET BEAUTY
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:	2547947	HALLOWEEN HEADQUARTERS TRADEMARK

OP \$1915.00 3865286

Property Type	Number	Word Mark
Registration Number:	2000248	HOLLYWOOD ILLUSIONS
Registration Number:	3517991	HOTT LOVE
Registration Number:	3615959	HOTT LOVE
Registration Number:	4122689	HOTT LOVE EXTREME
Registration Number:	3993906	HOTT LOVE EXTREME
Registration Number:	3767436	IT'S OKAY TO PLAY!
Registration Number:	3767437	"IT'S OKAY TO PLAY!"
Registration Number:	3982638	JET LASER
Registration Number:	4336248	LASER WAVE
Registration Number:	2227195	LUMASERIES
Registration Number:	3378579	ORIGINAL PRANKSTERS
Registration Number:	3599741	PETITE PASSION
Registration Number:	4147950	PIERCED NATION
Registration Number:	3817235	PIN THE JUNK ON THE HUNK
Registration Number:	4064781	PLEASURE BOUND
Registration Number:	4333116	POWER WAND
Registration Number:	4234943	SECRET SENSATIONS
Registration Number:	3691480	SEXOLOGY
Registration Number:	3731979	SEX-OLOGY
Registration Number:	3624564	SEXY BITCH
Registration Number:	3652447	SEXY BITCH
Registration Number:	3632667	SEXY BITCH
Registration Number:	3560069	SMART ASS CLASSIC
Registration Number:	4509377	SMART ASS CLASSIC
Registration Number:	857651	SPENCER GIFTS
Registration Number:	3121185	SPENCER'S
Registration Number:	3405103	SPENCER'S
Registration Number:	3002385	SPENCER'S
Registration Number:	4284595	SPENCER'S
Registration Number:	4181800	SPENCER'S
Registration Number:	2341574	SPIRIT
Registration Number:	4185515	SPIRIT
Registration Number:	2341576	SPIRIT
Registration Number:	3861127	SPIRIT FOR SCHOOLS
Registration Number:	4060907	SPIRIT FOR SCHOOLS
Registration Number:	3652413	SPIRIT GALLERY
Registration Number:	3655716	SPIRIT GALLERY
Registration Number:	3405068	SPIRIT HALLOWEEN
Registration Number:	3729152	SPIRIT HALLOWEEN GALLERY

TRADEMARK

Property Type	Number	Word Mark
Registration Number:	2353856	SPIRIT HALLOWEEN SUPERSTORES
Registration Number:	4280816	SPIRIT NYC
Registration Number:	3818070	SPIRIT OF CHILDREN
Registration Number:	3714331	STROBE PLUS
Registration Number:	4369510	SUPER SKINS
Registration Number:	4076106	SWEET LICKS
Registration Number:	3989357	SWEET RUBS
Registration Number:	3800941	TOYZAM!
Registration Number:	3797408	TOYZAM!
Registration Number:	2776366	WORLD'S HALLOWEEN HEADQUARTERS
Registration Number:	3903014	ZOMBIE BABIES
Serial Number:	85948969	AROUZ'D
Serial Number:	86244150	BODY RAGE ORGANICS
Serial Number:	85837209	BUGLE STROBE
Serial Number:	85828135	LAWN SCARES
Serial Number:	86110813	SPENCER'S OUTLET
Serial Number:	86261446	TURNUP
Serial Number:	85770088	YOU'RE THE PROP!
Serial Number:	85739703	PLEASURE BOUND

CORRESPONDENCE DATA

Fax Number:

Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.

Email: marina.kelly@thomsonreuters.com

Correspondent Name: Ken Tan, Legal Assistant

Address Line 1: 80 Pine Street

Address Line 2: c/o Cahill Gordon & Reindel LLP

Address Line 4: New York, NEW YORK 10005

NAME OF SUBMITTER:	Ken Tan, Legal Assistant
SIGNATURE:	/Marina Kelly, Thomson Reuters/
DATE SIGNED:	07/21/2014

Total Attachments: 27

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TRADEMARK

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INTELLECTUAL PROPERTY SECURITY AGREEMENT

INTELLECTUAL PROPERTY SECURITY AGREEMENT (this “**Agreement**”) dated as of July 16, 2014 by and among (a) each of the Persons listed on Schedule I hereto (each such Person, individually, a “**Grantor**” and, collectively, the “**Grantors**”), and (b) Wells Fargo Bank, National Association, a national association, as administrative agent (in such capacity, together with its successors and assigns, the “**Administrative 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 Security Agreement dated as of July 16, 2014 (as such may be amended, modified, supplemented or restated hereafter, the “**Collateral Agreement**”) with, among others, (i) Spencer Spirit Holdings Inc., a Delaware corporation (“**Holdings**”), Spencer Gifts LLC, a Delaware limited liability company (“**Spencer Gifts**”), and Spirit Halloween Superstores LLC, a Delaware limited liability company (together with Spencer Gifts, the “**Borrowers**”), (ii) the Guarantors named therein and (iii) the Administrative Agent. Capitalized terms used herein and not defined herein shall have the meanings assigned to such terms in the Collateral Agreement or the Credit Agreement, as applicable.

Holdings and the Borrowers have entered into a certain Credit Agreement dated as of July 16, 2014 (as amended, modified, supplemented or restated and in effect from time to time, the “**Credit Agreement**”) with (i) the Guarantors named therein and (ii) the Administrative Agent, which provides for, among other things, the extension of a term loan facility in an aggregate principal amount of \$225,000,000.

The Grantors wish to grant security interests in favor of the Administrative Agent, for the ratable benefit of the Secured Parties, as herein provided.

Accordingly, the Grantors and the Administrative 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 Grantors, 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, and any goodwill of the business connected with, and symbolized by, any of the foregoing.

“Copyright Licenses” shall mean all agreements, whether written or oral, providing for the grant by or to any Grantor 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 Grantor, 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 Grantor 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.

“USPTO” 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 Grantors, whether registered or unregistered, including, without limitation, the trademarks 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 Grantor 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 Grantors to the Administrative Agent (for the ratable benefit of the Secured Parties) under the Collateral Agreement, and as further security for the payment or performance, as the case may be, in full of the Secured Obligations, each Grantor hereby ratifies such security interest and grants to the Administrative 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 Grantors 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 and proceeds 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 Grantors 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 Grantors' rights corresponding to any of the foregoing throughout the world.

3. **PROTECTION OF INTELLECTUAL PROPERTY BY GRANTORS:** Except as set forth below in this Section 3, the Grantors 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 Grantors' 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 Grantors' sole cost, expense, and risk, take any and all action which the Grantors 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 Grantor 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. **GRANTORS' REPRESENTATIONS AND WARRANTIES:** The Grantors represent and warrant that:

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

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

(c) **EXHIBIT C** is a true, correct and complete list of all Trademarks and Trademark Licenses owned by the Grantors 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 Grantor is the licensor or franchisor as of the date hereof.

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

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

(g) The Grantors 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 Grantor of any of its Intellectual Property or the validity or effectiveness of any of its Intellectual Property, nor does any Grantor 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 Grantors consider that the use by the Grantors 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 Grantor's rights in, any Intellectual Property in any respect that could reasonably be expected to have a Material Adverse Effect.

(h) The Grantors shall give the Administrative Agent written notice (with reasonable detail) no later than the date on which the Issuers are required to deliver annual financial statements pursuant to Section 6.1(a) of the Credit Agreement of the occurrence of any of the following:

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

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

(iii) The Grantors' 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 USPTO, the Copyright Office or any court or tribunal) regarding the Grantors' ownership of, or the validity of, any material Intellectual Property or the Grantors' 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) With respect to any federally registered or applied for Copyrights, Patents or Trademarks (other than any Immaterial Copyright, subject, however, to Section 5(c) below) described in a notice delivered to the Administrative Agent pursuant to subsection (i) of Section 4(h) above, the Grantors shall no later than the date on which the Issuers are required to deliver annual financial statements pursuant to Section 6.1(a) of the Credit Agreement, execute and deliver to the Administrative Agent, and have recorded with the USPTO or Copyright Office, as applicable, a supplement to this Agreement substantially in the form of **EXHIBIT D** attached hereto, to perfect the Administrative Agent’s security interest in such Copyrights, Patents or Trademarks. The Grantors hereby appoint the Administrative 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 Administrative Agent’s taking of such action shall not be a condition to the creation or perfection of the security interest created hereby. The Administrative Agent shall not be responsible for making or monitoring any filing in any public office or otherwise perfecting or maintaining the perfection of any security interest in the IP Collateral.

(c) No Grantor will permit any security interest in the Immaterial Copyrights to be registered with the Copyright Office to secure the obligations under the ABL Credit Agreement unless such Grantor also offers to register, and, at the option of the Administrative Agent, registers a security interest on the Immaterial Copyrights to secure the Secured Obligations concurrently with the registration of a security interest thereon in favor of the ABL Agent in accordance with the priorities set forth in the ABL Inter-creditor Agreement.

6. **GRANTORS’ RIGHTS TO ENFORCE INTELLECTUAL PROPERTY:** Prior to the Administrative Agent’s giving of notice to the Grantors following the occurrence of an Event of Default, the Grantors 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 Grantors to protect the Intellectual Property against encroachment by third parties; provided, however:

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

(b) Any money damages awarded or received by the Grantors 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 Administrative Agent, by notice to the Grantors, may terminate or limit the Grantors’ rights under this Section 6.

7. **ADMINISTRATIVE AGENT’S ACTIONS TO PROTECT INTELLECTUAL PROPERTY:** In the event of:

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

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

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

8. **RIGHTS UPON DEFAULT:** Upon the occurrence of any Event of Default, the Administrative 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 Administrative Agent may sell, license, assign, transfer, or otherwise dispose of the Intellectual Property. The Administrative Agent shall give the Grantors at least ten (10) days' prior written notice of any such intended disposition of the Intellectual Property.

9. **ADMINISTRATIVE AGENT AS ATTORNEY IN FACT:**

(a) The Grantors hereby irrevocably appoint and designate the Administrative Agent as and for the Grantors' 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 Grantors.

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

(iii) To execute all such instruments, documents, and papers as the Administrative 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 Administrative 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 Administrative 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 Grantor 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 Administrative 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 Grantors' reasonable request, the Administrative Agent shall provide the Grantors with an accounting in connection with amounts received by the Administrative Agent.

(d) The Administrative Agent shall not be responsible for the existence, genuineness or value of any of the IP Collateral or for the validity, perfection, priority or enforceability of the Liens in any of the IP Collateral, whether impaired by operation of law or by reason of any action or omission to act on its part hereunder, except to the extent such action or omission constitutes gross negligence, bad faith or willful misconduct on the part of the Administrative Agent, for the validity or sufficiency of the IP Collateral or any agreement or assignment contained therein, for the validity of the title to the IP Collateral, for insuring the IP Collateral or for the payment of taxes, charges, assessments or Liens upon the IP Collateral or subject to Section 10.16(m) of the Collateral Agreement, otherwise as to the maintenance of the IP Collateral. The Administrative Agent shall have no duty to ascertain or inquire as to or monitor the

performance or observance of any of the terms of this Agreement or the Security Documents or Loan Documents by any other Person.

10. **ADMINISTRATIVE AGENT'S RIGHTS:**

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

(b) None of this Agreement, the Collateral Agreement, or any act, omission, or circumstance taken or arising hereunder may be construed as directly or indirectly conveying to the Administrative 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 Grantors for the purpose of registering and confirming the grant of the security interest of the Administrative Agent in the IP Collateral with the USPTO 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 Administrative Agent, for the ratable benefit of the Secured Parties, under the Collateral Agreement. All provisions of the Collateral Agreement including, without limitation, Section 10.17 are incorporated herein by reference and shall apply to the IP Collateral. The Administrative Agent shall have the same rights, remedies, powers, privileges, protections, immunities 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 Collateral Agreement, the terms of this Agreement shall control with respect to the IP Collateral and the Collateral Agreement with respect to all other Collateral and with respect to the duties, responsibilities, privileges, protections and immunities of the Administrative Agent.

12. **TERMINATION:** The security interest created and granted herein shall, except as otherwise expressly provided in the Credit Agreement, the Loan Documents or the ABL Intercreditor Agreement, continue in full force and effect until all Secured Obligations have been paid and/or satisfied in full.

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. **ABL INTERCREDITOR AGREEMENT:** Notwithstanding anything herein to the contrary, the lien and security interest granted to the Administrative Agent pursuant to this Agreement and the exercise of any right or remedy by the Administrative Agent hereunder are subject to the provisions of the ABL Intercreditor Agreement. In the event of any conflict between the terms of the ABL Intercreditor Agreement and the terms of this Agreement, the terms of the ABL Intercreditor Agreement shall govern and control, and no right, power, or remedy granted to the Administrative Agent hereunder or under any other Loans Document shall be exercised by the Administrative Agent, and no direction shall be given by the Administrative Agent in contravention of the ABL Intercreditor Agreement.

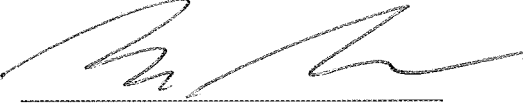
[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the Grantors and the Administrative Agent respectively have caused this Agreement to be executed by their respective duly authorized officers as of the date first above written.

GRANTORS:

SPENCER GIFTS LLC

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

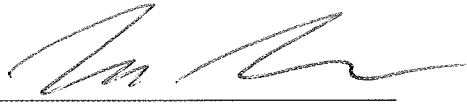
By: 

Name: Isaac M. Silvera
Title: Chief Operating Officer and Chief
Financial Officer

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 and Chief
Financial Officer

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as Administrative Agent

By: Beth Rue
Beth Rue
Director

[Spencer -- Signature Page to Security Agreement]

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SCHEDULE I

Grantors

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	Author	Serial No.	Registration No.	Registration Date
Screaming Figure	Spencer Gifts LLC	NA	VA-1-273-648	6/18/2004
Polar Bear	Spencer Gifts	NA	VA-51-412	2/14/1980
Baseball Dog	Spencer Gifts	NA	VA-51-413	2/14/1980

Copyright Licenses

None.

EXHIBIT B

List of Patents and Patent Licenses

Patents and Patent Applications

Title	Owner	Country	Serial No.	Patent No.	Date of Filing	Date of Issuance
Artificial Novelty Head	Spencer Gifts LLC	United States	29275856	D580,298S	1/8/2007	11/11/2008
Artificial Novelty Head	Spencer Gifts LLC	United States	29/216,394	D564,399	11/2/2004	3/18/2008
Artificial Partial Novelty Corpse	Spencer Gifts LLC	United States	29/216,395	D568206	11/2/2004	5/6/2008
Combined Helmet and Drink Holder	Spencer Gifts LLC	United States	29118395	D448,527 S	2/8/2000	9/25/2001
Disco Tower	Spencer Gifts LLC	United States	29162879	D475156 S	6/20/2002	5/27/2003
Lamp	Spencer Gifts LLC	United States	29/128280	D443384 S	8/21/2000	6/5/2001
Lamp	Spencer Gifts LLC	United States	29/133847	D450,151 S	12/8/2000	11/6/2001
Lamp	Spencer Gifts LLC	United States	29/118874	D438666 S	2/18/2000	3/6/2001
Lamp	Spencer Gifts LLC	United States	29186769	D496,125 S	7/21/2003	9/14/2004
Lamp	Spencer Gifts LLC	United States	29/212,532	D509,316 S	9/2/2004	9/6/2005
Novelty Lamp	Spencer Gifts, Inc.	Canada	2234479	2234479	4/9/1998	6/25/2002
Novelty Lamp	Spencer Gifts LLC	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	Owner	Serial No.	Registration No.	Registration Date
AROuz'D	United States	Spencer Gifts	85948969		
Beer Pong Logo	United States	Spencer Gifts	77712261	3865286	10/19/2010
Black Label	United States	Spencer Gifts	85219755	4018793	8/30/2011
Body Rage	United States	Spencer Gifts	76130831	2716217	5/13/2003
Body Rage	United States	Spencer Gifts	76167809	2600486	7/30/2002
Body Rage	United States	Spencer Gifts	85067762	3949325	4/19/2011
Body Rage	United States	Spencer Gifts	77692898	3750661	2/16/2010
Body Rage	United States	Spencer Gifts	77692996	3692073	10/6/2009
BODY RAGE	United States	Spencer Gifts LLC	85693429	4444795	12/03/2013
Body Rage Organics	United States	Spencer Gifts	86244150		
Boobies Make Me Smile	United States	Spencer Gifts	77623774	3681402	9/8/2009
Boobies Make Me Smile	United States	Spencer Gifts	85228816	4015765	8/23/2011
Boobies Make Me Smile Foundation	United States	Spencer Gifts	77546101	3778914	4/20/2010
Bugle Strobe	United States	Spencer Gifts	85837209		
Bullet Beauty	United States	Spencer Gifts	77581092	3674332	8/25/2009
Dapy	Canada	Spencer Gifts	827284	514986	8/24/1999
Extreme Passion	United States	Spencer Gifts	77377375	3525569	10/28/2008
Finger Passion	United States	Spencer Gifts	77576913	3703169	10/27/2009
Forbidden Pleasures	United States	Spencer Gifts	75152264	2081567	7/22/1997
Free at Last! Divorce Party	United States	Spencer Gifts	77102624	3528194	11/4/2008

Trademark	Country	Owner	Serial No.	Registration No.	Registration Date
Fright Squad	Canada	Spencer Gifts	1456827		
Fright Squad	United States	Spencer Gifts	77726455	3767409	3/30/2010
Halloween Headquarters	Canada	Spencer Gifts	1456824	786899	1/11/2011
Halloween Headquarters	United States	Spencer Gifts	75773918	2547947	3/12/2002
Hidden Illusions	Canada	Spencer Gifts	1136927	TMA608,028	4/20/2004
Hollywood Illusions and Design	United States	Spencer Gifts	74522449	2000248	9/10/1996
Hott Love	United States	Spencer Gifts	77366648	3517991	10/14/2008
Hott Love	United States	Spencer Gifts	77588069	3615959	5/5/2009
Hott Love Extreme	United States	Spencer Gifts	85198688	4122689	4/3/2012
Hott Love Extreme	United States	Spencer Gifts	85201761	3993906	7/12/2011
It's Okay To Play!	United States	Spencer Gifts	77841566	3767436	3/30/2010
"It's Okay To Play!" Logo	United States	Spencer Gifts	77841617	3767437	3/30/2010
Jet Laser	United States	Spencer Gifts	85066029	3982638	6/21/2011
LASER WAVE	United States	Spencer Gifts LLC	85648245	4336248	05/14/2013
Lawn Scares	United States	Spencer Gifts	85/828,135		
Lumaseries	Canada	Spencer Gifts	846476	514142	8/9/1999
Lumaseries	United States	Spencer Gifts	75272499	2227195	3/2/1999
Original Pranksters	United States	Spencer Gifts	78811045	3378579	2/5/2008
Petite Passion	United States	Spencer Gifts	77366638	3599741	3/31/2009
PIERCED NATION	United States	Spencer Gifts LLC	85413673	4147950	05/22/2012
Pin the Junk on the Hunk	United States	Spencer Gifts	77871384	3817235	7/13/2010
Pleasure Bound	United States	Spencer Gifts	85249357	4064781	11/29/2011
PLEASURE BOUND	United States	Spencer	85739703		

Trademark	Country	Owner	Serial No.	Registration No.	Registration Date
		Gifts LLC			
POWER WAND	United States	Spencer Gifts LLC	85693426	4333116	05/07/2013
SECRET SENSATIONS	United States	Spencer Gifts LLC	85380003	4234943	10/30/2012
Sexology	United States	Spencer Gifts	77577758	3691480	10/6/2009
Sex-ology	United States	Spencer Gifts	77366628	3731979	12/29/2009
Sexy Bitch	United States	Spencer Gifts	77552879	3624564	5/19/2009
Sexy Bitch	United States	Spencer Gifts	77518334	3652447	7/7/2009
Sexy Bitch	United States	Spencer Gifts	77425026	3632667	6/2/2009
Smart Ass Classic	United States	Spencer Gifts	77426196	3560069	1/13/2009
SMART ASS CLASSIC	United States	Spencer Gifts LLC	85887449	4509377	04/08/2014
Spencer Gifts	Canada	Spencer Gifts	338654	182764	4/10/1987
Spencer Gifts	European CTM	Spencer Gifts		000994251	11/17/1998
Spencer Gifts	United States	Spencer Gifts	72276293	857651	9/24/1968
Spencer Gifts and Leaf Design	Canada	Spencer Gifts	1096168	TMA590,978	9/29/2003
Spencer's	Canada	Spencer Gifts	1455761	TMA801095	6/29/2011
Spencer's	United States	Spencer Gifts	76/564,495	3121185	7/25/2006
Spencer's	United States	Spencer Gifts	77243137	3405103	4/1/2008
Spencer's	United States	Spencer Gifts	76/564,494	3002385	9/27/2005
Spencer's	United States	Spencer Gifts	85236708	4284595	2/5/2013
SPENCER'S	United States	Spencer Gifts LLC	85304804	4181800	07/31/2012
Spencer's	WIPO-New Zealand	Spencer Gifts		1 201469	3/14/2014
Spencer's Outlet	Canada	Spencer	1651454		

Trademark	Country	Owner	Serial No.	Registration No.	Registration Date
		Gifts			
Spencer's Outlet	United States	Spencer Gifts	86110813		
Spirit	Canada	Spencer Gifts	1456822	786500	1/5/2011
Spirit	United Kingdom	Spencer Gifts	2604403	2605503	3/9/2012
Spirit	United States	Spencer Gifts	75776163	2341574	4/11/2000
Spirit	WIPO-New Zealand	Spencer Gifts		1 202 372	3/14/2014
SPIRIT & Design 	United States	Spencer Gifts LLC	85462479	4185515	08/07/2012
Spirit and Design	United States	Spencer Gifts	75776555	2341576	4/11/2000
Spirit for Schools	United States	Spencer Gifts	85041202	3861127	10/12/2010
Spirit for Schools & Design	United States	Spencer Gifts	85041628	4060907	11/22/2011
Spirit Gallery	United States	Spencer Gifts	77504438	3652413	7/7/2009
Spirit Gallery and Design	United States	Spencer Gifts	77503183	3655716	7/14/2009
Spirit Halloween	Canada	Spencer Gifts	1398387	753249	11/18/2009
Spirit Halloween	United Kingdom	Spencer Gifts	2604407	2604407	3/9/2012
Spirit Halloween	United States	Spencer Gifts	77242184	3405068	4/1/2008
Spirit Halloween	WIPO-New Zealand			1 201 058	3/14/2014
Spirit Halloween Gallery	Canada	Spencer Gifts	1456826	836861	11/22/2012
Spirit Halloween Gallery	United States	Spencer Gifts	77413198	3729152	12/22/2009
Spirit Halloween Super-stores	Canada	Spencer Gifts	1456823	786499	1/5/2011
Spirit Halloween Super-stores	United Kingdom	Spencer Gifts	2604409	2604409	3/9/2012
Spirit Halloween Super-stores	United States	Spencer Gifts	75776245	2353856	5/30/2000
SPIRIT NYC	United States	Spencer	85601332	4280816	01/22/2013

Trademark	Country	Owner	Serial No.	Registration No.	Registration Date
		Gifts LLC			
Spirit of Children	United States	Spencer Gifts	77885292	3818070	7/13/2010
Strobe Plus	United States	Spencer Gifts	77629734	3714331	11/24/2009
SUPER SKINS	United States	Spencer Gifts LLC	85549090	4369510	07/16/2013
Sweet Licks	United States	Spencer Gifts	85172119	4076106	12/27/2011
Sweet Rubs	United States	Spencer Gifts	85172122	3989357	7/5/2011
This Ain't No Library Card	Canada	Spencer Gifts	850795	516180	9/13/1999
Toyzam!	Canada	Spencer Gifts	1456828	836838	11/21/2012
ToyZam!	United States	Spencer Gifts	77757332	3800941	6/8/2010
ToyZam! and Design	United States	Spencer Gifts	77768912	3797408	6/1/2010
Turnup	United States	Spencer Gifts	86261446		
World's Halloween Headquarters	Canada	Spencer Gifts	1118957	614,153	7/6/2004
World's Halloween Headquarters	United States	Spencer Gifts	76295365	2776366	10/21/2003
World's Halloween Headquarters and Design	Canada	Spencer Gifts	1117001	614,347	7/8/2004
You're the Prop!	United States	Spencer Gifts	85770088		
Zombie Babies	United States	Spencer Gifts	77950884	3903014	1/11/2011

Trademark Licenses

None.

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
evilowen.com
frightsqquad.ca
frightsqquad.net
frightsqquad.org
glowstore.com
halloweenheadquarter.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
spencer-gifts.net
spencergifts.org
spencergifts.us
spencer-gifts.us
spencergiftsblows.com

Domain Name
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
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spirit-costume.com
spiritcostume.net
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spiritforschools.com
spiritforschools.net
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spiritfrightsquad.ca
spiritfrightsquad.com
spiritfrightsquad.net

Domain Name
spiritfightsquad.org
spirithalloweekend.com
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spirithalloweekend.org
spirithalloween.co.uk
spirithalloween.com
spirit-halloween.com
spirithalloween.net
spirithalloween.org
spirithalloween.us
spirithalloweencustomes.com
spirithalloweendecorations.com
spirithalloweenkidscostumes.com
spirithalloweenonline.ca
spirithalloweenonline.co.uk
spirithalloweenonline.com
spirithalloweenonline.net
spirithalloweenonline.org
spirithalloweennewyorkcity.com
spirithalloweennewyorkcity.net
spirithalloweennewyorkcity.org
spirithalloweennyc.com
spirithalloweennyc.net
spirithalloweennyc.org
spirithalloweenstore.com
spirithalloweenstore.net
spirithalloweenstoreandcostumes.com
spirithalloweensuperstores.ca
spirithalloweensuperstores.co.uk
spirit-holiday.com
spiritholiday.net
spirit-holiday.net
spiritofchildren.net
spiritofchildren.org
spiritofchildren.org.uk
spiritonline.ca
spiritnewyorkcity.com
spiritnewyorkcity.net
spiritnewyorkcity.org
spiritnyc.net
spiritnyc.org
spiritzombiebabies.com
spiritzombiebabies.net
spiritzombiebabies.org
toyzam.ca
toyzam.com

Domain Name
toyzam.net
toyzam.org
tozamerica.com
tozamerica.net
tozamerica.org
worldshalloweenheadquarters.ca
worldshalloweenheadquarters.com
worldshalloweenheadquarters.net
worldshalloweenheadquarters.org
zombiebabies.co.uk
zombiebabies.net
zombiebabies.org

EXHIBIT D

Intellectual Property Security Agreement Supplement

[See Attached].

EXHIBIT D
TO THE INTELLECTUAL PROPERTY
SECURITY AGREEMENT

FORM OF INTELLECTUAL PROPERTY SECURITY AGREEMENT SUPPLEMENT

SUPPLEMENT NO. [] (this “Supplement”) dated as of [], to the Intellectual Property Security Agreement (as such may be amended, modified, supplemented or restated hereafter, the “Intellectual Property Security Agreement”) dated as of [], 2014 among each of the grantors listed on Schedule I thereto (the “Grantors”), and Wells Fargo Bank, National Association, a national association, as administrative agent (in such capacity, together with its successors and assigns, the “Administrative Agent”) for the benefit of the Secured Parties.

A. Reference is made to the Security Agreement dated as of [], 2014 (as such may be amended, modified, supplemented or restated hereafter, the “Collateral Agreement”) with, among others, Spencer Spirit Holdings Inc., a Delaware corporation, Spencer Gifts LLC, a Delaware limited liability company (“Spencer Gifts”), and Spirit Halloween Superstores LLC, a Delaware limited liability company (together with Spencer Gifts, the “Borrowers”), the Guarantors named therein and the Administrative Agent.

B. Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Intellectual Property Security Agreement.

C. Section 5(b) of the Intellectual Property Security Agreement provides that the Grantors shall pledge to the Administrative Agent for the benefit of the Secured Parties, any additional federally registered or applied for Copyrights, Patents and Trademarks referred to in a noticed delivered pursuant to Section 4(h) thereof by execution and delivery of an instrument in the form of this Supplement. The undersigned Grantor (the “Subject Grantor”) is executing this Supplement in accordance with the requirements of the Intellectual Property Security Agreement.

Accordingly, the Subject Grantor covenants as follows:

SECTION 1. In accordance with Section 5(b) of the Intellectual Property Security Agreement, the Subject Grantor by its signature below hereby represents and warrants that the representations and warranties made by it as a Grantor thereunder are true and correct on and as of the date hereof (except to the extent such representation and warranty is made as of an earlier date). In furtherance of the foregoing, the Subject Grantor, as security for the payment and performance in full of the Secured Obligations does hereby create and grant to the Administrative Agent, its successors and assigns, for the benefit of the Secured Parties, their successors and assigns, a security interest in and lien on all of the Subject Grantor’s right, title and interest in and to the IP Collateral listed on Schedule I hereto (the “Subject IP Collateral”).

SECTION 2. The Subject Grantor represents and warrants to the Administrative Agent and the other Secured Parties that this Supplement has been duly authorized, executed and delivered by it and constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms, except as such enforceability may be limited by applicable bankruptcy, insolvency, conservatorship, assignment for the benefit of creditors, moratorium, receivership, reorganization or similar debtor relief laws and by general principles of equity.

SECTION 3. This Supplement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Supplement shall become effective when the Administrative Agent shall have received a counterpart of this Supplement that bears the signature of the Subject Grantor. Delivery of an executed signature page to this Supplement by facsimile transmission or other electronic communication shall be as effective as delivery of a manually signed counterpart of this Supplement.

SECTION 4. The grant of the security interest in the Subject IP Collateral by the Subject Grantor under this Supplement secures the payment or performance, as the case may be, in full of the Secured Obligations. Without limiting the generality of the foregoing, this Supplement secures the payment of all amounts that constitute part of the Secured Obligations and that would be owed by such Subject Grantor to any Secured Party under the Credit Agreement and the Loan Documents but for the fact that such Secured Obligations are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving a Grantor.

SECTION 5. Grants, Rights and Remedies. This Supplement has been entered into in conjunction with the provisions of the Intellectual Property Security Agreement. The Subject Grantor does hereby acknowledge and confirm that the grant of the security interest hereunder to, and the rights and remedies of, the Administrative Agent with respect to the Subject IP Collateral are more fully set forth in the Intellectual Property Security Agreement, the terms and provisions of which are incorporated herein by reference as if fully set forth herein. In the event of any conflict between the terms of this Supplement and the terms of the Intellectual Property Security Agreement, the terms of the Intellectual Property Security Agreement shall govern.

SECTION 6. The Subject Grantor authorizes and requests that the Register of Copyrights, the Commissioner for Patent, the Commissioner for Trademarks or any other applicable government officer record this Supplement with respect to the Subject IP Collateral, as applicable.

SECTION 7. Except as expressly supplemented hereby, the Intellectual Property Security Agreement shall remain in full force and effect.

SECTION 8. THIS SUPPLEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.

SECTION 9. In case any one or more of the provisions contained in this Supplement should be held invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein and in the Intellectual Property Security Agreement shall not in any way be affected or impaired thereby (it being understood that the invalidity of a particular provision in a particular jurisdiction shall not in and of itself affect the validity of such provision in any other jurisdiction). The parties hereto shall endeavor in good-faith negotiations to replace the invalid, illegal or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid, illegal or unenforceable provisions.

SECTION 10. All communications and notices hereunder shall be in writing and given as provided in Section 10.1 of the Credit Agreement.

SECTION 11. Reimbursement of the Administrative Agent's expenses under this Supplement shall be governed by the applicable sections of the Intellectual Property Security Agreement.

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the Subject Grantor has duly executed this Supplement to the Intellectual Property Security Agreement as of the day and year first above written.

[NAME OF SUBJECT GRANTOR]

By: _____
Name:
Title:

SCHEDULE I
TO SUPPLEMENT NO. [] TO THE
INTELLECTUAL PROPERTY SECURITY AGREEMENT

Intellectual Property

Copyright Registrations and Applications

Title of Work	Serial No.	Registration No.	Registration Date

Patents and Patent Applications

Title	Country	Serial No.	Patent No.	Date of Filing	Date of Issuance

Trademark Registrations and Applications

Trademark	Country	Serial No.	Registration No.	Registration Date