

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM385062

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
K'NEX LIMITED PARTNERSHIP GROUP		05/18/2016	Limited Partnership: DELAWARE
RECEIVING PARTY DATA			
Name:	PNC BANK, NATIONAL ASSOCIATION		
Street Address:	1600 Market Street		
City:	Philadelphia		
State/Country:	PENNSYLVANIA		
Postal Code:	19103		
Entity Type:	National Banking Association: UNITED STATES		
PROPERTY NUMBERS Total: 18			
Property Type	Number	Word Mark	
Registration Number:	4389850	AMERICA'S BUILDING TOY	
Registration Number:	4214801	BUILDING WORLDS KIDS LOVE	
Registration Number:	3358001	IMAGINE BUILD PLAY	
Registration Number:	1777983	K'NEX	
Registration Number:	4537452	K'NEX	
Registration Number:	3189506	K'NEX	
Registration Number:	4551015	K'NEX EDUCATION	
Registration Number:	2744603	KID K'NEX	
Registration Number:	4468623	SNAPS TOGETHER, STAYS TOGETHER	
Registration Number:	2919653	X BATTLERS	
Registration Number:	3486462		
Registration Number:	3309839		
Registration Number:	4833588	BUILDING BIG IDEAS	
Registration Number:	4833587	MIGHTY MAKERS	
Registration Number:	4924145	BUILD AND BLAST	
Serial Number:	86371919	K FORCE BUILD AND BLAST	
Serial Number:	86372990	BEASTS ALIVE	
Registration Number:	4947560	K FORCE	

OP \$465.00 4389850

CORRESPONDENCE DATA**Fax Number:** 2158325619*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.***Phone:** 215-569-5619**Email:** pecsenye@blankrome.com**Correspondent Name:** Timothy D. Pecsénye**Address Line 1:** One Logan Square**Address Line 4:** Philadelphia, PENNSYLVANIA 19103**NAME OF SUBMITTER:** Timothy D. Pecsénye**SIGNATURE:** /Timothy D. Pecsénye/**DATE SIGNED:** 05/20/2016**Total Attachments: 23**

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TRADEMARK SECURITY AGREEMENT

This Trademark Security Agreement ("Agreement") is made as of the 18th day of May, 2016 by **K'NEX LIMITED PARTNERSHIP GROUP**, a limited partnership organized under the laws of the State of Delaware, having a mailing address at 2990 Bergey Road, Hatfield, PA 19440 ("Grantor") and delivered to **PNC BANK, NATIONAL ASSOCIATION**, as Lender, having a mailing address at 1600 Market Street, Philadelphia, PA 19103, Attn: Jason T. Sylvester ("Lender").

BACKGROUND

A. This Agreement is being executed in connection with that certain Revolving Credit, Term Loan and Security Agreement among Lender and Grantor, K'Nex Industries, LLC and Smart Brands International Co., LLC, as Borrowers, of even date herewith (as it may hereafter be amended, modified, restated or replaced from time to time, the "Credit Agreement"). Capitalized terms not defined herein shall have the meanings given to such terms in the Credit Agreement.

B. As security for all Obligations, Grantor is granting Lender a lien on and security interest in certain assets of Grantor associated with or relating to products leased, offered for sale, or sold by Grantor, namely, all of Grantor's trademarks, service marks, trade names, and other indicia of source, together with all of the goodwill associated therewith, under which Lender is entitled to foreclose or otherwise deal with such assets under the terms and conditions set forth in the Credit Agreement.

C. Grantor exclusively owns, has adopted, used and is using (or has filed applications for the registration of) the trademarks, service marks, trade names, and other indicia of source listed on Schedule "A" (with respect to trademarks, service marks, trade names, and indicia of source adopted and used in the United States) and on Schedule "B" (with respect to trademarks, service marks, trade names, and indicia of source adopted and used outside of the United States) attached hereto and made part hereof (all such marks, names, and corresponding registrations and applications for registration hereinafter referred to collectively as the "Trademarks").

D. Grantor and Lender desire to have the security interest of Lender in such Trademarks confirmed by a document identifying the same and in such form that it may be recorded in the United States Patent and Trademark Office or other appropriate trademark office.

NOW THEREFORE, with the foregoing Background hereinafter deemed incorporated by reference and made a part hereof, and in consideration of the premises and mutual promises herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. In consideration of and pursuant to the terms of the Credit Agreement and the Other Documents, and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure the payment and performance of all of the Obligations of Grantor under the Credit Agreement, Grantor grants a lien and security interest to Lender in all of its present and future right, title and interest in and to the Trademarks, together with all the

goodwill of Grantor associated with and represented by the Trademarks, and the application and registration thereof and the right (but not the obligation) to sue, to the extent such right is granted to Lender pursuant to the Credit Agreement, for past, present and future infringements, and the proceeds thereof, including, without limitation, license royalties and proceeds of infringement suits (collectively the "Trademark Collateral").

2. Grantor hereby covenants and agrees to maintain the Trademarks in full force and effect, (i) except as to discontinued set, model, or category trademarked names, the termination in due course of which Grantor determines will have no materially adverse affect upon the Trademark Collateral; provided, however, that no Trademarks based in whole or in part on the term, K'NEX, shall be allowed to abandon or expire without Lender's express written consent, not to be unreasonably withheld; or (ii) except to the extent otherwise provided by the Credit Agreement; and to otherwise perform all of its obligations and undertakings under this Agreement until all of the Obligations of Grantor are indefeasibly paid and satisfied in full and the Credit Agreement and the commitments of the Lender to make Advances under the Credit Agreement ("Revolving Credit Commitments") have been terminated.

3. Grantor represents, warrants and covenants to Lender that:

(a) To Grantor's knowledge, the Trademarks are subsisting and have not been adjudged invalid or unenforceable;

(b) To Grantor's knowledge, each of the Trademarks is registered (or in the process of application for registration) and is valid and enforceable;

(c) To Grantor's knowledge, Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, and each of the Trademarks is free and clear of any liens, claims, charges, encumbrances and licenses, including, without limitation, pledges, assignments, options, and covenants by Grantor not to sue third persons, other than Permitted Encumbrances;

(d) Grantor has the full right, power and authority to enter into this Agreement and to perform its terms;

(e) Grantor has complied with, and will continue for the duration of this Agreement to comply with, the requirements set forth in 15 U.S.C. §§ 1051-1127 and any other applicable statutes, rules and regulations in connection with its use and registration of the Trademarks;

(f) Grantor has used and will continue to use for the duration of this Agreement consistent standards of quality in services or products leased, offered for sale, or sold under the Trademarks, and hereby grants, to Lender and its employees and agents the right (with no obligation of any kind upon Lender to do so) to visit the business locations of Grantor and to inspect the use of the Trademarks and quality control records relating thereto during regular business hours to ensure the compliance of Grantor with this paragraph 3(f); and

(g) Grantor has no notice of any suits or actions commenced or threatened against it, or notice of claims or demands asserted or threatened against it, with reference to the Trademarks.

4. Grantor further covenants that:

(a) Until all of the Obligations of Grantor have been indefeasibly paid and satisfied in full and the Credit Agreement and Revolving Credit Commitments have been terminated, Grantor will not enter into any agreement which is inconsistent with the obligations of Grantor under this Agreement, the Obligations of Grantor under the Credit Agreement, or which may restrict or impair the rights or priorities of Lender hereunder.

(b) If Grantor acquires rights of ownership to any new trademarks not listed on **Schedule A or Schedule B** attached hereto (“Additional Trademarks”), then (i) the provisions of this Agreement shall be deemed to automatically apply thereto and such Additional Trademarks shall be deemed part of the Trademarks, (ii) Grantor shall give Lender written notice promptly upon its first use thereof and, where applicable, application date and registration date thereof, and (iii) Grantor shall promptly deliver to Lender with respect to such Additional Trademarks a Supplement to Trademark Security Agreement in the form attached hereto as **Exhibit II**, duly completed and executed by Grantor and accompanied by a fully completed **Schedule A-1 or Schedule B-1**, as applicable, with respect to such Additional Trademarks. Each such **Schedule A-1 and Schedule B-1** attached to each such Supplement to Trademark Security Agreement shall be incorporated and become a part of **Schedule A or Schedule B** attached hereto, as applicable, and all references to **Schedule A or Schedule B**, as applicable, contained in this Agreement shall be deemed, for all purposes, to also include each such **Schedule A-1 and Schedule B-1**.

5. So long as this Agreement is in effect and so long as Grantor has not received notice from Lender that an Event of Default has occurred and is continuing under the Credit Agreement and that Lender has elected to exercise its rights hereunder, (i) Grantor shall continue to have the right to use the Trademarks and (ii) Lender shall have no right to use the Trademarks or to issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Trademarks to anyone else.

6. Grantor agrees not to sell, grant any license, grant any option, assign or further encumber its rights and interest in the Trademarks without prior written consent of Lender or as may be expressly permitted under the Credit Agreement; provided, that Grantor may grant licenses of the Trademarks in the ordinary course of business.

7. Following the occurrence and during the continuance of an Event of Default under the Credit Agreement (including without limitation an Event of Default arising from any failure of Grantor to comply with any covenant or undertaking under this Agreement), Lender, as the holder of a security interest, under the Uniform Commercial Code, as now or hereafter in effect in the jurisdiction whose law governs the interpretation of the Credit Agreement, may take such action permitted under the Credit Agreement and Other Documents, hereunder or under any law, in its exclusive discretion, to record, foreclose upon or otherwise exercise its rights against the Trademarks covered hereby. For such purposes, and only upon the occurrence and during

the continuance of an Event of Default, Grantor hereby authorizes, appoints and empowers Lender, its successors and assigns, and any officer or agent of Lender as Lender may select, in its reasonable discretion, as the true and lawful attorney-in-fact of Grantor, with the power to endorse the name of Grantor on all applications, assignments, documents, papers and instruments necessary for Lender to record its interest in any Trademarks or Additional Trademarks in the United States Patent and Trademark Office, or other appropriate trademark office including, without limitation, the power to execute on behalf of Grantor a Supplement to Trademark Security Agreement, to use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to anyone else, or necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else including, without limitation, the power to execute on behalf of Grantor a trademark assignment in the form attached hereto as **Exhibit I**. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof following the occurrence and during the continuance of an Event of Default and otherwise in accordance with the terms hereof, except for the gross negligence or willful misconduct of such attorney. This power of attorney shall be irrevocable for the life of this Agreement, the Credit Agreement, Other Documents, and until all of the Obligations of Grantor are indefeasibly paid and satisfied in full and the Credit Agreement and the Revolving Credit Commitments are terminated.

8. This Agreement shall be subject to the terms, conditions and provisions set forth in the Credit Agreement and may not be modified without the written consent of the parties hereto.

9. All rights and remedies herein granted to Lender shall be in addition to any rights and remedies granted to Lender under the Credit Agreement and Other Documents and shall be cumulative. In the event of an inconsistency between this Agreement and the Credit Agreement, the Credit Agreement shall control.

10. Upon full and unconditional satisfaction and performance of all of the Obligations of Grantor and termination of the Credit Agreement and the Revolving Credit Commitments, Lender shall execute and deliver to Grantor all documents reasonably necessary to terminate the security interest of Lender in the Trademarks.

11. Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and reasonable legal expenses incurred by Lender in connection with the preparation and execution of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or costs otherwise incurred in protecting, maintaining, or preserving the Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks, or defending, protecting, enforcing or terminating the rights of Lender hereunder, in each case in accordance with the terms of this Agreement and the Credit Agreement and Other Documents, shall be borne and paid by Grantor on demand by Lender and until so paid shall be added to the principal amount of the Obligations of Grantor and shall bear interest at the rate then applicable to Revolving Advances from time to time under the Credit Agreement.

12. Subject to any applicable terms of the Credit Agreement, Grantor shall have the duty to prosecute diligently any trademark application with respect to the Trademarks pending as of the date of this Agreement or thereafter to preserve and maintain all rights in the Trademarks, except to the extent otherwise provided by the Credit Agreement, and upon the reasonable request of Lender, Grantor shall make federal or other appropriate application on registrable but unregistered trademarks belonging to Grantor. Any expenses incurred in connection with such applications with such applications shall be borne exclusively by Grantor. Grantor shall not abandon any Trademark without the prior written consent of the Lender, except to the extent otherwise permitted by the Credit Agreement.

13. Grantor shall have the right to bring suit in its own name to enforce the Trademarks, in which event Lender may, if Grantor reasonably deems it necessary, be joined at Grantor's sole expense as a nominal party to such suit if Lender shall have been satisfied, in its sole discretion, that it is not thereby incurring any risk of liability because of such joinder. Grantor shall promptly, upon demand, reimburse and indemnify Lender for all damages, costs and expenses, including reasonable attorneys' fees, and costs, incurred by Lender in the fulfillment of the provisions of this paragraph.

14. If an Event of Default has occurred and is continuing under the Credit Agreement, Lender may, without any obligation to do so, complete any obligation of Grantor hereunder, in the name of Grantor or in the name, of Lender, but at the expense of Grantor, and Grantor hereby agrees to reimburse Lender in full for all costs and expenses, including without limitation all reasonable attorneys' fees, incurred by Lender in protecting, defending and maintaining the Trademarks.

15. No course of dealing between Grantor and Lender nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder, shall operate as a waiver thereof, and all of the rights and remedies of Lender with respect to the Trademarks whether established hereby or by the Credit Agreement and Other Documents, or by any other future agreements between Grantor and Lender or by law, shall be cumulative and may be exercised singularly or concurrently.

16. The provisions of this Agreement are severable and the invalidity or unenforceability of any provision herein shall not affect the remaining provisions which shall continue unimpaired and in full force and effect.

17. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

18. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REFERENCE TO ITS CONFLICTS OF LAWS RULES. Any judicial proceeding brought by or against any Grantor with respect to this Agreement or any related agreement may be brought in any court of competent jurisdiction located in the State of New York, and, by execution and delivery of this Agreement, Grantor accepts for itself and in connection with its properties, generally and unconditionally, the non-exclusive jurisdiction of the aforesaid courts, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this

Agreement. Grantor hereby waives personal service of any and all process upon it and consents that all such service of process may be made by internationally recognized overnight courier directed to Grantor at its address set forth in Section 16.6 of the Credit Agreement and service so made shall be deemed completed when actually received by Grantor. Nothing herein shall affect the right to serve process in any manner permitted by law or shall limit the right of Lender to bring proceedings against Grantor in the courts of any other jurisdiction. Grantor waives any objection to jurisdiction and venue of any action instituted hereunder and shall not assert any defense based on lack of jurisdiction or venue or based upon forum non conveniens. Any judicial proceeding by Grantor against Lender involving, directly or indirectly, any matter or claim in any way arising out of, related to or connected with this Agreement or any related agreement, shall be brought only in a federal or state court located in the County of New York, State of New York.

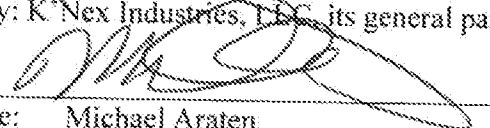
19. GRANTOR AND LENDER, BY ACCEPTANCE HEREOF, HEREBY EXPRESSLY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (A) ARISING UNDER THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH, OR (B) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF GRANTOR, LENDER OR ANY OF THEM WITH RESPECT TO THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH, OR THE TRANSACTIONS RELATED HERETO OR THERETO IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE AND GRANTOR AND LENDER, BY ACCEPTANCE HEREOF, HEREBY CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT GRANTOR AND/OR LENDER MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF GRANTOR AND LENDER TO THE WAIVER OF THEIR RESPECTIVE RIGHTS TO TRIAL BY JURY.

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IN WITNESS WHEREOF, and intending to be legally bound, the parties hereto have executed and delivered this Trademark Security Agreement the day and year first above written.

K'NEX LIMITED PARTNERSHIP GROUP

By: K'Nex Industries, LLC, its general partner

By: 

Name: Michael Araten

Title: President and Chief Executive Officer

Approved:

**PNC BANK, NATIONAL ASSOCIATION,
As Lender**

By:

Diane M. Shaak, Senior Vice President

[SIGNATURE PAGE TO TRADEMARK SECURITY AGREEMENT]

**TRADEMARK
REEL: 005799 FRAME: 0070**

IN WITNESS WHEREOF, and intending to be legally bound, the parties hereto have executed and delivered this Trademark Security Agreement the day and year first above written.

K'NEX LIMITED PARTNERSHIP GROUP

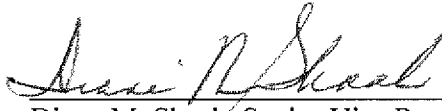
By: K'Nex Industries, LLC, its general partner

By: _____

Name: Michael Araten

Title: President and Chief Executive Officer

Approved:
PNC BANK, NATIONAL ASSOCIATION,
As Lender

By: 
Diane M. Shaak, Senior Vice President

[SIGNATURE PAGE TO TRADEMARK SECURITY AGREEMENT]

TRADEMARK
REEL: 005799 FRAME: 0071

CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA :
Commonwealth of PA : SS
COUNTY OF Montgomery :

On this 28 of April, 2016 before me personally appeared Michael Araten, to me known and being duly sworn, deposes and says that he is authorized to sign on behalf of K'NEX LIMITED PARTNERSHIP GROUP that he signed the Agreement attached hereto pursuant to the authority vested in him by law; that the within Agreement is the voluntary act of such limited liability company; and he desires the same to be recorded as such.

COMMONWEALTH OF PENNSYLVANIA
NOTARIAL SEAL
Johanna R. Barbin, Notary Public
Hatfield Township, Montgomery County
My Commission Expires May 15, 2016

Johanna R. Barbin
Notary Public

[ACKNOWLEDGEMENT TO SIGNATURE PAGE TO TRADEMARK SECURITY AGREEMENT]

TRADEMARK
REEL: 005799 FRAME: 0072

SCHEDULE A

<u>Mark</u>	<u>Country</u>	<u>Status</u>	<u>Registration Number</u>	<u>Date of Registration</u>
AMERICA'S BUILDING TOY	US	Registered	4,389,850	2013-08-20
BUILDING WORLDS KIDS LOVE	US	Registered	4,214,801	2012-09-25
IMAGINE BUILD PLAY (Stylized)	US	Registered	3358001	2007-12-18
K'NEX	US	ABANDONED	1,910,766	1995-08-08
K'NEX	US	Registered	1777983	1993-06-22
K'NEX	US	Registered	4,537,452	2014-05-27
K'NEX (Class 035)	US	Registered	3,189,506	2006-12-26
K'NEX EDUCATION	US	Registered	4,551,015	2014-06-17
KID K'NEX	US	Registered	2,744,603	2003-07-29
REAL BUILDERS	US	ABANDONED		
SNAPS TOGETHER, STAYS TOGETHER	US	Registered	4,468,623	2014-01-21
X BATTLERS	US	Registered	2919653	2005-01-18
X-Stud Design of K'Nex Brick (2D Version)	US	Registered	3486462	2008-08-12
X-Stud Design of K'Nex Brick (3D Version)	US	Registered	3309839	2007-10-09
K FORCE BUILD AND BLAST (logo design)	US	Pending		
BEASTS ALIVE	US	Pending		
BUILDING BIG IDEAS	US	Registered	4,833,588	10/13/2015
MIGHTY MAKERS	US	Registered	4,833,587	10/13/2015
K FORCE	US	Pending		
Build and Blast	US	Registered	4,924,145	3/22/2016

(Exhibit II to Trademark Security Agreement)

074658.16022/102199975v.2
074658.16022/102199975v.3

**TRADEMARK
REEL: 005799 FRAME: 0073**

Schedule B

<u>Mark</u>	<u>Country</u>	<u>Status</u>	<u>Registration Number</u>	<u>Date of Registration</u>
K'NEX	AR	Registered	2178166	2007-08-29
K'NEX	AT	Registered	145951	1993-02-16
K'NEX	AU	Registered	A587979	1995-01-10
K'NEX	BD	Allowed		
K'NEX	BM	ABANDONED	26647	1996-07-25
K'NEX	BR	Registered	816961271	1994-03-15
K'NEX	BX	Registered	522685	1992-11-10
K'NEX	BY	Registered	6596	1997-07-07
BUILDING WORLDS KIDS LOVE	CA	Registered	TMA 890,107	2014-11-17
K'NEX	CA	Registered	429,948	1994-07-01
K'NEX EDUCATION	Canada	Registered	927,977	2/2/2016
REAL BUILDERS	Canada	ABANDONED		
K FORCE BUILD AND BLAST (logo design)	Canada	Granted	TMA917,137	10/15/2015
BEASTS ALIVE	Canada	Granted	TMA916	10/5/2015
MIGHTY MAKERS	Canada	Pending		
BUILDING BIG IDEAS	Canada	Pending		
K'NEX	CH	Registered	402,148	1992-11-06
K'NEX	Chile	Registered	676,584	1993-09-03
BEASTS ALIVE	China	Pending		
K FORCE BUILD AND BLAST and design	China	Pending		
IMAGINE BUILD PLAY	CN	Registered	5769264	2009-12-14
K'NEX	CN	Registered	675,795	1994-01-28
K'NEX (Class 035)	CN	Registered	5514783	2010-03-16
K'NEX EDUCATION Logo (Class 009)	CN	Granted	13417282	1/28/2015
K'NEX EDUCATION Logo (Class 016)	CN	Pending		
K'NEX EDUCATION Logo (Class 028)	CN	Pending		
K'NEX in Chinese characters	CN	Registered	1,093,807	1997-09-07
K'NEX (Chinese Characters) (Class 009)	CN	Granted	13483683	2/7/2015
K'NEX (Chinese Characters) (Class 016)	CN	Granted	13483682	2/7/2015
K'NEX (Chinese Characters) (Class 028)	CN	Pending		

(Exhibit II to Trademark Security Agreement)

K'NEX EDUCATION (Chinese Characters) (Class 009)	CN	Granted	13483686	2/6/2015
K'NEX EDUCATION (Chinese Characters) (Class 016)	CN	Granted	13483685	2/6/2015
K'NEX EDUCATION (Chinese Characters) (Class 028)	CN	Pending		
K'NEX Logo (Class 009)	CN	Granted	13417278	1/28/2015
K'NEX Logo (Class 016)	CN	Pending		
K'NEX Logo (Class 028)	CN	Pending		
KID K'NEX	CN	Registered	4170803	2008-03-07
KID K'NEX in Chinese Characters	CN	Registered	4170802	2008-03-07
K'NEX	CO	Registered	152151	1994-02-14
K'NEX	CY	ABANDONED	41663	1995-01-13
K'NEX	CZ	Registered	183242	1995-03-06
K'NEX	DE	Registered	2051821	1992-10-28
K'NEX	DK	Registered	VR 1993 01996	1993-03-05
K'NEX	EC	Registered	1619-98	1998-03-23
K'NEX	Egypt	Registered	94016	1995-01-15
BEASTS ALIVE	EM (Europe)	Granted	13300868	2/16/2015
BUILDING WORLDS KIDS LOVE	Europe	Registered	009825795	2011-08-04
K'NEX	Europe	Registered	002991065	2004-07-12
K'NEX	Europe	Registered	000967489	1998-10-26
K'NEX (Class 035)	Europe	Registered	005202411	2006-07-17
K'NEX EDUCATION	Europe	Registered	12242152	1/18/2015
KID K'NEX	Europe	Registered	002673911	2002-04-25
X-Stud Design of K'Nex Brick (2D Version)	Europe	Registered	005568308	2008-01-24
X-Stud Design of K'Nex Brick (3D Version)	Europe	Registered	005487831	2008-01-03
K FORCE BUILD AND BLAST and design	Europe	Granted	13299491	2/16/2015
K'NEX	FI	Registered	214764	1999-07-15
K'NEX	FI	Registered	128635	2013-10-05
K'NEX	FR	Registered	92 445964	1992-12-14
K'NEX	GB	Registered	1,518,282	1992-08-10
K'NEX and Connector Design	GB	Registered	2,164,420	1998-10-16

(Exhibit II to Trademark Security Agreement)

074658.16022/102199975v.2
074658.16022/102199975v.3

TRADEMARK
REEL: 005799 FRAME: 0075

KEY ICON (Design Mark)	GB	Registered	2,164,439	2000-03-17
K'NEX	GE	Registered	5264	1997-05-01
K'NEX	GR	Registered	111801	1995-09-19
K'NEX	GT	Registered	097293	1999-08-10
K'NEX	HK	Registered	199407137	1992-11-09
K'NEX EDUCATION Logo (Color and Black/White Logo Series Mark	HK	Registered	302775772	2014-03-24
K'NEX (Simplified and Traditional Chinese Characters Series	HK	Registered	302788804	2014-04-16
K'NEX EDUCATION (Simplified and Traditional Chinese Characte	HK	Registered	302788813	2014-04-16
K'NEX Logo	HK	Registered	302775781	2014-03-24
K'NEX	Honduras	Registered	63.303	1995-10-31
BEASTS ALIVE	Hong Kong	Granted	303149569	5/27/2015
K FORCE BUILD AND BLAST and design	Hong Kong	Granted	303147840	9/25/2014
K'NEX	HU	Registered	137371	1992-11-18
K'NEX	ID	Registered	IDM000035067	1995-10-16
K'NEX	IE	Registered	151819	1992-11-17
K'NEX	IL	Registered	85550	1996-01-04
K'NEX (IN HEBREW)	IL	Registered	86846	1996-01-04
K'NEX	IN	Registered	586,225	1992-12-04
KID K'NEX	IN	Registered	1878731	2011-03-23
K'NEX	IR	ABANDONED	76080	1995-04-09
K'NEX	IT	Registered	0001524036	1995-08-04
K'NEX	JO	Registered	37580	1995-12-10
K'NEX	JP	Registered	4243856	1999-02-26
K'NEX (Class 035)	JP	Registered	5007664	2006-12-01
KID K'NEX	JP	Registered	4736600	2003-12-26
K'NEX	KR	Registered	400279252	1993-11-12
K'NEX and Design in English and Korean Characters (Classes 0	KR	Registered	4100786340000	2002-08-23
KID K'NEX	KR	Registered	4500105150000	2004-08-30
KID K'NEX (KOREAN)	KR	Registered	4500105160000	2004-08-30
K'NEX	KW	ABANDONED	28675	1999-04-26
K'NEX	Latvia	Registered	M 37 027	1997-04-20
K'NEX	LB	Registered	65253	1995-03-08

(Exhibit II to Trademark Security Agreement)

074658.16022/102199975v.2
074658.16022/102199975v.3

TRADEMARK
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K'NEX	LT	Registered	25211	1998-01-26
K'NEX	Morocco	Registered	55843	1995-01-31
K'NEX	MX	Registered	470,252	1992-12-23
K'NEX	MY	Registered	94007808	1997-12-24
K'NEX	Nicaragua	Registered	29434	1995-09-20
K'NEX	NO	Registered	160754	1993-12-23
K'NEX	NZ	Registered	223809	1996-05-07
K'NEX	PA	Registered	064519	1994-04-18
K'NEX	Peru	Registered	016,624	1995-06-22
K'NEX	PK	Registered	129473	1995-04-02
K'NEX	PL	Registered	79407	1992-11-16
K'NEX	PR	Registered	36,094	1995-03-10
K'NEX	PT	Registered	287,594	1994-08-02
K'NEX	PY	Registered	190999	1996-11-26
K'NEX	RO	Registered	2R019959	1996-06-05
K'NEX	RS	Registered	39729	
K'NEX	RU	Registered	120286	1994-09-13
K'NEX	SE	Registered	0249888	1993-06-18
K'NEX	SG	Registered	T9208484G	1992-08-10
K'NEX	SK	Registered	176,078	1995-10-26
K'NEX EDUCATION Logo	South Korea	Registered	40-1068612	11/6/2014
K'NEX Logo	South Korea	Registered	40-1068611	11/6/2014
K'NEX	SV	Registered	78 Book 40	1996-12-02
K'NEX	TA	ABANDONED	10257	1995-03-09
K'NEX	Thailand	Registered	30789	1995-06-28
K'NEX	TR	Pending		
K'NEX and Design	TR	Registered	183659	1998-08-18
K'NEX	TW	Registered	00596989	1993-05-01
K'NEX	UA	Registered	10486	1998-08-31
K'NEX	UY	Registered	275,085	1996-12-26
K'NEX	VE	Registered	P209098	1999-01-08
K'NEX	ZA	Registered	92/9649	1997-06-12
K'NEX	ZW	ABANDONED	494/95	1995-04-20

(Exhibit II to Trademark Security Agreement)

EXHIBIT I

ASSIGNMENT OF TRADEMARKS, TRADEMARK APPLICATIONS AND REGISTRATIONS

WHEREAS, K'NEX LIMITED PARTNERSHIP GROUP ("Grantor") is the exclusive owner of the United States trademarks, service marks, trade names, other indicia of source, and corresponding applications and registrations listed on **Schedule "A" or Schedule "B"** attached hereto and made a part hereof (the "Trademarks"), which are registered in the United States Patent and Trademark Office (with respect to Schedule A) or the trademark office of another jurisdiction or trademark authority (with respect to Schedule B); and

WHEREAS, _____ ("Grantee"), having a place of business at _____, is desirous of acquiring said Trademarks;

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound hereby, Grantor, its successors and assigns, does hereby transfer, assign and set over unto Grantee, its successors, transferees and assigns, all of its present and future right, title and interest in and to the Trademarks and all proceeds thereof and all goodwill associated therewith.

IN WITNESS WHEREOF, the undersigned has caused this Trademark Assignment to be executed as of the ___ day of _____, _____.

K'NEX LIMITED PARTNERSHIP GROUP

By: _____
Attorney-in-fact

COUNTY OF _____

:
:
:

SS

On this ____ day of _____, ____ before me, a Notary Public for the said County and State, personally appeared _____, known to me or satisfactorily proven to me to be attorney-in-fact on behalf of **K’NEX LIMITED PARTNERSHIP GROUP** (“Grantor”) and s/he acknowledged to me that s/he executed the foregoing Trademark Assignment on behalf of Grantor, and as the act and deed of Grantor for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My Commission Expires:

POWER OF ATTORNEY

K'NEX LIMITED PARTNERSHIP GROUP (“Grantor”), hereby authorizes PNC BANK, NATIONAL ASSOCIATION, its successors and assigns, and any officer or agent thereof (collectively, “Lender”), under the Revolving Credit, Term Loan and Security Agreement among Lender, and Grantor, K'NEX Industries, LLC and Smart Brands International Co., LLC, as Borrowers, of even date herewith (as it may hereafter be amended, modified, restated or replaced from time to time, the “Credit Agreement”), following the occurrence and during the continuance of an Event of Default (as defined in the Credit Agreement) as the true and lawful attorney-in-fact of Grantor, with the power to endorse the name of Grantor on all applications, assignments, documents, papers and instruments necessary for Lender to enforce and effectuate its rights under a certain Trademark Security Agreement between Grantor and Lender dated the date hereof (as it may hereafter be supplemented, restated, superseded, amended or replaced, the “Trademark Agreement”), including, without limitation, the power to record its interest in any Trademarks (as defined in the Trademark Agreement) or Additional Trademarks (as defined in the Trademark Agreement) in the United States Patent and Trademark Office or other appropriate trademark office including, without limitation, the power to execute on behalf of Grantor a supplement to Trademark Security Agreement, to use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to anyone else, or to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else including, without limitation, the power to execute on behalf of Grantor a trademark assignment, in each case subject to the terms of the Trademark Agreement. Nothing herein contained shall obligate Lender to use or exercise any rights granted herein.

This Power of Attorney is given and any action taken pursuant hereto is intended to be so given or taken pursuant to and subject to the provisions of the Credit Agreement.

Grantor hereby unconditionally ratifies all that such attorney shall lawfully do or cause to be done following the occurrence and during the continuance of an Event of Default by virtue hereof and in accordance with the terms of the Trademark Agreement, the Credit Agreement and the Other Documents.

This Power of Attorney shall be irrevocable for the life of the Trademark Agreement.

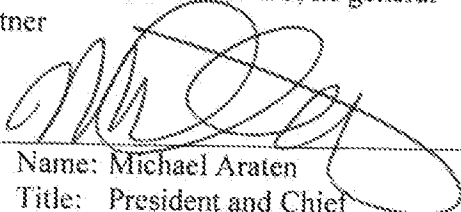
(Power of Attorney to Trademark Security Agreement)

IN WITNESS WHEREOF, the Grantor has executed this Power of Attorney, this ____ day
of _____, 2016

**K'NEX LIMITED PARTNERSHIP
GROUP**

By: K'Nex Industries, L.L.C, its general
partner

By: _____


Name: Michael Araten
Title: President and Chief
Executive Officer

[POWER OF ATTORNEY TO TRADEMARK SECURITY AGREEMENT]

**TRADEMARK
REEL: 005799 FRAME: 0081**

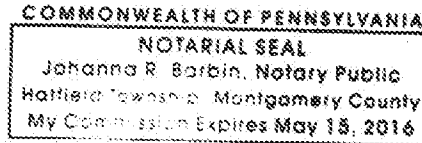
CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA :
Commonwealth of Pennsylvania : SS
COUNTY OF Montgomery :

On this 26 of April, 2016 personally appeared Michael Araten, to me known and being duly sworn, deposes and says that he is authorized to sign on behalf of K'Nex Limited Partnership Group, the limited partnership described in the foregoing Power of Attorney; that he signed the Power of Attorney pursuant to the authority vested in her by law; that the within Power of Attorney is the voluntary act of such limited liability company; and he desires the same to be recorded as such.

Johanna R. Barbin
Notary Public

My Commission Expires:



[ACKNOWLEDGEMENT TO POWER OF ATTORNEY TO TRADEMARK SECURITY AGREEMENT]

TRADEMARK
REEL: 005799 FRAME: 0082

EXHIBIT II
Supplement to Trademark Security Agreement

This Supplement to Trademark Security Agreement ("Supplement"), dated [_____, _____], is entered into by **K'NEX LIMITED PARTNERSHIP GROUP**, a limited partnership organized under the laws of the State of Delaware, having a mailing address at _____ ("Grantor") and delivered to **PNC BANK, NATIONAL ASSOCIATION**, as Lender, having a mailing address at 1600 Market Street, Philadelphia, PA 19103, Attn: Jason T. Sylvester ("Lender") under the Credit Agreement (as defined below).

Background

A. This Supplement is being delivered in connection with that certain Revolving Credit, Term Loan and Security Agreement dated April __, 2016 among Lender and Grantor, K'NEX Industries, LLC and Smart Brands International Co., LLC, as Borrowers (as it may hereafter be amended, modified, restated or replaced from time to time, the "Credit Agreement"), and that certain Trademark Security Agreement, dated as of the date of the Credit Agreement, by and between Grantor and Lender (as it may have been and hereafter be amended, supplemented, restated, replaced, or otherwise modified from time to time, the "Trademark Security Agreement"). Capitalized terms used but not defined herein shall have the respective meanings given to such terms in, or by reference in, the Trademark Security Agreement.

B. Pursuant to the Credit Agreement and the Trademark Security Agreement, Grantor granted to Lender as collateral security for the Obligations a lien on and security interest in all of the Trademarks of Grantor (as defined therein).

C. Grantor has acquired certain additional trademarks, service marks, trade names, indicia of source, and corresponding applications and registrations in connection therewith, as set forth on **Schedule A-1/Schedule B-1** attached hereto and made part hereof (collectively, "Additional Trademarks"). Grantor and Lender desire to execute this Supplement for the purpose of, inter alia, granting, ratifying and confirming the lien and security interest of Lender on and in the Additional Trademarks, as more fully set forth in the Trademark Security Agreement, and for recording in the United States Patent and Trademark Office or other appropriate trademark office.

NOW THEREFORE, with the foregoing Background hereinafter deemed incorporated by reference and made a part hereof, and for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Grantor, intending to be legally bound hereby, covenants and agrees as follows:

1. In consideration of and pursuant to the terms of the Credit Agreement and Other Documents, and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure the Obligations, Grantor grants a lien and security interest to Lender, in all of its present and future right, title and interest in and to the Additional Trademarks, together with all the goodwill of Grantor associated with and represented by the Additional Trademarks, and the application and registration thereof and the right (but not the

(Exhibit II to Trademark Security Agreement)

obligation) to sue for past, present and future infringements, and the proceeds thereof, including, without limitation, license royalties and proceeds of infringement suits, subject to the terms of the Credit Agreement and the Trademark Security Agreement.

2. Grantor acknowledges and confirms that the rights and remedies of Lender with respect to the security interest in the Additional Trademarks granted hereby are more fully set forth in the Credit Agreement and the Trademark Security Agreement, the terms and provisions of which are incorporated herein by reference. All references to the Trademark Security Agreement contained in the Credit Agreement or Other Documents shall be deemed, for all purposes, to also refer to and include this Supplement.

3. **Schedule A/Schedule B** to the Trademark Agreement is hereby supplemented by the information contained on **Schedule A-1/Schedule B-1** attached hereto. All references to **Schedule A/Schedule B** contained in the Credit Agreement, Trademark Security Agreement or Other Documents shall be deemed, for all purposes, to also refer to and include **Schedule A-1/Schedule B-1**.

4. Except as expressly amended by this Supplement, all of the terms, conditions and provisions of the Credit Agreement and the Trademark Security Agreement are hereby ratified and continue unchanged and remain in full force and effect.

5. This Supplement 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. Signature by facsimile shall also bind the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Supplement on the day and year first above written.

K'NEX LIMITED PARTNERSHIP GROUP

By: K'Nex Industries, LLC,
its general partner

By: _____

Name: _____

Title: _____

(Exhibit II to Trademark Security Agreement)

Acknowledged and accepted:

PNC BANK, NATIONAL ASSOCIATION,
as Lender

By: _____

Name: _____

Title: _____

(Exhibit II to Trademark Security Agreement)

CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA :
_____ : SS
COUNTY OF _____ :

On this [___ day of _____, 200__], before me personally appeared _____, who being duly sworn, deposes and says that he/she is authorized to sign on behalf of **K’NEX LIMITED PARTNERSHIP GROUP**, the limited partnership described in the foregoing document, that he/she in such capacity is authorized to execute on behalf of the said limited partnership the foregoing document for the purposes contained therein, and that he/she is the person whose name and signature is subscribed to the foregoing document.

Notary Public

My Commission Expires: