FORM PTO-1618A
Expires 06/30/99
OMB 0651-0027

09-22-2000

101466378

U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

9-5-00

- [x] New
- [ ] Resubmission (Non-Recordation) Document ID #
- [ ] Correction of PTO Error Reel # Frame #
- [ ] Corrective Document Reel # Frame #

Conveyance Type

- [ ] Assignment
- [ ] License
- [x] Security Agreement
- [ ] Nunc Pro Tunc Assignment
- [ ] Merger
- [ ] Change of Name
- [ ] Other

Effective Date Month Day Year

Conveying Party

[ ] Mark if additional names of conveying parties attached

Execution Date Month Day Year: 06301999

Name: MICHAELS OF OREGON CO.

Formerly:

- [ ] Individual
- [ ] General Partnership
- [ ] Limited Partnership
- [x] Corporation
- [ ] Association
- [ ] Other
- [x] Citizenship/State of Incorporation/Organization: OREGON

Receiving Party

[ ] Mark if additional names of receiving parties attached

Name: U.S. BANK NATIONAL ASSOCIATION

DBA/AKA/TA:

Composed of:

Address (line 1): COMMERCIAL LOAN SERVICING, PL-7

Address (line 2): 555 S.W. OAK STREET

Address (line 3): PORTLAND (City) OR (State/Country) 97204 (Zip Code)

- [ ] Individual
- [ ] General Partnership
- [ ] Limited Partnership
- [ ] Corporation
- [ ] Association
- [x] Other: NATIONAL BANKING ASSOCIATION
- [ ] Citizenship/State of Incorporation/Organization:

[ ] If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. *(Designation must be a separate document from Assignment.)*

09/21/2000 DNGUYEN 00000114 75459983

FOR OFFICE USE ONLY

01 FC:481 40.00 OP
02 FC:482 850.00 OP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number (503) 224-5858

Name DUSTIN R. KLINGER

Address (line 1) MILLER NASH LLP

Address (line 2) 3500 U.S. BANCORP TOWER

Address (line 3) 111 S.W. FIFTH AVENUE

Address (line 4) PORTLAND, OR 97204-3699

Pages

Enter the total number of pages of the attached conveyance document including any attachments. # 4

Trademark Application Number(s) or Registration Number(s)

[X] Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)			Registration Number(s)		
75459983	75528111	75651770	1165464	874972	1331803
75456704	75534446	75679855	1141729	1137525	893980
75520065	75650029		1330706	1275064	1136550

Number of Properties

Enter the total number of properties involved. # 35

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41): $ 890.00

Method of Payment: Enclosed [X] Deposit Account [ ]

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number: # 13-3571

Authorization to charge additional fees: Yes [ ] No [X]

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

DUSTIN R. KLINGER

Name of Person Signing | Signature | Date Signed

FORM PTO-1618C
Expires 06/30/99
OMB 0651-0027

RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY

U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK

Conveying Party

Enter Additional Conveying Party

☐ Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

☐ Individual ☐ General Partnership ☐ Limited Partnership ☐ Corporation ☐ Association

☐ Other

☐ Citizenship State of Incorporation/Organization

Receiving Party

Enter Additional Receiving Party

☐ Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City State/Country Zip Code

☐ Individual ☐ General Partnership ☐ Limited Partnership

☐ Corporation ☐ Association

☐ Other

☐ If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached *(Designation must be a separate document from the Assignment.)*

☐ Citizenship/State of Incorporation/Organization

Trademark Application Number(s) or Registration Number(s)

☐ Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)			Registration Number(s)		
			1615616	2120971	1667514
			1574754	2168875	1673345
			134375	2185288	1686292
			1336592	2063299	2174085
			1482288	1489242	1704816
			1490105	2219277	1655508

TRADEMARK SECURITY AGREEMENT
IN UNITED STATES TRADEMARKS

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged, Michaels of Oregon Co., an Oregon Corporation (the "Debtor"), whose address is P.O. Box 1690, Oregon City, Oregon 97405, hereby grants to U.S. BANK NATIONAL ASSOCIATION, Commercial Loan Servicing, PL-7, 555 S.W. Oak, Portland, Oregon, 97204, ("Lender") a security interest in all of Debtor's right, title and interest in and to (a) the United States trademarks and trademark applications set forth on attached Schedule I; (b) the goodwill associated therewith; (c) all renewals thereof; (d) all rights to income, royalties, profits, awards, damages or other rights relating thereto, including, without limitation, the right to sue for past, present or future infringement; (e) all licenses and agreements, written or oral, providing for the grant by or to Grantor of any right to use any trademark; and (f) all proceeds thereof (collectively, the "Trademarks").

THIS TRADEMARK SECURITY AGREEMENT is made to secure the full and prompt performance and payment of all the Secured Obligations of the Debtor, as such term is defined in the Security Agreement, dated as of June 30, 1999, among the Debtor and Lender (as amended, supplemented or modified from time to time, the "Security Agreement"). Upon termination of Lender's security interest, Lender shall execute, acknowledge, and deliver to the Debtor an instrument in writing releasing the security interest in the Trademarks acquired under this TRADEMARK SECURITY AGREEMENT.

THIS TRADEMARK SECURITY AGREEMENT is entered into in conjunction with the security interest granted to the Lender under the Security Agreement. The rights and remedies of the Lender with respect to the security interest granted herein are without prejudice to, and are in addition to, those set forth in the Security Agreement, all terms and provisions of which are incorporated herein by reference. In the event that any provision of this Agreement is deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall govern.

IN WITNESS WHEREOF, the undersigned have executed this Trademark Security Agreement as of the 30th day of June, 1999.

MICHAELS OF OREGON CO.

By: Dennis T. Pixton
Title: President + CEO

STATE OF OREGON)
) ss
COUNTY OF Multnomah

This instrument was acknowledged before me on this 30th day of June, 1999, by Dennis T. Pixton as President + CEO of Michaels of Oregon Co.

Vicki Lee Kryszak
Notary Public for Oregon
My commission expires: 8/10/2002

OFFICIAL SEAL
VICKI LEE KRYSZAK
NOTARY PUBLIC-OREGON
COMMISSION NO. 314270
MY COMMISSION EXPIRES AUG 10, 2002

PDXDOCS:1093461.1

SCHEDULE I

INTANGIBLE ASSETS

TRADEMARKS AND TRADEMARK INFORMATION

Mark	Serial No. or Registration No.	Registration or Filing Date
HOT SHOT	1,165,464	8/18/1981
QD	1,141,729	11/25/1980
QD	1,330,706	4/16/1985
UNCLE MIKE'S	874,972	8/19/1969
UNCLE MIKE'S	1,137,525	7/8/1980
UNCLE MIKE'S	1,275,064	4/24/1984
UNCLE MIKE'S	1,331,803	4/23/1985
MICHAELS	893,980	7/7/1970
SLINGER	1,336,550	5/21/1985
SWIVELOCK	1,615,616	10/2/1990
SUPER SWIVEL	1,574,754	1/2/1990
SIDEKICK	1,324,375	3/12/1985
MAKING GOOD GUNS BETTER	1,336,592	5/21/1985
MICHAELS OF OREGON CO. UNCLE MIKE'S and Design	1,482,288	3/29/1988
GUNRUNNER	1,704,816	8/4/1992
MIRAGE	2,219,277	1/19/1999
MIRAGE	2,120,971	12/16/1997
PRO-PAK	2,168,875	6/30/1998

GUN MATE	2,185,288	9/1/1998
PRO-3	2,063,299	5/20/1997
LIGHTNING LOADER	1,489,242	5/24/1988
QUICK LOADER	1,490,105	5/31/1988
HOT LIPS	1,655,508	9/3/1991
MINI BINO	1,667,514	12/10/1991
BUTLER CREEK	1,673,345	1/28/1992
POLY-PATCH	1,686,292	5/12/1992
GUNMATE	75/456,704	3/26/1998
ULTRA	75/520,065	7/16/1998
MOUNTAINS AND A MAN ON A HORSE Design	75/528,111	7/30/1998
SIDEKICK PROFESSIONAL and Design	75/534,446	8/11/1998
PRO-4	75/650,029	3/1/1999
PRO-5	75/651,770	3/2/1999
HOT LEGS	75/679,855	4/8/1999
SIDEKICK	75/459,983	3/13/1998
WORLD'S FASTEST GUN BORE CLEANER	2,174,085	7/14/1998

TRADEMARK

RECORDED: 09/05/2000

REEL: 002144 FRAME: 0119