04-12-2002 

Form **PTO-1595** 

U.S. DEPARTMENT OF COMMERCE

	U.S. Patent and Trademark Office				
OMB No. 0651-0027 (exp. 5/31/2002)  Tab settings ⇔ ⇔ ♥	102053367				
	and Trademarks: Please record the attached original documents or copy thereof.				
Name of conveying party(ies):	Name and address of receiving party(ies)				
Hasbro, Inc.	Name: Fleet National Bank, as Agent				
	a 27				
Oddson, Inc.	Internal Address: Attn: John O'Loughlin				
Additional name(s) of conveying party(ies) attached?	Yes No				
3. Nature of conveyance:					
Assignment Mer	ger 100 Federal Street				
Security Agreement Cha	Street Address: 100 Federal Street  nge of Name				
Other					
	City: Boston State: MA Zip: 02110				
3/19/02 Execution Date:					
Application number(s) or patent number					
	vith a new application, the execution date of the application is:ee  B. Patent No.(s) Please see				
A. Patent Application No.(s) Please so	O. I. I. I. D. otto-de-ad-homoto				
Schedule A attached hereto.					
Ade	ditional numbers attached? Ves No				
5. Name and address of party to whom co					
concerning document should be mailed:	7. Total fee (37 CFR 3.41)\$480.00				
Name: Bingham Dana LLP					
Attn: Bao-Quoc Nguy Internal Address:					
	Authorized to be charged to deposit account				
	8. Deposit account number:				
Street Address:					
City: Boston State: MA Zip: 021	10 6.				
DO NOT USE THIS SPACE					
9. Signature.					
9. SIGNATURE 00000228 09880020	(6. )				
501 480.00 DP	March 19, 2002				
Bao-Quoc Nguyen	Signature Date				
Name of Person Signing	pages including cover sheet, attachments, and documents: 33				
(grai number of	properties with required cover sheet information to:				

Commissioner of Patents & Trademarks, Box Assignments Washington, D.C. 20231

# **SCHEDULE A**

# **Patent Application Numbers**

09/880020

09/985650

09/761937

09/932776

29/149361

BUSDOCS:1098010.1

# **SCHEDULE B**

# **Patent Numbers:**

D362280

5727985

5919075

6106362

6039626

6095890

6257948

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# AMENDED AND RESTATED PATENT SECURITY AGREEMENT

(Applications)

This AMENDED AND RESTATED PATENT SECURITY AGREEMENT, dated as of March 19, 2002 (this "Patent Agreement"), is by and among (a) HASBRO, INC., a Rhode Island corporation having its principal place of business at 1027 Newport Avenue, Pawtucket, Rhode Island 02861-2500 (the "Company"), (b) WIZARDS OF THE COAST, INC., a Washington corporation having its principal place of business at 1801 Lind Ave SW, Renton, Washington 98055 ("Wizards"), (c) ODDZON, INC., a Delaware corporation having its principal place of business at 1027 Newport Avenue, Pawtucket, Rhode Island 02861-2500 ("OddzOn", and together with Wizards, the "Subsidiaries" and collectively with the Company, the "Grantors" and each individually, a "Grantor"), and (d) FLEET NATIONAL BANK, a national banking association having an office at 100 Federal Street, Boston, MA 02110, as agent (hereinafter, in such capacity, the "Agent") for itself and other lending institutions (hereinafter, collectively, the "Banks") which are, or may in the future become, parties to a Second Amended and Restated Revolving Credit Agreement, dated as of March 19, 2002 (as amended and in effect from time to time, the "Credit Agreement"), among the Company, Hasbro SA, the Banks and the Agent.

WHEREAS, the Subsidiaries, the Company and Hasbro SA are members of a group of related entities, the success of any one of which is dependent in part on the success of the other members of such group;

WHEREAS, each of the Subsidiaries expects to receive substantial direct and indirect benefits from the extensions of credit to the Company and Hasbro SA by the Banks pursuant to the Credit Agreement (which benefits are hereby acknowledged);

WHEREAS, the Grantors are party to that certain Patent Security Agreement (Applications), dated as of February 16, 2001 (as amended and in effect from time to time, the "Existing Patent Agreement");

WHEREAS, the Company has requested that the Amended and Restated Revolving Credit Agreement, dated as of February 16, 2001 (as amended and in effect from time to time, the "Existing Credit Agreement"), by and among the Company, Hasbro SA, the Banks and the Agent be amended and restated in its entirety pursuant to the terms of the Credit Agreement;

WHEREAS, each of the Subsidiaries has executed and delivered to the Agent, for the benefit of the holders of Secured Obligations, a Second Amended and Restated Guaranty, dated as of even date herewith (as amended and in effect from time to time, the "Guaranty"), pursuant to which each of the Subsidiaries has guaranteed to the Agent and the Banks the payment and performance of the Secured Obligations to the Banks and the Agent under or in respect of the Credit Agreement;

WHEREAS, each of the Subsidiaries has executed and delivered to the Agent, for the benefit of the holders of Secured Obligations, a Second Amended and Restated

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Security Agreement, dated as of even date herewith (as amended and in effect from time to time, the "Subsidiary Security Agreement") to secure the obligations under the Guaranty;

WHEREAS, the Company has executed and delivered to the Agent, for the benefit of the holders of Secured Obligations, a Second Amended and Restated Security Agreement, dated as of even date herewith (as amended and in effect from time to time, the "Company Security Agreement", together with the Subsidiary Security Agreement, the "Security Agreements") to secure the Secured Obligations under the Credit Agreement;

WHEREAS, it is a condition precedent to the Agent's and the Bank's willingness to amend and restate the Existing Credit Agreement and the Agent and the Banks making Loans or otherwise extending credit to the Company and Hasbro SA under the Credit Agreement that each Grantor amend and restate the Existing Patent Agreement, to, among other things, (i) confirm and ratify such Grantor's grant to the Agent under the Existing Patent Agreement of a continuing security interest in the Patent Collateral (as defined therein), and (ii) provide a grant of and security interest in the Patent Collateral (as defined herein), in each case to secure the payment and performance of the Secured Obligations (as defined in the Credit Agreement); and

WHEREAS, this Patent Agreement is supplemental to the provisions contained in the Security Agreements;

NOW, THEREFORE, in consideration of the premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, in order to induce the Banks to amend and restate the Existing Credit Agreement as aforesaid and to make loans or otherwise extend credit to the Company and Hasbro SA under the Credit Agreement, each Grantor agrees with the Agent, for the benefit of the Banks, that the Existing Patent Agreement be, and the same hereby is amended and restated in its entirety as follows (and, in the case of attachments, in the forms attached hereto):

### 1. DEFINITIONS.

Capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Credit Agreement and the Security Agreements. In addition, the following terms shall have the meanings set forth in this §1 or elsewhere in this Patent Agreement referred to below:

<u>Patent Agreement</u>. This Amended and Restated Patent Security Agreement (Applications), as amended and in effect from time to time.

<u>Patent Collateral</u>. All of each of the Grantors' right, title and interest in and to all of the Patents, the Patent License Rights, and all other Patent Rights, and all additions, improvements, and accessions to, all substitutions for and replacements of, and all

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products and Proceeds (including insurance proceeds) of any and all of the foregoing, and all books and records relating thereto.

Patent License Rights. All rights of each of the Grantors in all written licensing agreements from such Grantor to any unaffiliated person to the extent that such agreement grants such person a right to use or license any Patents, owned by such Grantor in its own name, including the right in the name of such Grantor to enforce, and sue and recover for, any past, present or future breach or violation of any such agreement subject, in each case, to the terms of such licensing agreements, and the right to prepare for sale, sell and advertise for sale, all inventory now or hereafter covered by such licensing agreements.

<u>Patent Rights</u>. Any and all rights of each of the Grantors in and to the Patents, including but not limited to the following: the right (but not the obligation) to sue or bring proceedings in the name of such Grantor for any and all past, present and future infringements of the Patents or the Patent Rights, and the rights to damages or profits due or accrued arising out of or in connection with any such past, present or future infringement, damage or injury; and the Patent License Rights.

<u>Patents</u>. All U.S. patent applications that are owned by each of the Grantors in such Grantor's own name, now or in the future, in all cases relating exclusively to the brands Action Man, Monopoly, Mr. Potato Head, Tonka, Lincoln Logs, Yahtzee, Clue and GI Joe (the "<u>Identified Brands</u>") including but not limited to:

- (a) the U.S. patent applications, including without limitation, the U.S. patent applications listed on <u>Schedule A</u> hereto (as the same may be amended pursuant hereto from time to time);
- (b) all U.S. patents issuing therefrom, and any re-issues, continuations, divisions, continuations-in-part, renewals or extensions thereof; and
- (c) the right (but not the obligation) to make and prosecute applications for such Patents.

<u>Proceeds</u>. Any consideration received by each of the Grantors from the sale, exchange, license, lease or other disposition or transfer of any right, interest, asset or property which constitutes all or any part of the Patent Collateral, any value received by each of the Grantors as a consequence of the ownership, possession, use or practice of any Patent Collateral, and any payment received by each of the Grantors from any insurer or other person or entity as a result of the destruction or the loss, theft or other involuntary conversion of whatever nature of any right, interest, asset or property which constitutes all or any part of the Patent Collateral.

PTO. The United States Patent and Trademark Office.

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### 2. GRANT OF SECURITY INTEREST.

Each of the Grantors hereby confirms that, pursuant to the Existing Patent Agreement, such Grantor granted to the Agent (subject to existing licenses granted by the Grantors in the ordinary course of business), for the benefit of the holders of Secured Obligations (as defined in the Existing Security Agreement), a continuing security interest in all of such Grantor's right, title or interest in the Patent Collateral (as defined in the Existing Patent Agreement). To secure the payment and performance in full of all of the Secured Obligations, each of the Grantors hereby ratifies, restates and reaffirms such grant and security interest, and hereby grants to the Agent (subject to existing licenses granted by the Grantors in the ordinary course of business), for the benefit of the holders of Secured Obligations, a continuing security interest in all of such Grantor's right, title or interest in the Patent Collateral (as defined herein). NEITHER THE AGENT NOR ANY OF THE BANKS ASSUMES ANY LIABILITY ARISING IN ANY WAY BY REASON OF ITS SECURITY INTEREST. For the avoidance of doubt, the word "exclusively" in the definition of Patents is intended to exclude U.S. patent applications that are not solely related to the brands specifically included in the definition of Identified Brands. A combination of patent applications covering products bearing brands not specifically referenced in the definition of Identified Brands with the Patents shall not cause a Patent to cease being a Patent or release the security interest granted therein.

### 3. REPRESENTATIONS, WARRANTIES AND COVENANTS.

- 3.1. Patents. Each of the Grantors represents, warrants and covenants solely with respect to Patent Collateral owned by such Grantor in its own name that: (i) Schedule A attached hereto sets forth a true and complete list of all the U.S. patent applications now owned by such Grantor relating exclusively to the Identified Brands; (ii) to the best of such Grantor's knowledge, there is no infringement by others of the Patents or the Patent License Rights that would reasonably be expected to have a Material Adverse Effect; (iii) no claim has been made that the use of any of the Patents does or may violate the rights of any third person, and to the best of such Grantor's knowledge the use of any of the Patents does not infringe the patent rights of others, other than claims or infringements that would not reasonably be expected to have a Material Adverse Effect; (iv) such Grantor owns each of the Patents free and clear of any Liens other than (A) Permitted Liens and (B) the security interest created by the Security Agreements and this Patent Agreement; and (v) such Grantor has the right to enter into this Patent Agreement and perform its terms.
- 3.2. Perfected First Priority Liens. The Company represents and warrants that (i) the filing, acceptance and recordation of this Patent Agreement in the PTO and the filing, acceptance and recordation of the financing statements delivered by each of the Grantors on the Effective Date in the appropriate jurisdictions, will create or continue in favor of the Agent, for the benefit of the holders of Secured Obligations, a valid and perfected first priority security interest (subject only to Permitted Liens entitled to priority under applicable law) in the U.S. patent applications listed on Schedule A; and (ii) except for the filing, acceptance and recording of the financing statements delivered

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by each of the Grantors on the Effective Date in the appropriate jurisdictions and the recording of this Patent Agreement with the PTO, and any necessary filings of future financing statements or filings with the PTO in accordance with applicable law, no authorization, approval or other action by, and no notice to or filing with, any governmental or regulatory authority, agency or office is required for the grant by such Grantor or the effectiveness of the security interest granted hereby or for the execution, delivery and performance of this Patent Agreement by such Grantor. In addition, the Company covenants and agrees that, at any time during the continuance of an Event of Default, the Company shall execute and deliver such documents or instruments as the Agent may reasonably request to preserve and protect the Agent's perfected first priority security interest (subject only to Permitted Liens entitled to priority under applicable law) on the Patent Collateral.

### 4. NO TRANSFER OR INCONSISTENT AGREEMENTS.

Without the Agent's prior written consent and except for licenses of the Patent Collateral in the ordinary course of the Grantors' businesses and permitted dispositions under §10.5.2 of the Credit Agreement, none of the Grantors will (i) mortgage, pledge, assign, encumber, grant a security interest in, transfer, license or alienate any of the Patent Collateral, or (ii) enter into any agreement (for example, a license agreement) that is inconsistent with such Grantor's obligations under this Patent Agreement or the Security Agreements.

### 5. AFTER-ACQUIRED PATENTS, ETC.

5.1. After-acquired Patents. If, before the Secured Obligations shall have been finally paid and satisfied in full, any of the Grantors shall obtain any ownership interest in or to any other or new U.S. patent applications or U.S. patentable inventions relating exclusively to the Identified Brands, or any reissue, division, continuation, renewal, extension, or continuation-in-part of any of the Patent Collateral or any improvement on any of the Patent Collateral in such Grantor's name, the provisions of this Patent Agreement shall automatically apply thereto and such Grantor shall promptly give to the Agent notice thereof in writing and execute and deliver to the Agent such documents or instruments as the Agent may reasonably request further to grant to the Agent a security interest therein, for the benefit of the holders of Secured Obligations.

# 5.2. Amendment to Schedule.

Each of the Grantors authorizes the Agent to modify this Patent Agreement, without the necessity of any of the Grantors' further approval or signature, by amending Schedule A hereto to include any future or other Patents or Patent Rights (other than issued U.S. patents) under §2 or §5 hereof.

# 6. PATENT PROSECUTION.

**6.1.** <u>Grantors Responsible</u>. Each of the Grantors shall assume full and complete responsibility for the prosecution, grant, enforcement or any other necessary or desirable

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actions in connection with the Patent Collateral, and shall hold the Agent and the Banks harmless from any and all costs, damages, liabilities and expenses which may be incurred by the Agent or any of the Banks in connection with the Agent's security interest in any of the Patent Collateral or any other action or failure to act in connection with this Patent Agreement or the transactions contemplated hereby.

- 6.2. Grantors' Duties, etc. Each of the Grantors shall have the duty, to prosecute diligently any U.S. patent applications of the Patents pending as of the date of this Patent Agreement or thereafter, to make application in the U.S. for unpatented but reasonably patentable inventions and to preserve and maintain all rights in the Patents, including without limitation the payment when due of all maintenance fees and other fees, taxes and other expenses which shall be incurred or which shall accrue with respect to any of the Patents, except in each case in which such Grantor has reasonably determined that any of the foregoing is either not of material economic value or not of material strategic value to such Grantor. Any expenses incurred in connection with such applications and actions shall be borne by the Grantors. None of the Grantors shall abandon any U.S. patent applications, unless such Grantor has determined such application is either not of material economic value or not of material strategic value to it, without the consent of the Agent, which consent shall not be unreasonably withheld.
- 6.3. Protection of Patents, etc. In general, each of the Grantors shall have the right to take any and all such actions (including but not limited to institution and maintenance of suits, proceedings or actions) as may be legally permitted and necessary or reasonably appropriate to properly maintain, protect, preserve, care for and enforce the Patent Collateral owned by such Grantor in its own name. None of the Grantors shall take or fail to take any action, nor permit any action to be taken or not taken by others under such Grantor's control, which would materially adversely affect the validity, grant or enforcement of any of the Patent Collateral, except in each case in which such Grantor has reasonably determined that any of the foregoing is either not of material economic value or not of material strategic value to such Grantor. The Agent hereby agrees to execute all instruments and documents and take all such other actions as any Grantor may reasonably request to assist such Grantor in maintaining, protecting, preserving, caring for and enforcing the Patent Collateral, provided that the Agent shall not be required to take any action that, in its reasonable judgment, would be disadvantageous to its business or operations or would require it to incur any additional cost or expense unless such Grantor agrees to reimburse and indemnify the Agent for such cost or expense.
- **6.4.** Notification by Grantors. Promptly upon obtaining knowledge thereof, each of the Grantors will notify the Agent in writing of the institution of, or any final adverse determination in, any proceeding in the PTO or any similar office or agency of the United States or any court, regarding the validity of any of the material Patents or such Grantor's rights, title or interests in and to any of the material Patent Collateral, and of any other event, which in any such case does or would reasonably be expected to materially adversely affect the value of any of the Patent Collateral, the ability of such Grantor or the Agent to dispose of any of the material Patent Collateral or the rights and

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remedies of the Agent and the Banks in relation thereto (including but not limited to the levy of any legal process against any of the material Patent Collateral).

### 7. REMEDIES.

If any Event of Default shall have occurred and be continuing, the Agent shall have, in addition to all other rights and remedies given it by this Patent Agreement, the Credit Agreement, the Security Agreements, and the other Loan Documents, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in the Commonwealth of Massachusetts, without limiting the generality of the foregoing, the Agent may, to the extent permitted by law, immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to the Grantors, all of which are hereby expressly waived, but subject to any then pre-existing rights and licenses, sell or license at public or private sale or otherwise realize upon the whole or from time to time any part of the Patent Collateral, or any interest any of the Grantors may have therein, and after deducting from the proceeds of sale or other disposition of the Patent Collateral all expenses (including all reasonable expenses for broker's fees and legal services), shall apply the residue of such proceeds toward the payment of the Secured Obligations as set forth in the Security Agreements. Notice of any sale, license or other disposition of any of the Patent Collateral shall be given to the Grantors at least five (5) days before the time that any intended public sale or other disposition of such Patent Collateral is to be made or after which any private sale or other disposition of such Patent Collateral may be made, which the Grantors hereby agree shall be reasonable notice of such public or private sale or other disposition. At any such sale or other disposition, the Agent may, to the extent permitted under applicable law, purchase or license the whole or any part of the Patent Collateral or interests therein sold, licensed or otherwise disposed of.

### 8. COLLATERAL PROTECTION.

If any of the Grantors shall fail to do any act that it has covenanted to do hereunder, or if any representation or warranty of any Grantor shall be breached, the Agent, in its own name or that of such Grantor (in the sole discretion of the Agent), may (but shall not be obligated to) do such act or remedy such breach (or cause such act to be done or such breach to be remedied), and each of the Grantors agrees promptly to reimburse the Agent for any cost or expense incurred by the Agent in so doing.

### 9. POWER OF ATTORNEY.

If any Event of Default shall have occurred and be continuing, each of the Grantors does hereby make, constitute and appoint the Agent (and any officer or agent of the Agent as the Agent may select in its exclusive discretion) as such Grantor's true and lawful attorney-in-fact, with the power to endorse such Grantor's name on all applications, documents, papers and instruments necessary for the Agent to use any of the Patent Collateral, subject to any then pre-existing rights and licenses, to practice, make, use or sell the inventions disclosed or claimed in any of the Patent Collateral, to grant or issue any exclusive or nonexclusive license of any of the Patent Collateral to any

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third person, or necessary for the Agent to assign, pledge, convey or otherwise transfer title in or dispose of the Patent Collateral or any part thereof or interest therein to any third person, and, in general, to execute and deliver any instruments or documents and do all other acts which such Grantor is obligated to execute and do hereunder. Each of the Grantors hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof, and releases the Agent from any claims, liabilities, causes of action or demands arising out of or in connection with any action taken or omitted to be taken by the Agent under this power of attorney (except for the Agent's gross negligence or willful misconduct). This power of attorney shall be irrevocable for the duration of this Patent Agreement. The provisions of this §9 shall terminate and be of no further force or effect at such time as no Loan, Unpaid Reimbursement Obligation, Letter of Credit or Note is outstanding and no Bank has any obligation to make any Loans and the Agent has no obligation to issue, extend or renew any Letters of Credit.

### 10. FURTHER ASSURANCES.

The Grantors shall, at any time and from time to time, and at their expense, make, execute, acknowledge and deliver, and file and record as necessary or appropriate with governmental or regulatory authorities, agencies or offices, such agreements, assignments, documents and instruments, and do such other and further acts and things (including, without limitation, obtaining consents of third parties), as the Agent may reasonably request or as may be necessary or appropriate in the Agent's reasonable judgment in order to implement and effect fully the intentions, purposes and provisions of this Patent Agreement, or to assure and confirm to the Agent the grant, perfection and priority of the Agent's security interest in any of the Patent Collateral.

### 11. TERMINATION.

At such time as all of the Secured Obligations have been finally paid and satisfied in full, this Patent Agreement shall automatically terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Patent Collateral shall revert to the Grantors. The Agent shall, upon the written request and at the expense of the Grantors, execute and deliver to the Grantors all deeds, assignments and other instruments as may be necessary or proper to evidence such termination and release of the security interest in the Patent Collateral and in the Patent Collateral under the Existing Patent Agreement previously granted to the Agent and the Banks by the Grantors, as fully as if this Patent Agreement and the Existing Patent Agreement had not been made, subject to any disposition of all or any part thereof which may have been made by the Agent and the Banks pursuant hereto or to the Security Agreements.

# 12. COURSE OF DEALING.

No course of dealing among any of the Grantors, the Banks and the Agent, nor any failure to exercise, nor any delay in exercising, on the part of the Agent or any of the Banks, any right, power or privilege hereunder or under the Security Agreements shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or

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privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

### 13. EXPENSES.

Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by the Agent in connection with the preparation of this Patent Agreement and all other documents relating hereto, the consummation of the transactions contemplated hereby or the enforcement hereof, 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 otherwise protecting, maintaining or preserving any of the Patent Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to any of the Patent Collateral, shall be borne and paid by the Grantors.

### 14. OVERDUE AMOUNTS.

Until paid, all amounts due and payable by any of the Grantors hereunder shall be a debt secured by the Patent Collateral and other Collateral and shall bear, whether before or after judgment, interest at the rate of interest for overdue principal set forth in the Credit Agreement.

### 15. NO ASSUMPTION OF LIABILITY; INDEMNIFICATION.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NEITHER THE AGENT NOR ANY BANK ASSUMES ANY LIABILITIES OF ANY OF THE GRANTORS WITH RESPECT TO ANY CLAIM OR CLAIMS REGARDING ANY OF THE GRANTORS' OWNERSHIP OR PURPORTED OWNERSHIP OF, OR RIGHTS OR PURPORTED RIGHTS ARISING FROM, ANY OF THE PATENT COLLATERAL OR ANY PRACTICE, USE, LICENSE OR SUBLICENSE THEREOF, OR ANY PRACTICE, MANUFACTURE, USE OR SALE OF ANY OF THE INVENTIONS DISCLOSED OR CLAIMED THEREIN, WHETHER ARISING OUT OF ANY PAST, CURRENT OR FUTURE EVENT, CIRCUMSTANCE, ACT OR OMISSION OR OTHERWISE, EXCEPT TO THE EXTENT THAT ANY SUCH LIABILITIES RESULT FROM THE GROSS NEGLIGENCE OR WILLFUL EXCEPT AS PROVIDED MISCONDUCT OF ANY BANK OR THE AGENT. HEREIN, ALL OF SUCH LIABILITIES SHALL BE EXCLUSIVELY BORNE BY THE GRANTORS, AND THE GRANTORS SHALL INDEMNIFY THE AGENT AND THE BANKS FOR ANY AND ALL COSTS, EXPENSES, DAMAGES AND CLAIMS, INCLUDING LEGAL FEES, INCURRED BY THE AGENT OR ANY BANK WITH RESPECT TO SUCH LIABILITIES.

# 16. RIGHTS AND REMEDIES CUMULATIVE.

All of the Agent's and the Banks' rights and remedies with respect to the Patent Collateral, whether established hereby or by the Security Agreements or by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. This Patent Agreement is supplemental to the Security Agreements, and

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nothing contained herein shall in any way derogate from any of the rights or remedies of the Agent and the Banks contained therein. Nothing contained in this Patent Agreement shall be deemed to extend the time of attachment or perfection of or otherwise impair the security interest in any of the Patent Collateral granted to the Agent for the benefit of the holders of Secured Obligations under the Security Agreements.

### 17. NOTICES.

All notices and other communications made or required to be given pursuant to this Patent Agreement shall be in writing and shall be delivered by hand, mailed by United States registered or certified first-class mail, postage prepaid, or sent by telegraph, telecopy or telex and confirmed by delivery via courier or postal service, addressed at the addresses for such Person set forth in §21 of the Credit Agreement. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by registered or certified first-class mail, postage prepaid, two (2) Business Days after the posting thereof, and (iii) if sent by telegraph, telecopy, or telex, at the time of the dispatch thereof, if in normal business hours in the country of receipt, or otherwise at the opening of business on the following Business Day.

### 18. <u>AMENDMENT AND WAIVER</u>.

This Patent Agreement is subject to modification only by a writing signed by the Agent (with the consent of the Majority Banks) and each of the Grantors, except as provided in §5.2. The Agent shall not be deemed to have waived any right hereunder unless such waiver shall be in writing and signed by the Agent and the Majority Banks. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion.

### 19. GOVERNING LAW; CONSENT TO JURISDICTION.

THIS PATENT AGREEMENT IS INTENDED TO TAKE EFFECT AS A SEALED INSTRUMENT AND SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS. Each of the Grantors agrees that any suit for the enforcement of this Patent Agreement may be brought in the courts of the Commonwealth of Massachusetts or any federal court sitting therein and consents to the non-exclusive jurisdiction of such court and to service of process in any such suit being made upon the Grantors by mail at the address specified in §17. Each of the Grantors hereby waives any objection that it may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient court.

### 20. WAIVER OF JURY TRIAL.

EACH OF THE GRANTORS WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN

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CONNECTION WITH THIS PATENT AGREEMENT, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THE PERFORMANCE OF ANY SUCH RIGHTS OR OBLIGATIONS. Except as prohibited by law, each of the Grantors waives any right which it may have to claim or recover in any litigation referred to in the preceding sentence any special, exemplary, punitive or consequential damages or any damages other than, or in addition to, actual damages. Each of the Grantors (i) certifies that neither the Agent or any Bank nor any representative, agent or attorney of the Agent or any Bank has represented, expressly or otherwise, that the Agent or any Bank would not, in the event of litigation, seek to enforce the foregoing waivers, and (ii) acknowledges that, in entering into the Credit Agreement and the other Loan Documents to which the Agent or any Bank is a party, the Agent and the Banks are relying upon, among other things, the waivers and certifications contained in this §20.

### 21. MISCELLANEOUS.

The headings of each section of this Patent Agreement are for convenience only and shall not define or limit the provisions thereof. This Patent Agreement and all rights and obligations hereunder shall be binding upon the Grantors and their respective successors and assigns, and shall inure to the benefit of the Agent, the holders of Secured Obligations and their respective successors and assigns. In the event of any irreconcilable conflict between the provisions of this Patent Agreement and the Credit Agreement, or between this Patent Agreement and the Security Agreements, the provisions of the Credit Agreement or the Security Agreements, as the case may be, shall control. If any term of this Patent Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby, and this Patent Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. Each of the Grantors acknowledges receipt of a copy of this Patent Agreement.

[Remainder of page intentionally left blank]

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IN WITNESS WHEREOF, this Patent Agreement has been executed as of the day and year first above written.

# HASBRO, INC.

by: Warlin K,

Name: Martin Trueb

Title: Senior Vice President and

Treasurer

WIZARDS OF THE COAST, INC.

Name: Martin Trueb

Title: Senior Vice President and

Treasurer

ODDZON, INC.

Name: Martin Trueb

Title: Senior Vice President and

Treasurer

FLEET NATIONAL BANK, as Agent

Bv: \_\_\_\_\_

Name:

Title:

Signature page to the Amended and Restated Patent Agreement (Applications)

IN WITNESS WHEREOF, this Patent Agreement has been executed as of the day and year first above written.

# HASBRO, INC.

By:		
,	Name:	Martin Trueb
	Title:	Senior Vice President and Treasurer
WIZ	ARDS (	OF THE COAST, INC.
Ву: _		
		Martin Trueb
	Title:	Senior Vice President and Treasurer
ODI	OZON, I	INC.

FLEET NATIONAL BANK, as Agent

Treasurer

Title: Senior Vice President and

Name: Martin Trueb

Name: John O'Loughli

Title: Director

# CERTIFICATE OF ACKNOWLEDGMENT

COMMONWEALTH OR STATE OF RIVALISMY
COUNTY OF PROLICERCE ) ss.
Before me, the undersigned, a Notary Public in and for the county aforesaid, on this

# **SCHEDULE A**

# **PATENTS PENDING**

# Patent Applications Submitted to U.S. Patent and Trademark Office

Туре	Status	Appl. No.	Date Filed	Patent No.	Date Issued	Title
ORD	Pending	09/880020	14-Jun- 2001	-		Toy with Character and
ORD	Pending	09/985650	05-Nov-			Vehicle Components Tokens in Electronic
ORD	Pending	09/761937	2001 17-Jan-			Board Games Combination Toy
	Ü	,	2001			Vehicle and Board Game
ORD	Pending	09/932776	17-Aug- 2001			Toy Shoe and Method of Manufacturing same
DES	Pending	29/149361	09-Oct- 2001			Toy Pets

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# AMENDED AND RESTATED PATENT SECURITY AGREEMENT

(Registrations)

This AMENDED AND RESTATED PATENT SECURITY AGREEMENT, dated as of March 19, 2002 (this "Patent Agreement"), is by and among (a) HASBRO, INC., a Rhode Island corporation having its principal place of business at 1027 Newport Avenue, Pawtucket, Rhode Island 02861-2500 (the "Company"), (b) WIZARDS OF THE COAST, INC., a Washington corporation having its principal place of business at 1801 Lind Ave SW, Renton, Washington 98055 ("Wizards"), (c) ODDZON, INC., a Delaware corporation having its principal place of business at 1027 Newport Avenue, Pawtucket, Rhode Island 02861-2500 ("OddzOn", and together with Wizards, the "Subsidiaries" and collectively with the Company, the "Grantors" and each individually, a "Grantor"), and (d) FLEET NATIONAL BANK, a national banking association having an office at 100 Federal Street, Boston, MA 02110, as agent (hereinafter, in such capacity, the "Agent") for itself and other lending institutions (hereinafter, collectively, the "Banks") which are, or may in the future become, parties to a Second Amended and Restated Revolving Credit Agreement, dated as of March 19, 2002 (as amended and in effect from time to time, the "Credit Agreement"), among the Company, Hasbro SA, the Banks and the Agent.

WHEREAS, the Subsidiaries, the Company and Hasbro SA are members of a group of related entities, the success of any one of which is dependent in part on the success of the other members of such group;

WHEREAS, each of the Subsidiaries expects to receive substantial direct and indirect benefits from the extensions of credit to the Company and Hasbro SA by the Banks pursuant to the Credit Agreement (which benefits are hereby acknowledged);

WHEREAS, the Grantors are party to that certain Patent Security Agreement (Registrations), dated as of February 16, 2001 (as amended and in effect from time to time, the "Existing Patent Agreement");

WHEREAS, the Company has requested that the Amended and Restated Revolving Credit Agreement, dated as of February 16, 2001 (as amended and in effect from time to time, the "Existing Credit Agreement"), by and among the Company, Hasbro SA, the Banks and the Agent, be amended and restated in its entirety pursuant to the terms of the Credit Agreement;

WHEREAS, each of the Subsidiaries has executed and delivered to the Agent, for the benefit of the holders of Secured Obligations, a Second Amended and Restated Guaranty, dated as of even date herewith (as amended and in effect from time to time, the "Guaranty"), pursuant to which each of the Subsidiaries has guaranteed to the Agent and the Banks the payment and performance of the Secured Obligations to the Banks and the Agent under or in respect of the Credit Agreement;

WHEREAS, each of the Subsidiaries has executed and delivered to the Agent, for the benefit of the holders of Secured Obligations, a Second Amended and Restated

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Security Agreement, dated as of even date herewith (as amended and in effect from time to time, the "Subsidiary Security Agreement") to secure the obligations under the Guaranty;

WHEREAS, the Company has executed and delivered to the Agent, for the benefit of the holders of Secured Obligations, a Second Amended and Restated Security Agreement, dated as of even date herewith (as amended and in effect from time to time, the "Company Security Agreement", together with the Subsidiary Security Agreement, the "Security Agreements") to secure the Secured Obligations under the Credit Agreement;

WHEREAS, it is a condition precedent to the Agent's and the Bank's willingness to amend and restate the Existing Credit Agreement and the Agent and the Banks making Loans or otherwise extending credit to the Company and Hasbro SA under the Credit Agreement that each Grantor amend and restate the Existing Patent Agreement, to, among other things, (i) confirm and ratify such Grantor's grant to the Agent under the Existing Patent Agreement of a continuing security interest in the Patent Collateral (as defined therein), and (ii) provide a grant of and security interest in the Patent Collateral (as defined herein), in each case to secure the payment and performance of the Secured Obligations (as defined in the Credit Agreement); and

**WHEREAS**, this Patent Agreement is supplemental to the provisions contained in the Security Agreements;

NOW, THEREFORE, in consideration of the premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, in order to induce the Banks to amend and restate the Existing Credit Agreement as aforesaid and to make loans or otherwise extend credit to the Company and Hasbro SA under the Credit Agreement, each Grantor agrees with the Agent, for the benefit of the Banks, that the Existing Patent Agreement be, and the same hereby is amended and restated in its entirety as follows (and, in the case of attachments, in the forms attached hereto):

### 1. DEFINITIONS.

Capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Credit Agreement and the Security Agreements. In addition, the following terms shall have the meanings set forth in this §1 or elsewhere in this Patent Agreement referred to below:

<u>Patent Agreement</u>. This Amended and Restated Patent Security Agreement (Registrations), as amended and in effect from time to time.

<u>Patent Collateral</u>. All of each of the Grantor's right, title and interest in and to all of the Patents, the Patent License Rights, and all other Patent Rights, and all additions, improvements, and accessions to, all substitutions for and replacements of, and all

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products and Proceeds (including insurance proceeds) of any and all of the foregoing, and all books and records relating thereto.

Patent License Rights. All rights of each of the Grantors in all written licensing agreements from such Grantor to any unaffiliated person to the extent that such agreement grants such person a right to use or license any Patents owned by such Grantor in its own name, including the right in the name of such Grantor to enforce, and sue and recover for, any past, present or future breach or violation of any such agreement subject, in each case, to the terms of such licensing agreements, and the right to prepare for sale, sell and advertise for sale, all inventory now or hereafter covered by such licensing agreements.

<u>Patent Rights</u>. Any and all rights of each of the Grantor's in and to the Patents, including but not limited to the following: the right (but not the obligation) to sue or bring proceedings in the name of such Grantor for any and all past, present and future infringements of the Patents or the Patent Rights, and the rights to damages or profits due or accrued arising out of or in connection with any such past, present or future infringement, damage or injury; and the Patent License Rights.

<u>Patents</u>. All U.S. patents that are owned by each of the Grantors in such Grantor's own name, now or in the future, in all cases relating exclusively to the brands Action Man, Monopoly, Mr. Potato Head, Tonka, Lincoln Logs, Yahtzee, Clue and GI Joe (the "<u>Identified Brands</u>") including but not limited to:

- (a) the U.S. patents, including without limitation, the U.S. patents listed on <u>Schedule A</u> hereto (as the same may be amended pursuant hereto from time to time);
- (b) all re-issues, continuations, divisions, continuations-in-part, renewals or extensions thereof; and
- (c) the right (but not the obligation) to make and prosecute applications for such Patents.

<u>Proceeds.</u> Any consideration received by each of the Grantors from the sale, exchange, license, lease or other disposition or transfer of any right, interest, asset or property which constitutes all or any part of the Patent Collateral, any value received by each of the Grantors as a consequence of the ownership, possession, use or practice of any Patent Collateral, and any payment received by each of the Grantors from any insurer or other person or entity as a result of the destruction or the loss, theft or other involuntary conversion of whatever nature of any right, interest, asset or property which constitutes all or any part of the Patent Collateral.

PTO. The United States Patent and Trademark Office.

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### 2. GRANT OF SECURITY INTEREST.

Each of the Grantors hereby confirms that, pursuant to the Existing Patent Agreement, such Grantor granted to the Agent (subject to existing licenses granted by the Grantors in the ordinary course of business), for the benefit of the holders of Secured Obligations (as defined in the Existing Security Agreement), a continuing security interest in all of such Grantor's right, title or interest in the Patent Collateral (as defined in the Existing Patent Agreement). To secure the payment and performance in full of all of the Secured Obligations, each of the Grantors hereby ratifies, restates and reaffirms such grant and security interest, and hereby grants to the Agent (subject to existing licenses granted by the Grantors in the ordinary course of business), for the benefit of the holders of Secured Obligations, a continuing security interest in all of such Grantor's right, title or interest in the Patent Collateral (as defined herein). NEITHER THE AGENT NOR ANY OF THE BANKS ASSUMES ANY LIABILITY ARISING IN ANY WAY BY REASON OF ITS SECURITY INTEREST. For the avoidance of doubt, the word "exclusively" in the definition of Patents is intended to exclude U.S. patents that are not solely related to the brands specifically included in the definition of Identified Brands. A combination of patents covering products bearing brands not specifically referenced in the definition of Identified Brands with the Patents shall not cause a Patent to cease being a Patent or release the security interest granted therein.

### 3. REPRESENTATIONS, WARRANTIES AND COVENANTS.

3.1. Patents. Each of the Grantors represents, warrants and covenants solely with respect to Patent Collateral owned by such Grantor in its own name that: (i) Schedule A attached hereto sets forth a true and complete list of all the U.S. patents now owned by such Grantor relating exclusively to the Identified Brands; (ii) the material issued Patents are subsisting and have not been adjudged invalid or unenforceable, in whole or in part, and there is no litigation or proceeding pending concerning the validity or enforceability of the issued Patents that would reasonably be expected to have a Material Adverse Effect; (iii) to the best of such Grantor's knowledge, each of the material issued Patents is valid and enforceable; (iv) to the best of such Grantor's knowledge, there is no infringement by others of the issued Patents or Patent License Rights that would reasonably be expected to have a Material Adverse Effect; (v) no claim has been made that the use of any of the Patents does or may violate the rights of any third person, and to the best of such Grantor's knowledge the use of any of the Patents does not infringe the patent rights of others, other than claims or infringements that would not reasonably be expected to have a Material Adverse Effect; (vi) such Grantor owns each of the Patents free and clear of any Liens other than (A) Permitted Liens and (B) the security interest created by the Security Agreements and this Patent Agreement; and (vii) such Grantor has the right to enter into this Patent Agreement and perform its terms.

**3.2.** <u>Perfected First Priority Liens</u>. The Company represents and warrants that (i) the filing, acceptance and recordation of this Patent Agreement in the PTO and the filing, acceptance and recordation of the financing statements delivered by each of the Grantors on the Effective Date in the appropriate jurisdictions, will create or continue in

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favor of the Agent, for the benefit of the holders of Secured Obligations, a valid and perfected first priority security interest (subject only to Permitted Liens entitled to priority under applicable law) in the U.S. patents listed on Schedule A; and (ii) except for the filing, acceptance and recording of the financing statements delivered by each of the Grantors on the Effective Date in the appropriate jurisdictions and the recording of this Patent Agreement with the PTO, and any necessary filings of future financing statements or filings with the PTO in accordance with applicable law, no authorization, approval or other action by, and no notice to or filing with, any governmental or regulatory authority, agency or office is required for the grant by such Grantor or the effectiveness of the security interest granted hereby or for the execution, delivery and performance of this Patent Agreement by such Grantor. In addition, the Company covenants and agrees that, at any time during the continuance of an Event of Default, the Company shall execute and deliver such documents or instruments as the Agent may reasonably request to preserve and protect the Agent's perfected first priority security interest (subject only to Permitted Liens entitled to priority under applicable law) on the Patent Collateral.

### 4. NO TRANSFER OR INCONSISTENT AGREEMENTS.

Without the Agent's prior written consent and except for licenses of the Patent Collateral in the ordinary course of the Grantors' businesses and permitted dispositions under §10.5.2 of the Credit Agreement, none of the Grantors will (i) mortgage, pledge, assign, encumber, grant a security interest in, transfer, license or alienate any of the Patent Collateral, or (ii) enter into any agreement (for example, a license agreement) that is inconsistent with such Grantor's obligations under this Patent Agreement or the Security Agreements.

### 5. AFTER-ACQUIRED PATENTS, ETC.

5.1. After-acquired Patents. If, before the Secured Obligations shall have been finally paid and satisfied in full, any of the Grantors shall obtain any ownership interest in or to any other or new U.S. patents or U.S. patentable inventions relating exclusively to the Identified Brands, or any reissue, division, continuation, renewal, extension, or continuation-in-part of any of the Patent Collateral or any improvement on any of the Patent Collateral in such Grantor's name, the provisions of this Patent Agreement shall automatically apply thereto and such Grantor shall promptly give to the Agent notice thereof in writing and execute and deliver to the Agent such documents or instruments as the Agent may reasonably request further to grant to the Agent a security interest therein, for the benefit of the holders of Secured Obligations.

# 5.2. Amendment to Schedule.

Each of the Grantors authorizes the Agent to modify this Patent Agreement, without the necessity of any of the Grantors' further approval or signature, by amending Schedule A hereto to include any future or other Patents or Patent Rights (other than U.S. patent applications) under §2 or §5 hereof.

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### 6. PATENT PROSECUTION.

- 6.1. <u>Grantors Responsible</u>. Each of the Grantors shall assume full and complete responsibility for the prosecution, grant, enforcement or any other necessary or desirable actions in connection with the Patent Collateral, and shall hold the Agent and the Banks harmless from any and all costs, damages, liabilities and expenses which may be incurred by the Agent or any of the Banks in connection with the Agent's security interest in any of the Patent Collateral or any other action or failure to act in connection with this Patent Agreement or the transactions contemplated hereby.
- 6.2. Grantors' Duties, etc. Each of the Grantors shall have the duty to make application in the U.S. for unpatented but reasonably patentable inventions and to preserve and maintain all rights in the Patents, including without limitation the payment when due of all maintenance fees and other fees, taxes and other expenses which shall be incurred or which shall accrue with respect to any of the Patents, except in each case in which such Grantor has reasonably determined that any of the foregoing is either not of material economic value or not of material strategic value to such Grantor. Any expenses incurred in connection with such applications and actions shall be borne by the Grantors. None of the Grantors shall abandon any U.S. patent, unless such Grantor has determined such patent is either not of material economic value or not of material strategic value to it, without the consent of the Agent, which consent shall not be unreasonably withheld.
- 6.3. Protection of Patents, etc. In general, each of the Grantors shall have the right to take any and all such actions (including but not limited to institution and maintenance of suits, proceedings or actions) as may be legally permitted and necessary or reasonably appropriate to properly maintain, protect, preserve, care for and enforce the Patent Collateral owned by such Grantor in its own name. None of the Grantors shall take or fail to take any action, nor permit any action to be taken or not taken by others under such Grantor's control, which would materially adversely affect the validity, grant or enforcement of any of the Patent Collateral, except in each case in which such Grantor has reasonably determined that any of the foregoing is either not of material economic value or not of material strategic value to such Grantor. The Agent hereby agrees to execute all instruments and documents and take all such other actions as any Grantor may reasonably request to assist such Grantor in maintaining, protecting, preserving, caring for and enforcing the Patent Collateral, provided that the Agent shall not be required to take any action that, in its reasonable judgment, would be disadvantageous to its business or operations or would require it to incur any additional cost or expense unless such Grantor agrees to reimburse and indemnify the Agent for such cost or expense.
- 6.4. <u>Notification by Grantors</u>. Promptly upon obtaining knowledge thereof, each of the Grantors will notify the Agent in writing of the institution of, or any final adverse determination in, any proceeding in the PTO or any similar office or agency of the United States or any court, regarding the validity of any of the material Patents or such Grantor's rights, title or interests in and to any of the material Patent Collateral, and of any other event, which in any such case does or would reasonably be expected to

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materially adversely affect the value of any of the Patent Collateral, the ability of such Grantor or the Agent to dispose of any of the material Patent Collateral or the rights and remedies of the Agent and the Banks in relation thereto (including but not limited to the levy of any legal process against any of the material Patent Collateral).

### 7. <u>REMEDIES</u>.

If any Event of Default shall have occurred and be continuing, the Agent shall have, in addition to all other rights and remedies given it by this Patent Agreement, the Credit Agreement, the Security Agreements, and the other Loan Documents, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in the Commonwealth of Massachusetts, without limiting the generality of the foregoing, the Agent may, to the extent permitted by law, immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to the Grantors, all of which are hereby expressly waived, but subject to any then pre-existing rights and licenses, sell or license at public or private sale or otherwise realize upon the whole or from time to time any part of the Patent Collateral, or any interest any of the Grantors may have therein, and after deducting from the proceeds of sale or other disposition of the Patent Collateral all expenses (including all reasonable expenses for broker's fees and legal services), shall apply the residue of such proceeds toward the payment of the Secured Obligations as set forth in the Security Agreements. Notice of any sale, license or other disposition of any of the Patent Collateral shall be given to the Grantors at least five (5) days before the time that any intended public sale or other disposition of such Patent Collateral is to be made or after which any private sale or other disposition of such Patent Collateral may be made, which the Grantors hereby agree shall be reasonable notice of such public or private sale or other disposition. At any such sale or other disposition, the Agent may, to the extent permitted under applicable law, purchase or license the whole or any part of the Patent Collateral or interests therein sold, licensed or otherwise disposed of.

### 8. COLLATERAL PROTECTION.

If any of the Grantors shall fail to do any act that it has covenanted to do hereunder, or if any representation or warranty of any Grantor shall be breached, the Agent, in its own name or that of such Grantor (in the sole discretion of the Agent), may (but shall not be obligated to) do such act or remedy such breach (or cause such act to be done or such breach to be remedied), and each of the Grantors agrees promptly to reimburse the Agent for any cost or expense incurred by the Agent in so doing.

### 9. POWER OF ATTORNEY.

If any Event of Default shall have occurred and be continuing, each of the Grantors does hereby make, constitute and appoint the Agent (and any officer or agent of the Agent as the Agent may select in its exclusive discretion) as such Grantor's true and lawful attorney-in-fact, with the power to endorse such Grantor's name on all applications, documents, papers and instruments necessary for the Agent to use any of the Patent Collateral, subject to any then pre-existing rights and licenses, to practice,

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make, use or sell the inventions disclosed or claimed in any of the Patent Collateral, to grant or issue any exclusive or nonexclusive license of any of the Patent Collateral to any third person, or necessary for the Agent to assign, pledge, convey or otherwise transfer title in or dispose of the Patent Collateral or any part thereof or interest therein to any third person, and, in general, to execute and deliver any instruments or documents and do all other acts which such Grantor is obligated to execute and do hereunder. Each of the Grantors hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof, and releases the Agent from any claims, liabilities, causes of action or demands arising out of or in connection with any action taken or omitted to be taken by the Agent under this power of attorney (except for the Agent's gross negligence or willful misconduct). This power of attorney shall be irrevocable for the duration of this Patent Agreement. The provisions of this §9 shall terminate and be of no further force or effect at such time as no Loan, Unpaid Reimbursement Obligation, Letter of Credit or Note is outstanding and no Bank has any obligation to make any Loans and the Agent has no obligation to issue, extend or renew any Letters of Credit.

### 10. FURTHER ASSURANCES.

The Grantors shall, at any time and from time to time, and at their expense, make, execute, acknowledge and deliver, and file and record as necessary or appropriate with governmental or regulatory authorities, agencies or offices, such agreements, assignments, documents and instruments, and do such other and further acts and things (including, without limitation, obtaining consents of third parties), as the Agent may reasonably request or as may be necessary or appropriate in the Agent's reasonable judgment in order to implement and effect fully the intentions, purposes and provisions of this Patent Agreement, or to assure and confirm to the Agent the grant, perfection and priority of the Agent's security interest in any of the Patent Collateral.

#### 11. TERMINATION.

At such time as all of the Secured Obligations have been finally paid and satisfied in full, this Patent Agreement shall automatically terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Patent Collateral shall revert to the Grantors. The Agent shall, upon the written request and at the expense of the Grantors, execute and deliver to the Grantors all deeds, assignments and other instruments as may be necessary or proper to evidence such termination and release of the security interest in the Patent Collateral and in the Patent Collateral under the Existing Patent Agreement previously granted to the Agent and the Banks by the Grantors, as fully as if this Patent Agreement and the Existing Patent Agreement had not been made, subject to any disposition of all or any part thereof which may have been made by the Agent and the Banks pursuant hereto or to the Security Agreements.

### 12. COURSE OF DEALING.

No course of dealing among any of the Grantors, the Banks and the Agent, nor any failure to exercise, nor any delay in exercising, on the part of the Agent or any of the

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Banks, any right, power or privilege hereunder or under the Security Agreements shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

### 13. EXPENSES.

Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by the Agent in connection with the preparation of this Patent Agreement and all other documents relating hereto, the consummation of the transactions contemplated hereby or the enforcement hereof, 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 otherwise protecting, maintaining or preserving any of the Patent Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to any of the Patent Collateral, shall be borne and paid by the Grantors.

### 14. OVERDUE AMOUNTS.

Until paid, all amounts due and payable by any of the Grantors hereunder shall be a debt secured by the Patent Collateral and other Collateral and shall bear, whether before or after judgment, interest at the rate of interest for overdue principal set forth in the Credit Agreement.

# 15. NO ASSUMPTION OF LIABILITY; INDEMNIFICATION.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, NEITHER THE AGENT NOR ANY BANK ASSUMES ANY LIABILITIES OF ANY OF THE GRANTORS WITH RESPECT TO ANY CLAIM OR CLAIMS REGARDING ANY OF THE GRANTORS' OWNERSHIP OR PURPORTED OWNERSHIP OF, OR RIGHTS OR PURPORTED RIGHTS ARISING FROM, ANY OF THE PATENT COLLATERAL OR ANY PRACTICE, USE, LICENSE OR SUBLICENSE THEREOF, OR ANY PRACTICE, MANUFACTURE, USE OR SALE OF ANY OF THE INVENTIONS DISCLOSED OR CLAIMED THEREIN, WHETHER ARISING OUT OF ANY PAST, CURRENT OR FUTURE EVENT, CIRCUMSTANCE, ACT OR OMISSION OR OTHERWISE, EXCEPT TO THE EXTENT THAT ANY SUCH LIABILITIES RESULT FROM THE GROSS NEGLIGENCE OR WILLFUL EXCEPT AS PROVIDED MISCONDUCT OF ANY BANK OR THE AGENT. HEREIN, ALL OF SUCH LIABILITIES SHALL BE EXCLUSIVELY BORNE BY THE GRANTORS, AND THE GRANTORS SHALL INDEMNIFY THE AGENT AND THE BANKS FOR ANY AND ALL COSTS, EXPENSES, DAMAGES AND CLAIMS, INCLUDING LEGAL FEES, INCURRED BY THE AGENT OR ANY BANK WITH RESPECT TO SUCH LIABILITIES.

# 16. RIGHTS AND REMEDIES CUMULATIVE.

All of the Agent's and the Banks' rights and remedies with respect to the Patent Collateral, whether established hereby or by the Security Agreements or by any other

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agreements or by law, shall be cumulative and may be exercised singularly or concurrently. This Patent Agreement is supplemental to the Security Agreements, and nothing contained herein shall in any way derogate from any of the rights or remedies of the Agent and the Banks contained therein. Nothing contained in this Patent Agreement shall be deemed to extend the time of attachment or perfection of or otherwise impair the security interest in any of the Patent Collateral granted to the Agent for the benefit of the holders of Secured Obligations under the Security Agreements.

### 17. NOTICES.

All notices and other communications made or required to be given pursuant to this Patent Agreement shall be in writing and shall be delivered by hand, mailed by United States registered or certified first-class mail, postage prepaid, or sent by telegraph, telecopy or telex and confirmed by delivery via courier or postal service, addressed at the addresses for such Person set forth in §21 of the Credit Agreement. Any such notice or demand shall be deemed to have been duly given or made and to have become effective (i) if delivered by hand to a responsible officer of the party to which it is directed, at the time of the receipt thereof by such officer, (ii) if sent by registered or certified first-class mail, postage prepaid, two (2) Business Days after the posting thereof, and (iii) if sent by telegraph, telecopy, or telex, at the time of the dispatch thereof, if in normal business hours in the country of receipt, or otherwise at the opening of business on the following Business Day.

### 18. AMENDMENT AND WAIVER.

This Patent Agreement is subject to modification only by a writing signed by the Agent (with the consent of the Majority Banks) and each of the Grantors, except as provided in §5.2. The Agent shall not be deemed to have waived any right hereunder unless such waiver shall be in writing and signed by the Agent and the Majority Banks. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion.

# 19. GOVERNING LAW; CONSENT TO JURISDICTION.

THIS PATENT AGREEMENT IS INTENDED TO TAKE EFFECT AS A SEALED INSTRUMENT AND SHALL BE GOVERNED BY, AND CONSTRUED IN COMMONWEALTH THE OF LAWS THE WITH. ACCORDANCE MASSACHUSETTS. Each of the Grantors agrees that any suit for the enforcement of this Patent Agreement may be brought in the courts of the Commonwealth of Massachusetts or any federal court sitting therein and consents to the non-exclusive jurisdiction of such court and to service of process in any such suit being made upon the Grantors by mail at the address specified in §17. Each of the Grantors hereby waives any objection that it may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient court.

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### 20. WAIVER OF JURY TRIAL.

EACH OF THE GRANTORS WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS PATENT AGREEMENT, ANY RIGHTS OR OBLIGATIONS HEREUNDER OR THE PERFORMANCE OF ANY SUCH RIGHTS OR OBLIGATIONS. Except as prohibited by law, each of the Grantors waives any right which it may have to claim or recover in any litigation referred to in the preceding sentence any special, exemplary, punitive or consequential damages or any damages other than, or in addition to, actual damages. Each of the Grantors (i) certifies that neither the Agent or any Bank nor any representative, agent or attorney of the Agent or any Bank has represented, expressly or otherwise, that the Agent or any Bank would not, in the event of litigation, seek to enforce the foregoing waivers, and (ii) acknowledges that, in entering into the Credit Agreement and the other Loan Documents to which the Agent or any Bank is a party, the Agent and the Banks are relying upon, among other things, the waivers and certifications contained in this §20.

### 21. MISCELLANEOUS.

The headings of each section of this Patent Agreement are for convenience only and shall not define or limit the provisions thereof. This Patent Agreement and all rights and obligations hereunder shall be binding upon the Grantors and their respective successors and assigns, and shall inure to the benefit of the Agent, the holders of Secured Obligations and their respective successors and assigns. In the event of any irreconcilable conflict between the provisions of this Patent Agreement and the Credit Agreement, or between this Patent Agreement and the Security Agreements, the provisions of the Credit Agreement or the Security Agreements, as the case may be, shall control. If any term of this Patent Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall in no way be affected thereby, and this Patent Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. Each of the Grantors acknowledges receipt of a copy of this Patent Agreement.

[Remainder of page intentionally left blank]

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IN WITNESS WHEREOF, this Patent Agreement has been executed as of the day and year first above written. HASBRO, INC. Name: Martin Trueb Title: Senior Vice President and Treasurer WIZARDS OF THE COAST, INC. Name: Martin Trueb Title: Senior Vice President and Treasurer ODDZON, INC. Name: Martin Trueb Title: Senior Vice President and Treasurer

FLEET NATIONAL BANK, as Agent

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

Title:

IN WITNESS WHEREOF, this Patent Agreement has been executed as of the day and year first above written.

HASBRO, INC.
By:  Name: Martin Trueb  Title: Senior Vice President and  Treasurer
WIZARDS OF THE COAST, INC.
By: Name: Martin Trueb Title: Senior Vice President and Treasurer
ODDZON, INC.
By: Name: Martin Trueb Title: Senior Vice President and

FLEET NATIONAL BANK, as Agent

Treasurer

3v: \_

Name: John O'Loughlin

**V**itle:

, Director

# CERTIFICATE OF ACKNOWLEDGMENT

COMMONWEALTH OR STATE OF Rhode Island
COUNTY OF Proudence ) ss.
Before me, the undersigned, a Notary Public in and for the county aforesaid, on this

# **SCHEDULE A**

# **ISSUED PATENTS**

# Patents Issued by U.S. Patent and Trademark Office

			Date	Patent	Date	
Type	Status	Appl. No.	Filed	No.	Issued	Title
DES	Granted	29/026754	04-Aug- 1994	D362280	12-Sep- 1995	Toy Vehicle
CON	Granted	08/610569	08-Mar- 1996	5727985	17-Mar- 1998	Stunt Performing Toy Vehicle
CON	Granted	08/977014	24-Nov- 1997	5919075	06-Jul- 1999	Stunt Performing Toy Vehicle
ORD	Granted	09/123683	28-Jul-1998	6106362	22-Aug- 2000	Toy Vehicle Having an Oscillating Body
ORD	Granted	09/151717	11-Sep- 1998	6039626	21-Mar- 2000	Voice-Activated Toy Truck with Animated Features
CON	Granted	09/305964	06-May- 1999	6095890	01-Aug- 2000	Stunt Performing Toy Vehicle
ORD	Granted	09/350436	13-Jul-1999	6257948	10-Jul- 2001	Talking Toy with Attachable Encoded Appendages

BUSDOCS:1091511.6

PATENT
RECORDED: 03/29/2002 REEL: 012762 FRAME: 0709