

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:

NEW ASSIGNMENT

NATURE OF CONVEYANCE:

Second Lien Patent Security Agreement

CONVEYING PARTY DATA

Name	Execution Date
AMSCAN INC.	12/23/2005
AM-SOURCE, LLC	12/23/2005
ANAGRAM INTERNATIONAL, INC.	12/23/2005
M&D INDUSTRIES, INC.	12/23/2005

RECEIVING PARTY DATA

Name:	Goldman Sachs Credit Partners L.P., as collateral agent
Street Address:	85 Broad Street
City:	New York
State/Country:	NEW YORK
Postal Code:	10004

PROPERTY NUMBERS Total: 33

Property Type	Number
Patent Number:	4917646
Patent Number:	5108339
Patent Number:	5169353
Patent Number:	5188558
Patent Number:	5248275
Patent Number:	5259805
Patent Number:	5338243
Patent Number:	5378186
Patent Number:	5378299
Patent Number:	5482492
Patent Number:	5514022
Patent Number:	5595521

PATENT

500071818

REEL: 017025 FRAME: 0868

CH \$1320.00 4917646

Patent Number:	5713777
Patent Number:	5733406
Patent Number:	5779614
Patent Number:	5797783
Patent Number:	5806165
Patent Number:	5819448
Patent Number:	5857636
Patent Number:	6076758
Patent Number:	D337480
Patent Number:	D414222
Patent Number:	D415841
Patent Number:	6878422
Patent Number:	D335403
Patent Number:	D342844
Patent Number:	D361449
Patent Number:	D339268
Patent Number:	6674984
Patent Number:	6781106
Application Number:	10015441
Application Number:	10015977
Application Number:	09655947

# CORRESPONDENCE DATA

Fax Number: (202)728-0744  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
Phone: 2027216405  
Email: christine.wilson@thomson.com  
Correspondent Name: Corporation Service Company  
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Address Line 4: New York, NEW YORK 10036

NAME OF SUBMITTER:	Christine Wilson
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Total Attachments: 6  
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source=amscan - goldman 2nd lien patents#page7.tif



## SECOND LIEN PATENT SECURITY AGREEMENT

**Second Lien Patent Security Agreement** (the "**Patent Security Agreement**"), dated as of December 23, 2005, by AMSCAN INC., a New York corporation, AM-SOURCE, LLC, a Rhode Island limited liability company, ANAGRAM INTERNATIONAL, INC., a Minnesota corporation and M&D INDUSTRIES, INC., a Delaware corporation (each individually, a "**Grantor**", and, collectively, the "**Grantors**"), in favor of GOLDMAN SACHS CREDIT PARTNERS L.P., in its capacity as collateral agent pursuant to the Second Lien Credit Agreement (in such capacity, the "**Collateral Agent**").

### WITNESSETH:

WHEREAS, the Grantors are party to a Second Lien Pledge and Security Agreement of even date herewith (the "**Security Agreement**") in favor of the Collateral Agent pursuant to which the Grantors are required to execute and deliver this Patent Security Agreement;

NOW, THEREFORE, in consideration of the premises and to induce the Collateral Agent, for the benefit of the Secured Parties, to enter into the Second Lien Credit Agreement, the Grantors hereby agree with the Collateral Agent as follows:

SECTION 1. Defined Terms. Unless otherwise defined herein, terms defined in the Security Agreement and used herein have the meaning given to them in the Security Agreement.

SECTION 2. Grant of Security Interest in Patent Collateral. Each Grantor hereby pledges and grants to the Collateral Agent for the benefit of the Secured Parties a lien on and security interest in and to all of its right, title and interest in, to and under all Patents of such Grantor listed on Schedule I attached hereto.

SECTION 3. Security Agreement. The security interest granted pursuant to this Patent Security Agreement is granted in conjunction with the security interest granted to the Collateral Agent pursuant to the Security Agreement and Grantors hereby acknowledge and affirm that the rights and remedies of the Collateral Agent with respect to the security interest in the Patents made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provision of this Patent Security Agreement is deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall control unless the Collateral Agent shall otherwise determine. The security interest granted pursuant to this Patent Security Agreement shall be subject to the terms of the Intercreditor Agreement.

SECTION 4. Termination. Upon the payment in full of the Secured Obligations and termination of the Security Agreement, the Collateral Agent shall execute, acknowledge, and deliver to the Grantors an instrument in writing in recordable form releasing the collateral pledge, grant, assignment, lien and security interest in the Patents under this Patent Security Agreement.

SECTION 5. Counterparts. This Patent Security Agreement may be executed in any number of counterparts, all of which shall constitute one and the same instrument, and any party hereto may execute this Patent Security Agreement by signing and delivering one or more counterparts.

Section 6. Grantor Remains Liable. Grantor hereby agrees that, anything herein to the contrary notwithstanding, Grantor shall assume full and complete responsibility for the prosecution, defense, enforcement or any other necessary or desirable actions in connection with its Patents subject to a security interest hereunder.

Section 7. Governing Law. This Patent Security Agreement and the rights and obligations of the parties hereto shall be governed by, and construed and interpreted in accordance with, the law of the State of New York.

**[signature page follows]**

IN WITNESS WHEREOF, each Grantor has caused this Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

Very truly yours,

AMSCAN INC.

ANAGRAM INTERNATIONAL, INC.

M&D INDUSTRIES, INC.

By: 

Name: Michael A. Correale

Title: Vice President

AM-SOURCE, LLC

By Amscan Holdings, Inc.

Its sole member

By: 

Name: Michael A. Correale

Title: Vice President

Accepted and Agreed:

GOLDMAN SACHS CREDIT PARTNERS L.P.,  
as Collateral Agent

By: John Toranto  
Name: John Toranto  
Title: Authorized Signatory

[Second Lien Patent Security Agreement]

**SCHEDULE I**  
to  
**SECOND LIEN PATENT SECURITY AGREEMENT**  
**PATENT REGISTRATIONS AND PATENT APPLICATIONS**

**Patent Registrations:**

<b>Patent No.</b>	<b>Assignee</b>	<b>Title</b>	<b>Inventors</b>
6,878,422	Amscan Inc.	Three-Dimensional Hanging Decoration	Spaar, Keith
D335,403	Amscan Inc.	Display Rack	Rittenberg, Gerry
D361,449	Amscan Inc.	Display Rack	Rittenberg, Gerry
D342,844	Amscan Inc.	Display Rack	Rittenberg, Gerry
D337,480	Am-Source, LLC	Plate	Zabner, Adolf
D339,268	Am-Source, LLC	Embossed Plate	Zabner, Adolf
4,917,646	Anagram International, Inc.	Self-sealing valve, a Self-Sealing, Non-Latex Balloon, and a Method for Producing Such a Balloon	Kieves, Garry
5,108,339	Anagram International, Inc.	Non-Latex Inflatable Toy-Insider	Kieves, Garry
5,169,353	Anagram International, Inc.	Mechanism and Method for Interlocking Two Non-Latex Balloons	Myers, David
5,259,805	Anagram International, Inc.	Stabilized Appendage for a Novelty Balloon Product	Kieves, Garry
5,188,558	Anagram International, Inc.	Self-Sealing Refillable Plastic Balloon Valve	Barton, Leslie, et al.
5,338,243	Anagram International, Inc.	Three-Dimensional Non Latex Balloon	Kieves, Garry
5,713,777	Anagram International, Inc.	Non-Latex Inflatable Hand Puppet	Greenwald, Robert
5,819,448	Anagram International, Inc.	Card and Balloon Novelty Device	Kieves, Garry, et al.
6,076,758	Anagram International, Inc.	Balloon Weight	Kieves, Garry, et al.
D414,222	Anagram International, Inc.	Balloon Weight	Kieves, Garry, et al.
D415,841	Anagram International, Inc.	Balloon Weight	Kieves, Garry, et al.
6,674,984	M&D Industries, Inc. (M&D) <b>(NO RECORD OF OWNERSHIP)</b>	Method and Apparatus for Printing Image	Oooka, Haruhi
5,248,275	M&D Industries, Inc. (M&D)	Balloon with Flat Film Valve and Method of Manufacture	McGrath, John et al.
5,378,299	M&D	Method of Making a Balloon with Flat Film Valve	McGrath, John et al.
5,482,492	M&D	Balloons and Balloon Valves	Becker, Charles
5,378,186	M&D	Balloon Assembly Connected by Tab and Encircling Collar	Becker, Charles
5,514,022	M&D	Toy Balloon Packaging	Harris, Dale



5,779,614	M&D	Method and Apparatus for Folding Toy Balloons	Kurtz, Richard
5,857,636	M&D	Method and Apparatus for Providing Securement for Toy Balloons	Kurtz, Richard
5,595,521	M&D	Balloons and Balloon Valves	Becker, Charles
5,733,406	M&D	Manufacture of Valves for Inflatable Articles	Knight, Karl
5,797,783	M&D	Toy Balloon Packaging	Harris, Dale
5,806,165	M&D	Method and Apparatus for Providing Securement for Toy Balloons	Kurtz, Richard
6,781,106	M&D (NO RECORD OF OWNERSHIP)	Solar Sensor for Providing Constant Total Sensor Output	Sumiya, Kazuyoshi

**Patent Applications:**

<b>Appl. No.</b>	<b>Assignee</b>	<b>Title</b>	<b>Inventors</b>
10/015,441	M&D	Buoyant Balloons	Van Dyke, Mark et al.
09/655,947	M&D	Buoyant Toy Balloon with Extended Life	Egan
10/015,977	M&D	Extended Life Balloon	Ward, William et al.