

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY AGREEMENT		
CONVEYING PARTY DATA			
Name		Execution Date	
NSG Corporation		02/22/2007	
RECEIVING PARTY DATA			
Name:	The Northwestern Mutual Life Insurance Company, as Administrative Agent		
Street Address:	720 East Wisconsin Avenue		
Internal Address:	Attn: Securities Department		
City:	Milwaukee		
State/Country:	WISCONSIN		
Postal Code:	53202		
PROPERTY NUMBERS Total: 4			
Property Type	Number		
Patent Number:	5566393		
Patent Number:	5771494		
Patent Number:	D425686		
Patent Number:	6029279		
CORRESPONDENCE DATA			
Fax Number:	(213)612-2499		
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>			
Phone:	213-612-2020		
Email:	lpartmann@orrick.com, rgalvan@orrick.com		
Correspondent Name:	Ramon Galvan		
Address Line 1:	777 South Figueroa Street, Suite 3200		
Address Line 2:	Orrick, Herrington & Sutcliffe LLP		
Address Line 4:	Los Angeles, CALIFORNIA 90017-5855		
ATTORNEY DOCKET NUMBER:	VARSITY/1640		
NAME OF SUBMITTER:	Ramon Galvan		

CH \$160.00 5566393

500238646

PATENT
REEL: 019000 FRAME: 0408

Total Attachments: 6

source=Grant of Security Interest -- Patents (Northwestern Mutual)#page1.tif
source=Grant of Security Interest -- Patents (Northwestern Mutual)#page2.tif
source=Grant of Security Interest -- Patents (Northwestern Mutual)#page3.tif
source=Grant of Security Interest -- Patents (Northwestern Mutual)#page4.tif
source=Grant of Security Interest -- Patents (Northwestern Mutual)#page5.tif
source=Grant of Security Interest -- Patents (Northwestern Mutual)#page6.tif

EXECUTION COPY

GRANT OF SECURITY INTEREST

PATENTS

THIS GRANT OF SECURITY INTEREST, dated as of February 22, 2007, is executed by Varsity Brands, Inc., a Delaware corporation ("Varsity"), Varsity Spirit Corporation, a Tennessee corporation, Varsity Spirit Fashions & Supplies, Inc., a Minnesota corporation, Varsity/Intropa Tours, Inc., a Tennessee corporation, Varsity USA, Inc., a Tennessee corporation, VBI Ventures, Inc. (formerly known as International Logos, Inc.), a Tennessee corporation, National Sports & Spirit, Inc., a Delaware corporation, and NSG Corporation, a Delaware corporation (collectively, "Grantors"), in favor of The Northwestern Mutual Life Insurance Company, as Administrative Agent ("Administrative Agent") for the holders of the Notes (as defined below) (the "Lenders").

A. Varsity has entered into that certain Second Lien Term Loan Agreement, dated concurrently herewith (as the same from time to time hereafter may be amended, modified, supplemented or restated, the "Credit Agreement"), by and among Varsity, the initial Lenders and Administrative Agent, pursuant to which Varsity has agreed to issue promissory notes (collectively, the "Notes") to the initial Lenders.

B. As a condition to the effectiveness of the Credit Agreement and the initial Lenders' purchase of the Notes, Administrative Agent and the initial Lenders have required that each Grantor (other than Varsity) enter into that certain Subsidiary Guaranty Agreement dated concurrently herewith in favor of Administrative Agent on behalf of the Lenders, guaranteeing the Obligations as defined in the Credit Agreement.

C. Varsity owns the letters patent, and/or applications for letters patent, of the United States and certain foreign countries, more particularly described on Schedules 1-A and 1-B annexed hereto and made a part hereof (collectively, the "Patents").

D. Each Grantor has entered into a Second Lien Security Agreement (Intellectual Property) dated as of the date hereof with Administrative Agent on behalf of the Lenders (as the same from time to time hereafter may be amended, modified, supplemented or restated, the "IP Security Agreement").

E. Pursuant to the IP Security Agreement, each Grantor has assigned and granted to Administrative Agent on behalf of the Lenders a security interest in all right, title and interest of each Grantor in and to the Patents, together with any reissue, continuation, continuation-in-part or extension thereof, and all proceeds thereof, including any and all causes of action which may exist by reason of infringement thereof (the "Collateral"), to secure the prompt payment, performance and observance of the Secured Obligations (as defined in the IP Security Agreement).

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, each Grantor does hereby further assign, transfer and convey unto Administrative Agent on behalf of the Lenders and grant to Administrative Agent on behalf of the Lenders a

security interest in the Collateral to secure the prompt payment, performance and observance of the Secured Obligations.

Each Grantor does hereby further acknowledge and affirms that the rights and remedies of Administrative Agent with respect to the assignment of and security interest in the Collateral made and granted hereby are more fully set forth in the IP Security Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein.

Administrative Agent's address is:

The Northwestern Mutual Life Insurance Company
720 East Wisconsin Avenue
Milwaukee, WI 53202
Attention: Securities Department

Notwithstanding anything herein to the contrary, the lien and security interest granted to the Administrative Agent pursuant to this Grant of Security Interest and the IP Security Agreement and the exercise of any right or remedy by Administrative Agent under the IP Security Agreement are subject to the First Lien Intercreditor Agreement (as defined in the Credit Agreement), as the same may be amended, supplemented, modified or replaced from time to time. In the event of any conflict between the terms of the IP Security Agreement and the First Lien Intercreditor Agreement, the terms of the First Lien Intercreditor Agreement shall govern.

IN WITNESS WHEREOF, each Grantor has caused this Grant of Security Interest to be executed as of the day and year first above written.

Varsity Brands, Inc.,
a Delaware corporation

By: John M. Nichols
Name: John M. Nichols
Title: Sr VP-CFO

Varsity Spirit Corporation, a
Tennessee corporation

By: John M. Nichols
Name: John M. Nichols
Title: Sr VP-CFO

Varsity Spirit Fashions & Supplies, Inc., a Minnesota corporation

By: John M. Nichols
Name: John M. Nichols
Title: Sr VP-CFO

Varsity/Intropa Tours, Inc.,
a Tennessee corporation

By: John M. Nichols
Name: John M. Nichols
Title: Sr VP-CFO

Grant of Security Interest - Patents

VARSITY USA, INC., a Tennessee corporation

By: John M. Nichols
Name: John M. Nichols
Title: Senior Vice President/Chief Financial Officer

VBI VENTURES, INC.
(formerly known as International Logos, Inc.),
a Tennessee corporation

By: John M. Nichols
Name: John M. Nichols
Title: Senior Vice President/Chief Financial Officer

NATIONAL SPORTS & SPIRIT, INC., a
Delaware corporation

By: John M. Nichols
Name: John M. Nichols
Title: Senior Vice President/Chief Financial Officer

NSG CORPORATION, a Delaware corporation

By: John M. Nichols
Name: John M. Nichols
Title: Senior Vice President/Chief Financial Officer

Grant of Security Interest - Patents

PATENT
REEL: 019000 FRAME: 0413

SCHEDULE 1-A TO GRANT OF SECURITY INTEREST

PATENTS

U.S. PATENTS

NSG CORPORATION

NSG CORPORATION Title	Application No. Filing Date	Patent No/Issue Date
A slitted reversible cheerleading skirt	08/501,442 07/12/95	5,566,393 10/22/96
Pleated cheerleading skirt	08/846,626 04/30/97	5,771,494 06/30/98
Cheerleading skirt with decorative cutouts	29/077,722 10/07/97	D425,686 05/30/00
Pleating cheerleader skirt	09/106,829 06/29/98	6,029,279 02/29/00

SCHEDULE 1-B TO GRANT OF SECURITY INTEREST

PATENT APPLICATIONS

<u>Title</u>	<u>Jurisdiction</u>	<u>Application Date</u>	<u>Application No.</u>
None as of the Closing Date.			