

PATENT ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	RELEASE BY SECURED PARTY
CONVEYING PARTY DATA	
Name	Execution Date
JPMorgan Chase Bank, National Association	08/01/2007
RECEIVING PARTY DATA	
Name:	New K & Company LLC
Street Address:	8500 N.W. River Park Drive, Pillar #136
City:	Parkville
State/Country:	MISSOURI
Postal Code:	64152
PROPERTY NUMBERS Total: 4	
Property Type	Number
Patent Number:	5918398
Patent Number:	6460279
Application Number:	60442452
Application Number:	60507906
CORRESPONDENCE DATA	
Fax Number:	(312)993-9767
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	312-993-2698
Email:	magdalini.rizakos@lw.com
Correspondent Name:	Magdalini Rizakos c/o Latham & Watkins
Address Line 1:	233 S. Wacker Drive, Suite 5800
Address Line 4:	Chicago, ILLINOIS 60606-6401
NAME OF SUBMITTER:	Magdalini Rizakos

OP \$160.00 5918398

Total Attachments: 6
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RELEASE OF SECURITY INTEREST IN INTELLECTUAL PROPERTY

THIS RELEASE OF SECURITY INTEREST IN INTELLECTUAL PROPERTY (this "Release") is made as of August 1, 2007 ("Effective Date") by and between **JPMorgan Chase Bank, National Association (successor by merger to Bank One, N.A.)**, a national banking association, with an office at 100 East Broad Street, Columbus, Ohio 43271-0171 ("Assignee"), and **New K & Company LLC**, a Delaware limited liability company, with an office at 8500 N.W. River Park Drive, Pillar #136, Parkville, Missouri 64152 ("Company").

WHEREAS, pursuant to the terms and conditions of that certain Copyright Collateral Agreement Re: Patents, Trademarks and Copyrights by and between Company and Bank One, N.A. ("Bank One"), dated January 14, 2004 (the "IP Security Agreement"), Company granted to Bank One a continuing security interest in and to the following property:

- (i) each patent, patent registration, patent application (to the extent permitted by applicable law), and patent license listed on Schedule A (attached hereto), and all of the goodwill of the business connected with the use of, and symbolized by, each such patent, patent registration, patent application, and patent license;
- (ii) each trademark, trademark registration, trademark application (to the extent permitted by applicable law), and trademark license listed on Schedule B (attached hereto), and all of the goodwill of the business connected with the use of, and symbolized by, each such trademark, trademark registration, trademark application, and trademark license;
- (iii) each copyright, copyright registration and copyright application (to the extent permitted by applicable law), and copyright license listed on Schedule C (attached hereto), and all of the goodwill of the business connected with the use of, and symbolized by, each such copyright, copyright registration, copyright application, and copyright license; and
- (iv) all proceeds of the foregoing, including without limitation, any claim by Company against third parties for damages by reason of past, present or future infringement of any item listed in Schedules A, B and C attached hereto, or by reason of injury to the goodwill associated with any such patent, patent registration, patent application or patent license, trademark, trademark registration, trademark application or trademark license, copyright, copyright registration, copyright application or copyright license, in each case, together with the right to sue for and collect said damages

(all of the foregoing property, collectively, the "IP Collateral").

WHEREAS, the IP Security Agreement was recorded with the United States Patent and Trademark Office ("PTO") on March 17, 2004, at Reel/Frame 2935/0440 with respect to trademarks, and on March 17, 2004 at Reel/Frame 015093/0766 with respect to patents;

WHEREAS, Company has paid all of its outstanding indebtedness to Bank One and to Assignee.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignee hereby terminates the IP Security Agreement, and hereby terminates, cancels and releases any and all security interests it has against the IP Collateral.

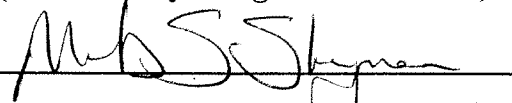
Assignee represents and warrants that: (i) it has the full power and authority to execute this Release; (ii) it has not assigned, transferred, restricted or otherwise encumbered any security interest it has against the IP Collateral; and (iii) it has not recorded or otherwise evidenced its security interest with respect to any patent, patent registration, patent application or patent license, any trademark or service mark, trademark or service mark registration, trademark or service mark application or trademark or service mark license, or any copyright, copyright registration, copyright application or copyright license, other than those set forth on Schedules A, B and C (attached hereto), in any jurisdiction throughout the world.

Assignee shall take all further actions, at Company's expense, and provide to Company, its successors, assigns or other legal representatives, all such cooperation and assistance (including, without limitation, the execution and delivery of any and all documents or other instruments), reasonably requested by Company to more fully and effectively effectuate the purposes of this Release.

* * * * *

IN WITNESS WHEREOF, Assignee has caused this Release to be executed by its duly authorized representative as of the Effective Date.

JPMORGAN CHASE BANK, NATIONAL ASSOCIATION
(Successor by Merger to Bank One, N.A.)



Name: MARK S SLAYMAN

Title: SENIOR VICE PRESIDENT

SCHEDULE A

**U.S. TRADEMARK REGISTRATIONS, TRADEMARK APPLICATIONS
AND TRADEMARK LICENSES**

1. U.S. Trademark Registrations

Mark	Registration No.	Registration Date
FRAME A NAME	2,376,273	8/8/2000

2. U.S. Trademark Applications

Mark	Application No.	Filing Date
DAISY HILL	78/268,254	6/27/2003
MARCELLA BY KAY	Not filed	Not filed
JUNK IT UP	Not filed	Not filed
LA BOUTIQUE	Not filed	Not filed
STUDIO K	Not filed	Not filed

3. Trademark Licenses

K & Company uses several marks, theme names and/or titles may be considered property of licensed artists or other suppliers to K & Company:

- (a) SOUND OF MEMORIES — possible mark of provider for voice recording products
- (b) Brenda Walton — licensed artist
- (c) Tim Coffey — licensed artist
- (d) Peggy Jo Ackley — licensed artist (potentially owns CUDDLY FRIENDS mark)

K & Company has permission to use the military insignias from the U.S. Army, Navy, Air Force and Marines on its military products.

SCHEDULE B

**U.S. PATENTS, PATENT APPLICATIONS
AND PATENT LICENSES**

1. U.S. Patents

Title	Patent No.	Issued
Custom display system	5,918,398	7/6/1999
Custom display and storage system	6,460,279	10/8/1002

2. U.S. Patent Applications

Title	Appl. No.	Date Filed
Customizable display	60/442,452	1/25/2003
Customizable Frame	60/507,906	9/30/2003

3. Patent Licenses

None

SCHEDULE C

U.S. COPYRIGHT REGISTRATIONS AND COPYRIGHT LICENSES

1. U.S. Copyright Registrations

Scrapbook layouts in the Kay Stanley book by Sterling Publishing, and in K & Company's idea booklets and other promotional materials. These layouts are provided to seller by various designers, who receive a fee from K & Company and who own the related copyrights.

Fabrics/wallpaper. Many of K & Company's designs (i.e., paper, stickers, and albums) use artwork from antique fabrics and wallpaper designs. Seller often purchases these fabrics and wallpapers from antique dealers. Seller believes that this artwork is in the public domain or that any related copyrights have expired.

2. U.S. Copyright Applications

None

3. Copyright Licenses

Licenses Granted to Borrower of Intellectual Property Used in the Business

- (a) Microsoft Great Plains ERP Software. GL, AP/PUR, AR/CRM, INV and SOP modules
- (b) Lease of Bolt-On Solutions' Clippership and Pack Verify Software
- (c) The following Designer, Artist and College/University Contracts:

License Agreements with Designers:

Designer Name	Contract Date	Status
Pamela Gladding	11/7/2003	Active
Maret Hensick (ME)	9/24/2003	Active
Sudi McCollum (CA)	9/30/2003	Active
Tracey Niehues (MO)	7/1/2003	Active
Eleanor Rahim (UK)	9/6/2003	Active
Brenda Walton (CA)	3/1/2002	Active
Peggy Jo Ackley (CA)	6/18/2001	Active
Elizabeth Brownd	Oral agreement	Active
Tim Coffey	Oral agreement	Active
Pole Position Publishing Ltd.	9/1/1999	Active
Hugh Lauter Levin & Associates, Inc.	7/10/2003	Active

License Agreements with Artists:

Artist's Name	Contract Date	Status
Jennifer Ditterich (MN)	4/22/2003	Active
Ruth Atkin Giauque (AZ)	6/5/2003	Active
Patricia Gutierrez (CA)	4/22/2003	Active
Kelly Keller (OH)	4/22/2003	Active
Tracey Niehues (MO)	9/22/2003	Active
Cathryn Oliver (CA)	12/8/2003	Active
Debbie Turner (SC)	4/22/2003	Active

License Agreements with Colleges and Universities:

Name	Contract Date	Status
The Collegiate Licensing Company	2/21/2003	Active
Licensing Resource Group, Inc.	3/28/2003	Active
Fort Hays State University	10/14/2003	Active
University of Southern California	8/15/2003	Active
Advanced Research and Technology Institute, Inc.	10/21/1996	Active
University of Georgia	3/25/2003	Active
The University of Iowa	2/11/2003	Active
Iowa State University Research Foundation, Inc.	9/1/2002	Active
Mississippi State University	12/01/2003	Active
University of Southern Mississippi	8/21/2003	Active
Michigan State University	10/27/2003	Active
The Ohio State University	10/22/2002	Active
Oregon State University	Nonexclusive agreement	Active
University of Oregon	10/24/2002	Active