

<b>PATENT ASSIGNMENT COVER SHEET</b>
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Electronic Version v1.1  
 Stylesheet Version v1.2

EPAS ID: PAT3493947

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	GRANT OF SECURITY INTEREST (TERM LOAN SECURITY AGREEMENT)

**CONVEYING PARTY DATA**

Name	Execution Date
ANAGRAM INTERNATIONAL, INC.	08/19/2015

**RECEIVING PARTY DATA**

<b>Name:</b>	DEUTSCHE BANK AG NEW YORK BRANCH, AS ADMINISTRATIVE AGENT AND COLLATERAL AGENT
<b>Street Address:</b>	60 WALL STREET
<b>City:</b>	NEW YORK
<b>State/Country:</b>	NEW YORK
<b>Postal Code:</b>	10005

**PROPERTY NUMBERS Total: 15**

Property Type	Number
Patent Number:	6076758
Patent Number:	5733406
Application Number:	13010472
Application Number:	13729805
Application Number:	13196554
Application Number:	13196495
Application Number:	13106458
Application Number:	11586998
Application Number:	12781380
Application Number:	12202655
Application Number:	11472580
Application Number:	29238296
Application Number:	29238253
Application Number:	29238252
Application Number:	29238288

**CORRESPONDENCE DATA**

Fax Number: (212)354-8113

*Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.*

**PATENT**

**Phone:** 2128198200  
**Email:** IPRECORDATIONS@WHITECASE.COM  
**Correspondent Name:** MATTHEW CAMPION/WHITE & CASE LLP  
**Address Line 1:** 1155 AVENUE OF THE AMERICAS  
**Address Line 2:** PATENT AND TRADEMARK DEPT.  
**Address Line 4:** NEW YORK, NEW YORK 10036-2787

<b>ATTORNEY DOCKET NUMBER:</b>	1111779-2555
<b>NAME OF SUBMITTER:</b>	MATTHEW CAMPION
<b>SIGNATURE:</b>	/Matthew Campion/
<b>DATE SIGNED:</b>	08/21/2015

**Total Attachments: 7**

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**GRANT OF SECURITY INTEREST  
IN UNITED STATES PATENTS**

This GRANT OF SECURITY INTEREST IN UNITED STATES PATENTS (this "Agreement"), dated as of August 19, 2015, is entered into by **AMSCAN INC.**, a New York corporation with principal offices at 80 Grasslands Road, Elmsford, NY 10523, and **ANAGRAM INTERNATIONAL, INC.**, a Minnesota corporation with principal offices at 7700 Anagram Drive, Eden Prairie, MN 55344 (each, a "Grantor" and collectively, the "Grantors") and **DEUTSCHE BANK AG NEW YORK BRANCH**, a branch of Deutsche Bank AG (itself a corporation duly incorporated under the laws of the Federal Republic of Germany and having its principal place of business at Taunusanlage 12, in the city of Frankfurt (Main) and licensed by the New York State Department of Financial Services), with offices at 60 Wall Street, New York, New York 10005 (the "Grantee"), as administrative agent and collateral agent (collectively in such capacities, the "Agent").

WHEREAS, the Grantors are the owners of all right, title and interest in and to the United States patents and associated United States patent registrations and applications for registration set forth in Schedule A attached hereto (collectively, the "Patents");

WHEREAS, Grantee desires to acquire a security interest in the Patents; and

WHEREAS, the Grantors are willing to grant to the Grantee a security interest in and lien upon the Patents.

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and subject to the terms and conditions of the Pledge and Security Agreement, dated as of August 19, 2015, made by the Grantors, the other assignors from time to time party thereto and the Grantee (as amended, modified, restated and/or supplemented from time to time, the "Term Loan Security Agreement"), the Grantors and Grantee agree as follows:

i. Grant of Security Interest

a. The Grantors hereby assign to the Grantee as collateral security, and grants to the Grantee a continuing security interest in, to and under (i) the Patents; (ii) all Proceeds (as such term is defined in the Term Loan Security Agreement) and products of the Patents, and (iii) all causes of action arising prior to or after the date hereof for infringement of any of the Patents or unfair competition regarding the same.

b. This Agreement has been granted in conjunction with the security interest granted to the Grantee under the Term Loan Security Agreement. The rights and remedies of the Grantee with respect to the security interest granted herein are as set forth in the Term Loan Security Agreement, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this Agreement are deemed to conflict with the Term Loan Security Agreement, the provisions of the Term Loan Security Agreement shall govern.

ii. Termination of Security Interest

Upon the occurrence of the Termination Date (as defined in the Term Loan Security Agreement), the Grantee shall execute, acknowledge, and deliver to the Grantors an instrument in writing releasing the security interest in the Patents acquired under this Agreement.

iii. Authorization; Constitution

To the extent applicable, the parties hereto authorize and request that the Commissioner of Patents and Trademarks of the United States (and, as applicable, the corresponding entities or agencies in any applicable foreign countries) record this security interest in the Patents.

iv. Governing Law

**THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK.**

v. Successors and Assigns

This Agreement shall be binding upon and inure to the benefit of the Grantee, the Grantors and their respective successors and assigns. The Grantors shall not, without the prior written consent of the Agent given in accordance with the Term Loan Security Agreement, assign any right, duty or obligation hereunder.

vi. Intercreditor Agreement Acknowledgment

Notwithstanding anything herein to the contrary, the liens and security interests granted to the Grantee pursuant to this Agreement in any ABL Facility First Lien Collateral (as defined in the Intercreditor Agreement referred to below) and the exercise of any right or remedy by the Grantee with respect to any ABL Facility First Lien Collateral hereunder are subject to the provisions of the Intercreditor Agreement, dated as of August 19, 2015 (as amended, restated, supplemented or otherwise modified from time to time, the "Intercreditor Agreement"), among PC Intermediate Holdco, Inc., a Delaware corporation, Party City Holdings Inc., a Delaware corporation, Party City Corporation, a Delaware corporation, the other Grantors from time to time party thereto, JPMorgan Chase Bank, N.A. ("JPM"), as ABL Facility Security Agent, and the Grantee, as Term Loan Security Agent, and certain other Persons party or that may become party thereto from time to time. In the event of any conflict between the terms of the Intercreditor Agreement and this Agreement, the terms of the Intercreditor Agreement shall govern and control.

vii. Counterparts

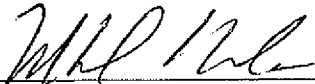
This Agreement may be executed in any number of counterparts and by the parties hereto on separate counterparts, each of which when so executed, shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

**[Remainder of this page intentionally left blank; signature page follows]**

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

**GRANTORS:**

ANAGRAM INTERNATIONAL, INC.  
AMSCAN INC.

By:   
Name: Michael A. Correale  
Title: Vice President

[Signature Page to Party City Term Loan Patent Security Grant]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

**DEUTSCHE BANK AG NEW YORK  
BRANCH,**  
as Agent and Grantee

By   
Name: **Dusan Lazarov**  
Title: **Director**

By   
Name: **Anca Trifan**  
Title: **Managing Director**

[Signature Page to Party City Term Loan Patent Security Grant]

**SCHEDULE A**

**Patents**

<b>Title</b>	<b>Patent No.</b>	<b>Issue date</b>	<b>App. No.</b>	<b>App. Date</b>	<b>Owner</b>
BALLOON FILL GAUGE	8662004	2014-03-04	13010472	2011-01-20	Anagram International, Inc.
STRETCHABLE AND FORMABLE LIGHTER THAN AIR BALLOONS MADE FROM A BIAXIALLY ORIENTED POLYESTER FILM	N/A	N/A	13729805	2012-12-28	Anagram International, Inc. (and Toray Plastics (America), Inc.)
LIGHTER THAN AIR BALLOON MADE FROM A BIAXIALLY ORIENTED POLYESTER FILM	8323759	2012-12-04	13196554	2011-08-02	Anagram International, Inc. (and Toray Plastics (America), Inc.)
LIGHTER THAN AIR BALLOON MADE FROM A BIAXIALLY ORIENTED POLYESTER FILM	8236399	2012-08-07	13196495	2011-08-02	Anagram International, Inc. (and Toray Plastics (America), Inc.)
SELF-MATING ADHESIVES FOR AEROSTATS	N/A	N/A	13106458	2011-05-12	Anagram International, Inc.
MAGNETIC SPEAKER SOUND MODULE AND BALLOON WITH WEIGHTED SIDE	7963820	2011-06-21	11586998	2006-10-26	Anagram International, Inc.
LOCALIZED SEALANT APPLICATION IN AEROSTATS	N/A	N/A	12781380	2010-05-17	Anagram International, Inc.
LIGHTER THAN AIR BALLOON MADE FROM A BIAXIALLY ORIENTED POLYESTER FILM	8399080	3/19/2013	12202655	2008-09-02	Anagram International, Inc. (and Toray Plastics (America), Inc.)
ORNAMENTAL SOUND MODULE FOR A BALLOON	7658661	2/9/2010	11472580	2006-06-22	Anagram International, Inc.
NOVELTY NOISEMAKER INCORPORATING	D530756	2006-10-24	29238296	2005-09-13	Anagram International, Inc.



INFLATED STICK AND FLAG					
NOVELTY NOISEMAKER INCORPORATING INFLATED STICK AND PENNANT	D529557	2006-10- 03	29238253	2005-09-13	Anagram International, Inc.
NOVELTY NOISEMAKER INCORPORATING INFLATED STICK WITH STIFFENED FLAG	D525319	2006-07- 18	29238252	2005-09-13	Anagram International, Inc.
NOVELTY NOISEMAKER INCORPORATING INFLATED STICKS AND BANNER	D524874	2006-07- 11	29238288	2005-09-13	Anagram International, Inc.
BALLOON WEIGHT	6076758	2000-06- 20	9181309	1998-10-28	Anagram International, Inc.
FOLDABLE PARTY DECORATION	7927674	2011-04- 19	11749564	2007-05-16	Amscan, Inc.
MANUFACTURE OF VALVES FOR INFLATABLE ARTICLES	5733406	1998-03- 31	8537592	1995-10-02	M&D Industries, Inc. <sup>1</sup>

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<sup>1</sup> M&D Industries, Inc. dissolved as of 12/9/2013 and assets transferred to Anagram International, Inc.