

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	SECURITY INTEREST

**CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
Poof-Slinky, Inc.		10/27/2005	CORPORATION: MICHIGAN

**RECEIVING PARTY DATA**

<b>Name:</b>	JPMorgan Chase Bank, N.A.
<b>Street Address:</b>	28660 Northwestern Highway
<b>City:</b>	Southfield
<b>State/Country:</b>	MICHIGAN
<b>Postal Code:</b>	48304
<b>Entity Type:</b>	National Banking Association: UNITED STATES

**PROPERTY NUMBERS Total: 52**

Property Type	Number	Word Mark
Serial Number:	76514263	CASINO ROYALE
Registration Number:	2392367	CLIP BUDDY
Registration Number:	1363424	CRAZY EYES
Registration Number:	2842776	DELUXE TAP 'N' TEE GOLF
Registration Number:	1017029	FORM-A-TIONS
Registration Number:	2402881	
Registration Number:	2887356	HOVER BLASTER
Serial Number:	76594257	IDEAL
Serial Number:	76502665	IDEAL TOY
Registration Number:	1023848	JI-GAN-TIKS
Registration Number:	2269099	MINILABS
Registration Number:	1706951	MINILABS
Registration Number:	1428607	MOLI-Q'S
Registration Number:	1137993	ORIGINAL PLASTIC SLINKY

**CH \$1315.00 76514263**

Registration Number:	2388788	PETSCOTS
Registration Number:	2019682	POP TOOBS
Registration Number:	2899291	RACK 'N' ROLL BOWL
Registration Number:	0942313	RINGA-MAJIGS
Serial Number:	76605286	ROBERT THE ROBOT
Registration Number:	2842767	ROCK 'N' JOCKEY DERBY
Registration Number:	2887357	ROCK 'N' POCKET POOL
Registration Number:	2971531	SLINKY
Registration Number:	1455493	SLINKY
Registration Number:	2534216	SLINKY
Registration Number:	2741708	SLINKY
Registration Number:	1394825	SLINKY
Serial Number:	76637562	SLINKY
Registration Number:	2162682	SLINKY
Registration Number:	2701214	SLINKY
Registration Number:	0427951	SLINKY JAMES
Registration Number:	2939489	SLINKY
Registration Number:	1434846	SLINKY C-RINGS
Registration Number:	2265735	SLINKY PETS
Registration Number:	1180355	SLINKY PLAYSHAPES
Registration Number:	2730148	SLINKY SCIENCE
Registration Number:	1276398	SLINKY TRIANGLES
Registration Number:	1873978	SORT-A-SHAPE
Serial Number:	76639178	SPEED BALL
Registration Number:	0961945	SPIN WHEELS
Registration Number:	2842766	SURE SHOT
Registration Number:	0938678	TOWER IFICS
Registration Number:	2872372	WACKY WHEEL
Registration Number:	1705192	POOF
Registration Number:	1705191	POOF
Registration Number:	1934336	AQUA-BOMB
Registration Number:	1947745	SOFT RACER
Registration Number:	2050029	POCKET PLANE
Registration Number:	2021797	CONNECT-O-FOAM
Registration Number:	2335994	RAM ROCKET

Registration Number:	2705338	PLAYBOOK FOOTBALL
Serial Number:	78195801	RX
Registration Number:	2949878	POOF BOWL

**CORRESPONDENCE DATA**

Fax Number: (202)659-1559  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
Phone: (202) 659 - 6944  
Email: MBergsman@dickinsonwright.com  
Correspondent Name: Marc A. Bergsman  
Address Line 1: Dickinson Wright PLLC  
Address Line 2: 1901 L Street, N.W., Suite 800  
Address Line 4: Washington, DISTRICT OF COLUMBIA 20036

ATTORNEY DOCKET NUMBER:	00007-00424
NAME OF SUBMITTER:	Marc A. Bergsman
Signature:	/Marc A. Bergsman/
Date:	11/02/2005

**Total Attachments: 27**

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**TRADEMARK**

## **PATENT AND TRADEMARK SECURITY AGREEMENT**

PATENT AND TRADEMARK SECURITY AGREEMENT, dated as of October 27, 2005, made by **Poof-Slinky, Inc.**, a Michigan corporation, (the "**Grantor**"), in favor of **JPMorgan Chase Bank, N.A.**, a national banking association, (the "**Lender**") from time to time parties to the Revolving Credit and Loan Agreement, dated as of October 27, 2005 (as amended, waived, supplemented or otherwise modified from time to time, the "**Credit Agreement**").

### **WITNESSETH:**

**WHEREAS**, pursuant to the Credit Agreement, Lender has severally agreed to make extensions of credit to the Borrower (as defined therein) upon the terms and subject to the conditions set forth therein; and

**WHEREAS**, it is a condition to the obligation of the Lender to make its respective extensions of credit to the Borrower under the Credit Agreement that the Grantor execute and deliver this Agreement to the Lender for the ratable benefit of Lender; and

**NOW, THEREFORE**, in consideration of the premises and to induce Lender to enter into the Credit Agreement and to make its respective extensions of credit to the Borrower thereunder, the Grantor hereby agrees with the Lender that this Patent and Trademark Security Agreement shall read in its entirety as follows:

**1. Defined Terms.** (a) Unless otherwise defined herein, capitalized terms which are defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

(b) The following terms shall have the following meanings:

"**Agreement**": this Patent and Trademark Security Agreement, as the same may be amended, supplemented, waived or otherwise modified from time to time.

"**Closing Date**": October 27, 2005.

"**Code**": the Uniform Commercial Code as from time to time in effect in the State of Michigan.

"**Collateral**": as defined in Section 2 of this Agreement.

"**Default**": a "Default" as defined in the Credit Agreement.

"**Event of Default**": an "Event of Default" as defined in the Credit Agreement.

**"General Intangibles"**: as defined in Section 9-106 of the Code, including, without limitation, all Patents and Trademarks now or hereafter owned by the Grantor to the extent such Patents and Trademarks would be included in General Intangibles under the Code.

**"Inventory"**: as defined in the Code, including, without limitation, all Inventory now or hereafter owned by the Grantor of every type, wherever located, and/or all Inventory that is available for sale or distribution to others by the Grantor.

**"Loan Documents"**: the collective reference to the "Loan Documents" as defined in the Credit Agreement.

**"Loans"**: the collective reference to the "Loans" as defined in the Credit Agreement.

**"Obligations"**: the collective reference to the "Obligations" as defined in the Credit Agreement.

**"Patent Licenses"**: all United States written license agreements of the Grantor with any Person who is not an Affiliate or Subsidiary of Grantor in connection with any of the Patents or such other Person's patents, whether Grantor is a licensor or a licensee under any such agreement, including, without limitation, the license agreements listed on Schedule II hereto, subject, in each case, to the terms of such license agreements, and the right to prepare for sale, sell and advertise for sale, all Inventory now or hereafter covered by such licenses.

**"Patents"**: all of Grantor's right, title and interest in and to all United States patents, patent applications and patentable inventions and all reissues and extensions thereof, including, without limitation, all patents and patent applications identified in Schedule II hereto, and including, without limitation, (a) all inventions and improvements described and claimed therein, and patentable inventions, (b) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (c) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past or future infringements thereof), and (d) all other rights corresponding thereto in the United States and all reissues, divisions, continuations, continuations-in-part, substitutes, renewals, and extensions thereof, all improvements thereon, and all other rights of any kind whatsoever of the Grantor accruing thereunder or pertaining thereto (Patents and Patent Licenses being, collectively, the "**Patent Collateral**").

**"Proceeds"**: as defined in Section 9-306(1) of the Code.

**"Trademark Licenses"**: all United States written license agreements of the Grantor with any Person who is not an Affiliate or Subsidiary of Grantor in connection with any of the Trademarks or such other Person's names or trademarks, whether Grantor

is a licensor or a licensee under any such agreement, including, without limitation, the license agreements listed on Schedule I hereto, subject, in each case, to the terms of such license agreements, and the right to prepare for sale, sell and advertise for sale, all Inventory now or hereafter covered by such licenses.

**"Trademarks"**: all of the Grantor's right, title and interest in and to all United States trademarks, service marks, trade names, trade dress or other indicia of trade origin or business identifiers, trademark and service mark registrations, and applications for trademark or service mark registrations (except for "intent to use" applications for trademark or service mark registrations filed pursuant to Section 1(b) of the Lanham Act, 15 U.S.C. § 1051, unless and until an Amendment to Allege Use or a Statement of Use under Sections 1(c) and 1(d) of said Act has been filed), and any renewals thereof, including, without limitation, each registration and application identified in Schedule I hereto, and including, without limitation, (a) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (b) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past or future infringements thereof), and (c) all other rights corresponding thereto in the United States and all other rights of any kind whatsoever of Grantor accruing thereunder or pertaining thereto, together in each case with the goodwill of the business connected with the use of, and symbolized by, each such trademark, service mark, trade name, trade dress or other indicia of trade origin or business identifiers (Trademarks and Trademark Licenses being, collectively, the "**Trademark Collateral**").

(c) The words "**hereof**," "**herein**" and "**hereunder**" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and section and paragraph references are to this Agreement unless otherwise specified.

(d) The meanings given to terms defined herein shall be equally applicable to both the singular and plural forms of such terms.

(e) Where the context requires, terms relating to the Collateral or any part thereof, when used in relation to Grantor, shall refer to Grantor's Collateral or the relevant part thereof.

**2. Grant of Security Interest.** The Grantor hereby grants, subject to existing ownership rights of joint owners and existing licenses granted by the Grantor in the ordinary course of business with respect to the Collateral (as hereinafter defined), to the Lender a security interest in all of the following property now owned or at any time hereafter acquired by the Grantor or in which the Grantor now has or at any time in the future may acquire any right, title or interest (collectively, the "**Collateral**"), as collateral security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of the Obligations of the Grantor:

- (a) all Patents;
- (b) all Patent Licenses;
- (c) all Trademarks;
- (d) all Trademark Licenses;
- (e) all General Intangibles connected with the use of or symbolized by the Trademarks and Patents; and
- (f) to the extent not otherwise included, all Proceeds and products of any and all of the foregoing and all collateral security and guarantees given by any Person with respect to any of the foregoing;

*provided, that* the foregoing grant of a security interest with respect to General Intangibles, Patent Licenses and Trademark Licenses shall not include a security interest in, and the Collateral shall not include, any Patent License or Trademark License with or issued by Persons other than a Subsidiary of the Grantor that would otherwise be included in the Collateral to the extent that the grant by Grantor of such security interest is prohibited by the terms and provisions of the written agreement or document or instrument creating or evidencing such license or permit or Patent License or Trademark License, or gives the other party thereto the right to terminate such Patent License or Trademark License in the event of the grant of a security interest with respect thereto and, *provided further, that* the foregoing grant of a security interest with respect to Patents and Trademarks shall not include a security interest in, and the Collateral shall not include, any Patent or Trademark owned jointly with or issued to Persons other than a Subsidiary of the Grantor that would otherwise be included in the Collateral to the extent that the grant by Grantor of such security interest is prohibited by the terms and provisions of the written agreement or document or instrument creating or evidencing such joint ownership or gives the other party the right to terminate the rights of the Grantor with respect to such Patent or Trademark in the event of the grant of a security interest with respect thereto. All references in this Agreement to any of the property described in clauses (a) through (f) of the preceding sentence, or to any Proceeds thereof, shall be deemed to be references to such property or Proceeds to the extent such property or Proceeds constitutes Collateral.

**3. Representations and Warranties.** The Grantor hereby represents and warrants to the Lender that:

(a) **Power and Authority.** As of the date hereof, the Grantor has the corporate power and authority, and the legal right, to make, deliver and perform its obligations under, and to grant the security interest in the Trademark Collateral and the Patent Collateral to the extent provided in, and pursuant to, this Agreement and has taken all necessary corporate action to authorize the execution, delivery and performance of, and grant of the security interest in the Trademark Collateral and the Patent Collateral to the extent provided in, and pursuant to, this Agreement.

**(b) Title; No Other Liens.** As of the date hereof, except for the Liens granted to the Lender pursuant to this Agreement and Permitted Liens, and except as set forth on Schedule I or II hereto, the Grantor is (or, in the case of after-acquired Collateral, will be) the sole, legal and beneficial owner of the entire right, title and interest in and to the material Trademarks set forth on Schedule I hereto and the material Patents set forth in Schedule II hereto free and clear of any and all Liens. As of the date hereof, except as set forth on Schedule III hereto, no security agreement, financing statement or other public notice similar in effect with respect to all or any part of the Collateral is on file or of record in any public office (including, without limitation, the United States Patent and Trademark Office), except such as may have been filed in favor of Lender pursuant to this Agreement or in respect of such Permitted Liens.

**(c) Perfected Liens.** As of the date hereof, this Agreement is effective to create, as collateral security for the Obligations, valid and enforceable Liens on the Collateral in favor of the Lender except as enforceability may be affected by bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing.

**(d)** As of the date hereof, except with respect to Liens upon Patents and Trademarks and Patent Licenses and Trademark Licenses, which Liens, to the extent not otherwise perfected by the filing of financing statements under the Code in accordance herewith, would in the case of Patents and Trademarks listed in Schedules I and II hereto, or in the case of Patent Licenses and Trademark Licenses listed in Schedules I and II hereto, may be perfected upon the filing, acceptance and recordation thereof in the United States Patent and Trademark Office, upon filing of the financing statements delivered to the Lender by the Grantor on the Closing Date in the jurisdictions listed on Schedule 1(a) to the Security Agreement (which financing statements are in proper form for filing in such jurisdictions) (and the recording of this Agreement in the United States Patent and Trademark Office, and the making of filings after the Closing Date in any other jurisdiction in the United States as may be necessary under any applicable law) the Liens created pursuant to this Agreement will constitute valid and perfected Liens on the Collateral in the United States in favor of the Lender which Liens will be prior to all other Liens of all other Persons with respect to the Collateral, except for Permitted Liens and except as set forth on Schedule I or II hereto, and which Liens are enforceable as such against all creditors of and purchasers (except to the extent that the recording of an assignment or other transfer of title to the Lender in the United States Patent and Trademark Office may be necessary for such enforceability) from the Grantor, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law) or by an implied covenant of good faith and fair dealing.

**(e) Consents.** No consent of any party (other than the Grantor) to any material Patent License or material Trademark License constituting Collateral is required,

or purports to be required, to be obtained by or on behalf of the Grantor in connection with the execution, delivery and performance of this Agreement that has not been obtained. Each Patent License and Trademark License constituting Collateral is in full force and effect and constitutes a valid and legally enforceable obligation of the Grantor and (to the knowledge of the Grantor) each other party thereto except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the enforcement of creditor's rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law) or by an implied covenant of good faith and fair dealing and except to the extent the failure of any such Patent License or Trademark License constituting Collateral to be in full force and effect or valid or legally enforceable would not be reasonably expected, in the aggregate, to have a Material Adverse Effect on the value of the Collateral (as such term is defined in the Credit Agreement). No consent or authorization of, filing with or other act by or in respect of any Governmental Authority is required in connection with the execution, delivery, performance, validity or enforceability of any of the Patent Licenses or Trademark Licenses constituting Collateral by any party thereto other than those which have been duly obtained, made or performed and are in full force and effect and those the failure of which to make or obtain would not be reasonably expected, in the aggregate, to have a Material Adverse Effect on the value of the Collateral (as such term is defined in the Credit Agreement). Neither Grantor nor (to the knowledge of Grantor) any other party to any Patent License or Trademark License constituting Collateral is in default in the performance or observance of any of the terms thereof, except for such defaults as would not reasonably be expected, in the aggregate, to have a Material Adverse Effect on the value of the Collateral (as such term is defined in the Credit Agreement). Except for rights reserved in favor of the United States government, as required under law, the right, title and interest of the Grantor in, to and under each Patent License and Trademark License constituting Collateral are not subject to any defense, offset, counterclaim or claim which would be reasonably expected, either individually or in the aggregate, to have a Material Adverse Effect on the value of the Collateral (as such term is defined in the Credit Agreement).

**(f) Schedules I and II are Complete; All Filings Have Been Made.** Set forth in Schedules I and II is a complete and accurate list of all material Trademarks and material Patents owned by the Grantor as of the date hereof. As of the date hereof, the Grantor will have made all necessary filings to protect and maintain its interest in the Trademarks and Patents set forth in Schedules I and II, including, without limitation, all necessary filings and payments of all maintenance fees, in the United States Patent and Trademark Office to the extent such Trademarks and Patents are material to the Grantor's business. Set forth in Schedules I and II is a complete and accurate list of all of the material Trademark Licenses and material Patent Licenses owned by the Grantor as of the date hereof.

**(g) The Trademarks and Trademark Licenses are Subsisting and Not Adjudged Invalid.** As of the date hereof, each trademark registration and trademark application of the Grantor set forth in Schedule I is subsisting as of the date hereof, and

has not been adjudged invalid, unregistrable or unenforceable, in whole or in part, and, to the best of Grantor's knowledge, is valid, registrable and enforceable. As of the date hereof, each of the Trademark Licenses set forth in Schedule I is validly subsisting and has not been adjudged invalid or unenforceable, in whole or in part, and, to the best of Grantor's knowledge, is valid and enforceable. As of the date hereof, Grantor has notified the Lender in writing of all uses of any item of Trademark Collateral material to Grantor's business of which Grantor is aware which could reasonably be expected to lead to such item becoming invalid or unenforceable, including unauthorized uses by third parties and uses which were not supported by the goodwill of the business connected with such Collateral.

**(h) The Patents and Patent Licenses are Subsisting and Not Adjudged Invalid.** As of the date hereof, each Patent and patent application of the Grantor set forth in Schedule II is subsisting and has not been adjudged invalid, unpatentable or unenforceable, in whole or in part, and, to the best of Grantor's knowledge, is valid, patentable and enforceable. As of the date hereof, each of the Patent Licenses set forth in Schedule II is validly subsisting and has not been adjudged invalid or unenforceable, in whole or in part, and, to the best of Grantor's knowledge, is valid and enforceable. As of the date hereof, the Grantor has notified the Lender in writing of all uses of any item of Patent Collateral material to Grantor's business of which Grantor is aware which could reasonably be expected to lead to such item becoming invalid or unenforceable.

**(i) No Previous Assignments or Releases.** Except as set forth on Schedule I or II hereto, as of the date hereof, the Grantor has not made an agreement constituting a present or future assignment, sale, transfer or encumbrance of any of the Collateral (except for any such assignment, sale, transfer or encumbrance permitted under the Loan Documents). Except as permitted by the Loan Documents or as required by law, the Grantor has not granted any license, shop right, release, covenant not to sue, or non-assertion assurance to any Person with respect to any material part of the Collateral which would have a Material Adverse Effect.

**(j) Proper Statutory Notice.** The Grantor has marked its products with the trademark registration symbol ®, the numbers of all appropriate patents, the common law trademark symbol ™, or the designation "patent pending," as the case may be, to the extent that it is reasonably and commercially practicable.

**(k) No Knowledge of Claims Likely to Arise.** Except for the Trademark Licenses and Patent Licenses listed in Schedules I and II hereto, the Grantor has no knowledge of the existence of any right or any claim (other than as permitted by this Agreement or the Loan Documents) that is likely to be made under or against any item of Collateral contained on Schedules I and II which would have a Material Adverse Effect.

**(l) No Knowledge of Existing or Threatened Claims.** No claim has been made and is continuing or, to the Grantor's knowledge, threatened that the use by Grantor of any item of Collateral is invalid or unenforceable or that the use by Grantor of any Collateral does or may violate the rights of any Person, which would have a Material

Adverse Effect. To the Grantor's knowledge, there is currently no infringement or unauthorized use of any item of Collateral contained on Schedules I and II hereto which would have a Material Adverse Effect.

Each Grantor agrees that the foregoing representations and warranties shall be deemed to have been made by the Grantor on and as of each date on which an extension of credit is made by the Lender to the Borrower under the Credit Agreement, in each case as though made on and as of each such date (or, if any such representation or warranty is expressly stated to have been made as of a specific date, as of such specific date).

**4. Covenants.** The Grantor covenants and agrees with the Lender that, from and after the date of this Agreement until the payment in full of the Loans, and to the extent then due and owing, all other Obligations, the termination of the credit facilities provided under the Credit Agreement and the expiration, termination or return to the Lender of any Letters of Credit:

**(a) Further Documentation; Pledge of Instruments and Chattel Paper.** At any time and from time to time, upon the written request of the Lender or the Grantor, as the case may be, and at the sole expense of Grantor, Grantor or the Lender, as the case may be, will promptly and duly execute and deliver such further instruments and documents and take such further action as the Lender or the Grantor, as the case may be, may reasonably request for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the Uniform Commercial Code in effect in any jurisdiction with respect to the Liens created hereby. The Grantor also hereby authorizes the Lender to file any such financing or continuation statement without the signature of the Grantor to the extent permitted by applicable law. A carbon, photographic or other reproduction of this Agreement shall be sufficient as a financing statement for filing in any jurisdiction. The Lender agrees to notify the Grantor and the Grantor agrees to notify Lender of any financing or continuation statement filed by it pursuant to this Section 4(a), *provided that* any failure to give any notice shall not affect the validity or effectiveness of any such filing.

**(b) Indemnification and Expenses.** The Grantor agrees to pay, and to save the Lender, and its respective agents, officers, directors and successors harmless from, any and all liabilities and reasonable costs and expenses (including, without limitation, reasonable legal fees and expenses) (i) with respect to, or resulting from, any delay by the Grantor in complying with any material Requirement of Law applicable to any of the Collateral, or (ii) in connection with any of the transactions contemplated by this Agreement, *provided that* such indemnity shall not, as to the Lender, or any of its respective agents, officers, directors and successors, be available to the extent that such liabilities, costs and expenses resulted from the gross negligence or willful misconduct of any of the same. In any suit, proceeding or action brought by the Lender under any of the Collateral for any sum owing thereunder, or to enforce any of the Collateral, the Grantor will save, indemnify and keep the Lender and its respective agents, officers, directors and successors harmless from and against all expense, loss or damage suffered by reason of any defense or counterclaim raised in any such suit, proceeding or action, except to the

extent such expense, loss or damage resulted from the gross negligence or willful misconduct of any of the same.

(c) **Maintenance of Records.** The Grantor will keep and maintain at its own cost and expense reasonably satisfactory and complete records of the Collateral, and shall mark such records to evidence this Agreement and the Liens and the security interests created hereby. For the Lender's further security, the Lender shall have a security interest in all of the Grantor's books and records pertaining to the Collateral.

(d) **Right of Inspection.** Upon reasonable written advance notice to the Grantor and at reasonable intervals, or at any time and from time to time after the occurrence and during the continuation of an Event of Default, the Lender shall have reasonable access during normal business hours to all the books, correspondence and records of the Grantor, and the Lender and its representatives may examine the same, and to the extent reasonable take extracts therefrom and make photocopies thereof, and the Grantor agrees to render to Lender, at the Grantor's reasonable cost and expense, such clerical and other assistance as may be reasonably requested with regard thereto.

(e) **Compliance with Laws, etc.** The Grantor will comply in all material respects with all material Requirements of Law applicable to the Collateral or any part thereof, except to the extent that the failure to so comply would not be reasonably expected to materially adversely affect in the aggregate the Lender's rights hereunder, the priority of its Liens on the Collateral or the value of the Collateral.

(f) **Further Identification of Collateral.** The Grantor will furnish to the Lender from time to time such statements and schedules further identifying and describing the Collateral, and such other reports in connection with the Collateral, as the Lender may reasonably request, all in reasonable detail.

(g) **Security Interest in Any Newly Acquired Collateral.** The Grantor agrees that, should it obtain an ownership interest in any material Trademark, Patent, Trademark License or Patent License, which is not now a part of the Collateral, (i) the provisions of Section 2 shall automatically apply thereto, (ii) any such Trademark, Patent, Trademark License and Patent License shall automatically become part of the Collateral, and (iii) with respect to any ownership interest in any such Trademark, Patent, Trademark License or Patent License that Grantor should obtain, it shall give notice thereof to the Lender in writing, in reasonable detail, at its address set forth in the Credit Agreement within thirty (30) days after the Grantor obtains knowledge thereof. The Grantor authorizes the Lender to modify this Agreement by amending Schedules I and II (and will cooperate reasonably with the Administrative Agent in effecting any such amendment) to include on Schedule I any Trademark and Trademark License and on Schedule II any Patent or Patent License of which it receives notice under this Section, or to prepare and file with the United States Patent and Trademark Office a supplement to this Agreement to include any Patent or Trademark of which it receives notice to under this Section.

**(h) Maintenance of the Trademark Collateral.** Except as permitted in the Loan Documents and to the extent permitted by law, the Grantor agrees to take all reasonably necessary steps, including, without limitation, in the United States Patent and Trademark Office or in any court, to (i) maintain each trademark registration and each Trademark License identified on Schedule I hereto, and (ii) pursue each trademark application now or hereafter identified in Schedule I hereto, including, without limitation, the filing of responses to office actions issued by the United States Patent and Trademark Office, the filing of applications for renewal, the filing of affidavits under Sections 8 and 15 of the United States Trademark Act, and the participation in opposition, cancellation, infringement and misappropriation proceedings, except, in each case in which Grantor has reasonably determined that any of the foregoing is not of material economic value to it. The Grantor agrees to take corresponding steps with respect to each new or acquired trademark or service mark registration, or application for trademark or service mark registration, or any rights obtained under any Trademark License, in each case, which it is now or later becomes entitled, except in each case in which the Grantor has reasonably determined that any of the foregoing is not of material economic value to it. Any expenses incurred in connection with such activities shall be borne by Grantor.

**(i) Maintenance of the Patent Collateral.** Except as permitted in the Loan Documents and to the extent permitted by law, the Grantor agrees to take all reasonably necessary steps, including, without limitation, in the United States Patent and Trademark Office or in any court, to (i) maintain each patent and each Patent License identified on Schedule II hereto, and (ii) pursue each patent application, now or hereafter identified in Schedule II hereto, including, without limitation, the filing of divisional, continuation, continuation-in-part and substitute applications, the filing of applications for reissue, renewal or extensions, the payment of maintenance fees, and the participation in interference, reexamination, opposition, infringement and misappropriation proceedings, except, in each case in which the Grantor has reasonably determined that any of the foregoing is not of material economic value to it. The Grantor agrees to take corresponding steps with respect to each new or acquired patent, patent application, or any rights obtained under any Patent License, in each case, which it is now or later becomes entitled, except in each case in which the Grantor has reasonably determined that any of the foregoing is not of material economic value to it. Any expenses incurred in connection with such activities shall be borne by Grantor.

**(j) Preservation and Protection of the Trademark Collateral and Patent Collateral.** Except as provided in Section 4(k) hereof, the Grantor shall take all steps permitted by law which it or the Lender deems reasonably appropriate under the circumstances to preserve and protect its material Trademark Collateral and Patent Collateral.

**(k) Grantor Shall Not Abandon any Collateral.** The Grantor shall not abandon any trademark registration, patent or any pending trademark or patent application, in each case listed on Schedule I or Schedule II, without the written consent of the Administrative Agent, unless such Grantor shall have previously determined that such use or the pursuit or maintenance of such trademark registration, patent or pending

trademark or patent application is not of material economic value to it, in which case, such Grantor will, at least annually, give notice of any such abandonment to the Administrative Agent in writing, in reasonable detail, at its address set forth in the Credit Agreement.

**(l) Infringement of Any Collateral.** In the event that Grantor becomes aware that any item of the Collateral which Grantor has reasonably determined to be material to its business is infringed or misappropriated by a third party, which infringement or misappropriation would reasonably be expected to have a Material Adverse Effect, the Grantor shall notify the Lender promptly and in writing, in reasonable detail, at its address set forth in the Credit Agreement, and shall take such actions permitted by law as the Grantor or the Lender deems reasonably appropriate under the circumstances to protect such Collateral, including, without limitation, suing for infringement or misappropriation and for an injunction against such infringement or misappropriation. Any expense incurred in connection with such activities shall be borne by Grantor. The Grantor will advise the Lender promptly and in writing, in reasonable detail, at its address set forth in the Credit Agreement, of any adverse determination or the institution of any proceeding (including, without limitation, the institution of any proceeding in the United States Patent and Trademark Office or any court) regarding any item of the Collateral which has a Material Adverse Effect.

**(m) Use of Statutory Notice.** The Grantor shall mark its products with the trademark registration symbol ®, the numbers of all appropriate patents, the common law trademark symbol ™, or the designation "patent pending," as the case may be, to the extent that it is reasonably and commercially practicable.

**(n) Limitation on Liens on Collateral.** The Grantor will not create, incur or permit to exist, will defend the Collateral against, and will take such other action as is reasonably necessary to remove, any material Lien or material adverse claim on or to any of the Collateral, other than Liens created hereby and Permitted Liens, and will defend the right, title and interest of the Lender in and to any of the Collateral against the claims and demands of all Persons whomsoever, except where failure to defend would not have a Material Adverse Effect and except where such claim or demand arises from a Permitted Lien.

**(o) Limitations on Dispositions of Collateral.** Without the prior written consent of the Lender, the Grantor will not sell, assign, transfer, exchange or otherwise dispose of, or grant any option with respect to, the Collateral, or attempt, offer or contract to do so, except with respect to licenses in the ordinary course of business or as permitted by this Agreement or the Loan Documents.

**(p) Notices.** The Grantor will advise the Lender promptly and in writing, in reasonable detail, at its address set forth in the Credit Agreement, (i) of any Lien (other than Liens created hereby or Permitted Liens on any Patents or Trademarks and (ii) of the occurrence of any other event which would reasonably be expected in the aggregate to

have a Material Adverse Effect on the aggregate value of the Collateral taken as a whole or the Liens created hereunder.

**5. Administrative Agent's Appointment as Attorney-in-Fact.**

**(a) Powers.** Grantor hereby irrevocably constitutes and appoints the Lender and any officer or agent of the Lender, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Grantor and in the name of the Grantor or in its own name, for the purpose of carrying out the terms of this Agreement, to take any and all appropriate action and to execute any and all documents and instruments which may be reasonably necessary or desirable to accomplish the purposes of this Agreement to the extent permitted by law, and, without limiting the generality of the foregoing, to the extent permitted by law, the Grantor hereby gives the Lender the power and right, on behalf of the Grantor, without notice to or assent by the Grantor, to do, at any time when an Event of Default has occurred and is continuing, the following:

- (i)** to execute and deliver any and all agreements, instruments, documents, and papers as the Lender may reasonably request to evidence the Lender's security interest in any of the Collateral and the goodwill of the Grantor relating thereto or represented thereby;
- (ii)** in the name of the Grantor or its own name, or otherwise, to take possession of and indorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under any General Intangible (to the extent that the foregoing constitute Collateral) or with respect to any other Collateral and to file any claim or to take any other action or institute any proceeding in any court of law or equity or otherwise deemed appropriate by the Lender for the purpose of collecting any and all such moneys due under such General Intangible or with respect to any other Collateral whenever payable;
- (iii)** to pay or discharge Liens placed on the Collateral, other than Permitted Liens; and
- (iv)** (A) to direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to Lender or as the Lender shall direct; (B) to ask for, or demand, collect, receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral; (C) to sign and indorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other documents in connection with any of the Collateral; (D) to commence and

prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any thereof and to enforce any other right in respect of any Collateral; (E) to defend any suit, action or proceeding brought against the Grantor with respect to any of the Collateral; (F) subject to any pre-existing rights of joint owners, to settle, compromise or adjust any suit, action or proceeding described in clause (E) above and, in connection therewith, to give such discharges or releases as the Lender may deem appropriate; (G) subject to any pre-existing reserved rights or licenses, to assign any Patent or Trademark constituting Collateral (along with the goodwill of the business to which any such Patent or Trademark pertains), for such term or terms, on such conditions, and in such manner, as the Lender shall in its sole discretion determine; and (H) generally, to sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Lender were the absolute owner of all Grantor's rights therein for all purposes, and to do, at the Lender's option and the Grantor's expense, at any time, or from time to time, all acts and things which the Lender deems reasonably necessary to protect, preserve or realize upon the Collateral and the Lender's Liens thereon and to effect the intent of this Agreement, all as fully and effectively as the Grantor might do.

Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable until the payment in full of the Loans, and the other Obligations then due and owing, the termination of the credit facilities provided in the Credit Agreement and the expiration, termination or return to Lender of any Letters of Credit.

**(b) Other Powers.** Grantor also authorizes the Lender, from time to time if an Event of Default shall have occurred and be continuing, to execute, in connection with any sale provided for in Section 8 hereof, any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral.

**(c) No Duty on the Part of Lender.** The powers conferred on the Lender hereunder are solely to protect the Lender's interests in the Collateral and shall not impose any duty upon the Lender to exercise any such powers. The Lender shall be accountable only for amounts that they actually receive as a result of the exercise of such powers, and neither they nor any of their officers, directors, employees, affiliates, agents or successors shall be responsible to the Grantor for any act or failure to act hereunder, except for gross negligence or willful misconduct of any of the same.

**6. Performance by Lender of Grantor's Obligations.** If Grantor fails to perform or comply with any of its agreements contained herein and the Lender, as provided for by the terms of this Agreement, shall perform or comply, or otherwise cause performance or

compliance, with such agreements, the reasonable expenses of the Lender incurred in connection with such performance or compliance, together with interest thereon at a rate per annum equal to 3.0% above the rate applicable to the Loans (as provided in the Notes), shall be payable by Grantor to the Lender on demand, and Grantor's obligations to make such payments shall constitute Obligations secured hereby.

**7. Proceeds.** It is agreed that if an Event of Default shall occur and be continuing, (a) all Proceeds of any Collateral received by Grantor consisting of cash, checks and other near-cash items shall be held by Grantor in trust for the Lender, segregated from other funds of the Grantor, and shall, forthwith upon receipt by the Grantor, be turned over to the Lender in the exact form received by the Grantor (duly indorsed by the Grantor to the Lender, if required), and (b) any and all such Proceeds received by the Lender (whether from the Grantor or otherwise) shall be held by the Lender for the benefit of the Lender as collateral security for the Obligations (whether matured or unmatured), and/or then or at any time thereafter may, in the sole discretion of the Lender, be applied by the Lender against any of the Obligations then due and owing or as provided in the Credit Agreement.

**8. Remedies.** If an Event of Default shall occur and be continuing, the Lender may exercise all rights and remedies of a secured party under the Code, and, to the extent permitted by law, all other rights and remedies granted to the Lender in this Agreement and the other Loan Documents and in any other instrument or agreement securing, evidencing or relating to the Obligations. Without limiting the generality of the foregoing, the Lender, without demand of performance or other demand, presentment, protest, advertisement or notice of any kind (except any notice required by law referred to below) to or upon the Grantor or any other Person (all and each of which demands, defenses, advertisements and notices are hereby waived), may in such circumstances, to the extent permitted by law, forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option or options to purchase, or otherwise dispose of and deliver the Collateral or any part thereof (or contract to do any of the foregoing), in one or more parcels at public or private sale or sales, at any exchange, broker's board or office of the Lender or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. Lender shall have the right, to the extent permitted by law, upon any such sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in the Grantor, which right or equity is hereby waived and released. Grantor further agrees, at the Lender's request, to assemble the Collateral and make it available to the Lender at places which the Lender shall reasonably select, whether at Grantor's premises or elsewhere. In the event of any sale, assignment, or other disposition of any of the Collateral, the goodwill of the business connected with and symbolized by any Trademark Collateral subject to such disposition shall be included, and the Grantor shall supply to the Lender or its designee Grantor's know-how and expertise relating to the Collateral subject to such disposition, and the Grantor's notebooks, studies, reports, records, documents and things embodying the same or relating to the inventions, processes or ideas covered by, and to the manufacture of any products under or in connection with, the Collateral subject to such disposition, and the Grantor's customer's lists, studies and surveys and other records and documents relating to the distribution, marketing, advertising and sale of products relating to the

Collateral subject to such disposition. The Lender shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all reasonable costs and expenses of every kind incurred therein or incidental to the care or safekeeping of any of the Collateral or in any way relating to the Collateral or the rights of the Lender hereunder, including, without limitation, reasonable attorneys' fees and disbursements, to the payment and performance in whole or in part of the Obligations then due and owing, in the order of priority specified in Section 7 hereof, and only after such application and after the payment by the Lender of any other amount required by any provision of law, including, without limitation, Section 9-504(1)(c) of the Code, need the Lender account for the surplus, if any, to the Grantor. To the extent permitted by applicable law, (a) Grantor waives all claims, damages and demands it may acquire against the Lender arising out of the repossession, retention or sale of the Collateral, other than any such claims, damages and demands that may arise from the gross negligence or willful misconduct of any of them, and (b) any notice of a proposed sale or other disposition of Collateral shall be required by law, such notice shall be deemed reasonable and proper if given at least 10 days before such sale or other disposition. Grantor shall remain liable for any deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay in full the Loans, and, to the extent then due and owing, all other Obligations, including, without limitation, the reasonable fees and disbursements of any attorneys employed by the Lender to collect such deficiency, as provided in the Credit Agreement.

**9. Limitation on Duties Regarding Preservation of Collateral.** The Lender's sole duty with respect to the custody, safekeeping and physical preservation of the Collateral in its possession, under Section 9-207 of the Code or otherwise, shall be to deal with it in the same manner as the Lender deals with similar property for its own account. Neither the Lender, nor any of its respective directors, officers, employees, affiliates or agents shall be liable for failure to demand, collect or realize upon all or any part of the Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Collateral upon the request of Grantor or any other Person.

**10. Powers Coupled with an Interest.** All authorizations and agencies herein contained with respect to the Collateral are powers coupled with an interest and are irrevocable until the payment in full of the Loans, and, to the extent then due and owing, all other Obligations, the termination of the credit facilities provided under the Credit Agreement and the expiration, termination or return to the Lender of any Letters of Credit.

**11. Severability.** Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

**12. Section Headings.** The Section headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation hereof.

**13. No Waiver; Cumulative Remedies.** Neither the Lender nor Grantor shall by any act (except by a written instrument pursuant to Section 14 hereof), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default or in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of Lender or Grantor, any right, power or privilege hereunder shall operate as a waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by Lender or Grantor of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Lender, or Grantor would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any rights or remedies provided by law.

**14. Waivers and Amendments; Successors and Assigns.** None of the terms or provisions of this Agreement may be amended, supplemented, waived or otherwise modified except by a written instrument executed by Grantor and Lender, *provided that*, if requested by the Grantor, any provision of this Agreement for the benefit of the Lender may be waived by the Lender in a written letter or agreement executed by the Lender or by telex or facsimile transmission from the Lender. This Agreement shall be binding upon and shall inure to the benefit of the Grantor and its respective successors and assigns, and the Lender and its respective successors, indorsees, transferees and assigns, except that no Grantor shall assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of Lender.

**15. Notices.** All notices, requests and demands to or upon the respective parties hereto shall be made in accordance with Section 8.7 of the Credit Agreement. Lender and Grantor may change its respective addresses and transmission numbers for notices by notice in the manner provided in this Section 15.

**16. Authority of Lender.** Grantor acknowledges that the rights and responsibilities of Lender under this Agreement with respect to any action taken by the Lender or the exercise or non-exercise by the Lender of any option, voting right, request, judgment or other right or remedy provided for herein or resulting or arising out of this Agreement shall be governed by the Credit Agreement and by such other agreements with respect thereto as may exist from time to time, but, as between the Lender and the Grantor, the Lender shall be conclusively presumed to be acting with full and valid authority so to act or refrain from acting, and Grantor shall not be under any obligation to make any inquiry respecting such authority.

**17. GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF MICHIGAN WITHOUT REGARD TO THE PRINCIPLES OF CONFLICT OF LAWS THEREOF.**

**18. Release of Collateral and Termination.** (a) This Agreement shall remain in full force and effect and be binding in accordance with and to the extent of its terms and the security interest created by this Agreement shall not be released until the payment in full of the Loans,

and the other Obligations then due and owing shall have occurred, the credit facilities provided under the Credit Agreement shall have been terminated and any Letters of Credit shall have expired or been terminated or returned to Lender, at which time the Collateral shall be released from the Liens created hereby, and this Agreement and all obligations (other than those expressly stated to survive such termination) of Lender and of Grantor hereunder shall terminate, all without delivery of any instrument or performance of any act by any party, and all rights to the Collateral shall revert to Grantor, *provided that* if any payment, or any part thereof, of any of the Obligations is rescinded or must otherwise be restored or returned by Lender upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of Grantor or any other Loan Party, or upon or as a result of the appointment of a receiver, intervenor or conservator of, or a trustee or similar officer for, the Grantor or any other Loan Party or any substantial part of its property, or otherwise, this Agreement, all rights hereunder and the Liens created hereby shall continue to be effective, or be reinstated, as though such payments had not been made. Upon request of the Grantor following any such termination, Lender shall reassign (at the sole cost and expense of the Grantor) to the Grantor any Collateral held by the Lender hereunder, and execute and deliver (at the sole cost and expense of the Grantor) to the Grantor such documents as the Grantor shall reasonably request to evidence such termination and reassignment and shall have prepared and submitted to the Lender for its execution.

(a) If any of the Collateral shall be sold, transferred or otherwise disposed of by Grantor in a transaction permitted by the Credit Agreement, then Lender shall execute and deliver to Grantor (at the sole cost and expense of Grantor) all releases or other documents reasonably necessary or desirable for the release of the Liens created hereby on such Collateral as Grantor may reasonably request that shall have been prepared by the Grantor and submitted to Lender for its signature.

**19. Incorporation of Provisions of Security Agreement.** Grantor hereby acknowledges and affirms that the rights and remedies of Lender with respect to the security interest in the Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms, conditions and other provisions of which, in so far as they relate to the Collateral, such security interest and such rights and remedies, are incorporated by reference herein as if fully set forth herein. Nothing in this Agreement shall defer or impair the attachment or perfection of any security interest in any collateral described in the Security Agreement which would attach or be perfected pursuant to the terms of the Security Agreement without action by the Grantor or any other Person.

**20. Interpretation.** In the event of a conflict between any term of this Agreement and the terms of the Credit Agreement, the terms of the Credit Agreement shall control.

**21. Integration.** This Agreement and the other Loan Documents represent the entire agreement of Grantor and Lender with respect to the subject matter hereof and there are no promises or representations by Grantor or Lender relative to the subject matter hereof not reflected or referred to herein or therein.

**22. Submission To Jurisdiction; Waivers.** Each party hereto hereby irrevocably and unconditionally:

(a) submits for itself and its property in any legal action or proceeding relating to this Agreement and the other Loan Documents to which it is a party, or for recognition and enforcement of any judgment in respect thereof, to the non-exclusive general jurisdiction of the courts of the State of Michigan, the courts of the United States of America for the Eastern District of Michigan, and appellate courts from any thereof;

(b) consents that any such action or proceeding may be brought in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient forum and agrees not to plead or claim the same;

(c) agrees that service of process in any such action or proceeding may be effected by mailing a copy thereof by registered or certified mail (or any substantially similar form of mail), postage prepaid, to the Grantor at the address referred to in Section 15 or at such other address of which the Lender and Grantor shall have been notified pursuant thereto;

(d) agrees that nothing herein shall affect the right to effect service of process in any other manner permitted by law or shall limit the right to sue in any other jurisdiction; and

(e) waives, to the maximum extent not prohibited by law, any right it may have to claim or recover in any legal action or proceeding referred to in this Section 22 any punitive damages.

**23. WAIVER OF JURY TRIAL. GRANTOR AND LENDER HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THIS AGREEMENT AND FOR ANY COUNTERCLAIM THEREIN.**

**24. Counterparts.** This Agreement may be executed and acknowledged by one or more of the parties to this Agreement on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

[Remainder of page intentionally left blank]

.....IN WITNESS WHEREOF, the undersigned has caused this Agreement to be duly.....  
executed and delivered as of the date first above written.

**POOF-SLINKY, INC.**

By: *Raymo Dallavecchia*

Name: RAYMO DALLAVECCHIA JR

Title: PRESIDENT & CEO

**ACKNOWLEDGED AND AGREED AS OF  
THE DATE HEREOF BY:**

**JPMORGAN CHASE BANK, N.A.**  
as Lender

By: *James D. Keyes*  
James D. Keyes, Vice President

STATE OF Michigan  
COUNTY OF Wayne <sup>Oakland</sup> ss.: ACTING IN WAYNE COUNTY

On the 27 day of October, 2005, before me personally came Ray Dallavecchia to me known, who, being by me duly sworn, did depose and say he/she resides at \_\_\_\_\_ and that he/she is the President/CEO of **Poof-Slinky, Inc.**, the corporation described in and which executed the above instrument; that he/she has been authorized to execute said instrument on behalf of said corporation; and that he/she has signed said instrument on behalf of said corporation pursuant to said authority.

*James D. Keyes*  
Notary Public

[Notarial Seal]

## Schedule I

### Company Intellectual Property

**Domain names:**

1. idealclassics.com
2. idealtoy.com
3. poof-slinky.com
4. poof-toys.com
5. pooftoys.com
6. slinkypets.com
7. slinkyprint.com
8. slinkytoys.com
9. toys-n-things.com

**Trademarks:**

Mark	Registration No./ Application No.	Country	Issue Date/ Filing Date	Status
CASINO ROYALE	76/514,263	U.S.	May 13, 2003	Pending
CLIP BUDDY	2,392,367	U.S.	October 3, 2000	Registered
CRAZY EYES	1,363,424	U.S.	October 1, 1985	Registered
DELUXE TAP 'N' TEE GOLF	2,842,776	U.S.	May 18, 2004	Registered
FORM-A-TIONS	283,959	Canada	October 7, 1983	Registered
FORM-A-TIONS	1,017,029	U.S.	July 29, 1975	Registered
GEOMETRIC DESIGN	2,402,881	U.S.	November 7, 2000	Registered
HOVER BLASTER	2,887,356	U.S.	September 21, 2004	Registered
IDEAL	76/594,257	U.S.	May 21, 2004	Pending
IDEAL TOY (stylized)	2,360,573	United Kingdom	April 8, 2004	Pending
IDEAL TOY and	76/502,665	U.S.	April 1, 2003	Pending

design				
II-GAN-TIKS	1,023,848	U.S.	October 28, 1975	Registered
MINILABS	2,269,099	U.S.	August 10, 1999	Registered
MINILABS	1,706,951	U.S.	August 11, 1992	Registered
MOLI-Q'S	1,428,607	U.S.	February 10, 1987	Registered
ORIGINAL PLASTIC SLINKY	1,137,993	U.S.	July 22, 1980	Registered
PETSCOTS	2,388,788	U.S.	September 19, 2000	Registered
POP-TOOB	2,019,682	U.S.	November 26, 1996	Registered
RACK 'N' ROLL BOWL	2,899,291	U.S.	November 2, 2004	Registered
RINGA MAJIGS AND DESIGN	TMA221045	Canada	June 10, 1977	Registered
RINGA-MAJIGS & Design	942,313	U.S.	September 5, 1972	Registered
ROBERT THE ROBOT	76/605,286	U.S.	July 30, 2004	Pending
ROCK 'N' JOCKEY DERBY	2,842,767	U.S.	May 18, 2004	Registered
ROCK 'N' POCKET POOL	2,887,357	U.S.	September 21, 2004	Registered
SLINKY	A118519	Australia	May 26, 1954	Registered
SLINKY	UCA24189	Canada	October 10, 1946	Registered
SLINKY	73981	European Community	June 15, 1998	Registered
SLINKY	1,382,474	France	April 14, 1947	Registered
SLINKY	457/90	Hong Kong	July 24, 1986	Registered
SLINKY	458/90	Hong Kong	June 3, 1986	Registered
SLINKY	680,443	India	September 18, 2002	Registered
SLINKY	756,439	Italy	March 27, 1987	Registered
SLINKY	1,342,791	Japan	August 25, 1978	Registered

SLINKY	142,057	Republic of Korea	June 16, 1987	Registered
SLINKY	378,148	Mexico	June 13, 1990	Registered
SLINKY	97322	Russian Federation	August 7, 1991	Registered
SLINKY	91/7941	South Africa	September 23, 1991	Registered
SLINKY	76547	Sweden	September 3, 1974	Registered
SLINKY	348530	Switzerland	March 19, 1986	Registered
SLINKY	350,475	Taiwan	December 16, 1986	Registered
SLINKY (Tops)	2,971,531	U.S.	July 19, 2005	Registered
SLINKY	1,455,493	U.S.	September 1, 1987	Registered
SLINKY	2,534,216	U.S.	January 29, 2002	Registered
SLINKY	2,741,708	U.S.	July 29, 2003	Registered
SLINKY	1,394,825	U.S.	May 27, 1986	Registered
SLINKY	76/637,562	U.S.	April 29, 2005	Pending
SLINKY	2,162,682	U.S.	June 2, 1998	Registered
SLINKY	2,701,214	U.S.	March 25, 2003	Registered
SLINKY	P230648	Venezuela	January 19, 2001	Registered
SLINKY & Design	427,951	U.S.	March 4, 1947	Registered
SLINKY (Note Pads)	2,939,489	U.S.	April 12, 2005	Registered
SLINKY C-RINGS	1,434,846	U.S.	March 31, 1987	Registered
SLINKY Device	654,972	United Kingdom	December 24, 1967	Registered
SLINKY PETS	2,265,735	U.S.	July 27, 1999	Registered
SLINKY	1,180,355	U.S.	December 1, 1981	Registered

PLAYSHAPES				
SLINKY SCIENCE	2,730,148	U.S.	June 24, 2003	Registered
SLINKY TRIANGLES	1,276,398	U.S.	May 1, 1984	Registered
SORT-A-SHAPE	1,873,978	U.S.	January 17, 1995	Registered
SPEED-BALL (fanciful)	76/639,178	U.S.	May 20, 2005	Pending
SPIN WHEELS	961,945	U.S.	June 26, 1973	Registered
SPRINGER	226,553	Canada	December 23, 1976	Registered
SURE SHOT	2,842,766	U.S.	May 18, 2004	Registered
TOWER IFICS & Design	938,678	U.S.	July 25, 1972	Registered
WACKY WHEEL	2,872,372	U.S.	August 10, 2004	Registered
POOF TOY	1,705,192	U.S.	August 4, 1992	Registered
POOF-STYLIZED LETTERS	1,705,191	U.S.	August 4, 1992	Registered
AQUA-BOMB	1,934,336	U.S.	November 7, 1995	Registered
SOFRACERS	1,947,745	U.S.	January 9, 1996	Registered
POCKET PLANE	2,050,029	U.S.	April 1, 1997	Registered
CONNECT-O-FOAM	2,021,797	U.S.	December 10, 1996	Registered
RAM ROCKET	2,335,994	U.S.	March 28, 2000	Registered
PLAYBOOK FOOTBALL	2,705,338	U.S.	April 8, 2003	Registered
RX	76/195801	U.S.	December 18, 2002	Pending
POOF BOWL	2,949,878	U.S.	May 10, 2005	Registered
POOF TOY	1,730,999	E.S.	September 6, 1993	Registered
POOF TOY	533,605	M.X.	October 7, 1996	Registered
RAM ROCKET AND DESIGN	549,551	C.A.	August 8, 2001	Registered
WHIRLING ILLUSIONS	N/A	N/A	N/A	Unregistered*
ROOM SCAPES	N/A	N/A	N/A	Unregistered*
YOUNG ARCHITECTS	N/A	N/A	N/A	Unregistered*
LIGHT SHOW LAMP	N/A	N/A	N/A	Unregistered*
WATERFALL	N/A	N/A	N/A	Unregistered*

GARDEN				
JITTERBUGS	N/A	N/A	N/A	Unregistered*

## Schedule II

Parents:

Patent No./ Publication No.	Country	Issue Date/ Publication Date	Status
80321	Canada	March 27, 1997	Registered
ZL96307100	China	July 4, 1997	Registered
EP1100602	EP	April 6, 2005	Granted
EP1100602	France	April 6, 2005	Granted
60019234.2	Germany	April 6, 2005	Granted
1035342A	Hong Kong	November 23, 2001	Published
EP1100602	Italy	April 6, 2005	Granted
11965	Mexico	November 24, 2000	Granted
EP1100602	Spain	April 6, 2005	Granted
EP1100602	United Kingdom	April 6, 2005	Granted
D348908	US	July 19, 1994	Granted
D351425	US	October 11, 1994	Granted
D351623	US	October 18, 1994	Granted
5,626,505	US	May 6, 1997	Granted
D382029	US	August 5, 1997	Granted
6,168,496	US	January 2, 2001	Granted
5,692,945	US	December 2, 1997	Granted

310,686	US	September 18, 1990	Granted (assigned to the Company withour recordation)
5,999,286	US	November 30, 1999	Granted (assigned to the Company without recordation)

Trade Names:

1. Poof-Sinky
2. Poof Products, Inc.
3. Poof Toy Products, Inc.
4. James Industries, Inc.

**SCHEDULE III**

**EXISTING SECURITY INTERESTS**

None

DETROIT 7-4024 899242v1 10/2/2005