



HEET

NOV 15 2006

103339241

To the Director of the U.S. Patent and Trademark Office. Please record the attached documents or the new address(es) below

11-15-06

**1. Name of Conveying party(ies):**  
Michaels Stores Procurement Company, Inc.

Individual(a)                       Association  
 General Partnership               Limited Partnership  
 Corporation-State: Delaware  
 Other \_\_\_\_\_

Citizenship (see guidelines) \_\_\_\_\_  
Additional Names of conveying parties attached?  Yes  No

**2. Name and address of receiving party(ies)**  Yes  
 No

Additional names, addresses, or citizenship attached?  
Name: Deutsche Bank AG New York Branch  
Internal \_\_\_\_\_  
Address: \_\_\_\_\_  
Street Address: 60 Wall Street  
City: New York  
State: New York  
Country: United States                      Zip: 10005

Association      Citizenship \_\_\_\_\_  
 General Partnership      Citizenship \_\_\_\_\_  
 Limited Partnership      Citizenship \_\_\_\_\_  
 Corporation      Citizenship \_\_\_\_\_  
 Other: Collateral Agent      Citizenship \_\_\_\_\_

If assignee is not domiciled in the United States, a domestic representative designation is attached:  Yes  No  
(Designations must be a separate document from assignment)

**3. Nature of conveyance/Execution Date(s):**  
Execution Date(s) October 31, 2006

Assignment                       Merger  
 Security Agreement               Change of Name  
 Other \_\_\_\_\_

**4. application number(s) or registration number(s) and identification or description of the Trademark.**

A. Trademark Application No.(s)  
See Attached Schedule A

B. Trademark Registration No.(s)  
See Attached Schedule A

Additional sheet(s) attached?  Yes  No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

**5. Name & address of party to whom correspondence concerning document should be mailed:**

Name: Matthew Bart  
Internal Address: White & Case LLP  
Street Address: 1155 Avenue of the Americas  
City: New York  
State: New York                      Zip: 10036  
Phone Number: 212-819-8923  
Fax Number: 212-354-8113  
Email Address: mbart@whitecase.com

**6. Total number of applications and registrations involved:** 40

**7. Total fee (37 CFR 2.6(b)(6) & 3.41)**                      \$1,015

Authorized to be charged by credit card  
 Authorized to be charged to deposit account  
 Enclosed

**8. Payment Information:**

a. Credit Card      Last 4 Numbers \_\_\_\_\_  
Expiration Date \_\_\_\_\_

b. Deposit Account Number \_\_\_\_\_  
Authorized User Name \_\_\_\_\_

**9. Signature:** Matthew Bart                      November 15, 2006  
Signature                      Date

01 C:8521  
02 C:8522

40.00 DP  
975.00 DP

Matthew Bart  
Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 7

Documents to be recorded (including cover sheet) should be faxed to (703) 306-5995, or mailed to:  
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

<u>MARK</u>	<u>REG. DATE</u>	<u>REGISTRATION NO./APPLICATION NO.</u>
Michaels	01/04/83	1,222,952
Michaels	12/25/84	1,311,589
Crafts & More	02/28/89	1,527,525
Moskatel's	09/18/90	1,614,413
Michaels	06/30/92	1,697,669
Michaels	07/07/92	1,699,119
Michaels	03/23/93	1,759,792
Michaels	11/02/93	1,802,039
Kids Club	01/14/97	2,029,624
Recollections	08/04/98	2,179,582
Michaels the Arts and Crafts Store	03/16/99	2,232,360
Kids Club	01/11/00	2,307,155
Artistree Art Frame & Design	11/28/00	2,408,396
Artistree Art Frame & Design	11/28/00	2,408,397
Kids Club Summer Camp	02/13/01	2,428,568
Carolina Art & Frame	03/06/01	2,433,148
Michaels.com	09/04/01	2,486,259
Star Decorators' Wholesale Warehouse	01/08/02	2,527,196
Where Originals Originate.	02/12/02	2,537,708
Vendor Connect	10/08/02	2,631,443
Michaels.com	11/05/02	2,646,441
Create	12/17/02	2,664,234
Michaels.com	01/14/03	2,675,387
Bright Tidings	02/04/03	2,684,520
Michaels.com	04/08/03	2,705,025
MMG	04/29/03	2,711,937
Crafts & More	05/13/03	2,716,080
Michaels Manufacturing Group	06/24/03	2,730,052
Village Crafts by Michaels	09/16/03	2,765,378
For Weddings as Original as You	09/14/04	2,884,979
Sparkling Creations	07/12/05	2,967,453
Star Decorators' Wholesale	01/10/06	3,042,282
Recollections	01/10/06	3,042,415
Kid Crafted Mom Approved	06/27/06	3,109,693
Turkey Bucks	10/24/06	3,163,237
Where Ideas Come Together	10/10/06	3,153,859
Michaels Arts, Crafts & More	3/22/05	76/634,146
Experience Paper Crafting	11/14/05	78/753,445
Artistree	2/13/06	78/813,758
Star Decorators Wholesale	2/13/06	78/816,788

GRANT OF SECURITY INTEREST  
IN UNITED STATES TRADEMARKS

FOR GOOD AND VALUABLE CONSIDERATION, receipt and sufficiency of which are hereby acknowledged, Michaels Stores Procurement Company, Inc., a Delaware corporation (the "Grantor") with principal offices at 8000 Bent Branch Drive, Irving, Texas 75063, hereby grants to DEUTSCHE BANK AG NEW YORK BRANCH, as Collateral Agent, with principal offices at 60 Wall Street, New York, NY 10005 (the "Grantee"), a continuing security interest in (i) all of the Grantor's right, title and interest in, to and under to the United States trademarks, trademark registrations and trademark applications (the "Marks") set forth on Schedule A attached hereto, (ii) all Proceeds (as such term is defined in the Security Agreement referred to below) and products of the Marks, (iii) the goodwill of the businesses with which the Marks are associated and (iv) all causes of action arising prior to or after the date hereof for infringement of any of the Marks or unfair competition regarding the same.

THIS GRANT is made to secure the satisfactory performance and payment of all the Obligations of the Grantor, as such term is defined in the Security Agreement among the Grantor, the other assignors from time to time party thereto and the Grantee, dated as of October 31, 2006 (as amended, modified, restated and/or supplemented from time to time, the "Security Agreement").

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

IN WITNESS WHEREOF, the undersigned have executed this Grant as of the

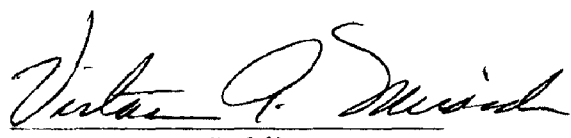
30<sup>th</sup> day of October, 2006.

MICHAELS STORES PROCUREMENT  
COMPANY, INC., Grantor

By Lisa K. Klinger  
Name: Lisa K. Klinger  
Title: Vice President and Treasurer

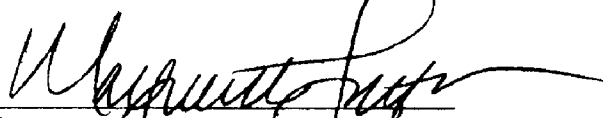
STATE OF New York )  
 ) ss.:  
COUNTY OF New York )

On this 30<sup>th</sup> day of October, 2006, before me personally came Lisa Klinger  
who, being by me duly sworn, did state as follows: that s/he is Treasurer of Michaels  
Stores Procurement Company, Inc., that s/he is authorized to execute the foregoing Grant on  
behalf of said corporation and that s/he did so by authority of the Board of Directors of said  
corporation.

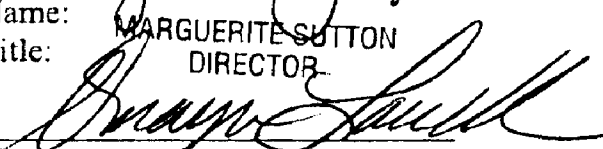
  
Notary Public

**VICTORIA A. MIRANDA**  
Notary Public, State of New York  
No. 43-4963396  
Qualified in Richmond County  
Certificate Filed in New York County  
Commission Expires March 12, 2010

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

By 

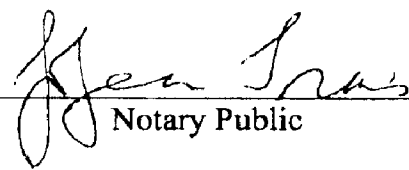
Name: MARGUERITE SUTTON  
Title: DIRECTOR

By 

Name: Omayra Laucella  
Title: Vice President

STATE OF NEW YORK )  
 ) ss:  
COUNTY OF NEW YORK )

On this 27<sup>th</sup> day of October, 2006, before me personally came MARGUERITE SUTTON and OMAYRA LAUREA who, being by me duly sworn, did state as follows: that they are DIRECTOR and VICE PRESIDENT of DEUTSCHE BANK AG NEW YORK BRANCH, that they are authorized to execute the foregoing Grant on behalf of said corporation and that they did so by authority of the Board of Directors of said corporation.

  
Notary Public

JOJEAN TRAVIS  
Registration No. 01TR5013241  
New York County  
July 15, 2007