

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Michaels Stores Procurement Company, Inc.		02/18/2010	CORPORATION: DELAWARE
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Deutsche Bank AG New York Branch, as 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		
<b>Entity Type:</b>	Collateral Agent: GERMANY		
<b>PROPERTY NUMBERS Total: 1</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
<b>Serial Number:</b>	77376602	THE KNACK	
<b>CORRESPONDENCE DATA</b>			
<b>Fax Number:</b>	(646)728-2841		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
<b>Phone:</b>	617.951.7000		
<b>Email:</b>	trademarks@ropesgray.com		
<b>Correspondent Name:</b>	Ann M. Tigani		
<b>Address Line 1:</b>	Ropes & Gray LLP		
<b>Address Line 2:</b>	One International Place		
<b>Address Line 4:</b>	Boston, MASSACHUSETTS 02110-2624		
<b>ATTORNEY DOCKET NUMBER:</b>	BCCI-253-006		
<b>NAME OF SUBMITTER:</b>	Ann M. Tigani		
<b>Signature:</b>	/Ann M. Tigani/		

CH \$40.00 77376602

**900156072**

**TRADEMARK  
 REEL: 004159 FRAME: 0699**

Date:

03/03/2010

**Total Attachments: 4**

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GRANT OF SECURITY INTEREST  
IN UNITED STATES TRADEMARKS

February 18, 2010

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, TX 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.

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

IN WITNESS WHEREOF, the undersigned have executed this Grant as of the date first set forth above.

MICHAELS STORES PROCUREMENT  
COMPANY, INC., Grantor

By Elaine D. Crowley  
Name: Elaine D. Crowley  
Title: Executive Vice President – Chief  
Financial Officer

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

By \_\_\_\_\_  
Name:  
Title:

By \_\_\_\_\_  
Name:  
Title:


IN WITNESS WHEREOF, the undersigned have executed this Grant as of the date first set forth above.

MICHAELS STORES PROCUREMENT  
COMPANY, INC., Grantor

By \_\_\_\_\_  
Name:  
Title:

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

By   
Name: Scotty Lindsey  
Title: Director

By   
Name:  
Title: Erin Morrissey  
Vice President

SCHEDULE A

<u>MARK</u>	<u>REGISTRATION NUMBER/APPLICATION NUMBER</u>	<u>REGISTRATION/APPLICATION DATE</u>
The Knack	77376602	1/21/08