

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
Handi Quilter, Inc.		11/14/2011	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	U.S. Bank National Association, as Administrative Agent
Street Address:	800 Nicollet Mall
City:	Minneapolis
State/Country:	MINNESOTA
Postal Code:	55402
Entity Type:	National Banking Association: UNITED STATES

PROPERTY NUMBERS Total: 25

Property Type	Number	Word Mark
Registration Number:	3827292	AVANTÉ
Registration Number:	3270574	DESIGNED BY A QUILTER FOR QUILTERS
Registration Number:	3280864	HANDI GADGETS
Registration Number:	3976892	HANDI QUILTER
Registration Number:	3976891	HANDI QUILTER
Registration Number:	3976890	HANDI QUILTER
Registration Number:	3976889	HANDI QUILTER
Registration Number:	3942426	HANDI QUILTER
Registration Number:	3942425	HANDI QUILTER
Registration Number:	3980607	HANDI QUILTER
Registration Number:	3980606	HANDI QUILTER
Registration Number:	3980605	HANDI QUILTER
Registration Number:	3980604	HANDI QUILTER
Registration Number:	3980603	HANDI QUILTER

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Registration Number:	3980602	HANDI QUILTER
Registration Number:	3758969	HQ FUSION
Registration Number:	3538211	HQ PRO-STITCHER
Registration Number:	2920821	HQ SIXTEEN
Serial Number:	85442280	HQ SWEET SIXTEEN
Registration Number:	3919842	QUILTER'S ACADEMY
Registration Number:	3919841	QUILTER'S ACADEMY
Registration Number:	3559066	QUILTER'S HANDI LIBRARY
Registration Number:	3914340	SEE.HEAR.LEARN.QUILT!
Registration Number:	3321467	SIMPLY-SIXTEEN
Registration Number:	3758970	WHERE FUNCTION MEETS VISION

CORRESPONDENCE DATA

Fax Number: (612)340-8856
Phone: (612) 492-6842
Email: cadwell.jeffrey@dorsey.com
Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.
Correspondent Name: Jeffrey R. Cadwell
Address Line 1: Dorsey & Whitney LLP, Suite 1500
Address Line 2: 50 South Sixth Street
Address Line 4: Minneapolis, MINNESOTA 55402

ATTORNEY DOCKET NUMBER:	M229823
NAME OF SUBMITTER:	Jeffrey R. Cadwell
Signature:	/Jeffrey R. Cadwell/
Date:	11/15/2011

Total Attachments: 4
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**CONFIRMATORY GRANT OF SECURITY INTEREST
IN TRADEMARKS**

THIS CONFIRMATORY GRANT OF SECURITY INTEREST IN TRADEMARKS (the "Confirmatory Grant") is made effective as of November 14, 2011, by and from each of the Persons listed on the signature page hereof (each, a "Grantor"), to and in favor of U.S. BANK NATIONAL ASSOCIATION, a national banking association, as administrative agent for the lenders (the "Lenders") from time to time party to the Credit Agreement defined below (in such capacity, the "Grantee").

WHEREAS, Handi Quilter Acquisition Company, a Delaware corporation (to be merged with and into Handi Quilter, Inc.), (the "Borrower"), the Lenders and the Grantee have entered into a Credit Agreement dated concurrently herewith (as may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement");

WHEREAS, the Borrower, certain affiliates of the Borrower and the Grantee have entered into a Pledge and Security Agreement dated concurrently herewith (as may be amended, restated, supplemented or otherwise modified from time to time, the "Security Agreement");

WHEREAS, each applicable Grantor owns the trademarks listed on Exhibit A attached hereto (the "Trademarks"), which Trademarks are registered or applied for with the United States Patent and Trademark Office; and

WHEREAS, this Confirmatory Grant has been granted in conjunction with the security interest granted to Grantee under the Security Agreement. The rights and remedies of Grantee with respect to the security interest granted herein are without prejudice to and are in addition to those set forth in the Security Agreement and the other Loan Documents, all terms and provisions of which are incorporated herein by reference. In the event that any provisions of this Confirmatory Grant are deemed to conflict with the Security Agreement, the provisions of the Security Agreement shall govern.

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed that:

1) Definitions. All capitalized terms not defined herein shall have the respective meaning given to them in the Credit Agreement.

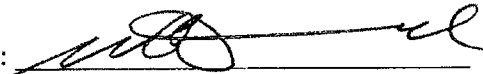
2) The Security Interest.

(a) This Confirmatory Grant is made to secure the satisfactory performance and payment of (i) all the Obligations and (ii) all of the obligations and liabilities of the Guarantors under the Guaranty. Upon the payment in full of all Obligations (other than contingent indemnification obligations), Grantee shall promptly, upon such satisfaction, execute, acknowledge, and deliver to each Grantor (at such Grantor's expense) all reasonably requested instruments releasing the security interest in the Trademarks granted under this Confirmatory Grant.

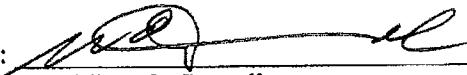
(b) Each Grantor hereby grants to Grantee a security interest in all of the Trademarks now owned or from time to time after the date hereof owned or acquired by such Grantor.

IN WITNESS WHEREOF, each Grantor has executed this Confirmatory Grant of Security Interest effective as of the date first written above.

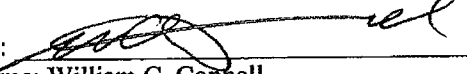
**HANDI QUILTER ACQUISITION
COMPANY**

By: 
Name: William C. Connell
Title: Vice President and Secretary

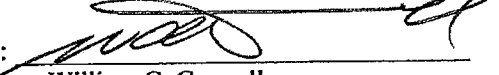
HANDI QUILTER, INC. (effective upon the completion of and after giving effect to the Permitted Merger)

By: 
Name: William C. Connell
Title: Vice President and Secretary

HANDI QUILTER HOLDING COMPANY

By: 
Name: William C. Connell
Title: Vice President and Secretary

GOLDEN THREADS LLC

By: 
Name: William C. Connell
Title: Vice President and Secretary

Address for the Grantors:
445 N 700 W
North Salt Lake, Utah 84054
Attn: Darren Denning
Fax: (801) 294-3011

With a copy to (which shall not constitute notice):
High Road Capital Partners
1251 Avenue of the Americas, Suite 825
New York, New York 10020
Attention: William C. Connell
Fax: 212-554-3284

With a copy to (which shall not constitute notice):
Jones Day
901 Lakeside Avenue
Cleveland, OH 44114-1190
Attention: Rachel L. Rawson
Fax: 216-579-0212

Confirmatory Grant of Security Interest in Trademarks

CONFIRMATORY GRANT OF SECURITY INTEREST
IN TRADEMARKS

Exhibit A - SCHEDULE OF TRADEMARKS

No.	Mark	Reg. No./ App. No.	Status	Owner	Reg. Date/ Filing Date	Country
1.	AVANTÉ	3,827,292	Registered	Handi Quilter, Inc.	8/3/10	United States
2.	DESIGNED BY A QUILTER FOR QUILTERS	3,270,574	Registered	Handi Quilter, Inc.	7/24/07	United States
3.	HANDI GADGETS	3,280,864	Registered	Handi Quilter, Inc.	8/14/07	United States
4.	HANDI QUILTER	3,976,892	Registered	Handi Quilter, Inc.	6/14/11	United States
5.	HANDI QUILTER	3,978,891	Registered	Handi Quilter, Inc.	6/14/11	United States
6.	HANDI QUILTER	3,976,890	Registered	Handi Quilter, Inc.	6/14/11	United States
7.	HANDI QUILTER	3,976,889	Registered	Handi Quilter, Inc.	6/14/11	United States
8.	HANDI QUILTER	3,942,426	Registered	Handi Quilter, Inc.	4/5/11	United States
9.	HANDI QUILTER	3,942,425	Registered	Handi Quilter, Inc.	4/5/11	United States
10.	HANDI QUILTER and Design	3,980,607	Registered	Handi Quilter, Inc.	6/21/11	United States
11.	HANDI QUILTER and Design	3,980,606	Registered	Handi Quilter, Inc.	6/21/11	United States
12.	HANDI QUILTER and Design	3,980,605	Registered	Handi Quilter, Inc.	6/21/11	United States
13.	HANDI QUILTER and Design	3,980,604	Registered	Handi Quilter, Inc.	6/21/11	United States
14.	HANDI QUILTER and Design	3,980,603	Registered	Handi Quilter, Inc.	6/21/11	United States
15.	HANDI QUILTER and Design	3,980,602	Registered	Handi Quilter, Inc.	6/21/11	United States
16.	HQ FUSION	3,758,969	Registered	Handi Quilter, Inc.	3/9/10	United States
17.	HQ PRO- STITCHER	3,538,211	Registered	Handi Quilter, Inc.	11/25/08	United States
18.	HQ SIXTEEN	2,920,821	Registered	Handi Quilter, Inc.	1/25/05	United States
19.	HQ SIXTEEN	85/442,280	Pending -- Use Based Application	Handi, Quilter, Inc.	10/7/11	United States
20.	QUILTER'S ACADEMY	3,919,842	Registered	Handi Quilter, Inc.	2/15/11	United States
21.	QUILTER'S ACADEMY	3,919,841	Registered	Handi Quilter, Inc.	2/15/11	United States

No.	Mark	Reg. No./ App. No.	Status	Owner	Reg. Date/ Filing Date	Country
22.	QUILTER'S HANDI LIBRARY	3,559,066	Registered	Handi Quilter, Inc.	1/6/09	United States
23.	SEE HEAR LEARN .QUILT!	3,914,340	Registered	Handi Quilter, Inc.	2/1/11	United States
24.	SIMPLY-SIXTEEN	3,321,467	Registered	Handi Quilter, Inc.	10/23/07	United States
25.	WHERE FUNCTION MEETS VISION	3,758,970	Registered	Handi Quilter, Inc.	3/9/10	United States