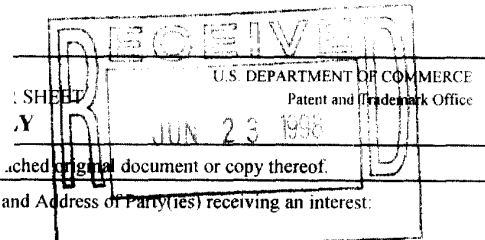


6.23-98

06-29-1998



100749142



To the Honorable Commissary  attached original document or copy thereof.

1. Name of Party(ies) conveying an interest:

Continental Bank, N.A.  
231 S. LaSalle Street  
Chicago, Illinois 60697

Individual(s)                       Association  
 General Partnership               Limited Partnership  
 Corporation  
 Other National Banking Association

Additional name(s) of conveying party(ies) attached?  Yes  No

2. Name and Address of Party(ies) receiving an interest:

Name: Q III Corporation  
Internal Address: \_\_\_\_\_  
Street Address: 100 N. Bluemound Drive  
City: Appleton State: Wisconsin Zip: 54913-1579

Individual(s) citizenship \_\_\_\_\_  
 Association \_\_\_\_\_  
 General Partnership \_\_\_\_\_  
 Limited Partnership \_\_\_\_\_  
 Corporation Wisconsin  
 Other \_\_\_\_\_

Additional name(s) & address(es) attached?  Yes  No

3. Nature of Conveyance:

Assignment                               Merger  
 Security Agreement                       Change of Name  
 Other Termination And Release Of Security Interest  
in Trademarks

Execution Date: June 9, 1998

4. Application number(s) or registration number(s)

A. Trademark Application No.(s): N/A

Additional numbers attached?  Yes  No

B. Trademark Registration No.(s) 6.23.98 1.702.338

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

Name: Mark H. Webbink, Esq.  
Internal Address: Moore & Van Allen, PLLC  
Street Address: 2200 West Main Street, Suite 800  
City: Durham State: NC ZIP: 27705

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.4) \$ 40.00  
 Enclosed  
 Authorized to be charged to deposit account  
(Any Deficiency)

8. Deposit account number:  
13-4365  
(Attach duplicate copy of this form if paying by deposit account).

DO NOT USE THIS SPACE

9. Statement and signature.

*To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document*

Mark H. Webbink, Esq. [Signature] 6/19/98  
Name of Person Signing                      Signature                      Date

Total number of pages including cover sheet, attachments and document: 5

Mail documents to be recorded with required cover sheet information to:

Commissioner of Patents and Trademarks  
Box Assignments  
Washington, D.C. 20231

06/25/1998 DMBUYEN 00000032 1702338  
01 FC:481 40.00 JP

CERTIFICATE OF MAILING

I hereby certify that this paper is being deposited with the United States Postal Service as first class mail in an envelope addressed to the Commissioner Of Patent And Trademarks, Washington, DC 20231, BOX ASSIGNMENTS

Kathlyn Hunter  
(Typed or printed name of person signing the certificate)

Kathlyn Hunter  
(Signature of the person signing the certificate)

6-19-98  
(Date of Signature)

**TERMINATION AND RELEASE  
OF SECURITY INTEREST  
IN TRADEMARKS**

**TERMINATION AND RELEASE OF SECURITY INTEREST IN TRADEMARKS**, dated as of June 9, 1998, by **CONTINENTAL BANK, N.A.**, as secured party (the "Secured Party").

**WHEREAS**, pursuant to the terms of the Security Interest recorded with the United States Patent and Trademark Office on June 9, 1994 at Reel 1163, Frame 0490 (as amended, modified, extended or restated from time to time) among School Specialty, Inc. and Q III Corporation (collectively, the "Companies") and the Secured Party, the Companies granted to the Secured Party a security interest in and lien on all of the trademarks and trademark applications identified on Exhibit A attached hereto (collectively, the "Pledged Trademarks"); and

**WHEREAS**, the Secured Party has agreed to terminate and release its security interest in the Pledged Trademarks as herein provided;

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Secured Party and the Companies hereby agree as follows:

1. **Termination and Release.** The Secured Party hereby terminates and releases its security interest in and lien on all of the Pledged Trademarks effective as of the date first set forth above.
2. **Acknowledgment and Acceptance.** The Companies hereby acknowledge and accept the foregoing release and assignment by the Secured Party.
3. **Counterparts.** This Termination and Release may be executed in any number of counterparts which shall together constitute one and the same agreement.

**IN WITNESS WHEREOF**, the Secured Party and the Companies have executed this Termination and Release, to take effect as of the date first set forth above.

**CONTINENTAL BANK, N.A.**, as Secured Party

By: M. Anne O'Brien  
Title: Managing Director

Accepted:

**Q III CORPORATION**

**SCHOOL SPECIALTY, INC.**

By: Marla Andrus  
Title: Assistant Secretary

By: Marla Andrus  
Title: Assistant Secretary

**Schedule A**

**Release of Security Interest Held by  
Continental Bank, N.A.  
in the Trademarks of School Specialty, Inc. and Q III Corporation  
and Recorded at Reel 1163, Frame 0490 on June 9, 1994**

**Registered Trademarks of School Specialty, Inc.**

<b>Mark</b>	<b>Registration No.</b>	<b>Registration Date</b>
LITTLE LEARNERS	1,858,257	10/11/94
LATTA'S WEST COMPANY	1,722,822	10/6/92
VALLEY SCHOOL SUPPLY and Design	1,719,183	9/22/92
W and Design	1,707,542	8/11/92
WESTERN SCHOOL SUPPLY and Design	1,702,353	7/21/92
VALLEY SCHOOL SUPPLY OMS ORDER MANAGEMENT SYSTEM and Design	1,701,487	7/21/92
VALLEY SCHOOL SUPPLY and Design	1,678,004	3/3/92

**Registered Marks of Q III Corporation**

<b>Mark</b>	<b>Registration No.</b>	<b>Registration Date</b>
WESTERN SCHOOL SUPPLY	1,702,338	7/21/92