

FORM PTO-1594

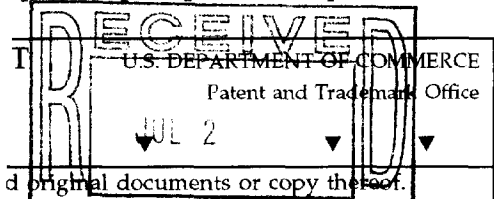
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07-07-1999

(Rev. 6-93)
OMB No. 0651-001 (exp. 4/94)
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To the Honorable Commissioner of Patents and Trademarks Original documents or copy thereof.

1. Name of conveying party(ies): **MLP 7.2.99**
 French Country Living, Inc.
 10205 Colvin Run Road
 Great Falls, Virginia 22066

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State Virginia
 Other _____

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

2. Name and address of receiving party(ies):

Name: Cornerstone Brands, Inc.
 Internal Address: Suite 600
 Street Address: 415 Congress Street
 City: Portland State: ME ZIP: 04101

Individual(s) citizenship _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation-State Delaware
 Other _____

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

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: June 25, 1999

4. Application number(s) or trademark number(s):

A. Trademark Application No.(s)
74/661301 (now registration no. 2,248,432)

B. Trademark Registration No.(s)

Additional numbers attached? Yes No

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

Name: Barbara A. Barakat, Esquire
 Internal Address: Hale and Dorr LLP
 Street Address: 60 State Street
 City: Boston State: MA ZIP: 02109

6. Total number of applications and registration involved: 1

7. Total fee (37 CFR 3.41) \$ 40.00

Enclosed
 Authorized to be charged to deposit account
Charge any additional fees associated with this paper or during the pendency of this application, or credit any overpayment, to deposit account.

8. Deposit account number:
08-0219
 (Attach duplicate copy of this page if paying by deposit account)

07/06/1999 BNGUYEN 00000363 080219 74661301 01 FC:481 40.00 CH 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.
Barbara A. Barakat Barbara A. Barakat July 2, 1999
 Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and document: 4

Mail documents to be recorded with required cover sheet information to: Commissioner of Patents & Trademarks, Box Assignments Washington, D.C. 20231

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TRADEMARK REEL: 001923 FRAME: 0914

GRANT OF SECURITY INTEREST IN TRADEMARKS

French Country Living, Inc., a Virginia corporation, formerly known as Ex Libris Trading Company, Inc. d/b/a French Country Living (the "Debtor"), is obligated to **Cornerstone Brands, Inc.**, a Delaware corporation (the "Secured Party"), and has entered into a Loan and Security Agreement of even date herewith (as the same may be amended and in effect from time to time the "Loan Agreement") in favor of the Secured Party. Pursuant to the Loan Agreement, the parties hereto have contemporaneously executed a Convertible Secured Promissory Note (the "Note") as an instrument to facilitate the possible conversion of the Loan. All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Loan Agreement or, if not described therein, the Note.

Pursuant to the Loan Agreement, the Debtor granted to the Secured Party a security interest in all of the right, title and interest of the Debtor in and to the trademarks and trademark applications listed on Schedule 1 attached hereto, which trademarks and trademark applications are registered in the United States Patent and Trademark Office (the "Trademarks"), together with the goodwill of the business symbolized by the Trademarks and the applications and registrations thereof, and all proceeds thereof, including, without limitation, any and all causes of action which may exist by reason of infringement thereof (the "Collateral"), to secure the prompt payment, performance and observance of the Obligations (as defined in the Loan Agreement).

For good and valuable consideration, the receipt of which is hereby acknowledged, and for the purpose of recording the grant of the security interest as aforesaid, the Debtor does hereby further assign to the Secured Party, and grant to the Secured Party, subject to the provisions of the Loan Agreement, a security interest in, the Collateral to secure the prompt payment, performance and observance of the Obligations.

The Debtor does hereby further acknowledge and affirm that the rights and remedies of the Secured Party with respect to the assignment of and security interest in the Collateral made and granted hereby are set forth in the Loan Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein.

Upon the indefeasible cash payment in full of all Obligations (as such term is defined in the Loan Agreement) or issuance of the full number of shares of Common Stock pursuant to the Note, the Secured Party will promptly take whatever actions are necessary at the Debtor's expense to release or reconvey to Debtor all right, title and interest of the Debtor in and to the Collateral.

The Debtor's address is: 10205 Colvin Run Road, Great Falls, Virginia 22066.

The Secured Party's address is: 415 Congress Street, Suite 600, Portland, Maine 04101.

IN WITNESS WHEREOF, the Debtor has caused this Grant of Security Interest (Trademarks) to be duly executed by its duly Authorized Officer as of the 25th day of JUNE 1999.

FRENCH COUNTRY LIVING, INC.

By: [Signature]
Name: T. BRUNGER M. CONNELL
Title: PRESIDENT

STATE OF _____)
COUNTY OF _____)

On this _____ day of _____, 1999, before me personally came _____ to me known, who, being by me duly sworn, did depose and say that s/he is the _____ of French Country Living, Inc., the corporation described in and which executed the above instrument, and that s/he signed her name thereto by order of the board of directors thereof.

Notary Public
[Notary's Stamp]

My Commission Expires: _____

Schedule 1
to
Grant of Security Interest (Trademarks)

A. Registered Trademarks

U.S. Tm. Reg. 74,661,301 for FRENCH COUNTRY LIVING (words only)
effective June 1, 1999.

B. Trademark Applications

None