

12-03-1999



Patent and Trademark Office

documents or copy thereof.

101186176

Address of receiving party:

To the Honorable Commissioner of Patents a

1. Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # _____ Frame # _____
- Corrective Document
Reel # 1541 Frame # 0770

Name: HELLER FINANCIAL, INC.
 DBA/AKA/TA: _____
 Address: 500 W. Monroe St.
 City: Chicago State: IL Zip: 60661

- Individual Corporation
- Association Limited Partnership
- General Partnership Other

Citizenship/State of Incorporation:

DELAWARE

Additional name(s) of receiving parties attached? Yes No

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. Name of Conveying Party:

Name: THE RIGHT START, INC.

Formerly: _____

MONTH DAY YEAR

Individual(s) Association 11/14/96
Execution Date

General Partnership Limited Partnership

Corporation Other _____

Citizenship/State of Incorporation/Organization:
CALIFORNIA

Additional name(s) of conveying parties attached? Yes No

4. Conveyance Type:

- Assignment Merger License
 - Security Agreement Change of Name Nunc Pro Tunc Assignment
 - Other SEE ATTACHED LETTER
- Effective Date: _____ (if nunc pro tunc assignment)

B. Trademark registration No.(s)

558,955

5. Application number(s) or registration number(s):

A. Trademark Application No.(s)

Additional numbers attached? Yes No

6. Name and address of party to whom correspondence concerning document should be mailed (and Domestic Representative Address, if applicable):

Name: JANIS NICI
MILBANK, TWEED, HADLEY & McCLOY LLP

Address: ONE CHASE MANHATTAN PLAZA

City: NY State: NY Zip: 10005

Area Code and Telephone No.: 212-530-5423

7. Total number of applications and registrations involved: 1

8. Total fee (37 CFR 3.41): \$ _____

- Enclosed
- Authorized to be charged to deposit account

9. Deposit account number:

13-3250

Authorization to charge additional fees Yes No

FOR OFFICE USE ONLY

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. Charges to deposit account are authorized, as indicated herein

Janis Nici

Name of Person Signing

Janis Nici
Signature

9-28/99
Date

Total amount of pages: 1
in cover sheet

Mail Documents to Commissioner of Patents and Trademarks, Box Assignments, Washington DC 20231

55-82-6
MPO

MRD 1-2-97

FORM PTO-1584 1-31-92 01-08-1997 SHEET RECEIVED DEPARTMENT OF COMMERCE Patent and Trademark Office JULY JAN 02 1997

To the Honorable Commissioner of F... attached original document or copy thereof.

1. Name of conveying party(ies): The Right Start, Inc. 5334 Sterling Center Drive Westlake Village, CA 91361 dba: The Right Start; The Right Start Store; The Right Start Catalog

2. Name and address of receiving party(ies): Name: Heller Financial, Inc. Internal Address: 500 West Monroe Street Street Address: 500 West Monroe Street City: Chicago State: IL ZIP: 60601

3. Nature of conveyance: [X] Assignment [] Merger [] Security Agreement [] Change of Name [] Other Execution Date: November 14, 1996

4. Application number(s) or registration number(s): A. Trademark Application No.(s) 75/067,366 75/087,466 75/067,367 75/067,371 75/067,374 75/067,372 75/067,370 75/067,373

B. Trademark registration No.(s) 1,917,940 1,918,513 1,918,619 1,616,864 1,919,710 TMA434,105 TMA434,104

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Laura Lopez Internal Address: See below Street Address: 633 W. Fifth Street Suite 4000 City: Los Angeles State: CA ZIP: 90071

6. Total number of applications and registrations involved: 16 7. Total fee (37 CFR 3.41): \$ 415.00 [X] Enclosed [] Authorized to be charged to deposit account 8. Deposit account number:

DO NOT USE THIS SPACE

9. Statement and signature. I declare 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. Laura A. Lopez Name of Person Signing Signature Date 12/31/96

TRADEMARK REEL: 1541 FRAME: 0770

CONFIRMATION AND GRANT OF SECURITY INTEREST
IN TRADEMARKS AND TRADEMARK APPLICATIONS

Dated as of November 14, 1996

from

THE RIGHT START, INC.,

as Grantor.

to

HELLER FINANCIAL, INC.,

as Lender

hellers.com/trademark.html

TRADEMARK
REEL: 1541 FRAME: 0771

This CONFIRMATION AND GRANT OF SECURITY INTEREST IN TRADEMARKS AND TRADEMARK APPLICATIONS (as it may be amended, supplemented or otherwise modified from time to time, this "Agreement") is dated as of November 14, 1996, and is made by THE RIGHT START, INC., a California corporation ("Grantor"), having its principal place of business at 5334 Sterling Center Drive, Westlake Village, California 91361, in favor of and for the benefit of HELLER FINANCIAL, INC., a Delaware corporation ("Heller", "Lender" or "Secured Party").

RECITALS

WHEREAS, Grantor and Lender have entered into that certain Loan and Security Agreement dated as of November 14, 1996 (as such agreement may be amended, supplemented or otherwise modified from time to time, the "Loan Agreement") pursuant to which Lender has agreed, among other things, and subject to the terms and conditions set forth in the Loan Agreement, to extend a credit facility to Grantor to provide working capital financing for Grantor and to provide funds for other general corporate purposes of Grantor;

WHEREAS, Grantor has secured its obligations under the Loan Agreement and the other Loan Documents (as defined in the Loan Agreement) by granting to Lender a security interest in and lien upon certain of Grantor's property, including without limitation its Intellectual Property;

WHEREAS, Grantor desires to grant and pledge its security interests (and to confirm and grant its security interest) in the Trademarks and Licenses (as defined herein) in favor of Lender;

WHEREAS, Lender has required, as a condition precedent to the effectiveness of the Loan Agreement, that this Agreement be executed and delivered by Grantor to Lender;

WHEREAS, Grantor desires to enter into this Agreement to satisfy the conditions described in the foregoing recital; and

WHEREAS, capitalized terms used herein without definition shall have the meanings ascribed to them in the Loan Agreement.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

SECTION 1. Grant of Security. Grantor hereby grants to Lender a security interest in all right, title and interest of Grantor in and to the following, whether now owned

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or hereafter acquired (collectively, the "Collateral") to secure the payment and performance of the Secured Obligations (as defined in Section 2 below):

(a) all trademarks, service marks, trade names, trade dress or other indicia of origin, trade styles, logos, trademark and service mark registrations (including registrations, recordings and applications in the United States Patent and Trademark Office or in any office or agency of the United States, any state thereof, any other country or political subdivision thereof, or any supranational or international body), and applications for trademark or service mark registrations, and any renewals, reissues or extensions thereof, including, without limitation, each registration and application identified in Schedule 1 attached hereto and made a part hereof, and including without limitation (i) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (ii) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past or future infringements thereof), and (iii) all rights corresponding thereto throughout the world and all other rights of any kind whatsoever of Grantor accruing thereunder or pertaining thereto, together in each case with the goodwill of the business connected with the use of, and symbolized by, each such trademark, service mark, trade name, trade style, or logo, trade dress or other indicia of trade origin (the "Trademarks"); and

(b) all license or use agreements with any other person in connection with any of the Trademarks or such other person's names or marks, whether Grantor is a licensor or licensee under any such license agreement, including, without limitation, the license and use agreements listed on Schedule 2 attached hereto and made a part hereof, subject, in each case, to the terms of such agreements, and the right to prepare for sale, sell and advertise for sale, all inventory (as defined in the Loan Agreement) now or hereafter owned by Grantor and now or hereafter covered by such agreements (the "Licenses");

(c) all know-how and expertise, and all documents and things embodying the same (and all copyrights and design rights in such documents and things), including all designs, drawings, patterns and specifications relating to the manufacture, distribution, advertising and sale of products relating to any collateral, all product specification and quality control information and manuals used in the manufacture, distribution, advertising and sale of products sold under or in connection with the Trademarks, all contracts or agreements for the manufacture or supply of goods, or materials or components used in the production of goods, sold under or in connection with the Trademarks, and all customer and supplier lists; and

(d) all products and proceeds of the foregoing (as such terms are defined in the Uniform Commercial Code as in effect in the State of Illinois).

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SECTION 2. Secured Obligations. This Agreement secures, and the Collateral is collateral security for, the prompt payment or performance in full when due, whether at stated maturity, by acceleration or otherwise of all obligations, liabilities and indebtedness of every nature of Grantor from time to time owed to Lender under the Loan Documents, including the principal amount of all debts, claims and indebtedness, accrued and unpaid interest and all fees, costs and expenses, whether primary, secondary, direct, contingent, fixed or otherwise, now and/or from time to time hereafter owing, due or payable (the "Secured Obligations").

SECTION 3. Grantor Remains Liable. Anything herein to the contrary notwithstanding, (a) Grantor shall remain liable under the contracts and agreements included in the Collateral to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by Lender of any of the rights hereunder shall not release Grantor from any of its duties or obligations under the contracts and agreements included in the Collateral and (c) Lender shall not have any obligation or liability under the contracts and agreements included in the Collateral by reason of this Agreement, nor shall Lender be obligated to perform any of the obligations or duties of Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

SECTION 4. Representations and Warranties. Grantor represents and warrants as to itself and its Collateral as follows:

(a) Grantor is the sole, legal and beneficial owner of the entire right, title and interest in and to the Collateral set forth in Schedule 1 free and clear of any lien, security interest, option, charge, pledge, license (other than those listed on Schedule 2 hereto and other than those created hereby and by the Loan Documents), assignment (conditional or unconditional) or covenant, or any other encumbrance (other than those as to which releases of security interests are being delivered to the Lender on the date hereof). No effective financing statement or other instrument similar in object or covering all or any part of the Collateral is on file in any recording office (including, without limitation, the United States Patent and Trademark Office), except (i) such as may have been filed in favor of Lender relating to the Loan Agreement or this Agreement and (ii) those as to which releases in form and substance acceptable to Lender of security interests are being delivered to Lender on the date hereof.

(b) Set forth in Schedule 1 is a complete and accurate list of all Trademarks owned by Grantor. Grantor has made all necessary filings and recordings to protect and maintain its interest in the Trademarks set forth in Schedule 1, including, without limitation, all necessary filings and recordings in the United States Patent and Trademark Office and in each of the foreign jurisdictions set forth in Schedule 1. Set forth in Schedule 2 is a complete and accurate list of (i) all

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where the state/trademark is

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Licenses owned by Grantor in which Grantor is a licensee, and (ii) all Licenses owned by Grantor in which Grantor is the licensor with respect to any Trademark.

(c) Each Trademark set forth in Schedule 1 is subsisting and has not been adjudged invalid, unregistrable or unenforceable, in whole or in part, and is valid, registrable and enforceable. Each License identified in Schedule 2 is in writing, validly subsisting and has not been adjudged invalid or unenforceable, in whole or in part, and is valid and enforceable. Grantor has notified Lender in writing of all prior uses of any item of Collateral of which Grantor is aware which could reasonably be expected to lead to such item becoming invalid or unenforceable, including prior unauthorized uses by third parties and uses which were not supported by the goodwill of the business connected with such Collateral.

(d) Grantor has not made any previous assignment, transfer or agreement constituting a present or future assignment, transfer or encumbrance of any of the Collateral (other than those in favor of Lender and other than those as to which releases in form and substance acceptable to Lender of security interests are being delivered to Lender on the date hereof). Grantor has not granted or assumed any license (other than those listed on Schedule 2 hereto), release, covenant not to sue, or non-assertion assurance to any person with respect to any part of the Collateral.

(e) Grantor has used reasonable and proper statutory notice in connection with its use of each registered trademark and service mark.

(f) Except for the licenses listed on Schedule 2 hereto, Grantor has no knowledge of the existence of any third party right or claim that is likely to be made, under any item of Collateral.

(g) To the best of such Grantor's knowledge after due inquiry, no claim has been made and is continuing or threatened that the use by Grantor of any item of Collateral is invalid or unenforceable or that the use by Grantor of any Collateral does or may violate the rights of any person. To the best of Grantor's knowledge after due inquiry, there is currently no infringement or unauthorized use of any Trademark.

(h) Except for the filing of financing statements under the UCC, the filing of this Agreement with the United States Patent and Trademark Office and such filings or recordings as necessary with governmental agencies in the foreign jurisdictions set forth on Schedule 1 to perfect the security interests granted hereby, no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for (i) the grant by Grantor of the security interests hereunder or the perfection of such security interests, (ii) the execution, delivery and performance by Grantor of this Agreement or (iii) the exercise by Lender of its rights and remedies hereunder.

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(i) Grantor has taken all steps necessary in the reasonable judgment of Grantor to ensure that all licensed users of any Collateral use consistent standards of quality in all material respects in such users' manufacture, distribution and sale of all products sold under any item of such licensed Collateral and provision of all services provided under any item of such licensed Collateral.

SECTION 5. Further Assurances. (a) Grantor agrees that from time to time, at its own expense, it will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or that Lender may reasonably request, in order to (i) grant, or confirm the grant of and continue, perfect and protect any security interest granted or purported to be granted hereby, including, without limitation, to grant, or confirm the grant of and continue, perfect and protect any security interest granted or purported to be granted hereby in any Trademark or License or (ii) enable Lender to exercise and enforce its rights and remedies hereunder with respect to any part of the Collateral. Without limiting the generality of the foregoing, Grantor will execute and file such financing or continuation statements, or amendments thereto, and such other instruments or notices with any governmental body (in the United States or in any foreign jurisdiction), as may be necessary or desirable, or as Lender may reasonably request, in order to confirm the grant of, or to perfect and preserve, the security interests granted or purported to be granted hereby.

(b) Grantor hereby authorizes Lender to file one or more financing or continuation statements, and amendments thereto, relative to all or any part of the Collateral without the signature of Grantor where permitted by law. A carbon, photographic or other reproduction of this Agreement or any financing statement covering the Collateral or any part thereof shall be sufficient as a financing statement where permitted by law.

(c) Grantor shall furnish to Lender from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as Lender may reasonably request, all in reasonable detail.

(d) Grantor agrees that, should it obtain an ownership interest in any Trademark or License, which is not now a part of the Collateral, (i) it shall give prompt notice thereof to the Lender, (ii) the provisions of Section 1 of this Agreement shall automatically apply thereto, and (iii) any such Trademark, together with the goodwill of the business connected with the use of same and symbolized by same, or License, shall automatically become part of the Collateral. Concurrently with the filing of an application for registration of any Trademark, Grantor will execute and deliver and record in all necessary jurisdictions such documents and notices as may be necessary or desirable to grant, or confirm the grant, of the security interest to Lender. Grantor authorizes Lender to modify this Agreement by amending Schedules 1 and 2 (and will cooperate with Lender in effecting any such amendment) to include any Trademark or License which becomes part of the Collateral under this Section.

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(e) With respect to each Trademark, Grantor agrees to take all necessary steps, including, without limitation, in the United States Patent and Trademark Office or in any foreign jurisdiction or in any court, to (i) maintain each such Trademark, (ii) pursue each such application for trademark or service mark registration, now or hereafter included in the Collateral, including, without limitation, the filing of responses to actions issued by the United States Patent and Trademark Office, the filing of applications for renewal, the filing of affidavits under Sections 8 and 15 of the United States Trademark Act, and the participation in opposition, cancellation and infringement and misappropriation proceedings, unless Grantor shall have previously obtained the prior written consent of Lender. Grantor agrees to take corresponding steps with respect to each new or acquired Trademark to which it is now or later becomes entitled, unless Grantor shall have previously obtained the prior written consent of Lender. Any expenses incurred in connection with such activities shall be borne by Grantor. Grantor shall not discontinue use of or otherwise abandon any Trademark, or abandon any pending application for registration or registration of any Trademark, unless Grantor shall have previously obtained the prior written consent of Lender.

(f) Grantor agrees to notify Lender promptly and in writing if Grantor learns (i) that any item of the Collateral may be determined to have become abandoned or dedicated or (ii) of any adverse determination or the institution of any proceeding (including, without limitation, the institution of any proceeding in the United States Patent and Trademark Office or any court) regarding any item of the Collateral.

(g) In the event that Grantor becomes aware that any item of the Collateral is infringed or misappropriated by a third party, Grantor shall promptly notify Lender in writing and Grantor shall take such actions as Lender reasonably deems appropriate under the circumstances to protect such Collateral, including, without limitation, suing for infringement or misappropriation and for an injunction against such infringement or misappropriation. Any expense incurred in connection with such activities shall be borne by Grantor.

(h) Grantor shall continue to use reasonable and proper statutory notice in connection with its use in any territory of its registered trademarks and service marks, and use the notice designation "TM" in connection with its use of its trademarks and service marks that are not registered in that territory.

(i) With respect to any item of Collateral, Grantor shall take all steps which it or the Lender reasonably deems appropriate under the circumstances to preserve and protect its Collateral, including, without limitation, taking all reasonable steps to ensure that all licensed users of any such Collateral use consistent standards of quality in all material respects in such users' manufacture, distribution and sale of all products sold under any item of such licensed Collateral and provision of all services provided under any item of such licensed Collateral.

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NOTE: REEL=001965

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(j) Upon the request of Lender, Grantor shall use its best efforts to obtain all necessary consents of third parties to the grant or perfection of Lender's security interest in the Collateral or the exercise of its rights hereunder.

SECTION 6. Transfers and Other Liens. Grantor shall not (except as otherwise expressly permitted under the Loan Agreement or with the prior written consent of Lender):

- (a) sell, assign (by operation of law or otherwise), license or otherwise dispose of any item of, or grant any option with respect to, the Collateral or any portion thereof;
- (b) create or suffer to exist any lien, security interest or other charge or encumbrance upon or with respect to any of the Collateral except for the liens and security interests created by the Loan Agreement and this Agreement; or
- (c) enter into any license, use or other agreement which impairs Lender's security interest in all or any portion of the Collateral; or
- (d) take any other action in connection with any of the Collateral that would impair the value of the interests or rights thereunder of Grantor such that the interests or rights of Lender in the Collateral would be impaired.

SECTION 7. Lender Appointed Attorney-in-Fact. Grantor hereby irrevocably appoints Lender Grantor's attorney-in-fact, with full authority in the place and stead of Grantor and in the name of Grantor or otherwise, from time to time in the Lender's discretion to take any action and to execute any instrument that Lender may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation:

- (a) to ask for, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Collateral;
- (b) to receive, endorse, and collect any drafts or other instruments, documents and chattel paper, in connection with clause (a) above; or
- (c) to file any claims or take any action or institute any proceedings that the Lender may deem necessary or desirable for the collection of any payments relating to any of the Collateral or otherwise to enforce the rights of the Lender with respect to any of the Collateral, including a transfer or assignment of any of the Collateral upon exercise of such remedies;

provided, however, that Lender shall not exercise its rights under this Section 7 of this Agreement except upon the occurrence and during the continuation of an Event of Default. The power of attorney granted herein is coupled with an interest and shall be irrevocable.

SECTION 8. License of Collateral. Grantor hereby assigns, transfers and conveys to Lender, effective upon the occurrence of any Event of Default, the rights and licenses to use any and all Collateral owned or used by Grantor together with any goodwill associated therewith, all to the extent necessary to enable Lender to realize on the Collateral and any successor or assign of Lender to enjoy the benefits of the Collateral, or as otherwise provided in the relevant Loan Document. These rights and licenses shall inure to the benefit of all successors, assigns and transferees of Lender and their respective successors, assigns and transferees, whether by voluntary conveyance, operation of law, assignment, transfer, foreclosure, deed in lieu of foreclosure or otherwise. Such rights and licenses are granted free of charge, without requirement that any monetary payment whatsoever be made to Grantor or any other Person by Lender or its successors, assigns or transferees.

SECTION 9. Lender May Perform. (a) If Grantor fails to perform any agreement contained herein, upon notice to Grantor, Lender may itself perform, or cause performance of, such agreement, and the expenses of Lender incurred in connection therewith shall be payable by Grantor under Section 9.3 of the Loan Agreement.

(b) Upon the occurrence and during the continuation of an Event of Default, Lender shall have the right but in no way shall be obligated to bring suit in its own name or in the name of Grantor to enforce Lender's or Grantor's right in and to any part of the Collateral. At the reasonable request of the Lender, Grantor shall do any and all lawful acts and execute any and all proper documents required by Lender in aid of such enforcement. Upon receipt of written demand, Grantor shall promptly reimburse and indemnify the Lender for all costs and expenses incurred by Lender in the exercise of its rights under this Section.

SECTION 10. Lender's Duties. The powers conferred on Lender hereunder are solely to protect its interests in the Collateral and shall not impose any duty upon Lender to exercise any such powers. Except for the exercise of reasonable care in the custody of any Collateral in its possession and the accounting for any moneys actually received by it hereunder, Lender shall have no duty as to any Collateral or as to the taking of any necessary steps to preserve rights against any parties or any other rights pertaining to any Collateral. Lender shall be deemed to have exercised reasonable care in the custody of any Collateral in its possession if such Collateral is accorded treatment substantially equal to that which Lender accords its own property of like tenor.

SECTION 11. Remedies. If any Event of Default shall have occurred and be continuing:

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TRADEMARK
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(a) Grantor will assign, transfer and convey to Lender the rights and licenses to use any and all Trademarks owned or used by Grantor, together with any goodwill associated therewith, all to the extent necessary to enable Lender to realize on the Collateral and any successor or assign of Lender to enjoy the benefits of the Collateral. These rights and licenses shall inure to the benefit of all successors, assigns and transferees of Lender and their respective successors, assigns and transferees, whether by voluntary conveyance, operation of law, assignment, transfer, foreclosure, deed in lieu of foreclosure or otherwise. Such rights and licenses shall be granted free of charge, without requirement that any monetary payment whatsoever be made to Grantor by Lender.

(b) Lender may exercise in respect of any of the Collateral, in addition to other rights and remedies provided for herein or otherwise available to the Lender, all the rights and remedies of a secured party upon default under the Uniform Commercial Code in effect in the State of Illinois at that time (the "Uniform Commercial Code") (whether or not the Uniform Commercial Code applies to the affected Collateral) and also may (i) exercise any and all rights and remedies of Grantor under or otherwise in respect of the Collateral, (ii) require Grantor to, and Grantor hereby agrees that it will, at its own expense and upon request of the Lender, forthwith assemble all or any part of the documents and things embodying the Collateral as directed by Lender and make them available to Lender at a place to be designated by Lender which is reasonably convenient to both Lender and Grantor, (iii) occupy any premises owned or leased by Grantor where documents and things embodying the Collateral or any part thereof are assembled for a reasonable period in order to effectuate the Lender's rights and remedies hereunder or under law, without obligation to Grantor in respect of such occupation, and (iv) without notice except as specified below, sell the Collateral or any part thereof in one or more parcels at public or private sale, at any of the Lender's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as the Lender may deem commercially reasonable. In the event of any sale, assignment, or other disposition of any of the Collateral, the goodwill of the business connected with and symbolized by any Collateral subject to such disposition shall be included, and Grantor shall supply to Lender or its designee Grantor's know-how and expertise, and documents and things embodying the same, relating to the manufacture, distribution, advertising and sale of products or the provision of services relating to any Collateral subject to such disposition, and Grantor's customer lists and other records and documents relating to such Collateral and to the manufacture, distribution, advertising and sale of such products and services. Grantor agrees that, to the extent notice of sale shall be required by law, ten days' notice to Grantor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. Lender shall not be obligated to make any sale of any of the Collateral regardless of notice of sale having been given. Lender may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor.

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TRADEMARK
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and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(c) All payments received by Grantor under or in connection with any of the Collateral shall be received in trust for the benefit of Lender, shall be segregated from other funds of Grantor and shall be forthwith paid over to Lender in the same form as so received (with any necessary endorsement).

(d) All payments made under or in connection with or otherwise in respect of the Collateral and all cash proceeds received by Lender in respect of any sale of, collection from, or other realization upon all or any part of the Collateral may, in the discretion of Lender, be held by the Lender as collateral for, and/or then or at any time thereafter applied in whole or in part by Lender. Grantor will, at its own expense, execute and deliver all instruments and take all actions as may be necessary, or in the opinion of Lender desirable, to assign, transfer or convey to Lender or any purchaser or assignee on any purchase at a foreclosure sale any or all Collateral.

SECTION 12. Amendments, Waivers, Etc. (a) No amendment or waiver of any provision of this Agreement, and no consent to any departure by Grantor herefrom, shall in any event be effective unless the same shall be in writing and signed by Lender (and, in the case of amendments, by Grantor), and, in the case of a waiver or a consent, then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

(b) No failure on the part of Lender to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.

SECTION 13. Continuing Security Interest; Transfer of Notes; Release of Collateral. (a) This Agreement shall create a continuing security interest in the Collateral and shall (i) remain in full force and effect until the payment in full in cash of the Obligations and termination of all Commitments, (ii) be binding upon Grantor, its successors and assigns, and (iii) inure, together with the rights and remedies of the Lender hereunder, to the benefit of Lender, and its respective successors, transferees and assigns.

(b) Upon payment in full in cash of the Obligations and termination of all Commitments, the Lender will, at Grantor's expense, promptly execute and deliver to Grantor such documents as Grantor shall reasonably request to evidence such termination of the security interests granted hereby and their reversion, release and reassignment.

SECTION 14. Governing Law; Terms. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF

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tel: (908) 426-1111

TRADEMARK
REEL: 1541 FRAME: 0781

THE STATE OF ILLINOIS, EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF THE SECURITY INTEREST HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR COLLATERAL ARE GOVERNED BY THE LAW OF THE UNITED STATES OR ANY OTHER JURISDICTION OTHER THAN THE STATE OF ILLINOIS. Unless otherwise defined herein or in the Loan Agreement, terms used in Article 9 of the Uniform Commercial Code are used herein as therein defined.

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Refer to document 151

TRADEMARK
REEL: 1541 FRAME: 0782

IN WITNESS WHEREOF, Grantor has caused this Agreement to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

THE RIGHT START, INC.

By: Gina M. Shauer
Name: Gina M. Shauer
Title: Chief Financial Officer
Address: THE RIGHT START, INC.
Attn: Gina M. Shauer
5334 Sterling Center Drive
Westlake Village, California 91361

Agreed and consented to as of the date first above written:

HELLER FINANCIAL, INC.

By: Tony G. Roth
Name: Tony G. Roth
Title: SVP
Address: HELLER FINANCIAL, INC.
Attn: HBC Portfolio Manager
500 West Monroe Street
Chicago, Illinois 60661

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES) ss.

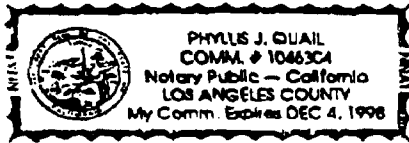
On 11/15/96, before me Phyllis J. Quail, a Notary Public,
personally appeared Guila M. Shauer

_____ , personally
known to me (or proved to me on the basis of satisfactory evidence) to be the person(s)
whose name(s) is/are subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized capacity(ies), and that by
his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which
the person(s) acted, executed the instrument.

Witness my hand and official seal.

Phyllis J. Quail
Notary Public

(Seal)



TRADEMARK
REEL: 1541 FRAME: 0784

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

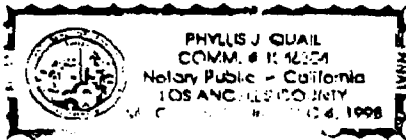
On 11/15/96, before me Phyllis J. Quail, a Notary Public,
personally appeared Terry A. Rehe

_____, personally
known to me (or proved to me on the basis of satisfactory evidence) to be the person(s)
whose name(s) is/are subscribed to the within instrument and acknowledged to me that
he/she/they executed the same in his/her/their authorized capacity(ies), and that by
his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which
the person(s) acted, executed the instrument.

Witness my hand and official seal.

Phyllis J. Quail
Notary Public

(Seal)



TRADEMARK
REEL: 1541 FRAME: 0785

SCHEDULE I

UNITED STATES TRADEMARK REGISTRATIONS

MARK	INTERNATIONAL CLASS	REGISTRATION NUMBER	REGISTRATION DATE
THE RIGHT START	16	1,917,940	9/12/95
THE RIGHT START	42	1,918,619	9/12/95
THE RIGHT START CATALOG	16	1,919,710	9/19/95
THE RIGHT START PROFESSIONAL	42	1,918,513	9/12/95
LOOP D' LOOP (28)	28	1,616,864	10/9/90

UNITED STATES TRADEMARK APPLICATIONS

MARK	INTERNATIONAL CLASS	APPLICATION NUMBER	FILING DATE
THE RIGHT START	7	75/067,366	3/4/96
THE RIGHT START	9	75/067,367	3/4/96
THE RIGHT START	20	75/067,374	3/4/96
THE RIGHT START	21	75/067,370	3/4/96
THE RIGHT START	24	75/087,466	4/12/96
THE RIGHT START	25	75/067,371	3/4/96
THE RIGHT START	25	75/067,372	3/4/96
THE RIGHT START	27	75/067,373	3/4/96

UNITED STATES COPYRIGHT REGISTRATIONS

TITLE	REGISTRATION NUMBER	REGISTRATION DATE
TWO BABIES/ WYATT START	VA 744683	2/29/96
CHILD IN A HIGH CHAIR	VA 514452	3/15/92

CANADIAN TRADEMARK REGISTRATIONS

MARK	INTERNATIONAL CLASS	REGISTRATION NUMBER	REGISTRATION DATE
THE RIGHT START	42	TMA434,105	9/30/94
THE RIGHT START CATALOG	42	TMA434,104	9/30/94

FRENCH TRADEMARK REGISTRATION

MARK	INTERNATIONAL CLASS	REGISTRATION NUMBER	REGISTRATION DATE
THE RIGHT START CATALOG	35	558955	8/24/94

FORM 1
0-0000

UNREGISTERED MARKS

MARK	GOODS AND SERVICES
THE RIGHT START CATALOG	catalog services in the fields of infant and juvenile furniture, clothing, toys and accessories
DESIGN MARK (TWO BABIES)	publications, namely booklets, catalogs and magazines, featuring infants' and children's toys and playthings, furniture, clothing, bedding, sports and transportation equipment, hygiene, toilet-training and safety equipment; nutrition and feeding, first aid and health care equipment, clothing and accessories for expectant and nursing mothers; and clothing and picture frames and other memorabilia relating to newborn, parents and grandparents
	mail order and catalog services in the field of infants' and children's toys and playthings, furniture, clothing, bedding, sports and transportation equipment; hygiene, toilet-training and safety equipment; nutrition and feeding, first aid and health care equipment, clothing and accessories for expectant and nursing mothers; and clothing and picture frames and other memorabilia relating to newborns, parents and grandparents

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REEL: 1541 FRAME: 0788



SCHEDULE 2

None.

RECORDED: 01/02/1997

TRADEMARK
REEL: 1541 FRAME: 0789

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TRADEMARK
REEL: 001965 FRAME: 0668

MILBANK, TWEED, HADLEY & McCLOY LLP

1 CHASE MANHATTAN PLAZA

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FAX: 202-835-7586

LONDON
44-171-448-3000
FAX: 44-171-448-3029

MOSCOW
7-501-258-5015
FAX: 7-501-258-5014

212-530-5000

FAX: 212-530-5219

TOKYO
813-3504-1050
FAX: 813-3595-2790

HONG KONG
852-2971-4888
FAX: 852-2840-0792

SINGAPORE
65-428-2400
FAX: 65-428-2500

September 28, 1999

JNICI@MILBANK.COM

Commissioner of Patents & Trademarks
BOX: ASSIGNMENTS
Washington, DC 20231

Re: U.S. Trademark Registration No. 558,955
for the Mark ROLSCREEN
Our File: 33748-00000

Dear Sir or Madame:

Enclosed is a copy of a Recordation Form Cover Sheet dated December 31, 1996 and the underlying Confirmation and Grant of Security Interest. Schedule 1 to this document lists the U.S. and foreign applications and registrations in which a security interest was granted from The Right Start, Inc. to Heller Financial, Inc.

The Examiner will note that the second page of Schedule 1 lists **French** Trademark Registration No. 558,955. This French trademark registration number was inadvertently listed on the enclosed Recordation Form Cover Sheet dated December 31, 1996 as one of the U.S. registrations being "assigned." As a result, Reel/Frame 1541/0770 reflects that an assignment was recorded against **U.S.** Registration No. 558,955.

We request that the record for U.S. registration no. 558,955 be corrected to remove the assignment mistakenly recorded on Reel/Frame 1541/0770. A new Recordation Form Cover Sheet is enclosed for this purpose.

If you have any questions, please feel free to contact me at 212-530-5423.

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09/28/99 9:27 AM

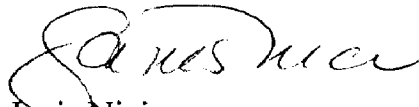
TRADEMARK
REEL: 001965 FRAME: 0669

September 28, 1999

Page Two

Thank you for your attention to this matter.

Very truly yours,

A handwritten signature in black ink, appearing to read "Janis Nici". The signature is written in a cursive style with a large, looping initial "J".

Janis Nici
Legal Assistant

enclosures

cc: Keri A. Christ, Esq.