

MMD  
12/13/19

12-28-1999

U.S. DEPARTMENT OF COMMERCE  
Patent and Trademark Office



101232645

To the Honorable Commissioner of Patents and Trademarks.

copy thereof.

1. Name of conveying party(ies):

ELLIOTT-MAIR LLC (to be known as  
Earlychildhood.com LLC)

- Individual(s)
- General Partnership
- Corporation - State of \_\_\_\_\_
- Other a California limited liability company
- Association
- Limited Partnership

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

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

Name: PARIBAS, CHICAGO BRANCH

Internal Address: \_\_\_\_\_

Street Address: 227 West Monroe Street, Suite 3300

City: Chicago State: Illinois ZIP: 60606

- Individual(s) citizenship \_\_\_\_\_
- Association \_\_\_\_\_
- General Partnership \_\_\_\_\_
- Limited Partnership \_\_\_\_\_
- Corporation-State a banking corporation of France
- Other \_\_\_\_\_

If assignee is not domiciled in the United States, a domestic representative designation is attached:

Yes  No

(Designation must be a separate document from Assignment)

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other \_\_\_\_\_
- Merger
- Change of Name

Execution Date: May 4 and May 12, 1999

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

A. Trademark Application No.(s)

B. Trademark registration No.(s)

1,344,758  
1,412,843  
1,818,908  
1,968,549  
2,048,585  
2,052,213

Additional numbers attached?  Yes  No

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

Name: P. Weston Musselman, Jr.  
Jenkins & Gilchrist, P.C.

Internal Address: \_\_\_\_\_

Street Address: 1445 Ross Avenue, Ste. 3200

City: Dallas State: Texas Zip: 75202-2799

6. Total number of applications and registrations involved: 6

7. Total fee (37 CFR 3.41):

\$165.00

- Enclosed
- Authorized to be charged to deposit account.

(If check is not received with this correspondence or additional fees are required, please charge to deposit account 10-0447.)

8. Deposit Account number: \_\_\_\_\_

(Attach duplicate copy of this page 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.

P. Weston Musselman, Jr.  
Name of Person Signing

P. Weston Musselman, Jr.  
Signature

Dec. 8, 1999  
Date

Total number of pages comprising cover sheet:

7

12/28/1999 DNGUYEN 00000035 1344758

01 FC:481  
02 FC:482

40.00 OP  
125.00 OP

Dallas2 642093 v 1. 27729 00014

TRADEMARK  
REEL: 002003 FRAME: 0767

**TRADEMARK SECURITY AGREEMENT**  
**(BORROWER)**

WHEREAS, Elliott-Mair LLC, a California limited liability company to be known as Earlychildhood.com LLC ("Grantor"), having an address at 1353 Dayton Street, Salinas, California 93901, owns the Trademarks, Trademark registrations and Trademark applications listed on Schedule 1 annexed hereto and is a party to the Trademark Licenses listed on Schedule 1 annexed hereto; and

WHEREAS, Grantor and Paribas, Chicago Branch, as agent for the Banks (as such term is defined in the Security Agreement, as defined below) (in such capacity, the "Secured Party"), having an address at 227 West Monroe Street, Suite 3300, Chicago, Illinois 60606, and the Banks that are parties to that certain Credit Agreement dated as of May 5, 1999 (as the same may be amended and in effect from time to time, the "Credit Agreement"), providing for extensions of credit to be made to the Grantor and the other Debtors named therein by the Banks; and

WHEREAS, pursuant to the terms of that certain Security Agreement dated as of May 5, 1999 (as the same may be amended and in effect from time to time, the "Security Agreement") between Grantor and Secured Party, Grantor has granted to Secured Party for the benefit of the Banks a security interest in substantially all the assets of Grantor, including, without limitation, all right, title and interest of Grantor in, to and under all now owned and hereafter acquired Trademarks (as defined in the Security Agreement), Trademark registrations, Trademark applications and Trademark Licenses (as defined in the Security Agreement), together with the goodwill of the business symbolized by Grantor's Trademarks and all proceeds thereof, to secure the payment of all Obligations (as such term is defined in the Credit Agreement);

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant to Secured Party for the benefit of the Banks a continuing security interest in all of Grantor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Trademark Collateral"), whether presently existing or hereafter created or acquired by Grantor:

(1) each Trademark, Trademark registration and Trademark application, including, without limitation, the Trademarks, Trademark registrations (together with any reissues, continuations or extensions thereof) and Trademark applications referred to in Schedule 1 annexed hereto, and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark, Trademark registration and Trademark application;

(2) each Trademark License and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark License, including, without limitation, each Trademark License referred to in Schedule 1 annexed hereto; and

(3) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (a) infringement or dilution of any Trademark or Trademark registration including, without limitation, the Trademarks and Trademark registrations referred to in Schedule 1 annexed hereto, the Trademark registrations issued with respect to the Trademark applications referred in Schedule 1 and the Trademarks licensed under any Trademark License, or (b) injury to the goodwill associated with any Trademark, Trademark registration or Trademark licensed under any Trademark License.

This security interest is granted in conjunction with the security interests granted to Secured Party pursuant to the Security Agreement. Each of Grantor and Secured Party hereby acknowledges and affirms that the rights and remedies of Secured Party with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.


IN WITNESS WHEREOF, the parties have caused this Trademark Security Agreement to be duly executed by their respective duly authorized officers thereunto as of the 5th day of May, 1999.

**GRANTOR:**

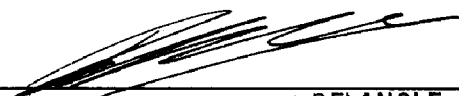
**SECURED PARTY:**

ELLIOTT-MAIR LLC  
to be known as  
Earlychildhood.com LLC

PARIBAS, CHICAGO BRANCH, as agent

By:   
Name: Ronald Elliott  
Title: President

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

By:   
Name: FRANCOIS DELANGLE  
Title: VICE PRESIDENT

(3) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (a) infringement or dilution of any Trademark or Trademark registration including, without limitation, the Trademarks and Trademark registrations referred to in Schedule 1 annexed hereto, the Trademark registrations issued with respect to the Trademark applications referred in Schedule 1 and the Trademarks licensed under any Trademark License, or (b) injury to the goodwill associated with any Trademark, Trademark registration or Trademark licensed under any Trademark License.

This security interest is granted in conjunction with the security interests granted to Secured Party pursuant to the Security Agreement. Each of Grantor and Secured Party hereby acknowledges and affirms that the rights and remedies of Secured Party with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

IN WITNESS WHEREOF, the parties have caused this Trademark Security Agreement to be duly executed by their respective duly authorized officers thereunto as of the 5th day of May, 1999.

**GRANTOR:**

ELLIOTT-MAIR LLC  
to be known as  
Earlychildhood.com LLC

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

**SECURED PARTY:**

PARIBAS, CHICAGO BRANCH, as agent

By: SM Heinen  
Name: STEVEN M. HEINEN  
Title: MANAGING DIRECTOR

By: [Signature]  
Name: FRANCOIS DELANGLE  
Title: VICE PRESIDENT

ACKNOWLEDGMENT

STATE OF California )  
 ) §.  
COUNTY OF Los Angeles )

On May 4, 1999, before me Susan Bird, a Notary Public, personally appeared Ronald C. Elliott, as \_\_\_\_\_ of Elliott-Mair LLC, a California limited liability company to be known as Earlychildhood.com LLC, 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.

{Seal}

Susan Bird  
Notary Public in and for the State of California

ACKNOWLEDGMENT



STATE OF California )  
 ) §.  
COUNTY OF Los Angeles )

On May 4, 1999, before me Susan Bird, a Notary Public, personally appeared Francois M. Delanck, as \_\_\_\_\_ of PARIBAS, CHICAGO BRANCH, an institution organized and existing under the laws of the Republic of France, on behalf of such institution, 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.

{Seal}

Susan Bird  
Notary Public in and for the State of California

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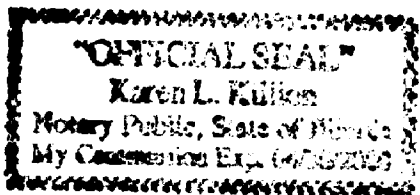
ACKNOWLEDGMENT

STATE OF Illinois )  
 ) §.  
COUNTY OF Cook )

On May 12, 1999, before me Karen Killian, a Notary Public, personally appeared Steven M. Heinen / Francois Delande as Managing Director / Vice President of PARIBAS, CHICAGO BRANCH, an institution organized and existing under the laws of the Republic of France, on behalf of such institution, 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.

{Seal}



Karen L. Killian  
Notary Public in and for the State of Illinois

Schedule 1  
to  
Trademark Security Agreement

TRADEMARKS						
Owner of Record	Country of Registration	Trademark	Application or Registration No.	Filing Date	Expiration Date	Goods
QTL	US	THE IMAGINATION PLAYGROUND	2,052,213	4/15/97	4/15/07	Flexible children's paint (TM used with BIOCOLOR)
QTL	US	FLEXITEMP	1,968,549	4/16/96	4/16/06	Children's paint
QTL	US	FIRST ART	2,048,585	4/1/97	4/1/07	Service Mark- wholesale services
QTL	US	BIOCOLOR	1,818,908	2/1/94	2/1/04	Children's paint
QTL	US	DANDI-LI-ON	1,344,758	6/25/85	2/1/04	Children's cot
QTL	US	RAINBOW	1,412,843	10/14/86	4/16/06	Children's paint

TRADEMARK LICENSES		
Name of Agreement	Parties	Date of Agreement
Trademark License Agreement	QTL, First Art Design, Inc.	10/18/96