

12-28-1999

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

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12/13/aa

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DEC 13

101232644

To the Honorable Commissioner of Patents and Trademarks. Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
EDUCATIONAL PRODUCTS, INC.

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

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

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

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

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 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

Execution Date: May 4 and May 12, 1999

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

A. Trademark Application No.(s)

75/551,918
75/551,626
75/551,630

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: 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: 3

7. Total fee (37 CFR 3.41): \$90.00

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

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01 FC:481 40.00 OP
 02 FC:482 50.00 OP

TRADEMARK SECURITY AGREEMENT
(EDUCATIONAL PRODUCTS, INC.)

WHEREAS, Educational Products, Inc., a Texas corporation ("Grantor"), having an address at 1342 North I 35, Carrollton, Texas 75006, 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:

EDUCATIONAL PRODUCTS, INC.

By: 
Name: Ronald Elliott
Title: President

SECURED PARTY:

PARIBAS, CHICAGO BRANCH, as agent

By: 
Name: FRANCOIS DELANGLE
Title: VICE PRESIDENT

By: _____
Name: _____
Title: _____

(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:

EDUCATIONAL PRODUCTS, INC.

By: _____
Name: _____
Title: _____

SECURED PARTY:

PARIBAS, CHICAGO BRANCH, as agent

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

By: 
Name: FRANCOIS DELANGLE
Title: VICE PRESIDENT

ACKNOWLEDGMENT

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

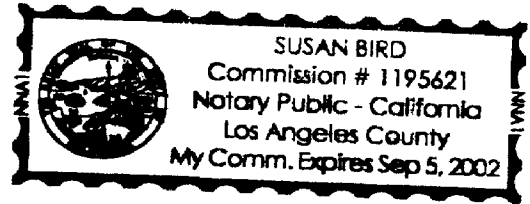
On May 4, 1999, before me Susan Bird, a Notary Public, personally appeared Ronald C. Elliott, as _____ of Educational Products, Inc, a Texas corporation, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/~~are~~ subscribed to the within 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



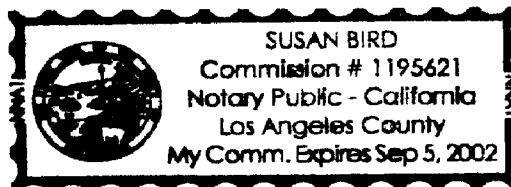
STATE OF California)
) §.
COUNTY OF Los Angeles)

On May 4, 1999, before me Susan Bird, a Notary Public, personally appeared Francois M. Delangle, 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



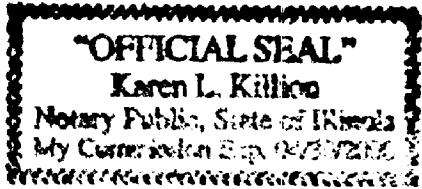
ACKNOWLEDGMENT

STATE OF Illinois)
) §.
COUNTY OF Cook)

On May 12, 1999, before me Karen L. Killian, a Notary Public, personally appeared Steven M. Heinen / ~~Francis Delavante~~, 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
	US	SCHOOL LIFE	75/551,918	9/11/98		Wholesale distribution of office and school supplies in Int'l Class 35 and customized printing services in Int'l Class 42.
	US	EPI	75/551,626	9/11/98		Hand soap in Int'l Class 3; arts, crafts and school supplies in Int'l Class 16; wholesale distribution of office and school supplies in Int'l Class 35; and customized printing services in Int'l Class 42.
	US	ECONOBOARD	75/551,630	9/11/98		Display boards made of cardboard in Int'l Class 16.

TRADEMARK LICENSES		
Name of Agreement	Parties	Date of Agreement
NONE	NONE	NONE

Schedule 1 to Trademark Security Agreement - Solo Page

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RECORDED: 12/13/1999

TRADEMARK
REEL: 002003 FRAME: 0783