

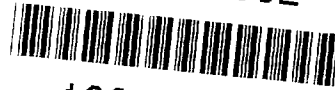
PTO-1594

06-17-2002

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U.S. DEPARTMENT OF COMMERCE Patent and Trademark Office

OMB No. 0651-0011 (exp. 4/94) Tab settings



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To the Honorable Commissioner of Patents

and the attached original documents or copy thereof.

1. Name of conveying party(ies): Spacemaker Limited c/o Arrow Group Industries, Inc. 1680 Route 23 North Wayne, NJ 07474

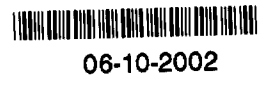
2. Name and address of receiving party(ies) Name: The CIT Group/Business Credit, Inc., as Agent Internal Address: Street Address: 300 South Avenue, 3rd Floor City: Los Angeles State: California ZIP: 90071

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

3. Nature of conveyance: Security Agreement Merger Change of Name Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

Execution Date: May 29, 2002



06-10-2002

U.S. Patent & TMO/TM Mail Rept. Dt. #40

4. Application number(s) or patent number(s): A. Trademark Application No.(s) 75/752,493

B. Trademark Registration No.(s) 2,018,743; 1,944,836 1,604,497 1,209,723

Additional numbers attached? Yes No

5. Name and address of party to whom correspondence concerning document should be mailed: Ana B. Acob Name: Buchalter, Nemer, Fields & Younger Internal Address: Street Address: 601 South Figueroa Street, 24th Floor City: Los Angeles State: California ZIP: 90017

6. Total number of applications and registrations involved: 5

7. Total fee (37 CFR 3.41) \$ 140.00 Enclosed Authorized to be charged to deposit account

8. Deposit account number: 20-0052 (Attach duplicate copy of this page if paying by deposit account)

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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. Ana B. Acob Name of Person Signing Signature Date June 6, 2002

TRADEMARK REEL: 002525 FRAME: 0719

Schedule A

**Trademarks**

U.S. Federal Trademarks in the name of "Spacemaker Limited"

<u>Registered Owner</u>	<u>Trademark Description</u>	<u>Registration Number</u>	<u>Registration Date</u>
Spacemaker Limited	EZEE RACK & Design	75/752,493	July 16, 1999
Spacemaker Limited	PRO RACK DECOR	2,018,743	November 26, 1996
Spacemaker Limited	PRO RACK	1,944,836	January 2, 1996
Spacemaker Limited	SPACEMAKER	1,604,497	July 3, 1990
Spacemaker Limited	SPACEMAKER	1,209,723	September 21, 1982

Canadian Trademarks in the name of "Spacemaker Limited"

<u>Registered Owner</u>	<u>Trademark Description</u>	<u>Registration Number</u>	<u>Registration Date</u>
Spacemaker Limited	FERWOOD	TMA 278,792	April 15, 1983
Spacemaker Limited	FORTRESS	TMA 379,006	January 25, 1991
Spacemaker Limited	GARAGE ORGANIZER DESIGN	TMA 312,210	March 14, 1986
Spacemaker Limited	GOOD-NEIGHBOUR	TMA 203,235	November 15, 1974
Spacemaker Limited	HOBBI-MATE	TMA 240,090	February 22, 1980
Spacemaker Limited	HOME RACK	TMA 422,609	January 28, 1994
Spacemaker Limited	PRO RACK	TMA 439,015	February 10, 1995
Spacemaker Limited	PRO RACK DÉCOR	TMA 455,093	March 8, 1996
Spacemaker Limited	SNO-CAT	TMA 199,472	May 31, 1974
Spacemaker Limited	SPACEMAKER	TMA 167,690	January 30, 1970

Spacemaker Limited	SPACEMAKER	TMA 455,534	March 15, 1996
Spacemaker Limited	SPACEMAKER & DESIGN	TMA 246,440	June 13, 1980
Spacemaker Limited	SPACEMAKER STORETTE	TMA 316,968	August 1, 1986
Spacemaker Limited	STOOL CHEST & DESIGN	TMA 312,634	March 28, 1986
Spacemaker Limited	STOW-AWAY	TMA 268,393	April 23, 1982
Spacemaker Limited	SUNSHED	TMA 380,094	February 15, 1991

Foreign SPACEMAKER Trademarks in the name of "Spacemaker Limited"

<u>Registered Owner</u>	<u>Trademark Description</u>	<u>Registration Number</u>	<u>Jurisdiction</u>
Spacemaker Limited	SPACEMAKER	1,371,591	France
Spacemaker Limited	SPACEMAKER	B324,720	Australia
Spacemaker Limited	SPACEMAKER	86,056	Austria
Spacemaker Limited	SPACEMAKER	342,019	Benelux
Spacemaker Limited	SPACEMAKER	1199-1979	Denmark
Spacemaker Limited	SPACEMAKER	961,149	Germany
Spacemaker Limited	SPACEMAKER	339,419	Italy
Spacemaker Limited	SPACEMAKER	479,899	Mexico
Spacemaker Limited	SPACEMAKER	94/4752	South Africa
Spacemaker Limited	SPACEMAKER	841,721	Spain
Spacemaker Limited	SPACEMAKER	841,722	Spain
Spacemaker Limited	SPACEMAKER	285,715	Switzerland
Spacemaker Limited	STORETTE	1,524,057	United Kingdom
Spacemaker Limited	STORETTE	1,524,059	United Kingdom
Spacemaker Limited	STORALL	1,508,914	United Kingdom

Spacemaker Limited	STORALL	1,509,095	United Kingdom
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## GRANT OF TRADEMARK SECURITY INTEREST

**WHEREAS, SPACEMAKER LIMITED**, a corporation incorporated under the Business Corporations Act (Ontario) ("**Grantor**"), owns and uses in its business, and will in the future adopt and so use, various intangible assets, including the Trademark Collateral (as defined below); and

**WHEREAS**, Arrow Group Industries, Inc., a Delaware corporation ("**Company**"), has entered into a Financing Agreement dated as of May 29, 2002 (said Financing Agreement, as it may heretofore have been and as it may hereafter be amended, supplemented, restated or otherwise modified from time to time, being the "**Financing Agreement**") with the financial institutions named therein (collectively, together with their respective successors and assigns party to the Financing Agreement from time to time, the "**Lenders**"), and The CIT Group/Business Credit, Inc., as Agent for the Lenders (in such capacity, "**Secured Party**") pursuant to which Lenders have made certain commitments, subject to the terms and conditions set forth in the Financing Agreement, to extend certain credit facilities to Company; and

**WHEREAS**, Grantor has executed and delivered that certain Subsidiary Guaranty dated as of May 29, 2002 (said Subsidiary Guaranty, as it may hereafter be amended, supplemented or otherwise modified from time to time, being the "**Guaranty**") in favor of Secured Party for the benefit of Lenders, pursuant to which Grantor has guaranteed the prompt payment and performance when due of all obligations of Company under the Financing Agreement and the other Loan Documents; and

**WHEREAS**, pursuant to the terms of a Canadian Security Agreement dated as of May 29, 2002 (as amended, supplemented or otherwise modified from time to time, the "**Security Agreement**"), among Grantor, Secured Party and the other grantors named therein, Grantor has agreed to create in favor of Secured Party a secured and protected interest in, and Secured Party has agreed to become a secured creditor with respect to, the Trademark Collateral;

**NOW, THEREFORE**, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, subject to the terms and conditions of the Security Agreement, Grantor hereby grants to Secured Party a security interest in all of Grantor's right, title and interest in and to the following, in each case whether now or hereafter existing or in which Grantor now has or hereafter acquires an interest and wherever the same may be located (the "**Trademark Collateral**"):

(i) all rights, title and interest (including rights acquired pursuant to a license or otherwise but only to the extent permitted by agreements governing such license or other use) in and to all trademarks, service marks, designs, logos, indicia, tradenames, trade dress, corporate names, company names, business names, fictitious business names, trade styles and/or other source and/or business identifiers and applications pertaining thereto, owned by such Grantor, or hereafter adopted and used, in its business (including, without limitation, the trademarks specifically identified in Schedule A) (collectively, the "**Trademarks**"), all registrations that have been or may hereafter be issued or applied for

thereon in Canada and any province thereof and in foreign countries (including, without limitation, the registrations and applications specifically identified in Schedule A) (the “**Trademark Registrations**”), all common law and other rights (but in no event any of the obligations) in and to the Trademarks in Canada and any province thereof and in foreign countries (the “**Trademark Rights**”), and all goodwill of such Grantor’s business symbolized by the Trademarks and associated therewith (the “**Associated Goodwill**”); and

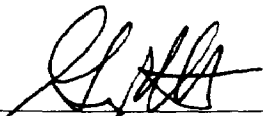
(ii) all proceeds, products, rents and profits of or from any and all of the foregoing Trademark Collateral and, to the extent not otherwise included, all payments under insurance (whether or not Secured Party is the loss payee thereof), or any indemnity, warranty or guaranty, payable by reason of loss or damage to or otherwise with respect to any of the foregoing Trademark Collateral. For purposes of this Grant of Trademark Security Interest, the term “**proceeds**” includes whatever is receivable or received when Trademark Collateral or proceeds are sold, exchanged, collected or otherwise disposed of, whether such disposition is voluntary or involuntary.

Grantor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Trademark Collateral 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.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, Grantor has caused this Grant of Trademark Security Interest to be duly executed and delivered by its officer thereunto duly authorized as of the 29th day of May, 2002

**SPACEMAKER LIMITED**

By:   
Name: GEORGE J. SMITH  
Title: PRESIDENT