Form PTO-1594
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RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

Tab settings ⇨ ⇨ ⇨ ▼ ▼ ▼ ▼ ▼ ▼ ▼

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

1. Name of conveying party(ies):

John M. Smyth Company

- [ ] Individual(s)
- [ ] Association
- [ ] General Partnership
- [ ] Limited Partnership
- [x] Corporation-State Illinois
- [ ] Other

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

2. Name and address of receiving party(ies)

Name: Ableco Finance LLC

Internal Address: Attn: Business Finance Manager

Street Address: 299 Park Avenue

City: New York State: NY Zip: 10171

- [ ] Individual(s) citizenship
- [ ] Association
- [ ] General Partnership
- [ ] Limited Partnership
- [ ] Corporation-State
- [x] Other a Delaware limited liability company

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
- [x] Security Agreement
- [ ] Change of Name
- [ ] Other

Execution Date: November 14, 2003

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s) 1,922,052

Additional number(s) attached [ ] Yes [x] No

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

Name: David Postolski, Esq.

Internal Address: Schulte, Roth & Zabel LLP

Street Address: 919 Third Avenue

City: New York State: NY Zip: 10022

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41) $ 40

- [ ] Enclosed
- [x] Authorized to be charged to deposit account

8. Deposit account number:

500675 - Schulte Roth & Zabel

CH $40.00 500675 1922052

DO NOT USE THIS SPACE

9. Signature.

Santo Manna
Name of Person Signing

Signature

November 21, 2003
Date

Total number of pages including cover sheet, attachments, and document: 6

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

TRADEMARK SECURITY AGREEMENT

This **TRADEMARK SECURITY AGREEMENT**, dated as of November 14, 2003, by **JOHN M. SMYTH COMPANY**, an Illinois corporation (the "Grantor"), in favor of **ABLECO FINANCE LLC**, a Delaware limited liability company, in its capacity as agent (in such capacity, the "Agent") for the Lenders (as hereinafter defined) party to the Financing Agreement (as hereinafter defined).

WITNESSETH:

WHEREAS, pursuant to the Amended and Restated Financing Agreement, dated as of June 19, 2003, by and among certain of the Grantor's affiliates, as Loan Parties (as defined therein), Agent and the lenders from time to time party thereto (the "Lenders") (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Financing Agreement"), Lenders have made certain term loans (the "Loans") to certain of the Grantor's affiliates;

WHEREAS, Agent and Lenders are willing to maintain the Loans, but only upon the condition, among others, that the Grantor shall have executed and delivered to Agent, for itself and for the benefit of the Lenders, the Joinder Agreement, dated as of the date hereof (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Joinder Agreement");

WHEREAS, pursuant to the Joinder Agreement, (a) the Grantor joined the Security Agreement, dated as of June 19, 2003 (the "Security Agreement"), and granted to the Agent, for itself and the ratable benefit of Lenders, a security interest in substantially all assets of the Grantor and (b) the Grantor is required to execute and deliver to Agent, for itself and the ratable benefit of Lenders, this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor hereby agrees as follows:

1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Security Agreement.

2. GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL. The Grantor hereby grants to the Agent, on behalf of itself and for the benefit of the Lenders, a continuing security interest in all of the Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Trademark Collateral"):

(a) all of its Trademarks (together with all associated goodwill) and Trademark Licenses to which it is a party including those referred to on Schedule I hereto; and

(b) all products and cash and noncash proceeds of the foregoing, including, without limitation, any claim by the Grantor against third parties for past, present or future (i) infringement or dilution of any Trademark or Trademark licensed under any Trademark License or (ii) injury to the goodwill associated with any Trademark or any Trademark licensed under any Trademark License.

3. SECURITY AGREEMENT. The security interests granted pursuant to this Trademark Security Agreement are granted in conjunction with the security interests granted to Agent, on behalf of itself and for the benefit of the Lenders, pursuant to the Joinder Agreement and the Security Agreement. The Grantor hereby acknowledges and affirms that the rights and remedies of Agent with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Joinder Agreement and the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[signature page follows]

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

JOHN M. SMYTH COMPANY

By: Robert N. Webber, V.P.
Name: ROBERT N. WEBBER
Title: VICE PRESIDENT, ASSISTANT SECRETARY

ACKNOWLEDGMENT OF GRANTOR

STATE OF NEW YORK)
) ss.
COUNTY OF SUFFOLK)

On this 14 day of November, 2003 before me personally appeared ROBERT N. WEBBER, VICE PRESIDENT ASST. SECRETARY, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of John M. Smyth Company, who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

CHRISTINE ROMANO
NOTARY PUBLIC, State of New York
No. 01RO6053183
Qualified in Suffolk County
Commission Expires January 02, 2007

Christine Romano
Notary Public

(seal)

SCHEDULE I
TO
TRADEMARK SECURITY AGREEMENT

TRADEMARK REGISTRATIONS

Registered Owner	U.S. Service Mark/ Trademark Description	Registration or Application Number (Serial No.)	Registration or Application Date (Date Filed)	Status
John M. Smyth Company	NOT LOW PRICED FURNITURE, BUT GOOD FURNITURE AT LOW PRICES	Illinois – 42799	09/05/73	Inactive
John M. Smyth Company	HOMEMAKERS	Illinois – 42797	09/04/73	Inactive
John M. Smyth Company	H	Illinois – 42798	N/A	Inactive
John M. Smyth Company	JOHN M. SMYTH	Illinois – 74,244	03/18/94	Registered
John M. Smyth Company	JOHN M. SMYTH'S HOMEMAKERS	Illinois – 74,243	03/18/94	Registered
John M. Smyth Company	JOHN M. SMYTH'S HOMEMAKERS*	1922052	09/26/95	Registered

* License granted.

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