

Form PTO-1594

(Rev. 10/02)

OMB No. 0651-0027 (exp. 6/30/2005)

### RECORDATION FORM COVER SHEET TRADEMARKS ONLY

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

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

1. Name of conveying party(ies):

Artco-Bell Corporation

- Individual(s)
- General Partnership
- Corporation-State Texas
- Other \_\_\_\_\_
- Association
- Limited Partnership

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other Grant of Trademark Security Interest
- Merger
- Change of Name

Execution Date: September 29, 2004

2. Name and address of receiving party(ies)

Name: BNP Paribas, as Administrative Agent

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

Street Address: One Front Street, 23rd Floor

City: San Francisco State: CA Zip: 94111

- Individual(s) citizenship: \_\_\_\_\_
- Association: \_\_\_\_\_
- General Partnership: \_\_\_\_\_
- Limited Partnership: \_\_\_\_\_
- Corporation-State: \_\_\_\_\_
- Other Societe Anonyme- France

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

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

A. Trademark Application No.(s) N/A

B. Trademark Registration No.(s) 0786711,  
0785602

Additional number(s) attached  Yes  No

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

Name: Scott D. Sanford, Esq.

Internal Address: O'Melveny & Myers LLP  
Embarcadero Center West

Street Address: 275 Battery Street

City: San Francisco State: CA Zip: 94111

6. Total number of applications and registrations involved: 2

7. Total fee (37 CFR 3.41) \$ 65.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

50-0639

DO NOT USE THIS SPACE

9. Signature.

Scott D. Sanford, Esq.

Name of Person Signing

Signature

November 18, 2004

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 Patent & Trademarks, Box Assignments  
Washington, D.C. 20231

CH \$65.00 500639 0786711

## EXECUTION COPY

## GRANT OF TRADEMARK SECURITY INTEREST

**WHEREAS, ARTCO-BELL CORPORATION**, a Texas corporation ("**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, SCHOOLHOUSE FURNITURE, INC.**, a Delaware corporation ("**Company**"), has entered into a Credit Agreement dated as of February 3, 2003 (said Credit 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 "**Credit Agreement**") with Sagus Acquisition Corp., the financial institutions from time to time party thereto (collectively, together with their respective successors and assigns, the "**Lenders**") and **BNP Paribas**, as Administrative 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 Credit Agreement, to extend certain credit facilities to Company; and

**WHEREAS**, Company may from time to time enter, or may from time to time have entered, into one or more Interest Rate Agreements (collectively, the "**Lender Interest Rate Agreements**") with one or more Persons that are Lenders or Affiliates of Lenders at the time such Lender Interest Rate Agreements are entered into (in such capacity, collectively, "**Interest Rate Exchangers**"); and

**WHEREAS**, Grantor has executed and delivered that certain Subsidiary Guaranty dated as of February 3, 2003 (said Subsidiary Guaranty, as it may hereafter be amended, supplemented, restated or otherwise modified from time to time, being the "**Guaranty**") in favor of Secured Party for the benefit of Lenders and any Interest Rate Exchangers, pursuant to which Grantor has guaranteed the prompt payment and performance when due of all obligations of Company under the Credit Agreement and the other Loan Documents and all obligations of Company under the Lender Interest Rate Agreements, including without limitation the obligation of Company to make payments thereunder in the event of early termination thereof; and

**WHEREAS**, pursuant to the terms of a Pledge and Security Agreement dated as of February 3, 2003 (as amended, supplemented, restated or otherwise modified from time to time, the "**Pledge and 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 Pledge and Security Agreement, and in order to secure the prompt payment and performance of the Secured Obligations (as defined in the Pledge and 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) 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 Grantor, or hereafter adopted and used, in its business (including, without limitation, the trademarks set forth on Schedule A attached hereto, as the same may be amended pursuant hereto from time to time) (collectively, the "**Trademarks**"), all registrations that have been or may hereafter be issued or applied for thereon in the United States and any state thereof and in foreign countries (including, without limitation, the registrations and applications set forth on Schedule A attached hereto, as the same may be amended pursuant hereto from time to time) (collectively, the "**Trademark Registrations**"), all common law and other rights in and to the Trademarks in the United States and any state thereof and in foreign countries (collectively, the "**Trademark Rights**"), and all goodwill of Grantor's business symbolized by the Trademarks and associated therewith (the "**Associated Goodwill**"); it being understood that the rights and interests included in the Intellectual Property Collateral hereby shall include, without limitation, all rights and interests pursuant to licensing or other contracts in favor of Grantor pertaining to Trademark applications and Trademarks presently or in the future owned or used by third parties but, in the case of third parties which are not Affiliates of Grantor, only to the extent permitted by such licensing or other contracts and, if not so permitted, only with the consent of such third parties; 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 Pledge and Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

*[Remainder of page 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 29 day of September, 2004.

ARTCO-BELL CORPORATION

By: William Battershell  
Name: William Battershell  
Title: CFO

**SCHEDULE A TO  
GRANT OF TRADEMARK SECURITY INTEREST**

<u>Registered Owner</u>	<u>Unites States Trademark Description</u>	<u>Registration Number</u>	<u>Registration Date</u>
Artco-Bell Corporation	<p>Mark = AD</p> <p>Goods = Self-contained amplifying headsets, electronic control panels, consoles and booths fitted with electronic equipment for use in instruction in schools and the like and electronic equipment for use in such control panels and consoles; furniture, namely chairs, chair desks, tablet arm chairs, stools, desks, combination chair and desk units, tables, and auditorium and stadium seats, tape recorders, chalkboards and tackboards</p>	0786711	3/13/64
Artco-Bell Corporation	<p>Mark = Reguline</p> <p>Goods = Chairs, tablet arm chairs, desks, chair desks, combination chair and desk units, combination chair and lift lid desk units, open front desks, lift lid desks, stools and auditorium chairs</p>	0785602	7/16/64

**ACKNOWLEDGMENT**

STATE OF Texas )  
 ) ss.  
COUNTY OF Bell )

On 09/29/04, before me Jo Ann Beimer, Notary Public  
Date Name and Title of Officer (e.g. "Jane Doe, Notary Public")

personally appeared William Battershell  
Name of Signer(s)

personally known to me — OR — proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are 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.

Jo Ann Beimer  
Signature of Notary Public




## IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

TRADEMARK RECORDATION TRANSMITTAL LETTER

## CERTIFICATE OF TRANSMISSION UNDER 37 C.F.R. § 1.6(d)

I hereby certify that this correspondence is being transmitted by facsimile to the United States Patent and Trademark Office to fax No. (703) 306-5995, on the date shown below.

  
 Scott D. Sanford, Reg. No. 51,170  
 Signature Date: November 18, 2004

Sir:

Transmitted herewith for filing are the following:

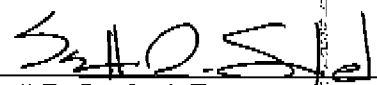
- Recordation Form Cover Sheet Trademarks Only
- Grant of Trademark Security Interest
- Schedule A to Grant of Trademark Security Interest (2 copies)
- The Commissioner is hereby authorized to charge underpayment of any additional fees or credit any overpayment associated with this communication to Deposit Account No. 50-0639. A duplicate copy of this authorization is enclosed.

Please direct all correspondence concerning the above-identified application to the following address:

Scott D. Sanford, Esq.  
 O'MELVENY & MYERS LLP  
 Embarcadero Center West  
 275 Battery Street  
 San Francisco, California 94111-3305  
 Telephone: (415) 984-8700  
 Facsimile: (415) 984-8701  
 ssanford@omm.com

Respectfully submitted,

Date: November 18, 2004

  
 Scott D. Sanford, Esq.  
 Reg. No. 51,170

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SF1:567665.1




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**FAX TRANSMITTAL**


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