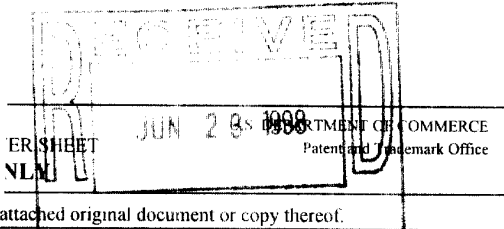


6.29.98

06-29-1998



100749161



To the Honorable Commissioner of Patents and Trademarks attached original document or copy thereof.

<p>1. Name of Party(ies) conveying an interest:</p> <p>Continental Bank, N.A. 231 S. LaSalle Street Chicago, Illinois 60697</p> <p><input type="checkbox"/> Individual(s)                      <input type="checkbox"/> Association  <input type="checkbox"/> General Partnership              <input type="checkbox"/> Limited Partnership  <input type="checkbox"/> Corporation  <input checked="" type="checkbox"/> Other <u>National Banking Association</u></p> <p>Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>2. Name and Address of Party(ies) receiving an interest</p> <p>Name: <u>School Specialty, Inc.</u></p> <p>Internal Address _____</p> <p>Street Address <u>100 N. Blumound Drive</u></p> <p>City: <u>Appleton</u> State: <u>Wisconsin</u> Zip: <u>54913-1579</u></p> <p><input type="checkbox"/> Individual(s) citizenship _____  <input type="checkbox"/> Association _____  <input type="checkbox"/> General Partnership _____  <input type="checkbox"/> Limited Partnership _____  <input checked="" type="checkbox"/> Corporation <u>Wisconsin</u>  <input type="checkbox"/> Other _____</p> <p>Additional name(s) &amp; address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
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<p>3. Nature of Conveyance:</p> <p><input type="checkbox"/> Assignment                      <input type="checkbox"/> Merger  <input type="checkbox"/> Security Agreement              <input type="checkbox"/> Change of Name  <input checked="" type="checkbox"/> Other <u>Termination And Release Of Security Interest In Trademarks</u></p> <p>Execution Date: <u>June 9, 1998</u></p>	<p>4. Application number(s) or registration number(s)</p> <p>A. Trademark Application No.(s): <u>N/A</u></p> <p>B. Trademark Registration No (s): <u>1,858,257      1,722,822</u>  <u>1,719,183                      1,707,542      1,702,353</u>  <u>1,701,487                      1,678,004</u></p> <p>Additional numbers attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
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<p>5. Name and address of party to whom correspondence concerning document should be mailed:</p> <p>Name: <u>Mark H. Webbink, Esq.</u></p> <p>Internal Address: <u>Moore &amp; Van Allen, PLLC</u></p> <p>Street Address: <u>2200 West Main Street, Suite 800</u></p> <p>City: <u>Durham</u> State: <u>NC</u> ZIP: <u>27705</u></p>	<p>6. Total number of applications and registrations involved: <u>7</u></p> <p>7. Total fee (37 CFR 3.4): ..... \$ <u>190.00</u></p> <p><input checked="" type="checkbox"/> Enclosed  <input checked="" type="checkbox"/> Authorized to be charged to deposit account  (Any Deficiency)</p> <p>8. Deposit account number:  <u>13-4365</u>  (Attach duplicate copy of this form if paying by deposit account)</p>
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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.*

Mark H. Webbink, Esq.                      [Signature]                      6/19/98  
Name of Person Signing                      Signature                      Date

Total number of pages including cover sheet, attachments and document: 5

<p>Mail documents to be recorded with required cover sheet information to:</p> <p>Commissioner of Patents and Trademarks Box Assignments Washington, D.C. 20231</p>	<p>CERTIFICATE OF MAILING</p> <p>I hereby certify that this paper is being deposited with the United States Postal Service as first class mail in an envelope addressed to the Commissioner Of Patent And Trademarks, Washington, DC 20231, BOX ASSIGNMENTS</p> <p><u>Kathryn Hunter</u>  (Typed or printed name of person signing the certificate)</p> <p><u>Kathryn Hunter</u>  (Signature of the person signing the certificate)</p> <p><u>6-19-98</u>  (Date of Signature)</p>
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06/25/1998 DNBUYEN 00000026 1719183

01 FC:481                      40.00 OP  
02 FC:482                      150.00 OP

**Schedule A**

**Release of Security Interest Held by  
Continental Bank, N.A.  
in the Trademarks of School Specialty, Inc. and Q III Corporation  
and Recorded at Reel 1163, Frame 0490 on June 9, 1994**

**Registered Trademarks of School Specialty, Inc.**

<b>Mark</b>	<b>Registration No.</b>	<b>Registration Date</b>
LITTLE LEARNERS	1,858,257	10/11/94
LATTA'S WEST COMPANY	1,722,822	10/6/92
VALLEY SCHOOL SUPPLY and Design	1,719,183	9/22/92
W and Design	1,707,542	8/11/92
WESTERN SCHOOL SUPPLY and Design	1,702,353	7/21/92
VALLEY SCHOOL SUPPLY OMS ORDER MANAGEMENT SYSTEM and Design	1,701,487	7/21/92
VALLEY SCHOOL SUPPLY and Design	1,678,004	3/3/92

**Registered Marks of Q III Corporation**

<b>Mark</b>	<b>Registration No.</b>	<b>Registration Date</b>
WESTERN SCHOOL SUPPLY	1,702,338	7/21/92

**TERMINATION AND RELEASE  
OF SECURITY INTEREST  
IN TRADEMARKS**

**TERMINATION AND RELEASE OF SECURITY INTEREST IN TRADEMARKS**, dated as of June 9, 1998, by **CONTINENTAL BANK, N.A.**, as secured party (the "Secured Party").

**WHEREAS**, pursuant to the terms of the Security Interest recorded with the United States Patent and Trademark Office on June 9, 1994 at Reel 1163, Frame 0490 (as amended, modified, extended or restated from time to time) among School Specialty, Inc. and Q III Corporation (collectively, the "Companies") and the Secured Party, the Companies granted to the Secured Party a security interest in and lien on all of the trademarks and trademark applications identified on Exhibit A attached hereto (collectively, the "Pledged Trademarks"); and

**WHEREAS**, the Secured Party has agreed to terminate and release its security interest in the Pledged Trademarks as herein provided;

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Secured Party and the Companies hereby agree as follows:

1. **Termination and Release.** The Secured Party hereby terminates and releases its security interest in and lien on all of the Pledged Trademarks effective as of the date first set forth above.
2. **Acknowledgment and Acceptance.** The Companies hereby acknowledge and accept the foregoing release and assignment by the Secured Party.
3. **Counterparts.** This Termination and Release may be executed in any number of counterparts which shall together constitute one and the same agreement.

**IN WITNESS WHEREOF**, the Secured Party and the Companies have executed this Termination and Release, to take effect as of the date first set forth above.

**CONTINENTAL BANK, N.A.**, as Secured Party

By: Mark A. [Signature]  
Title: Managing Director

Accepted:

**Q III CORPORATION**

**SCHOOL SPECIALTY, INC.**

By: Marla Anderson  
Title: Assistant Secretary

By: Mark A. [Signature]  
Title: Assistant Secretary