

Form PTO-1594

(Rev. 10/02)

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

Tab settings

RECORDATION FORM COVER SHEET TRADEMARKS ONLY

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

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

1. Name of conveying party(ies):

BNP Paribas

- Individual(s)
- General Partnership
- Corporation-State
- Other Societe Anonyme- France
- Association
- Limited Partnership

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: February 3, 2003

2. Name and address of receiving party(ies)

Name: Texwood Furniture, Ltd.

Internal Address:

Street Address: 1302 Industrial Boulevard

City: Temple State: TX Zip: 76503

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

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)

B. Trademark Registration No.(s) 1796603

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:

1

7. Total fee (37 CFR 3.41).....\$ 25.00

- 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

January 12, 2005

Date

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

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

RELEASE OF SECURITY INTEREST IN TRADEMARKS

This Release of Security Interest in Trademarks (the "**Release**") is dated as of January 11, 2005. Reference is hereby made to that certain Pledge and Security Agreement dated as of February 3, 2003 by and among Schoolhouse Furniture, Inc., a Delaware corporation ("**Company**"), Sagus Acquisition Corp., a Delaware corporation now known as Sagus International, Inc., each of the direct and indirect subsidiaries of Company, including Texwood Furniture, Ltd., a Texas corporation ("**Texwood**"), and BNP Paribas, as administrative agent in such capacity, ("**Secured Party**") (as such Pledge and Security Agreement may be amended, restated, supplemented or otherwise modified from time to time). Capitalized terms not defined in this Release have meanings set forth for such terms in the Grant of Security, as defined below.

WHEREAS, pursuant to the Grant of Trademark Security Interest, dated as of February 3, 2003 ("**Grant of Security**"), Texwood pledged to Secured Party a security interest in all of its right, title or interest in or to the trademarks listed or attached to the Grant of Security, including the trademark listed on Schedule A (the "**Trademark**") and all proceeds and products of any and all of the foregoing;

WHEREAS, the Grant of Security was recorded in the United States Patent and Trademark Office on February 7, 2003 at Reel/Frame 002666/0821; and

WHEREAS, on November 19, 2004 Texwood sold certain assets, including the Trademark, for proceeds of \$250,000, and Secured Party desires to release its interest in the Trademark.


NOW THEREFORE, Secured Party hereby notifies, acknowledges to and agrees with Texwood that the security interest in the Trademark granted by Texwood to Secured Party pursuant to the terms of the Grant of Security, is terminated and released as of the date hereof, and that Secured Party hereby releases and forever discharges all of its right, title and interest of any kind or nature granted, assigned or conveyed pursuant to the Grant of Security in and to the Trademark.

Secured Party hereby agrees to take such further actions and to execute such further documents as Texwood may reasonably request to effect and evidence this Release, including, without limitation, the execution of any filings, statements, amendments, recordations or other instruments required to maintain the application or registration of the Trademark and record the chain of title accordingly with the United States Patent and Trademark Office.

[signature page follows]

IN WITNESS WHEREOF, BNP Paribas has executed this Release as of the date set forth above.

BNP PARIBAS, as SECURED PARTY

By: 
Name: LEE S. BUCKNER
Title: MANAGING DIRECTOR

By: 
Craig J. Lewis
Director

SCHEDULE A

Registered Owner	United States Trademark Description	Registration Number	Registration Date
Texwood Furniture, Ltd.	Mark = Holbrook (And Design) Goods = Wholesale Distributorship services for children's products; namely, children's furniture, furniture for schools, school supplies, learning aids, and toys	1796603	February 12, 1993

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