

05-20-2002



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482-125

Form PTO-1594

(Rev. 03/01)

OMB No. 0651-0027 (exp. 5/3/172002)

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COVER SHEET
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):
CBD Acquisitions, Inc.
(for itself and as agent for the entities listed on the attached)

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

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

3. Nature of conveyance:

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

Execution Date: **April 10, 2001**

2. Name and address of receiving party(ies)

Name: **LaSalle Bank National Association**

Internal

Address:

Street Address: **135 South LaSalle Street**

City: **Chicago** State: **IL** Zip: **60603**

Individual(s) citizenship

Association

General Partnership

Limited Partnership

Corporation-State

Other **National Association**

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)

Additional number(s) attached Yes No

1719212

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

Name: **Inna Tsimerman**

Internal Address: **SEYFARTH SHAW**

Street Address: **55 East Monroe**

Suite 4200

City: **Chicago** State: **IL** Zip: **60603**

6. Total number of applications and registrations involved: **6**

7. Total fee (37 CFR 3.41): **\$ 50**

Enclosed

Authorized to be charged to deposit account

8. Deposit account number:

(Attach duplicate copy of this page if paying by deposit account)

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.

John M. O'Connor
Name of Person Signing

John M. O'Connor
Signature

12.14.01
Date

Total number of pages including cover sheet, attachments, and document: **8**

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

02/08/2002 JJALLAH2 00000006 191351 1719212

01 FC:481 40.00 DP
02 FC:482 115.00 CH 10.00 DP

TRADEMARK
REEL: 002470 FRAME: 0834

**RECORDATION FORM COVER SHEET
TRADEMARKS ONLY**

(Continued)

1. Name of conveying party(ies):

Closet World Holdings, Inc.
CBD Franchising, Inc.
Closet Dimensions, Inc.
CBD Las Vegas LLC

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

A. Trademark Application No.(s):

B. Trademark Registration No.(s):

1,719,212
2,445,867
1,863,355
1,886,736
1,890,697
1,886,735

TRADEMARK SECURITY AGREEMENT
(CBD ACQUISITIONS, INC.)

THIS TRADEMARK SECURITY AGREEMENT dated as of April 12, 2001, is by CBD Acquisitions, Inc., a California corporation ("Grantor"), in favor of LaSalle Bank National Association, as Agent for the Banks party to the Credit Agreement referred to below (the "Agent").

WITNESSETH:

WHEREAS, pursuant to that certain Amended and Restated Credit Agreement dated as of April 12, 2001 by and among Grantor, Closet World Holdings, Inc., a Delaware corporation ("Holdings"), Closet World, Inc., a Delaware corporation ("CWI"), CBD Franchising, Inc., a California corporation ("CBDF"), Closet Dimensions, Inc., a California corporation formerly known as Penates, Inc. ("Dimensions"), CBD Las Vegas LLC, a Nevada limited liability company ("CBDLV") (Grantor, Holdings, CWI, CBDF, Dimensions and CBDLV being, collectively, the "Borrowers" and each being, individually, a "Borrower"), various financial institutions (collectively, the "Banks"), and the Agent on behalf of the Banks (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Credit Agreement"), the Banks have agreed to make loans to the Grantor from time to time; and

WHEREAS, as a condition to making the loans under the Credit Agreement, the Agent, on behalf of the Banks, requires that Grantor execute and deliver to the Agent, for itself and the ratable benefit of the Banks, that certain Amended and Restated Security Agreement of even date herewith by and among the Borrowers, the Banks and the Agent (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Security Agreement"); and

WHEREAS, as a further condition to making loans under the Credit Agreement, Grantor is required to execute and deliver to the Agent, for itself and the ratable benefit of the Banks, this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, 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 Credit Agreement.

"Trademark License" shall mean rights under any written agreement now owned or hereafter acquired by Grantor granting any right to use any Trademark.

"Trademarks" shall mean all of the following now owned or hereafter acquired by Grantor: (a) all trademarks, trade names, corporate names, business names, trade styles, service

marks, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of like nature (whether registered or unregistered), now owned or existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, including registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state or territory thereof, or any other country or any political subdivision thereof; (b) all reissues, extensions or renewals thereof; and (c) all goodwill associated with or symbolized by any of the foregoing.

2. GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL.

Grantor hereby grants to the Agent, on behalf of itself and the Banks, a continuing first priority security interest in all of 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 and Trademark Licenses to which it is a party including, but not limited to, those referred to on Schedule I hereto;
- (b) all reissues, continuations or extensions of the foregoing;
- (c) all goodwill of the business connected with the use of, and symbolized by, each Trademark and each Trademark License; and
- (d) all products and proceeds of the foregoing, including, without limitation, any claim by 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 the Agent, on behalf of itself and the Banks, pursuant to the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of the Agent with respect to the security interest in the Trademark Collateral made and 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.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, 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.

CBD ACQUISITIONS, INC.

By: Frank Melkonian
Frank Melkonian
Chairman

ACCEPTED AND ACKNOWLEDGED BY:

LASALLE BANK NATIONAL ASSOCIATION
as Agent

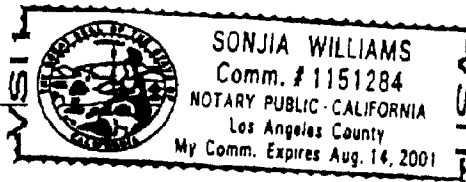
By: _____
Name: _____
Title: _____

ACKNOWLEDGMENT OF GRANTOR

STATE OF CALIFORNIA)
))
COUNTY OF LOS ANGELES)

On this 10th day of April, 2001 before me personally appeared FRANK MELKONIAN, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of CBD Acquisitions, Inc., 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.

Sonja Williams
{seal} Notary Public



IN WITNESS WHEREOF, 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.

CBD ACQUISITIONS, INC.

By: _____
Frank Melkonian
Chairman

ACCEPTED AND ACKNOWLEDGED BY:

LASALLE BANK NATIONAL ASSOCIATION
as Agent

By: _____
Name: DOUGLAS J. LOVETTE
Title: Senior Vice President

ACKNOWLEDGMENT OF GRANTOR

STATE OF _____)
)
COUNTY OF _____)

On this ___ day of April, 2001 before me personally appeared _____, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of CBD Acquisitions, Inc., 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.

{ seal } Notary Public

SCHEDULE I

TO

TRADEMARK SECURITY AGREEMENT

SCHEDULE OF U.S. SERVICE MARKS, TRADEMARKS AND TRADE NAMES FOR CBD ACQUISITIONS, INC.

MARK	APPL. SERIAL NO. OR COMMON LAW MARK	DATE OF FILING	DATE OF FIRST USE	STATUS	SERVICES & INTERNATIONAL CLASS ("IC")
1. Closets By Design	74-238,466	January 17, 1992	September 17, 1982 October 1982 (in commerce)	Registration No. 1,719,212 Registration Date September 22, 1992	DESIGN OF PREFABRICATED CLOSETS, IC 42
2. Closets By Design for Home, Business and Mostly Pleasure	75-813,346	October 1, 1999	December 7, 1998 December 21, 1998 (in commerce)	Pending	INSTALLATION OF PREFABRICATED CUSTOM CLOSETS AND CABINETS, IC 37 & MANUFACTURING OF CUSTOM CLOSETS AND CABINETS, IC 40
3. All-American Garage Cabinets	74-323,272	October 19, 1992	April 1992 April 1992 (in commerce)	Registration No. 1,863,355 Registration Date November 15, 1994	DESIGN OF PREFABRICATED CLOSETS, IC 42
4. Euroconomy	74-238,320	January 17, 1992	April 26, 1991	Registration No. 1,886,736	DESIGN OF PREFABRICATED CLOSETS, IC 42

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SCHEDULE OF U.S. SERVICE MARKS, TRADEMARKS AND TRADE NAMES FOR CBD ACQUISITIONS, INC.

MARK	APPL. SERIAL NO. OR COMMON LAW MARK	DATE OF FILING	DATE OF FIRST USE	STATUS	SERVICES & INTERNATIONAL CLASS ("IC")
			September 24, 1991 (in commerce)	Registration Date March 28, 1995	
5. Eurostandard	74-238,319	January 17, 1992	March 31, 1991 September 30, 1991 (in commerce)	Registration No. 1,890,697 Registration Date April 18, 1995	DESIGN OF PREFABRICATED CLOSETS, IC 42
6. Eurodeluxe	74-238,318	January 17, 1992	June 14, 1991 October 3, 1991 (in commerce)	Registration No. 1,886,735 Registration Date March 28, 1995	DESIGN OF PREFABRICATED CLOSETS, IC 42