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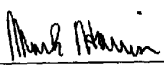
07-08-1998



100756989

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

6-26-98

<p>1. Name of conveying party(ies): Berthold Types Limited</p> <p><input type="checkbox"/> Individual(s) <input type="checkbox"/> Association <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input checked="" type="checkbox"/> Corporation-State - Illinois <input type="checkbox"/> Other</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 receiving party(ies): Name: <u>Harvey Hunt and Melissa M. Hunt</u></p> <p>Internal Address: _____</p> <p>Street Address: <u>523 South Plymouth Court #1001</u></p> <p>City: <u>Chicago</u> State: <u>IL</u> Zip: <u>60605</u></p> <p><input checked="" type="checkbox"/> Individual(s) citizenship <u>Illinois</u> <input type="checkbox"/> Association _____ <input type="checkbox"/> General Partnership _____ <input type="checkbox"/> Limited Partnership _____ <input type="checkbox"/> Corporation-State _____ <input type="checkbox"/> Other _____</p> <p>If assignee is not domiciled in the United States, a domestic representative designation is attached: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(Designations must be a separate document from Assignment) Additional names(s) & address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>3. Nature of conveyance: <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____</p> <p>Execution Date: <u>May 22, 1998</u></p>	
<p>4. Application number(s) or registration number(s): A. Trademark Application No.(s) 75/465,623; 75/436,846; 75/363,191; 75/412,071; 75/363,192; 75/354,357; 75/436,847; 75/363,193; 75/436,851; 75/363,194; 75/363,195; 75/436,850; 75/363,187; 75/436,852; 75/363,196; 75/436,876; 75/362,855; 75/362,779; 75/362,780; 75/436,845; 75/436,877; 75/354,356; 75/362,856; 75/354,355; 75/362,857; 75/362,781; 75/436,844; 75/363,184; 75/354,354; 75/363,185; 75/363,186; 75/362,782; 75/362,854</p>	<p>B. Trademark registration No.(s) 1,725,578; 1,734,747; 1,725,521; 1,727,528; 1,723,660; 1,764,401; 1,731,003; 1,721,859; 1,713,504; 1,731,002; 1,732,957; 1,725,575; 1,734,714; 1,732,958; 1,709,950; 1,725,576; 1,717,236; 1,687,823; 1,727,475; 1,699,008; 1,741,223; 1,725,577; 1,713,505; 1,767,419; 1,731,004; 1,732,959; 1,718,035; 1,697,571; 1,686,355; 1,713,526; 1,685,832; 1,734,715; 1,696,005; 1,731,038</p> <p>Additional numbers attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>
<p>5. Name and Address of party to whom correspondence concerning document should be mailed: Name: Mark B. Harrison, Esq. Internal Address: SPENCER & FRANK Street Address: 1100 New York Ave, N.W. Suite 300 East Washington, D.C. 20005</p>	<p>6. Total number of applications and registrations involved: <u>67</u></p> <p>7. Total fee (37 CFR 3.41) \$ <u>1690</u> <input checked="" type="checkbox"/> Enclosed <input type="checkbox"/> Authorized to be charged to deposit account</p> <p>8. Deposit account number: 19-3700 (Attach duplicate copy of this page if paying by deposit account)</p>
DO NOT USE THIS SPACE	
<p>07/06/1998 DMHUYEN 00000337 1725578 01 FF:481 40.00 OP 02 FF:482 1650.00 OP</p>	
<p>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.</p> <p><u>Mark B. Harrison, Esq.</u>  <u>June 26, 1998</u> Name of Person Signing Signature Date</p> <p style="text-align: right;">Total number of pages comprising cover sheet: <u>1</u></p> <p style="text-align: center;">TRADEMARK REF: 1747 FRAM: 0843</p>	



<i>Trademark Name</i>	<i>Application # (date)</i>	<i>Registration # (date)</i>
UNITED STATES:		
Berthold Type Collection	common law	
Berthold (in red square)	75/465623 (4/10/98)	pending
Berthold	75/436846 (2/19/1998)	pending
Berthold Exklusiv Collection	75/363191 (9/25/97)	pending
BQ	common law	
AG Book	75/412071 (12/24/97)	pending
AG Old Face	75/363192 (9/25/97)	pending
Agora		1725578 (7/29/91)
Aja		1734747 (7/29/91)
Berthold Akzidenz-Grotesk	common law	
Berthold Alte Schwabacher	common law	
Arbiter		1725521 (8/14/90)
Arena New	75/354357 (9/9/97)	pending
Ariston	common law	
Arkona	75/436847 (2/19/98)	pending
Augustea	common law	
Avantis		1727528 (7/29/91)
Barmeno	75/363193 (9/25/97)	pending
Berthold Baskerville	common law	
Berthold Baskerville Book	common law	
Bellevue	75/436851 (2/19/98)	pending
Berliner Grotesk	common law	
Berthold-Script		1723660 (8/14/90)
Block Berthold	75/363194 (9/25/97)	pending
Berthold Bodoni	common law	
Berthold Bodoni Old Face	75/363195 (9/25/97)	pending
Boton		1764401 (8/14/90)
Boulevard	75/436850 (2/19/98)	pending
Caprice	common law	
Berthold Caslon	common law	
Berthold Caslon Buch	common law	
Catull	75/363187 (9/25/97)	pending
Berthold Champion	common law	
Chasseur		1731003 (8/14/90)
Christiana		1721859 (7/29/91)
Berthold City	75/436852 (2/19/98)	pending
Colossal	75/363196 (9/25/97)	pending
Comenius	75/436876 (2/19/98)	pending
Concorde	75/362855 (9/25/97)	pending
Concorde Nova	common law	
Cornet		1713504 (8/14/90)
Cosmos		1731002 (8/14/90)
Cremona	75/362779 (9/25/97)	pending
Jaeger Daily News	75/362780 (9/25/97)	pending
Delta Jaeger		1732957 (11/7/92)
Delta Jaeger	75/436845 (2/19/98)	pending
Donatus		1725575 (7/29/91)
El Greco	75/436877 (2/19/98)	pending
Berthold Englische Schreibschrift	common law	
Epikur		1734714 (8/14/90)
Evo	75/354356 (9/9/97)	pending
Fanfare	common law	
Flange		1732958 (7/29/91)
Formata	75/362,856 (9/25/97)	pending
Franklin-Antiqua		1709950 (8/14/90)
Galathea		1725576 (7/29/91)

Security Agreement

dated May 22, 1998

Exhibit A

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Berthold

<i>Trademark Name</i>	<i>Application # (date)</i>	<i>Registration # (date)</i>
UNITED STATES (CON'T):		
Berthold Garamond	common law	
Gerstner		1717236 (7/29/91)
Helicon	75/354355 (9/9/97)	pending
Berthold Herold Reklameschrift	common law	
Imago	75/362857 (9/25/97)	pending
Berthold Imago	common law	
Jaeger-Antiqua		1687823 (8/14/90)
Jaeger Jersey	75/362781 (9/25/97)	pending
Lapidar	common law	
Berthold Lo-Type	common law	
Lo-Type	75/436,844 (2/19/98)	pending
Lynton		1727475 (8/14/90)
Mainorm		1699008 (8/14/90)
Marbrook		1741223 (8/14/90)
Mikaway		1725577 (7/29/91)
Nofret	75/363184 (9/25/97)	pending
Nordling	75/354354 (9/9/97)	pending
Berthold Normande	common law	
Osiris	75/363185 (9/25/97)	pending
Palette	common law	
Poppl		1713505 (8/14/90)
Poppl College	common law	
Poppl Exquisit	common law	
Poppl Fraktur	common law	
Laudatio	75/363186 (9/25/97)	pending
Poppl Laudation	common law	
Pontifex		1767419 (8/14/90)
Poppl-Pontifex	common law	
Poppl-Residenz		1731004 (8/14/90)
Post-Antiqua		1732959 (7/29/91)
Post-Mediaeval	common law	
Prado		1718035 (7/29/91)
Berthold Prado	common law	
Berthold Quadra 57	common law	
Quadriga		1697571 (8/14/90)
Sayer Esprit		1686355 (8/14/90)
Schneider-Antiqua		1713526 (8/14/90)
Schneider Libretto	75/362782 (9/25/97)	pending
Schuller and Design		1685832 (8/14/90)
Schüller	common law	
Seneca		1734715 (8/14/90)
Berthold Signal	common law	
Signata	75/362854 (9/25/97)	pending
Berthold Simone	common law	
Sorbonne		1696005 (8/14/90)
Berthold Sorbonne	common law	
Vergil		1731038 (7/29/91)
Berthold Viola	common law	
Berthold Walbaum	common law	
Berthold Walbaum Buch	common law	

TRADEMARK

REEL: 1747 FRAME: 0845

Security Agreement
dated May 22, 1998

Exhibit A
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<i>Trademark Name</i>	<i>Application #</i>	<i>Registration #</i>
GERMANY:		
Berthold Type Collection		1 144 886
Berthold (in red square)	B 82 935/7 Wz	1 126 744
Berthold (in red square)	B 93 716/42 Wz	2 016 524
Berthold (in red square)	398 20 400.4/16	pending
Berthold	398 19 682.6/09	pending
Berthold Exklusiv Collection	B 92 773/9 Wz	2 014 754
Agora	H 85 605/16 Wz	1 139 825
Aja	B 73 641/16 Wz	1 080 474
Berthold Akzidenz-Grotesk	B 36 767/ Wz	830 930
Arbiter	B 83 513/16 Wz	1 125 746
Arena New	B 85 745/16 Wz	1 190 472
Ariston	B 80 531/7 Wz	1 108 418
Arkona	B 84 678/16 Wz	2 098 109
Augustea	B 80 318/7 Wz	1 108 415
Avantis	B 88 631/16 Wz	1 161 905
Barmeno	B 90 309/16 Wz	1 174 280
Berthold Baskerville Book	B 81 706/16 Wz	1 116 016
Bellevue	B 84 679/16 Wz	1 132 727
Berthold-Script	B 74 385/16 Wz	1 074 725
Block Berthold	B 82 384/7 Wz	1 118 604
Berthold Bodoni	B 80 319/7 Wz	1 108 416
Berthold Bodoni Old Face	B 89 568/16 Wz	1 168 468
Boton	B 80 409/7 Wz	1 106 431
Boulevard	B 85 811/16 Wz	1 190 473
Caprice	B 93 634/16 Wz	2 088 400
Berthold Caslon Buch	B 85 812/16 Wz	1 141 000
Catull	B 73 643/16 Wz	1 070 225
Chasseur	B 73 516/16 Wz	1 126 626
Christiana	B 86 488/16 Wz	1 144 887
Berthold City	B 81 705/16 Wz	1 116 015
Colossalis	B 90 419/16 Wz	1 174 282
Comenius	B 54 026/16 Wz	942 219
Concorde	B 73 645/16 Wz	1 089 906
Concorde Nova	B 52 645/16 Wz	930 998
Cornet	B 81 120/7 Wz	1 111 180
Cosmos	B 73 646/16 Wz	1 075 988
Jaeger Daily News	B 89 567/16 Wz	1 168 467
Delta Jaeger	B 81 199/7 Wz	1 116 993
Donatus	B 83 514/16 Wz	1 126 625
El Greco	B 85 810/16 Wz	1 190 144
Epikur	B 80 404/7 Wz	1 106 433
Evo	B 102 624/9 Wz	2 099 450
Evo	398 22 669.5/09	pending
Fanfare	B 93 633/16 Wz	2 088 399
Flange	B 82 819/7 Wz	1 121 878
Formata	B 80 403/7 Wz	1 106 428
Franklin-Antiqua	B 52 646/16 Wz	930 999
Galathea	B 89 165/16 Wz	1 166 454
Berthold Garamond	B 81 658/16 Wz	1 116 013
Gerstner	B 79 521/7 Wz	1 169 411
Helicon	B 85 606/16 Wz	1 860 245
Imago	B 73 649/16 Wz	1 090 263
Berthold Imago	B 85 118/16 Wz	1 136 686
Jaeger-Antiqua	B 81 888/7 Wz	1 120 068
Jaeger Jersey	B 81 889/7 Wz	1 120 069
Lapidar	B 93 631/16 Wz	2 024 654

Security Agreement
dated May 22, 1998

Exhibit A
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Berthold

<i>Trademark Name</i>	<i>Application #</i>	<i>Registration #</i>
Germany (con't):		
Berthold Lo-Type	B 81 659/16 Wz	1 116 014
Lynton	B 82 817/7 Wz	1 129 168
Mainorm	B 85 239/16 Wz	1 139 823
Marbrook	B 82 818/7 Wz	1 121 876
Mikaway	B 83 512/16 Wz	1 126 624
Nofret	B 80 410/7 Wz	1 106 432
Nordling	398 21 314.3/09	pending
Berthold Normande	B 83 453/16 Wz	1 125 745
Osiris	B 80 405/7 Wz	1 120 315
Poppl	B 85 117/16 Wz	1 139 821
Poppl College	B 80 408/7 Wz	1 106 430
Poppl Exquisit	B 74 386/16 Wz	1 074 726
Laudatio	B 73 647/16 Wz	1 070 226
Pontifex	B 73 652/16 Wz	1 072 342
Poppl-Residenz	B 81 789/7 Wz	1 116 997
Post-Antiqua	B 82 386/7 Wz	1 122 454
Prado	B 85 097/9 Wz	1 145 620
Quadriga	B 73 653/16 Wz	1 070 227
Sayer Esprit	B 81 787/7 Wz	1 116 996
Schneider-Antiqua	B 84 677/16 Wz	1 132 726
Schneider Libretto	B 91 727/16 Wz	2 024 634
Schüller	B 84 680/16	1 141 318
Seneca	B 73 655/16 Wz	1 088 300
Signata	B 87/805/16 Wz	1 155 061
Berthold Sorbonne	B 84 565/16 Wz	1 131 348
Vergil	B 85 096/9 Wz	1 136 636
Berthold Walbaum Buch	B 80 320/7 Wz	1 108 417



<i>Trademark Name</i>	<i>Application #</i>	<i>Registration #</i>
UK:		
Agora		1,463,456
Avantis		1,463,487
Chasseur		1,463,485
Christiana		1,463,482
Cosmos	2144816	pending
Donatus		1,463,480
Flange		1,463,478
Galathea		1,463,476
Lynton		1,463,474
Mainorm		1,463,472
Marbrook		1,463,470
Mikaway		1,463,468
Post-Antiqua		1,463,466
Schneider-Antiqua	2145162	pending
Schüller		1,463,462
Signata		1,463,458
Vergil		1,463,460

EUROPEAN UNION:

Berthold	638,361	pending
AG Old Face	780,320	pending
Berthold Akzidenz-Grotesk	719,427	pending
Berthold Bodoni	719,559	pending
Catull	778,225	pending
Cremona	778,167	pending
Jaeger Daily News	777,888	pending
Evo	764,449	pending
Formata	719,393	pending
Helicon	765,040	pending
Jaeger Jersey	777,870	pending
Nofret	778,183	pending
Nordling	764,894	pending
Osiris	778,159	pending
Laudatio	777,896	pending
Schneider Libretto	783,449	pending

SECURITY AGREEMENT

Name of Borrower: Berthold Types Limited,
#100-340

an Illinois corporation

Address of Borrower: 47 W. Polk Street

Chicago, IL. 60605

1. GRANT OF SECURITY INTEREST: The undersigned (the "Borrower") grants to Harvey Hunt and Melissa M. Hunt ("Lender"), 523 South Plymouth Court #1001, Chicago, Illinois 60605, a continuing security interest in the Collateral indicated below, to secure the payment of Borrower's Revolving Note to Lender of even date herewith in the amount of One Million Dollars (\$1,000,000) ("Revolving Note") as well as all other obligations to Lender of any kind (The Revolving Note and all other obligations to Lender are referred to collectively as the "Liabilities") whenever and however such Liabilities may arise or may have arisen and whether they are several, joint or joint and several. Liabilities shall also include all interest, and all reasonable costs, expenses, and actual attorney fees accruing to or incurred by Lender in collecting the Liabilities or in the protection, maintenance or liquidation of the Collateral.
2. COLLATERAL: It is expressly agreed by Borrower that Lender is granted a security interest in "All Assets" as defined below.
3. DESCRIPTION OF COLLATERAL: The Collateral covered by this agreement is all of the Borrower's property indicated above and defined below, now owned or hereafter acquired, created or arising, and which may include, but shall not be limited to, any items listed on any schedule or list attached. Also included are all proceeds, including but not limited to stock rights, subscription rights, dividends, stock dividends, stock splits, or liquidated dividends, and all cash, accounts, chattel paper and general intangibles arising from the sale, rent, lease, casualty loss or other disposition of the Collateral, and any Collateral returned to, repossessed by or stopped in transit by Borrower.
 - 3.1 "All Assets" of Borrower shall include all tangible and intangible property of Borrower of any kind, including but not limited to, "Accounts Receivable", "General Intangibles", "Inventory", "Equipment," "Instruments" and "Vehicles".
 - 3.2 "Accounts Receivable" shall consist of Accounts, and Chattel Paper as those terms are defined in the Uniform Commercial Code. Also included is any right to a refund of taxes paid at any time to any governmental entity. Also included are letters of credit, and drafts under them, given in support of Accounts Receivable.
 - 3.3 "General Intangibles" shall consist of all general intangibles as such term is defined in the Uniform Commercial Code, including but not limited to the trademarks listed on Exhibit A, which is hereby incorporated by this reference, and the goodwill associated therewith.

- 3.4 "Inventory" shall consist of all property held at any location by or for Borrower for sale, rent or lease, or furnished or to be furnished by Borrower under any contract of service, or raw materials or work in process and their products, or materials used or consumed in its business and shall include containers and shelving useful for storing. Inventory is presently located at Borrower's Chief executive office.
 - 3.5 "Equipment" shall consist of any goods at any time acquired, owned or held by Borrower at any location primarily for use in its business, including, but not limited to, machinery, fixtures, furniture, furnishings and vehicles, and any accessions, parts, attachments, accessories, additions, substitutions, replacements and appurtenances to them or intended for use with them. Equipment is presently located at Borrower's Chief executive office.
 - 3.6 "Instruments" shall consist of Borrower's interest of any kind in any negotiable instrument or security as defined in the Uniform Commercial Code, or any other writing which evidences a right of payment of money and is of a type which is, in the ordinary course of business, transferred by delivery alone or by delivery with any necessary endorsement or assignment.
 - 3.7 "Vehicles" shall consist of all vehicles owned by Borrower.
4. WARRANTIES: Borrower represents and warrants to Lender, that:
- 4.1 Borrower will pay the Liabilities secured by this Agreement.
 - 4.2 Borrower is the owner of the Collateral free from any liens, encumbrances or security interests, except for this security interest and existing liens disclosed to and accepted by Lender in writing or as set forth in or attached to the Revolving Note of even date executed by Borrower to Lender, and will defend the Collateral against all claims and demands of all persons at any time claiming any interest in it.
 - 4.3 Except for liens and encumbrances accepted by Lender in writing or referenced in or attached to the Revolving Note of even date executed by Borrower to Lender, Borrower will keep the Collateral free of liens, encumbrances and other security interests, maintain it in good repair, not use it illegally and exhibit it to Lender on demand during normal business hours and upon reasonable notice.
 - 4.4 Borrower will keep the Collateral insured at Borrower's expense against substantial risk of damage, destruction or theft in an amount at least equal to the lesser of the value of the Collateral or the unpaid balance of the Liabilities, with loss payable to Lender as its interest may appear, and Borrower will deliver copies of all such insurance policies to Lender upon request.
 - 4.5 Borrower will not sell or offer to sell or otherwise transfer the Collateral, nor change the location of the Collateral, without the written consent of Lender, except in the

ordinary course of business.

- 4.6 Borrower will maintain its existence and business operations as presently in effect in accordance with all applicable laws and regulations, pay its debts and obligations when due under normal terms, and pay on or before the due date, all taxes, assessments, fees and other governmental monetary obligations, except as they may be contested in good faith if they have been properly reflected on its books and, at Lender's request, adequate funds or security has been pledged to insure payment.
 - 4.7 No financing statement or other security instrument covering all or any part of the Collateral or any proceeds is on file in any public office, unless Lender has approved that filing, and at Lender's request, Borrower will execute one or more financing statements or other security instruments in form satisfactory to Lender evidencing Lender's interest in the Collateral and will pay the cost of filing them in all public offices wherever filing is deemed by Lender to be desirable.
 - 4.8 Borrower will provide any information that Lender may reasonably request, and will permit Lender to inspect and copy its books and records during normal business hours upon at least two (2) business days advance notice.
 - 4.9 Borrower's address as is shown above.
5. DEFAULT: Borrower shall be in default under this security agreement upon the occurrence of any of the following events:
- 5.1 Default in the payment of any of the Liabilities or other obligations owing to Lender or any other creditor, other than unsecured debt incurred during the ordinary course of business, and such default continues for a period of ten (10) days without cure.
 - 5.2 Failure to observe and perform any of the terms and conditions of this security agreement and such default continues without cure for a period of ten (10) days.
 - 5.3 Any warranty, representation, or statement made or furnished to Lender by Borrower is untrue in any material respect.
 - 5.4 If any "reportable event" (as defined in the Employee Retirement Income Security Act of 1974, as amended) occurs.
 - 5.5 The dissolution, termination of existence, suspension of business, or insolvency of Borrower; or the appointment of a receiver for any part of the property of Borrower; or the making of an assignment for the benefit of creditors by Borrower; or the

commencement of bankruptcy or insolvency proceedings by Borrower; or the commencement of bankruptcy or insolvency proceedings against Borrower which are not dismissed within thirty (30) days; or the inability of the Borrower to pay its debts as they mature.

- 5.6 The loss, theft, damage or destruction, without insurance, or the encumbrance, to or of any material part or all of the Collateral.
- 5.7 The entry, placement or issuance of any judgment, levy, lien, writ of attachment, writ of garnishment, writ of execution or similar process, against Borrower or any of Borrower's property unless they do not have an adverse impact on Borrower's financial condition.
- 5.8 The sale of a material part of the Borrower's assets or business, outside the ordinary course of business, without Lender's written consent.
- 5.9 Lender shall deem itself insecure in good faith believing that the prospect of payment of Liabilities or performance under this security agreement is materially impaired.
- 5.10 Any event which results in the acceleration of the maturity of any debt of Borrower to Lender or to others under any notice, indenture, agreement or undertaking.
- 5.11 Failure to observe and perform any of the terms and condition of the Secured Revolving Loan Agreement of even date, entered into with Lender.
- 5.12 Upon default, the Liabilities shall become due and payable immediately, without notice, unless Lender shall otherwise elect. Lender shall have the rights and remedies provided by law or this agreement, including but not limited to the right to require Borrower to assemble the Collateral and make it available to Lender at a place to be designated by Lender which is reasonably convenient to both parties, the right to take possession of the Collateral with or without demand and with or without process of law, and the right to sell and dispose of it and distribute the proceeds according to law. In connection with the right of Lender to take possession of the Collateral, Lender may take possession of any other items of property in or on the Collateral at the time of taking possession of the Collateral, and hold such other items of property temporarily for Borrower without liability on the part of Lender. Any requirement of reasonable notice shall be met if Lender sends notice to Borrower at least ten (10) days prior to the date of sale, disposition or other event giving rise to the required notice. Borrower shall be liable for any deficiency remaining after disposition of the Collateral.

6. **ACCOUNTS RECEIVABLE:** Borrower acknowledges that if the Collateral includes "Accounts Receivable" the following shall apply:

6.1 Until Lender gives notice to Borrower of a default hereunder, Borrower will, in the usual course of its business and at its own cost and expense, but as the agent of Lender, demand and receive and use its best efforts to collect all moneys due or to become due on the Accounts Receivable. Until Lender gives notice to Borrower that it is in default, Borrower may use the funds collected in the ordinary course of its business. Upon such notice from Lender, the Borrower agrees that all sums of money it receives on the account of or in payment or settlement of the Accounts Receivable shall be held by it as trustee for Lender without commingling with any of its funds, and be forthwith delivered to Lender with endorsement to Lender's order of any check or similar instrument. It is agreed that, upon a default by Borrower and upon Borrower's failure to cure such default within ten (10) days after notice thereof, Lender shall be entitled, in its own name or in the name of the Borrower or otherwise, but at the expense and cost of Borrower, to collect, demand, receive, sue for or compromise any and all Accounts Receivable, and to give good and sufficient releases, to endorse any checks, drafts, or other orders for the payment of money payable to the Borrower in payment and, in its discretion, to file any claims or take any action or proceeding, either in its own name or in the name of Borrower or otherwise, which Lender may deem necessary or advisable. It is expressly understood and agreed, however, that Lender shall not be required to present or file any claim or take any other action to collect or enforce the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

7. **REMEDIES:** Upon the occurrence and during the continuance of an Event of Default, Lender at its option shall have all rights and remedies of a Lender under the Uniform Commercial Code of the State of Illinois and other applicable law, and, in addition, Lender (i) shall have the right to declare any or all Liabilities to be immediately due and payable, whereupon all such Liabilities shall become immediately due and payable, without further notice, demand or presentment of any kind and (ii) shall have the right to take immediate and exclusive possession of any or all Collateral, wherever located, and hold or use any of it, or sell, assign, lease or otherwise dispose of all or any part of it at public or private sale. If notification of intended disposition of Collateral is required by law, the requirements of reasonable notice will be met if notice of time and place of any public sale of Collateral, or the time after which any private sale or other intended disposition of Collateral is to be made, is mailed, postage prepaid, to Borrower at least ten (10) days before the sale or disposition. All rights and remedies of Lender after an Event of Default shall be cumulative. No waiver by Lender of any Event of Default will waive any other Event of Default or the same Event of Default on a different occasion.

8. **ATTORNEY-IN-FACT:** Borrower hereby authorizes and empowers Lender, and appoints Lender as attorney in fact of such Borrower (which authorization, power and appointment, being coupled with an interest, is irrevocable until full and final payment and performance of all Liabilities), at any time after and during the continuance of an Event of Default, in Lender's sole and absolute discretion, to: (a) notify, either in Borrower's name or Lender's name, and/or to require Borrower to notify, any person obligated under or in respect of any Collateral, of the fact of Lender's lien thereon and of the collateral assignment thereof to Lender; and (b) demand, collect, surrender, sell, release or exchange all or any part of any Collateral or any amounts due with respect thereto, or compromise or extend or renew for any period (whether or not longer than the initial period) any and all sums which are now or may hereafter become due or owing with respect to any of the Collateral, or enforce, by suit or otherwise, payment or performance of any Liabilities owing with respect to the Collateral either in Lender's own name or in the name of Borrower. Under no circumstances shall Lender be under any duty to act in regard to any of the foregoing matters and nothing herein shall be deemed an assignment to, or assumption by, Lender of any Liabilities or liabilities under or with respect to any Collateral, all of which Liabilities and liabilities shall remain Borrower's sole responsibility. The costs relating to any of the foregoing matters, including reasonable attorneys' fees and out-of-pocket expenses, shall be borne solely by Borrower and, to the extent that the same are incurred by Lender, shall be deemed part of the Liabilities payable upon demand of Lender.

9. **MISCELLANEOUS:**

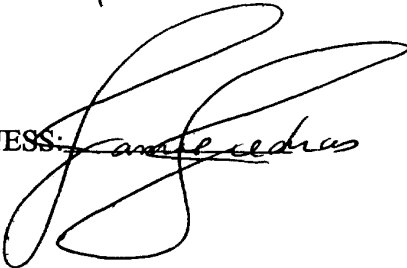
- 9.1 Where the Collateral is located at, used in or attached to a facility leased by Borrower, Borrower will obtain from the Lessor a consent to the granting of this security interest and a subordination of the Lessor's interest in any of the Collateral, in form acceptable to Lender.
- 9.2 No delay on the part of Lender in the exercise of any right or remedy shall operate as a waiver, no single or partial exercise by Lender of any right or remedy, and no waiver or indulgence by Lender of any default shall be effective unless in writing and signed by Lender, nor shall a waiver on one occasion be construed as a waiver of any such right on any future occasion.
- 9.3 All rights of Lender shall inure to the benefit of Lender's heirs, successors and assigns; and all obligations of Borrower shall bind Borrower's successors and assigns.
- 9.4 The terms and provisions of this security agreement shall be governed by Illinois law, without regard to its conflict of laws principles.

- 9.5 Until payment of the Liabilities, Borrower grants Lender, its officers, employees or agents, the right, upon at least two (2) business days advance notice, to inspect the Collateral and Borrower's books and records. Borrower will furnish Lender, at its demand, reports regarding the Collateral in such form and detail as are reasonably satisfactory to Lender.
- 9.6 Time is of the essence of this security agreement.
- 9.7 If any provision of this security agreement is invalid, it shall be ineffective only to the extent of its invalidity, and the remaining provisions shall be valid and effective.
- 9.8 At its option Lender may, but shall be under no duty or obligation to, discharge taxes, liens, security interests or other encumbrances at any time levied or placed on the Collateral, pay for insurance on the Collateral and pay for the maintenance and preservation of the Collateral, and Borrower agrees to reimburse Lender on demand for any payment made or any expense incurred by Lender, with interest at the Note Rate (as such term is defined in the Note).
- 9.9 Where notice is required, it shall be in writing and personally delivered, sent by certified mail, return receipt requested or a reliable overnight delivery service which requires signature for delivery, to the respective address above, or to any other address required by the respective party, or by facsimile transmission with confirmation of receipt, and notice shall be deemed given on the earlier of: a) two (2) business days after notice is mailed as set forth above; or b) upon actual receipt.
- 9.10 In the event that Lender brings in an action to enforce this security agreement or the Revolving Note, Lender shall be entitled to receive from Borrower on demand all reasonable costs and expenses incurred by Lender in endeavoring to enforce this security agreement (including court costs and reasonable attorneys' fees and disbursements).
- 9.11 Borrower irrevocably waives diligence in collection or protection, presentment, protest, notice of protest, demand, dishonor, default, non-payment, creation and existence of any Liabilities and any security or collateral for any Liabilities, and all other matters or things relating to the Liabilities, this security agreement, the Revolving Note or any other agreement to which Borrower and Lender are parties, including any extension before, at or after maturity of this security agreement.

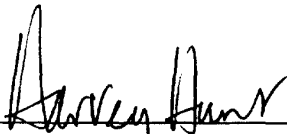
9.12 All capitalized terms not defined in this Agreement shall have the meaning given to such term in the Secured Revolving Loan Agreement between Borrower and Lender dated as of the date hereof.

IN WITNESS WHEREOF, Borrower has executed this Security Agreement as of the date set forth below.

Dated: May 22, 1998

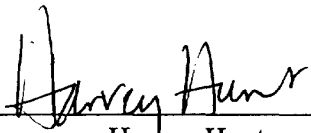
WITNESS: 

BORROWER:
Berthold Types Limited

By: 
Harvey Hunt

Its: President

LENDER:

By: 
Harvey Hunt

By: 
Melissa M. Hunt