

02-24-1999



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**RECORDATION FORM COVER SHEET
TRADEMARKS ONLY**

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

New

Resubmission (Non-Recordation)
Document ID #

Correction of PTO Error
Reel # Frame #

Corrective Document
Reel # Frame #

Conveyance Type

Assignment **License**

Security Agreement **Nunc Pro Tunc Assignment**

Merger **Effective Date**
Month Day Year

Change of Name

Other

Conveying Party

Mark if additional names of conveying parties attached

Name **Execution Date**
Month Day Year

Formerly

Individual **General Partnership** **Limited Partnership** **Corporation** **Association**

Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/KA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

Individual **General Partnership** **Limited Partnership** **Corporation** **Association**

Other

Citizenship/State of Incorporation/Organization

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

02/22/1999 JSHADAZZ 00000054 75562666

FOR OFFICE USE ONLY

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01 FC:481 40.00 DP
02 FC:482 25.00 DP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practices. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK
REEL: 1858 FRAME: 0537

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages Enter the total number of pages of the attached conveyance document including any attachments. #

Trademark Application Number(s) or Registration Number(s) Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)			Registration Number(s)		
<input type="text" value="75/562666"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text" value="75/562667"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Number of Properties Enter the total number of properties involved. #

Fee Amount Fee Amount for Properties Listed (37 CFR 3.41): \$

Method of Payment: Enclosed Deposit Account

Deposit Account (Enter for payment by deposit account or if additional fees can be charged to the account.)
Deposit Account Number: #

Authorization to charge additional fees: Yes No

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. Charges to deposit account are authorized, as indicated herein.

STEPHANIE A. PARROCCINI

Name of Person Signing

Signature

2/18/99

Date Signed

RIDER TO SECURITY AGREEMENT - TRADEMARKS

THIS RIDER TO SECURITY AGREEMENT ("Rider") is executed this ^{9th} day of February, 1999, by and between ATLANTIC CUSTOM PROCESSORS, LLC (the "Grantor") with an address at 87 High Street, Fort Fairfield, Maine 04742 and PNC BANK, NATIONAL ASSOCIATION (the "Bank"), with an address at One PNC Plaza, 249 Fifth Avenue, Pittsburgh, PA 15222. This Rider is incorporated into and made part of that certain Security Agreement and Collateral Assignment ("**Security Agreement**") between the Grantor and the Bank dated March 26, 1998, and also into certain other financing documents and security agreements executed by and between the Grantor and the Bank or by and between the Borrower (as defined in the Security Agreement) and the Bank (all such documents including this Rider collectively referred to as "**Loan Documents**"). All capitalized terms not otherwise defined in this Rider shall have the same meanings ascribed to such terms in the other Loan Documents.

The Grantor has adopted, used and is using (or has filed applications for the registration of) the trademarks, servicemarks and tradenames listed on Schedule "A" attached hereto and made part hereof (all such marks or names hereinafter referred to as the "**Trademarks**").

The Bank desires to acquire a lien and security interest on the Trademarks and the registration thereof, together with all the goodwill of the Grantor associated therewith and represented thereby, as security for all of the Obligations (as defined in the Security Agreement) to the Bank, and the Bank desires to have its security interest in such Trademarks confirmed by a document identifying same and in such form that it may be recorded in the United States Patent and Trademark Office.

NOW, THEREFORE, with the foregoing background deemed incorporated by reference and made part hereof, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. Grant of Security Interest. In consideration of and pursuant to the terms of the Loan Documents, and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure the Obligations of the Grantor owed to the Bank, the Grantor grants a lien and security interest to the Bank in all its present and future right, title and interest in and to the Trademarks, together with all the goodwill of the Grantor associated with and represented by the Trademarks, and the registration thereof and the right (but not the obligation) to sue for past, present and future infringements, and the proceeds thereof, including, without limitation, license royalties and proceeds of infringement suits.

2. Maintenance of Trademarks. The Grantor hereby covenants and agrees to maintain the Trademarks in full force and effect until all of the Obligations to the Bank are satisfied in full.

3. Representations and Warranties. The Grantor represents, warrants and covenants that: (a) The Trademarks are subsisting and have not been adjudged invalid or unenforceable; (b) each of the Trademarks is valid and enforceable; (c) the Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Trademarks, and each of the Trademarks is free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses and covenants by the Grantor not to sue third persons; (d) the Grantor has the unqualified right to enter into this Rider and perform its terms; (e) the Grantor has used, and will continue to use for the duration of this Rider, proper notice, as

required by 15 U.S.C. §§ 1051-1127 in connection with its use of the Trademarks; and (f) the Grantor has used, and will continue to use for the duration of this Rider, consistent standards of quality in products leased or sold under the Trademarks and hereby grants to the Bank and its employees and agents the right to visit the Grantor's locations which lease, sell, or store products under any of the Trademarks and to inspect the products and quality control records relating thereto at reasonable times during regular business hours to ensure the Grantor's compliance with this paragraph 3(f).

4. Covenants. The Grantor further covenants that: (a) Until all of the Obligations have been satisfied in full, the Grantor will not enter into any agreement, including without limitation, license agreements, which are inconsistent with the Grantor's obligations under this Rider; and (b) If the Grantor acquires rights to any new Trademarks, the provisions of this Rider shall automatically apply thereto and the Grantor shall give the Bank prompt written notice thereof along with an amended Schedule "A."

5. Exclusive Use of Trademarks. So long as this Rider is in effect and so long as the Grantor has not received notice from the Bank that an Event of Default has occurred under the Loan Documents and that the Bank has elected to exercise its rights hereunder, the Grantor shall continue to have the exclusive right to use the Trademarks and the Bank shall have no right to use the Trademarks or issue any exclusive or non-exclusive license with respect thereto, or assign, pledge or otherwise transfer title in the Trademarks to anyone else.

6. Negative Pledge. The Grantor agrees not to sell, assign or further encumber its rights and interest in the Trademarks without prior written consent of the Bank.

7. Remedies Upon Default. (a) Anything herein contained to the contrary notwithstanding, if and while the Grantor shall be in default hereunder or an Event of Default exists under the Loan Documents, the Grantor hereby covenants and agrees that the Bank, as the holder of a security interest under the Uniform Commercial Code, as now or hereafter in effect in Pennsylvania, may take such action permitted under the Loan Documents or permitted by law, in its exclusive discretion, to foreclose upon the Trademarks covered hereby.

(b) For such purposes, and in the event of the Grantor's default hereunder or an Event of Default under the Loan Documents and while such default or Event of Default exists, the Grantor hereby authorizes and empowers the Bank to make, constitute and appoint any officer or agent of the Bank as the Bank may select, in its exclusive discretion, as the Grantor's true and lawful attorney-in-fact, with the power to endorse the Grantor's name on all applications, documents, papers and instruments necessary for the Bank to use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to anyone else, or necessary for the Bank to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else. The Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof, except for the gross negligence or wilful misconduct of such attorney. This power of attorney shall be irrevocable for the life of this Rider and the Loan Documents, and until all the Obligations are satisfied in full.

(c) The Grantor expressly acknowledges that this Rider shall be recorded with the

Patent and Trademark Office in Washington, DC. Contemporaneously herewith, the Grantor shall also execute and deliver to the Bank such documents as the Bank shall reasonably require to permanently assign all rights in the Trademarks to the Bank, which documents shall be held by the Bank, in escrow, until the occurrence of an Event of Default hereunder or under the Loan Documents. After such occurrence, the Bank may, at its sole option, record such escrowed documents with the Patent and Trademark Office.

8. Subject to Security Agreement. This Rider shall be subject to the terms, provisions, and conditions set forth in the Security Agreement and may not be modified without the written consent of the party against whom enforcement is being sought.

9. Inconsistent with Security Agreement. All rights and remedies herein granted to the Bank shall be in addition to any rights and remedies granted to the Bank under the Loan Documents. In the event of an inconsistency between this Rider and the Security Agreement, the language of the Security Agreement shall control. The terms and conditions of the Security Agreement are hereby incorporated herein by reference.

10. Termination of Agreement. Upon payment and performance of all Obligations under the Loan Documents and full satisfaction of all of the Grantor's liabilities and obligations to the Bank, the Bank shall execute and deliver to the Grantor all documents necessary to terminate the Bank's security interest in the Trademarks.

11. Fees and Expenses. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by the Bank in connection with the preparation of this Rider and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or costs otherwise incurred in protecting, maintaining, preserving the Trademarks, or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks, in each case in accordance with the terms of this Rider, shall be borne and paid by the Grantor on demand by the Bank and until so paid shall be added to the principal amount of the Obligations to the Bank and shall bear interest at the contract rate therefor.

12. Prosecution of Trademark Applications. (a) Subject to the terms of the Security Agreement, the Grantor shall have the duty to prosecute diligently any trademark application with respect to the Trademarks pending as of the date of this Rider or thereafter, until the Obligations shall have been satisfied in full, to preserve and maintain all rights in the Trademarks, and upon reasonable request of the Bank, the Grantor shall make federal application on registrable but unregistered trademarks belonging to the Grantor. Any reasonable expenses incurred in connection with such applications shall be borne by the Grantor. The Grantor shall not abandon any Trademark without the written consent of the Bank.

(b) The Grantor shall have the right to bring suit in its own name to enforce the Trademarks, in which event the Bank may, if the Grantor deems it necessary or after an Event of Default under the Loan Documents, be joined as a nominal party to such suit if the Bank shall

have been satisfied that it is not thereby incurring any risk of liability because of such joinder. The Grantor shall promptly, upon demand, reimburse and indemnify the Bank for all damages, reasonable costs and reasonable expenses, including attorneys' fees, incurred by the Bank in the fulfillment of the provisions of this paragraph.

13. Additional Remedies. Upon the occurrence of an Event of Default under the Loan Documents, the Bank may, without any obligation to do so, complete any obligation of the Grantor hereunder, in the Grantor's name or in the Bank's name, but at the Grantor's expense, and the Grantor hereby agrees to reimburse the Bank in full for all reasonable expenses, including reasonable attorney's fees, incurred by the Bank in protecting, defending and maintaining the Trademarks.

14. Governing Law. THIS RIDER WILL BE INTERPRETED AND THE RIGHTS AND LIABILITIES OF THE PARTIES HERETO DETERMINED IN ACCORDANCE WITH THE LAWS OF THE STATE WHERE THE BANK'S OFFICE INDICATED ABOVE IS LOCATED, EXCLUDING ITS CONFLICT OF LAWS RULES, EXCEPT THAT THE FEDERAL LAWS OF THE UNITED STATES OF AMERICA SHALL GOVERN TO THE EXTENT APPLICABLE.

15. Counterparts. This Rider may be signed in any number of counterpart copies and by the parties hereto on separate counterparts, but all such copies shall constitute one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

WITNESS the due execution hereof as a document under seal, as of the date first written above.

WITNESS/ATTEST:

Cheryl Truesque

ATLANTIC CUSTOM PROCESSORS, LLC

By: Hayden Gehlen (SEAL)

Name:

Title:

PNC BANK, NATIONAL ASSOCIATION

By: Philip K. Liebscher (SEAL)

Name: PHILIP K. LIEBSCHER

Title: VP

BF98257.1

STATE OF MAINE)
)
COUNTY OF Arroostook)

ss:

On this, the 9th day of February, 1999, before me, a Notary Public, the undersigned officer, personally appeared Haves Cahagan, who acknowledged himself/herself to be a Managing Director of ATLANTIC CUSTOM PROCESSORS, LLC and that he/she, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said company as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Jean Ann Pelletier
Notary Public

My commission expires:

JEAN ANN PELLETIER
Notary Public, Maine
My Commission Expires July 30, 2005

COMMONWEALTH OF PENNSYLVANIA)
)
COUNTY OF ALLEGHENY)

ss:

On this, the 16 day of February, 1999, before me, a Notary Public, the undersigned officer, personally appeared Philip Leibscher who acknowledged himself to be a Vice President of PNC BANK, NATIONAL ASSOCIATION and that he, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said bank as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Mary K. DiNardo
Notary Public

My commission expires:

BF98257.1

Notarial Seal
Mary K. DiNardo, Notary Public
Pittsburgh, Allegheny County
My Commission Expires May 19, 2001
Member, Pennsylvania Association of Notaries

SCHEDULE A TO RIDER TO SECURITY AGREEMENT - TRADEMARKS

<u>TRADEMARK</u>	<u>APPLICATION OR REGISTRATION NUMBER</u>	<u>COUNTRY</u>	<u>REGISTRATION OR FILING DATE</u>
Atlantic Custom	75/562,666	USA	9/21/98
Borderbrand	75/562,667	USA	9/21/98

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