

U-1399

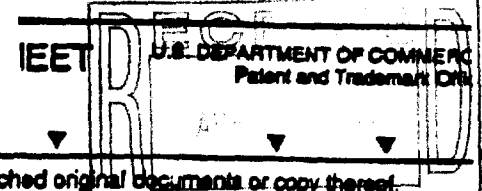
04-26-1999

FORM PTO-1584  
(Rev. 6-93)  
OMB No. 0651-0011 (exp. 4/94)

REC



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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):  
Newsco, Inc.

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

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

2. Name and address of receiving party(ies)

Name: Mercantile Bank National Association  
Internal Address: \_\_\_\_\_  
Street Address: One Mercantile Center  
City: St. Louis State: MO ZIP: 63101

Individual(s) citizenship \_\_\_\_\_  
 Association National banking  
 General Partnership \_\_\_\_\_  
 Limited Partnership \_\_\_\_\_  
 Corporation-State \_\_\_\_\_  
 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

3. Nature of conveyance:

Assignment                               Merger  
 Security Agreement                       Change of Name  
 Other \_\_\_\_\_

Execution Date: April 5, 1999

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

2159932

Additional numbers attached?  Yes  No

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

Name: Mitzi G. Cherry  
Internal Address: Thompson Coburn LLP  
\_\_\_\_\_  
\_\_\_\_\_  
Street Address: One Mercantile Center  
\_\_\_\_\_  
\_\_\_\_\_  
City: St. Louis State: MO ZIP: 63101

6. Total number of applications and registrations involved: ..... 1

7. Total fee (37 CFR 3.41).....\$ 40.00

Enclosed  
 Authorized to be charged to deposit account

IF FEE IS DEFICIENT ONLY

8. Deposit account number:  
20-0823

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

04 23/1999 DNGUYEN 00000202 2159932  
01 FC:481 40.00 DP

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.

Mitzi G. Cherry                      Mitzi G. Cherry                      4/9/99  
Name of Person Signing                      Signature                      Date

Total number of pages including cover sheet, attachments, and document: 13

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

TRADEMARK  
REEL: 1888 FRAME: 0130

PATENT AND TRADEMARK  
COLLATERAL ASSIGNMENT  
AND SECURITY AGREEMENT

THIS PATENT AND TRADEMARK COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT (this "Agreement") is made and entered into this 5<sup>th</sup> day of April, 1999, by NEWSOCO, INC., a Delaware corporation, (the "Borrower"), in favor of MERCANTILE BANK NATIONAL ASSOCIATION, a national banking association (the "Secured Party").

WITNESSETH:

WHEREAS, Borrower and each other subsidiary or affiliate of Borrower, including Journal Newspapers, Inc. a Delaware corporation, Quad County Newspapers, Inc., a Missouri corporation, Geneva Publishing Co. Inc., an Arkansas corporation, Covington Publishing Co., Inc., n Arkansas corporation, Marion County Publishing Co., Inc., an Arkansas corporation, Phillips Media services, Inc., an Arkansas corporation, Capital Jewish Publishing, Inc., a Delaware corporation, and Washington Jewish Week, Inc., a Maryland corporation (collectively "Borrower's Affiliates"), and each other subsidiary which may hereafter assume the joint and several obligations of a "borrower" under that certain Revolving Credit and Term Loan Agreement dated the date hereof, made by and between Borrower, Borrower's Affiliates and Secured Party (as the same may from time to time be amended, modified, extended or renewed, the "Loan Agreement"), are justly indebted to the Secured Party pursuant to the Loan Agreement under which the Secured Party has agreed, subject to the terms and conditions thereof, to make loans to Borrower and Borrower's Affiliates, jointly and severally, in the aggregate principal amount of up to \$14,500,000.00 (all capitalized terms used and not otherwise defined in this Agreement shall have the respective meanings ascribed to them in the Loan Agreement); and

WHEREAS, as a condition precedent to the Secured Party entering into the Loan Agreement, the Secured Party has required that Borrower execute and deliver this Agreement to the Secured Party; and

WHEREAS, Borrower and the Secured Party agree that all of the Obligations (as hereinafter defined) shall be equally and ratably secured by this Agreement; and

WHEREAS, this Agreement is being executed in connection with and in addition to the Security Agreement under which Borrower granted to Secured Party a lien on and security interest in, among other things, accounts, inventory, books, records, goodwill, patents, trademarks, and general intangibles of Borrower (collectively, the "Other Assets").

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower hereby covenants and agrees with Secured Party as follows:

1. Collateral Assignment. To secure the complete and timely payment of the "Borrowers' Obligations" (as defined in the Loan Agreement) (herein collectively referred to as the "Obligations"), Borrower hereby grants a continuing security interest in, collaterally assigns and conveys to Secured Party its entire right, title and interest in and to (a) all of its now owned or existing and filed and hereafter acquired or arising and filed patents and patent applications, including, without limitation, each patent and application listed on Schedules A and B, attached hereto, respectively, and made a part hereof (as the same may be amended pursuant hereto from time to time), and including, without

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TRADEMARK  
REEL: 1888 FRAME: 0131

limitation, all renewals thereof, all proceeds thereof (such as, by way of example, income, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements and all rights corresponding thereto throughout the world (all of the foregoing are collectively called the "Patents"); and (b) all of its now owned or existing and filed and hereafter acquired or arising and filed trademarks, service marks, trademark or service mark registrations, trade names, and trademark or service mark applications, including, without limitation, common law rights and each mark, registration, and application listed on Schedules C and D, attached hereto, respectively, and made a part hereof (as the same may be amended pursuant hereto from time to time), and including, without limitation, all renewals thereof, all proceeds thereof (such as, by way of example, income, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements and all rights corresponding thereto throughout the world (all of the foregoing are collectively called the "Trademarks") and together in each case with the good will of Borrower's business connected with the use of, and symbolized by, the Trademarks. The Patents and Trademarks are sometimes collectively referred to herein as the "Intellectual Property."

2. Representations, Warranties and Covenants of Borrower. Borrower represents, warrants, covenants and agrees that:

(a) The Patents and Trademarks are subsisting and have not been adjudged invalid or unenforceable, in whole or in part, and are not at this time the subject of any challenge to their validity or enforceability;

(b) To the best of Borrower's knowledge, each of the Patents and Trademarks is valid and enforceable;

(c) No claim has been made that (i) the use of any of the Intellectual Property does or may violate the rights of any third person, (ii) no claims for patent infringement have been commenced in connection with any of the Patents and (iii) no claims for trademark infringement have been commenced in connection with any of the Trademarks;

(d) Borrower is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each of the Patents and the Trademarks, free and clear of any and all liens, charges and encumbrances, including, without limitation, any and all pledges, assignments, licenses, registered user agreements, shop rights and covenants by Borrower not to sue third persons;

(e) To the best of Borrower's knowledge, Borrower has the unqualified right to enter into this Agreement and perform its terms; and

(f) Borrower has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Intellectual Property.

3. Inspection Rights. Borrower will permit inspection of Borrower's facilities which manufacture, inspect or store products sold under any of the Patents or Trademarks and to inspect the products and records relating thereto by Secured Party during normal business hours and at other reasonable times upon twenty four hours prior notice. Borrower will reimburse Secured Party upon demand for all costs and expenses incurred by Secured Party in connection with any such inspection conducted by Secured Party after any Default or Event of Default under the Loan Agreement has occurred.

4. Further Assurances. Borrower agrees that, until all of the Obligations shall have been paid in full and the Secured Party have no further commitment or obligation to make any additional loans or advances or other extensions of credit to Borrower or to any of Borrower's Affiliates, it will not enter into any agreement (for example, a license agreement) which is inconsistent with Borrower's obligations under this Agreement or the Loan Agreement, without Secured Party's prior written consent. Borrower further agrees that at any time and from time to time, at the expense of Borrower, Borrower will promptly execute and deliver to Secured Party any and all further instruments and documents and take any and all further action that may be reasonably necessary or desirable, or that Secured Party may request, in order to perfect and protect the collateral assignment granted or purported to be granted hereby with respect to the Intellectual Property or to enable Secured Party to exercise its rights and remedies hereunder with respect to the same.

5. Additional Patents and Trademarks. If, before all of the Obligations shall have been paid in full, Borrower shall obtain rights to any new patents or trademarks, the provisions of paragraph 1 shall automatically apply thereto and Borrower shall give Secured Party prompt written notice thereof.

6. Modification by Secured Party. Borrower authorizes Secured Party to modify this Agreement by amending Schedules A, B, C and D to include any future patents and patent applications and any future trademarks, service marks, trademark or service mark registrations, trade names, and trademark or service applications, covered by paragraphs 1 and 5 hereof, without the signature of Borrower if permitted by applicable law.

7. Grant of License to Borrower. Unless and until there shall have occurred any "Event of Default" (as defined in or within the meaning of the Loan Agreement) and for so long as any such Event of Default shall continue, Secured Party hereby grants to Borrower the exclusive, nontransferable, royalty-free right and license to use the Intellectual Property on and in connection with products sold by Borrower, or any marketing or promotion thereof as Borrower deems appropriate, all for Borrower's own benefit and account and for none other.

8. Default. If any "Event of Default" (as defined in or within the meaning of the Loan Agreement) shall have occurred and be continuing, Borrower's license of the Intellectual Property as set forth in paragraph 7, shall terminate forthwith, and Secured Party shall have, in addition to all other rights and remedies given it by this Agreement, those allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Intellectual Property may be located and, without limiting the generality of the foregoing, Secured Party may immediately, without demand of performance and without other notice (except as set forth next below) or demand whatsoever to Borrower, all of which are hereby expressly waived, and without advertisement, sell at public or private sale or otherwise realize upon, all or from time to time any of the Intellectual Property, or any interest which Borrower may have therein, and after deducting from the proceeds of sale or other disposition of the Intellectual Property all reasonable expenses (including, without limitation, all expenses for brokers' fees and legal services), shall apply the residue of such proceeds toward the payment of the Obligations in such order and manner as Secured Party, in its sole discretion, may elect. Any remainder of the proceeds after payment in full of all of the Obligations shall be paid over to Borrower. Notice of any sale or other disposition of the Intellectual Property shall be given to Borrower at least ten (10) days before the time of any intended public or private sale or other disposition of the Intellectual Property is to be made, which Borrower hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, any holder of the Obligations or Secured Party may, to the extent permissible under applicable law, purchase the whole or

any part of the Intellectual Property sold, free from any right of redemption on the part of Borrower, which right is hereby waived and released.

9. Termination of Assignment. At such time as Borrower and Borrower's Affiliates shall pay all of the Obligations in full and the Secured Party shall have no further commitment or obligation to make any additional loans or advances or other extensions of credit to Borrower or any of Borrower's Affiliates, this Agreement shall terminate and Secured Party shall execute and deliver to Borrower all deeds, assignments and other instruments as may be necessary or proper to re-vest in Borrower full title to the Intellectual Property, subject to any disposition thereof which may have been made by Secured Party pursuant hereto.

10. Expenses. Any and all reasonable fees, costs and expenses of whatever kind or nature, including, without limitation, the reasonable attorneys' fees and legal expenses incurred by Secured Party in connection with the preparation of this Agreement 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, counsel fees, maintenance fees, encumbrances or other amounts in connection with protecting, maintaining or preserving the Intellectual Property, or in defending or prosecuting any actions or proceedings arising out of or related to the Intellectual Property, shall be borne and paid by Borrower on demand by Secured Party and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the rate provided in the Loan Agreement.

11. Preservation of Patents Rights. Borrower shall have the duty to prosecute diligently any patent applications of the Patents pending as of the date of this Agreement, to make federal application on registrable but unregistered patents, to file and prosecute opposition and cancellation proceedings and to do any and all acts which are reasonably necessary or desirable to preserve and maintain all rights in the Patents. Any expenses incurred in connection with the Patents shall be borne solely by Borrower. Borrower shall not abandon any Patent without the prior written consent of Secured Party. Borrower shall have the right, with the prior written consent of Secured Party, to bring any opposition proceedings, cancellation proceedings or lawsuits in its own name to enforce or protect the Intellectual Property, in which event Secured Party may, if necessary, be joined as a nominal party to such suit if Secured Party shall have been satisfied that it is not thereby incurring any risk of liability because of such joinder.

12. Secured Party Appointed Attorney-In-Fact. If any "Event of Default" (as defined in or within the meaning of the Loan Agreement) shall have occurred and be continuing, Borrower hereby authorizes and empowers Secured Party to make, constitute and appoint any officer or agent of Secured Party as Secured Party may select, in its sole discretion, as Borrower's true and lawful attorney-in-fact, with the power to endorse Borrower's name on all applications, documents, papers and instruments necessary for Secured Party to use the Intellectual Property, or to grant or issue any exclusive or non-exclusive license under the Intellectual Property to anyone else, or necessary for Secured Party to assign, pledge, convey or otherwise transfer title to or dispose of the Intellectual Property to anyone else. Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof except to the extent attributable to Secured Party's gross negligence, willful misconduct or bad faith. This power of attorney is coupled with an interest and shall be irrevocable for the duration of this Agreement.

13. No Waiver. No course of dealing between Borrower and Secured Party, nor any failure to exercise, nor any delay in exercising, on the part of Secured Party, any right, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or

privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

14. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

15. Relationship to Other Agreements. This Agreement and the liens and security interests (and pledges and assignments, as applicable) herein granted are in addition to any and all other deeds of trusts, mortgages, security agreements, security interests, pledges, assignments, liens, rights, titles or interests in favor of Secured Party or assigned to such party in connection with the obligations of Borrower and/or Borrower's Affiliates to such party. All rights and remedies of Secured Party in all such agreements are cumulative but in the event of actual conflict in terms and conditions of this Agreement and all agreements other than the Loan Agreement, the terms and conditions of this Agreement shall govern and control; provided, however, in the event of any direct conflict between the terms and conditions of this Agreement and the Loan Agreement, the terms and conditions of the Loan Agreement shall govern and control.

16. Amendments. This Agreement is subject to amendment or only by a writing signed by all of the parties hereto, except as provided in paragraph 6.

17. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and to the Loan Agreement and their respective successors and assigns, except that Borrower may not assign or delegate any of its rights of obligations under this Agreement.

18. Governing Law. The validity and interpretation of this Agreement and the rights and obligations of the parties hereto shall be governed by and construed in accordance with the internal laws of the State of Missouri.

IN WITNESS WHEREOF, the parties hereto have executed this Patent and Trademark Collateral Assignment and Security Agreement as of this 5<sup>th</sup> day of April, 1999.

NEWSCO, INC.  
("Borrower")

By: 

Title: VICE PRESIDENT

MERCANTILE BANK NATIONAL ASSOCIATION  
("Secured Party")

By: 

Title: VICE PRESIDENT

CERTIFICATE OF ACKNOWLEDGEMENT

STATE OF Virginia )  
 )  
 )  
 OF Kearfax )

On this 1st day of April, 1999, before me personally appeared RYAN E. PHILLIPS, to me personally known, who, being by me duly sworn, did say that he/she is the VICE PRESIDENT of NEWSOCO, INC., a Delaware corporation, and that said instrument was signed on behalf of said corporation by authority of its Board of Directors; and said RYAN E. PHILLIPS acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the \_\_\_\_\_ and State aforesaid, the day and year first above written.

(Seal) \_\_\_\_\_  
Notary Public

My Commission Expires:  
February 28, 2001

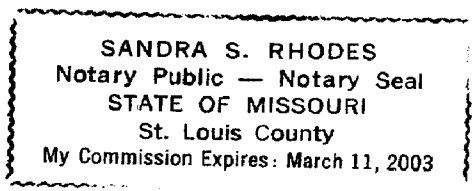
STATE OF Missouri )  
 )  
 )  
 City OF St. Louis )

On this 5<sup>th</sup> day of April, 1999, before me appeared John H. Phillips, to me personally known, who, being by me duly sworn, did say that he/she is the Vice President of MERCANTILE BANK NATIONAL ASSOCIATION, a national banking association, and that said instrument was signed on behalf of said corporation, by authority of its Board of Directors; and said vice president acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand, and affixed my official seal in the County and State aforesaid, the day and year first above written.

(Seal) \_\_\_\_\_  
Notary Public

My Commission Expires:  
3/11/03



SCHEDULE A  
United States Patents

<u>Title</u>	<u>Inventor</u>	<u>Patent No.</u>	<u>Issue Date</u>
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SCHEDULE B

United States Patent Applications

<u>Title</u>	<u>Inventor</u>	<u>Serial No.</u>	<u>Filed</u>	<u>Status</u>
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SCHEDULE C

United States Trademarks

<u>Trademark</u>	<u>Serial No.</u>	<u>Filed</u>	<u>Regis. No.</u>	<u>Issued</u>
"Free Bee! Want Ads"	75-135,348	July 17, 1996	2,159,932	May 26, 1998

State Trademark:

"Sound Off"  
Quad City Newspapers, Inc.  
Missouri  
Journal Newspapers, Inc.  
Virginia  
Maryland

Common Law Trademarks

Journal Newspapers, Inc.  
The Alexandria Journal  
The Arlington Journal  
The Fairfax Journal  
The Prince Georges Journal  
The Montgomery Journal  
The Prince William Journal

Covington Publishing Co., Inc.  
OPP News  
Dothan Freebee

Marion County Publishing Co., Inc.  
Mountain Echo

Quad County Newspapers, Inc.  
Standard News  
Willow Springs News  
Advertiser

Geneva Publishing Co., Inc.  
Geneva County Reaper  
Geneva County Shopper  
Samson Ledger  
Hartford News-Herald

Washington Jewish Week, Inc.  
Washington Jewish Week

SCHEDULE D

United States Trademark Applications

<u>Trademark</u>	<u>Serial No.</u>	<u>Filed</u>	<u>Status</u>
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