

05-06-1999

HEET

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office



21.16.99

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04-16-1999

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ached original documents or copy thereof

1. Name of conveying party(ies):

MCGREGOR PRINTING CORPORATION
1241 NEW WINDSOR ROAD
WESTMINSTER, MARYLAND 21158

- Individual(s)
- General Partnership
- Corporation-State DELAWARE
- Other
- 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: APRIL 8, 1999

2. Name and address of receiving party(ies)

Name: CONGRESS FINANCIAL CORPORATION

Internal Address:

Street Address: 1033 AVENUE OF THE AMERICAS

City: NEW YORK State: NY ZIP: 10036

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation-State NEW YORK
- 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 patent number(s):

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

2,219,290

Additional numbers attached? Yes No

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

Name: CSC

Internal Address:

80 STATE STREET

6TH FLOOR

Street Address:

City: ALBANY State: NY ZIP: 12207

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

8. Deposit account number:

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

05/05/1999 DNGUYEN 00000296 2219290

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.

Carolyn DeCrista
Name of Person Signing

Carolyn DeCrista
Signature

4-13-99
Date

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

12

EXHIBIT I

TRADEMARK ASSIGNMENT

WHEREAS, MCGREGOR PRINTING CORPORATION, a Delaware corporation ("Grantor") is the registered owner of the United States trademarks, tradenames and registrations listed on Schedule A attached hereto and made part hereof ("Trademarks"), which are registered in the United States Patent and Trademark Office; and

WHEREAS, _____ ("Grantee"), having a place of business at _____, is desirous of acquiring said Trademarks;

NOW THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, and intending to be legally bound hereby, Grantor, its successors and assigns, does hereby transfer, assign and set over unto Grantee, its successors, transferees and assigns, all of its present and future right, title and interest in and to the Trademarks and all proceeds thereof and all goodwill associated therewith issued under and pursuant to the Power of Attorney.

IN WITNESS WHEREOF, the undersigned has caused this Trademark Assignment to be executed as of the ___ day of _____, _____.

MCGREGOR PRINTING CORPORATION

By: _____
Attorney-in-fact

TRADEMARK SECURITY AGREEMENT

This Trademark Security Agreement ("Agreement") is made as of the 8th day of April, 1999, by MCGREGOR PRINTING CORPORATION, a Delaware corporation ("Borrower"), having a mailing address at 1241 New Windsor Road, Westminster, Maryland 21158 and delivered to CONGRESS FINANCIAL CORPORATION ("Lender"), having a mailing address at 1033 Avenue of the Americas, New York, New York 10036.

BACKGROUND

A. This Agreement is being executed contemporaneously with that certain Loan and Security Agreement of even date herewith between Borrower and Lender (as it may hereafter be supplemented, restated, amended, superseded or replaced from time to time, the "Loan Agreement"), under which Borrower is granting Lender a lien on and security interest in certain assets of Borrower associated with or relating to products leased or sold or services provided under Borrower's trademarks and the goodwill associated therewith, and under which Lender is entitled to foreclose or otherwise deal with such assets, trademarks, service marks and tradenames under the terms and conditions set forth therein. Capitalized terms not defined herein shall have the meanings given to such terms in the Loan Agreement.

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

C. Pursuant to the Loan Agreement, Lender is acquiring a lien on, and security interest in, the Trademarks, together with all the goodwill of Borrower associated therewith and represented thereby, as security for all of the Obligations, and 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 hereinafter deemed incorporated by reference and made a part hereof, and in consideration of the premises and mutual promises herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. In consideration of and pursuant to the terms of the Financing Agreements, and for other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, and to secure the Obligations, Borrower grants a lien and security interest to Lender in all of its present and future right, title and interest in and to the Trademarks, together with all the goodwill of Borrower 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, (collectively, the "Collateral").

2. Borrower hereby covenants and agrees to maintain the Trademarks in full force and effect and otherwise perform all of its obligations and undertakings under this Agreement until all of the Obligations are indefeasibly paid and satisfied in full and the Revolving Loans have been terminated.

3. Borrower 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) Borrower 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, claims, charges and encumbrances, including, without limitation, pledges, assignments, licenses and covenants by Borrower not to sue third persons;

(d) Borrower has the unqualified right, power and authority to enter into this Agreement and perform its terms; and

(e) Borrower has complied with, and will continue for the duration of this Agreement to comply with, the requirements set forth in 15 U.S.C. §1051-1127 and any other applicable statutes, rules and regulations in connection with its use of the Trademarks.

4. Borrower further covenants that:

(a) Until all of the Obligations have been indefeasibly paid and satisfied in full and the Agreement has been terminated, Borrower will not enter into any agreement, including, without limitation, license agreements or options, which are inconsistent with Borrower's obligations under this Agreement.

(b) If Borrower acquires rights to any new trademarks, the provisions of this Agreement shall automatically apply thereto and such trademarks shall be deemed part of the Trademarks. Borrower shall give Lender written notice promptly upon its first use thereof along with an amended Schedule A.

5. So long as this Agreement is in effect and so long as Borrower has not received notice from Lender that an Event of Default has occurred and is continuing under the Loan Agreement and that Lender has elected to exercise its rights hereunder, Borrower shall continue

to have the exclusive right to use the Trademarks and Lender 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. Borrower agrees not to sell, license, grant any option, assign or further encumber its rights and interest in the Trademarks without the prior written consent of Lender.

7. Following the occurrence and during the continuance of an Event of Default under the Loan Agreement, Lender, as the holder of a security interest under the Uniform Commercial Code, as now or hereafter in effect in the state whose law governs the interpretation of the Loan Agreement, may take such action permitted under the Financing Agreements or permitted by law, in its exclusive discretion, to foreclose upon or otherwise exercise its rights against the Trademarks covered hereby. For such purposes, Borrower authorizes and empowers Lender, its successors and assigns, and any officer or agent of Lender as Lender may select, in its exclusive discretion, as Borrower's true and lawful attorney-in-fact, with the power to endorse Borrower's name on all applications, assignments, documents, papers and instruments necessary for Lender to use the Trademarks or to grant or issue any exclusive or non-exclusive license under the Trademarks to anyone else, or necessary for Lender to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else including, without limitation, the power to execute on Borrower's behalf a trademark assignment in the form attached hereto as Exhibit I. Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof and in accordance with the terms hereof, except for the gross negligence or wilful misconduct of such attorney. This power of attorney shall be irrevocable for the life of this Agreement, the Financing Agreements, and until all the Obligations are indefeasibly paid and satisfied in full and the Agreement is terminated.

8. This Agreement shall not be modified without the written consent of the party against whom enforcement is being sought.

9. All rights and remedies herein granted to Lender shall be in addition to any rights and remedies granted under the Financing Agreements and shall be cumulative. In the event of an inconsistency between this Agreement and the Loan Agreement, the language of the Loan Agreement shall control.

10. Upon full and unconditional satisfaction of all of the Obligations and termination of the Agreement, Lender shall execute and deliver to Borrower all documents reasonably necessary to terminate Lender's security interest in the Trademarks.

11. Any and all reasonable fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by Lender in connection with the preparation and execution of this Agreement and all other documents relating hereto, 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, or defending, protecting or enforcing Lender's rights hereunder, in each case in accordance with the terms of this Agreement, shall be borne and paid by Borrower on demand by Lender and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the contractual per annum rate prescribed in the Loan Agreement applicable to the Revolving Loans.

12. Subject to any applicable terms of the Loan Agreement, Borrower shall have the duty to prosecute diligently any trademark application with respect to the Trademarks pending as of the date of this Agreement or thereafter to preserve and maintain all rights in the Trademarks, and upon reasonable request of Lender, Borrower shall make federal application on registrable but unregistered trademarks belonging to Borrower. Any reasonable expenses incurred in connection with such applications shall be borne by Borrower. Borrower shall not abandon any Trademark without the prior written consent of Lender.

13. Borrower shall have the right to bring suit in its own name to enforce the Trademarks, in which event Lender may, if Borrower reasonably deems it necessary, be joined as a nominal party to such suit if Lender shall have been satisfied, in its sole discretion, that it is not thereby incurring any risk of liability because of such joinder. Borrower shall promptly, upon demand, reimburse and indemnify Lender for all damages, reasonable costs and expenses, including attorneys' fees, incurred by Lender in the fulfillment of the provisions of this paragraph.

14. If an Event of Default is outstanding under the Loan Agreement, Lender may, without any obligation to do so, complete any obligation of Borrower hereunder, in Borrower's name or in Lender's name, but at Borrower's expense, and Borrower hereby agrees to reimburse Lender in full for all reasonable costs and expenses, including attorneys' fees, incurred by Lender in protecting, defending and maintaining the Trademarks.

15. No course of dealing between Borrower and Lender nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder, shall operate as a waiver thereof, and all of Lender's rights and remedies with respect to the Trademarks, whether established hereby or by the Financing Agreements, or by any other future agreements between Borrower and Lender or by law, shall be cumulative and may be exercised singularly or concurrently.

16. The provisions of this Agreement are severable and the invalidity or unenforceability of any provision herein shall not affect the remaining provisions which shall continue unimpaired and in full force and effect.

17. This Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

18. This Agreement shall be governed by and construed in conformity with the laws of the Commonwealth of Pennsylvania without regard to its otherwise applicable principles of conflicts of laws.

19. Borrower and Lender each waive any and all rights it may have to a jury trial in connection with any litigation, proceeding or counterclaim arising with respect to rights and obligations of the parties under this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Trademark Security Agreement the day and year first above written.

MCGREGOR PRINTING CORPORATION

By: _____
Name: _____
Title: _____

CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA :
STATE OF MARYLAND : SS
COUNTY OF ANNE ARUNDEL :

On this 8th of April, 1999, before me personally appeared Lucretia B. Payne to me known and being duly sworn, deposes and says that he is the President & CEO of MCGREGOR PRINTING CORPORATION, that he signed the Agreement as such officer pursuant to the authority vested in him by law; that the within Agreement is the voluntary act of such corporation; and he desires the same to be recorded as such.

Cecelia M. Carlsen
Notary Public

My Commission Expires: 9/2/02



SCHEDULE A

TRADEMARKS

Service Mark Name	Registration Number (Serial Number)	Date of Registration (Filing Date)
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1	Mail Line	2,219,290	01/19/99
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STATE OF

:

: S.S.

COUNTY OF

:

On this ___ day of _____, _____ before me, a Notary Public for the said County and State, personally appeared _____ known to me or satisfactorily proven to me to be attorney-in-fact on behalf of MCGREGOR PRINTING CORPORATION ("Grantor") and s/he acknowledged to me that s/he executed the foregoing Trademark Assignment on behalf of Grantor, and as the act and deed of Grantor for the purposes therein contained.

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

Notary Public

My Commission Expires:

POWER OF ATTORNEY

McGREGOR PRINTING CORPORATION, a Delaware corporation, ("Grantor"), hereby authorizes CONGRESS FINANCIAL CORPORATION, its successors and assigns, and any officer or agent thereof (collectively, the "Grantee") as Grantor's true and lawful attorney-in-fact, with the power to endorse Grantor's name on all applications, assignments, documents, papers and instruments necessary for Grantee to enforce and effectuate its rights under a certain Trademark Security Agreement between Grantor and Grantee dated the date hereof (as it may hereafter be supplemented, restated, superseded, amended or replaced, the "Trademark Agreement"), including, without limitation, the power to use the Trademarks (as defined in the Trademark Agreement) and listed on Schedule A attached hereto and made part hereof, to grant or issue any exclusive or nonexclusive license under the Trademarks to anyone else, or to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks, in each case subject to the terms of the Trademark Agreement.

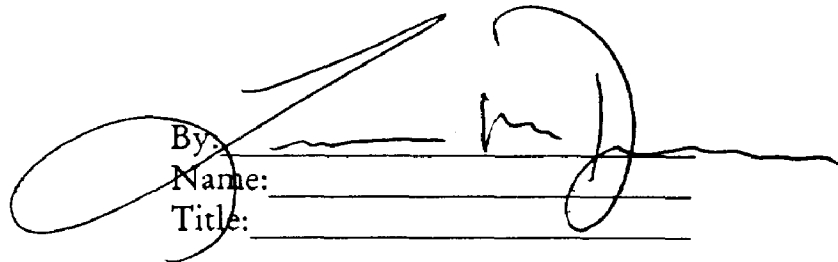
This Power of Attorney is given and any action taken pursuant hereto is intended to be so given or taken pursuant to and subject to the provisions of a certain Loan and Security Agreement bearing even date herewith among Grantor and Grantee, as each document may be hereinafter supplemented, restated, superseded, amended or replaced.

Grantor hereby unconditionally ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof and in accordance with the terms of the Trademark Agreement.

This Power of Attorney shall be irrevocable for the life of the Trademark Agreement.

IN WITNESS WHEREOF, the Grantor has executed this Power of Attorney, this 8th day of April, 1999.

McGREGOR PRINTING CORPORATION

By: 
Name: _____
Title: _____

CORPORATE ACKNOWLEDGMENT

UNITED STATES OF AMERICA :
STATE OF MARYLAND : SS
COUNTY OF ANNE ARUNDEL :

On this 8th of April, 1999, before me personally appeared Levin M. Byers, to me known and being duly sworn, deposes and says that he is the President of MCGREGOR PRINTING CORPORATION, the Grantor corporation described in the foregoing Power of Attorney; that he signed the Power of Attorney as such officer pursuant to the authority vested in him by law; that the within Power of Attorney is the voluntary act of such corporation; and he desires the same to be recorded as such.

Cecelia M. Carlsen
Notary Public

My Commission Expires: 9/11/02

