

01-05-2000



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UNITED STATES PATENT AND TRADEMARK OFFICE

RECORDATION FORM COVER SHEET

TRADEMARKS ONLY

To the Honorable Commissioner of Patents and Trademarks:

Please record the attached original document or copy thereof.

1. Name and address of conveying party:

Container and Pallet Services, Inc.
425 Washington Street, Suite 300
San Francisco, CA 94111-2309

A Delaware corporation

2. Name and address of receiving party:

Imperial Bank
226 Airport Parkway
San Jose, CA 95110

A California banking corporation

3. Nature of conveyance: Trademark Security Agreement

Execution date: December 14, 1999

4. Application numbers and registration numbers:

A. Service Mark numbers:

See Schedule A attached hereto.

B. Service Mark application numbers:

See Schedule A attached hereto.

12/30/1999 DNGUYEN 00000078 75106120

01 FC:481
02 FC:482

40.00 OP
25.00 OP

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

Louis J. Duval, Esq.
Bingham Dana LLP
150 Federal Street
Boston, MA 02110

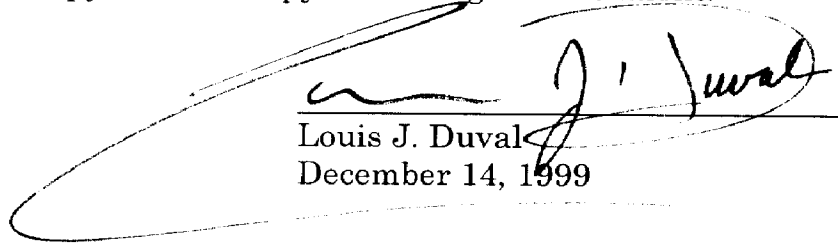
6. Total number of service marks involved: 2

7. Total fee enclosed: \$65.00

8. Deposit account number: Not applicable

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.



Louis J. Duval
December 14, 1999

Total number of pages submitted (including cover sheet and any attached Schedules, and conveyance document and any attached Schedules): 13

Mail documents to be recorded with required cover sheet information to:

U.S. Patent and Trademark Office
Office of Public Records
Customer Service Counter
1213 Jefferson Davis Highway, 3rd Floor
Arlington, VA 22202

**ATTACHMENT 1
TO THE TRADEMARK SECURITY AGREEMENT,
DATED AS OF DECEMBER 14, 1999, BETWEEN
CONTAINER AND PALLET SERVICES, INC. AND IMPERIAL BANK**

ITEM A. Trademarks.

Trademark	Registration or Serial Number	Filing Date	Registration Date
NONE			

ITEM B. Service Marks.

Service Mark	Registration or Serial Number	Filing Date	Registration Date
CAPS	75/106, 120		12/23/97
CAPSTRAC	75/468,202	12/03/98	

TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT, dated as of December 14, 1999, between **CONTAINER AND PALLET SERVICES, INC.**, a Delaware corporation ("**Borrower**"), and **IMPERIAL BANK**, a California banking corporation ("**Bank**").

RECITALS

Pursuant to the Credit Agreement, dated as of December 14, 1999 (as amended, supplemented or otherwise modified from time to time, the "**Credit Agreement**"), between Container and Pallet Services, Inc. ("**Borrower**"), and Imperial Bank ("**Bank**"), the Bank has extended Commitments to make Credit Extensions to the Borrower.

The Borrower has executed and delivered to the Bank the Security Agreement, dated as of December 14, 1999 (as amended, supplemented or otherwise modified from time to time, the "**Security Agreement**"), between the Borrower and the Bank, pursuant to which the Borrower has granted to the Bank, for the benefit of the Bank, security interests in all tangible and intangible personal Property of the Borrower in order to secure the payment and performance of all of the Obligations of the Borrower and its Subsidiaries to the Bank.

Pursuant to the Security Agreement, the Borrower is required to execute and deliver to the Bank a supplemental security agreement with respect to certain registered trademarks and service marks, certain trademark and service mark registration applications and certain related Property of the Borrower, and such supplemental security agreement is required to be in or substantially in the form hereof.

Accordingly, the parties hereto agree as follow:

SECTION 1. Defined Terms. The following terms, when used in this Agreement, including the introductory paragraph and Recitals hereto, shall, except where the context otherwise requires, have the following meanings:

"**Agreement**" means this Trademark Security Agreement.

"**Bank**" is defined in the introductory paragraph hereto.

“Borrower” is defined in the introductory paragraph hereto.

“Credit Agreement” is defined in the first paragraph of the Recitals hereto.

“Security Agreement” is defined in the second paragraph of the Recitals hereto.

“Trademark Collateral” is defined in Section 2.

Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including the introductory paragraph and Recitals hereto, shall have the meanings given to such terms in the Credit Agreement.

SECTION 2. Grant of Security Interest. The Borrower hereby grants to the Bank as a secured party, for the benefit of the Bank as a secured party, continuing security interests in all of the Borrower's rights, title and interests in and to all of the following Property, whether currently existing or hereafter created, arising or acquired (all of such Property being collectively called the **“Trademark Collateral”**):

(a) all trademarks, service marks, trade names, corporate names, company names, business names, fictitious business names, trade styles, logos, other source of business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of a like nature (all of the foregoing items hereinbefore identified and described in this clause (a) being collectively called **“Trademarks”**), all registrations and recordings thereof, and in connection therewith, all applications in the United States Patent and Trademark Office or in any similar office or agency of the United States or any state thereof, including those referred to in Item A and Item B of Attachment 1;

(b) all Trademark licenses and other agreements providing the Borrower with rights to use Trademarks;

(c) all reissues, extensions or renewals of any of the items described in the foregoing clauses (a) and (b);

(d) all of the goodwill of the business of the Borrower connected with the use of, and symbolized by the items described in, clauses (a), (b) and (c); and

(e) all royalties from and all proceeds of, and all rights associated with, the foregoing, including any and all claims by the Borrower (and rights to sue thereunder) against third parties for past, present or future infringement or dilution of any Trademark, Trademark registration or Trademark license, including any Trademark, Trademark registration, Trademark license or trade name referred to in Item A or Item B of Attachment 1, or for any injury to the goodwill associated with any Trademark, Trademark registration, Trademark license or trade name.

Notwithstanding the foregoing, the term "Trademark Collateral" shall not include any Property in which the Borrower is not permitted, by Applicable Law or by the terms of any Instrument to which the Borrower is a party or by which such Property is bound, to grant a security interest or Lien; provided, however, that all proceeds of Property described in the foregoing provisions of this paragraph shall in any event constitute "Trademark Collateral".

SECTION 3. Security Agreement. This Agreement has been executed and delivered to the Bank by the Borrower for the purpose of registering the grant of the security interests of the Bank in certain Trademark Collateral with the United States Patent and Trademark Office. The security interests granted pursuant hereto are granted as a supplement to, and not in limitation of, the security interests granted to the Bank, for the benefit of the Bank, under the Security Agreement. The Security Agreement (and all rights and remedies of the Bank thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Liens. At such time as all of the Commitments shall have terminated and all of the Obligations shall have been paid in full in cash, the Bank shall, at the Borrower's expense, execute and deliver to the Borrower all such Instruments and other documents as may be necessary or as may be reasonably requested by the Borrower to release Liens on the Trademark Collateral which have been granted pursuant hereto and pursuant to the Security Agreement.

SECTION 5. Acknowledgment. The Borrower does hereby further acknowledge and affirm that the rights and remedies of the Bank with respect to the security interests and Liens on the Trademark Collateral granted pursuant hereto are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

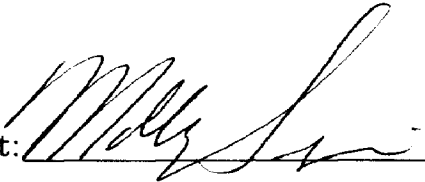
SECTION 6. Collateral Document, etc. This Agreement is a Collateral Document and a Loan Document executed and delivered to the Bank pursuant to the Credit Agreement and shall be construed, administered and applied in accordance with, and subject to, the terms and provisions of the Credit Agreement.

SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

[REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

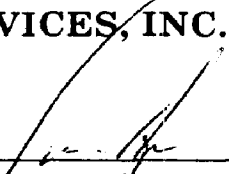
IN WITNESS WHEREOF, the parties hereto have caused this TRADEMARK SECURITY AGREEMENT to be duly executed and delivered by their respective officers thereunto duly authorized on and as of the day and in the year first above written.

[SEAL]

Attest:  _____

The Borrower:

CONTAINER AND PALLET SERVICES, INC.

By:  _____
Name: *Steven Hoopes*
Title: *CEO*

The Bank:

IMPERIAL BANK

By: _____
Name: David J. Gaudian
Title: First Vice President

IN WITNESS WHEREOF, the parties hereto have caused this TRADEMARK SECURITY AGREEMENT to be duly executed and delivered by their respective officers thereunto duly authorized on and as of the day and in the year first above written.

[SEAL]

The Borrower:

CONTAINER AND PALLET SERVICES, INC.

Attest: _____

By: _____

Name:

Title:

The Bank:

IMPERIAL BANK

By:  _____

Name: David J. Gaudian

Title: First Vice President

State of California)
County of San Francisco) ss.
)

Personally appeared before me, the undersigned, a Notary Public in and for said county, Spencer W. Hoops, personally known to me, who, being by me first duly sworn, declared that he/she is the Chief Executive Officer of **CONTAINER AND PALLET SERVICES, INC.**, a Delaware corporation, that being duly authorized he/she did sign and seal the said **TRADEMARK SECURITY AGREEMENT** as such officer of and on behalf of such corporation, and that the same is such corporation's free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on this 9th day of December, 1999.



Hanora Marguerite Bishop
Notary Public

My Commission Expires:

July 19, 2003