

02-24-2000

U.S. Patent & TMO/TM Mail Room

03-23-2000

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MAD 2-24-00

TO: The Commissioner of Patents and Trademarks

101296423

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 Change of Name
 - Other _____
- Effective Date
Month Day Year

Conveying Party

- Mark if additional names of conveying parties attached
- Name: AMSCOMATIC, INC Execution Date: 12-3-99
- Formerly: _____

- Individual General Partnership Limited Partnership Corporation Association
- Other _____
- Citizenship/State of Incorporation/Organization: NEW YORK

Receiving Party

- Mark if additional names of receiving parties attached

- Name: FIRST SOURCE FINANCIAL LLP
 - DB/AKA/TA: _____
 - Composed of: _____
 - Address (line 1): 2850 WEST GOLF ROAD
 - Address (line 2): _____
 - Address (line 3): FULLER ROLLING MEADOWS ILLINOIS 60008
- City State/Country Zip Code
- 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.)

03/22/2000 DNGUYEN 00000178 0668003

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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)

<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"/>

Registration Number(s)

<input type="text" value="0668003"/>	<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.

TONYA CHAPPLE

Tonya Chapple

2-21-2000

Name of Person Signing

Signature

Date Signed

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Agreement") is dated as of December 3, 1999, by the undersigned^{Amcomatic, Inc.} (the "Obligor") and FIRST SOURCE FINANCIAL LLP, as Agent (the "Agent") for the Lenders under that certain Secured Credit Agreement dated as of the date hereof (the "Credit Agreement"; terms used but not otherwise defined herein shall have the respective meanings provided for in the Loan Agreement) among M&R Printing Equipment, Inc. (in such capacity, the "Borrower"), the Lenders and the Agent.

W I T N E S S E T H:

WHEREAS, the Obligor (i) owns the patents and patent applications as set forth on Schedule 1 annexed hereto, and is a party to the patent licenses as set forth on Schedule 1 annexed hereto, (ii) owns the trademarks, trademark registrations, and trademark registration applications as set forth on Schedule 2 annexed hereto, and is a party to the trademark licenses as set forth on Schedule 2 annexed hereto and (iii) owns the copyrights, copyright registrations and copyright registration applications as set forth on Schedule 3 annexed hereto, and is a party to the copyright licenses as set forth on Schedule 3 annexed hereto;

WHEREAS, the Obligor has entered into a Security Agreement dated as of the date hereof (the "Security Agreement") with the Agent to secure the prompt payment and performance of the Borrower's obligations under the Credit Agreement and the Obligor's obligations under that certain Guaranty dated as of the date hereof made by the Obligor in favor of the Agent; and

WHEREAS, pursuant to the terms of the Security Agreement, the Obligor has granted to the Agent, for the benefit of Lenders, a security interest in substantially all the assets of the Obligor, including all right, title and interest of the Obligor in, to and under all now owned and hereafter acquired Intellectual Property, together with all proceeds thereof;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Obligor hereby agrees as follows:

1. The Obligor hereby grants to the Agent a continuing security interest in all of the Obligor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Patents"), whether presently existing or hereafter created or acquired:

- (a) each patent and patent application of the Obligor therefor, including, without limitation, each patent and patent application of the Obligor referred to in Schedule 1 annexed hereto;
- (b) each patent license to which the Obligor is a party, including, without limitation, each patent license to which the Obligor is a party listed on Schedule 1 annexed hereto; and

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Agreement") is dated as of December 3, 1999, by the undersigned (the "Obligor") and FIRST SOURCE FINANCIAL LLP, as Agent (the "Agent") for the Lenders under that certain Secured Credit Agreement dated as of the date hereof (the "Credit Agreement"; terms used but not otherwise defined herein shall have the respective meanings provided for in the Loan Agreement) among M&R Printing Equipment, Inc. (in such capacity, the "Borrower"), the Lenders and the Agent.

W I T N E S S E T H:

WHEREAS, the Obligor (i) owns the patents and patent applications as set forth on Schedule 1 annexed hereto, and is a party to the patent licenses as set forth on Schedule 1 annexed hereto, (ii) owns the trademarks, trademark registrations, and trademark registration applications as set forth on Schedule 2 annexed hereto, and is a party to the trademark licenses as set forth on Schedule 2 annexed hereto and (iii) owns the copyrights, copyright registrations and copyright registration applications as set forth on Schedule 3 annexed hereto, and is a party to the copyright licenses as set forth on Schedule 3 annexed hereto;

WHEREAS, the Obligor has entered into a Security Agreement dated as of the date hereof (the "Security Agreement") with the Agent to secure the prompt payment and performance of the Borrower's obligations under the Credit Agreement and the Obligor's obligations under that certain Guaranty dated as of the date hereof made by the Obligor in favor of the Agent; and

WHEREAS, pursuant to the terms of the Security Agreement, the Obligor has granted to the Agent, for the benefit of Lenders, a security interest in substantially all the assets of the Obligor, including all right, title and interest of the Obligor in, to and under all now owned and hereafter acquired Intellectual Property, together with all proceeds thereof;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Obligor hereby agrees as follows:

1. The Obligor hereby grants to the Agent a continuing security interest in all of the Obligor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Patents"), whether presently existing or hereafter created or acquired:

- (a) each patent and patent application of the Obligor therefor, including, without limitation, each patent and patent application of the Obligor referred to in Schedule 1 annexed hereto;
- (b) each patent license to which the Obligor is a party, including, without limitation, each patent license to which the Obligor is a party listed on Schedule 1 annexed hereto; and

- (c) all proceeds of the foregoing, including, without limitation, proceeds of insurance policies thereon.

2. Subject to Section 4 below, the Obligor hereby grants to the Agent a continuing security interest in all of the Obligor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Trademarks"), whether presently existing or hereafter created or acquired:

- (a) each trademark, trademark registration and trademark registration application of the Obligor, including, without limitation, the trademarks, trademark registrations and trademark registration applications of the Obligor referred to in Schedule 2 annexed hereto and the goodwill associated therewith;
- (b) each trademark license to which the Obligor is a party, including, without limitation, each trademark license of the Obligor listed on Schedule 2 annexed hereto; and
- (c) all products and proceeds of the foregoing, including, without limitation, proceeds of insurance policies thereon.

3. The Obligor hereby grants to the Agent a continuing security interest in all of the Obligor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Copyrights"), whether presently existing or hereafter created or acquired:

- (a) each copyright, copyright registration and copyright registration application of the Obligor, including, without limitation, the copyright, copyright registrations and copyright registration applications of the Obligor referred to in Schedule 3 annexed hereto;
- (b) each copyright license to which the Obligor is a party, including, without limitation, each copyright license to which the Obligor is a party listed on Schedule 3 annexed hereto; and
- (c) all products and proceeds of the foregoing, including, without limitation, proceeds of insurance policies thereon.

This security interest is granted in conjunction with the security interests granted to the Agent, for the benefit of Lenders, pursuant to the Security Agreement. The Obligor hereby acknowledges and affirms that the rights and remedies of the Agent with respect to the Patents, Trademarks and Copyrights made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

4. Notwithstanding anything herein to the contrary, this Agreement shall not operate as a sale, transfer, conveyance or other assignment to the Agent of any applications by the Obligor for a Trademark based on an intent to use the same if and so long as such application is pending and not matured into a registered Trademark (such pending applications which are based

on intent to use being hereinafter referred to collectively as “Intent-To-Use Applications”), but rather, if and so long as the Obligor’s Intent-To-Use Application is pending this Agreement shall operate only to create a security interest for collateral purposes in favor of the Agent for the ratable benefit of the Lenders, on such Intent-To-Use Application as collateral security for the Liabilities.

5. In addition to, and not by way of limitation of, all other rights granted to the Agent and the Lenders under the Credit Agreement, this Agreement and all other Collateral Documents, as collateral security only for the complete payment when due of all Liabilities, the Obligor hereby, upon the maturity of the Liabilities or the earlier acceleration of any Liability in accordance with the Credit Agreement, and the exercise by the Agent of any or all of its rights or remedies with respect to any or all of the Collateral pursuant to the Security Agreement, sells, assigns, grants, conveys, transfers and sets over to the Agent, for the use and benefit of Lenders, any and all rights of the Obligor under any license and any license agreement with any other party, whether the Obligor is a licensor or licensee under such license agreement, and the right to prepare for sale, sell and advertise for sale all Collateral now or hereafter owned by the Obligor and now or hereafter covered by such license and agrees that it will not take any unreasonable action, or permit any unreasonable action to be taken by others subject to its control, including licensees, or fail to take any reasonable action, which could affect the validity or enforcement of the rights transferred to the Agent under this Agreement which rights are material to the conduct of the Obligor’s business. The Obligor hereby covenants that, within ten (10) days thereafter, it will notify the Agent if any Patent described in subsection 1(a) hereof, Copyright described in subsection 3(a) hereof or Trademark described in subsection 2(a) hereof shall at any time hereafter become subject to any such license agreement and that, together with such notice, it will provide the Agent with full identification thereof and with such further documentation as the Agent may reasonably request to accomplish or assure the accomplishment of the purpose of this Section 5.

6. The Obligor hereby agrees that, upon the maturity of the Liabilities or the earlier acceleration of any Liability in accordance with the Credit Agreement, and the exercise by the Agent of any or all of its rights or remedies with respect to any or all of the Collateral pursuant to the Security Agreement, the Agent’s right to use, on behalf of Lenders, all Patents, Copyrights and Trademarks as described above shall be worldwide, to the extent of the Obligor’s right to use the same, and without any liability for royalties or other related charges from the Agent or any Lender to the Obligor. The term of the collateral assignments and grant of security interest granted herein shall extend until the expiration of each of the Patents, Copyrights and Trademarks collaterally assigned hereunder, or until the Liabilities have been indefeasibly paid in full in cash and all commitments to lend thereunder terminated.

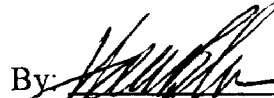
7. The Obligor represents and warrants that the United States and foreign Patents, Copyrights and Trademarks constitute all of the patents, patent applications, copyrights, copyright registrations, copyright registration applications, trademarks, trademark registrations, trademark registration applications and licenses with respect to any of the foregoing now owned by the Obligor. Within ten (10) days after the creation thereof, the Obligor shall identify in writing to the Agent all new applications for United States and foreign letters patent, copyright registrations and trademark registrations and licenses of the Obligor, which new applications,

patents, copyright registrations, trademark registrations and licenses shall be subject to the terms and conditions of the Credit Agreement and this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the undersigned has caused this Agreement to be duly executed by its duly authorized officer as of September __, 1999.

AMSCOMATIC, INC.

By: 
Name: James Blush
Title: CFO

S-1

[TO INTELLECTUAL PROPERTY SECURITY AGREEMENT]

TRADEMARK
REEL: 002037 FRAME: 0931

ACKNOWLEDGMENT

STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

On December 3, 1999, before me appeared each of the persons executing the foregoing instrument, as proved to me to be on the basis of satisfactory evidence the persons described in and who executed the foregoing instrument as the respective officer of the corporation signatory to such instrument, each of whom being by me duly sworn, did depose and say that he is the officer of such respective corporation described in and which executed the foregoing instrument; that said instrument is signed on behalf of such respective corporation by order of its Board of Directors; and that he acknowledged said instrument to be the free act and deed of such corporation.



Betty Lenzen
Notary Public

{Seal}

SCHEDULE 1

ISSUED UNITED STATES PATENTS

Legend: Title of Patent, Patent Number, Filing Date, Issue Date.

**PACKAGING CONVEYOR FOR CYLINDRICAL ARTICLES, 4,458,803, 3/9/82,
7/10/84.**

**METHOD AND APPARATUS FOR PACKAGING GARMENTS, 4,575,986, 1/6/84,
3/18/86.**

**METHOD OF FOLDING T-SHIRTS AND FOLDED SHIRT ARRANGEMENT
RESULTING THEREFROM, 4,512,464, 8/3/84, 4/23/85.**

**METHOD AND APPARATUS FOR FOLDING A LONG SLEEVE SHIRT,
5,074,444, 12/20/89, 12/24/91.**

**PRODUCT TRANSFER, SELECTIVE PAIRING, AND TURNING ASSEMBLY,
D371,667, 6/22/95, 7/9/96.**

BAG LOADER, D377,496, 12/22/95, 1/21/97.

PENDING UNITED STATES PATENT APPLICATIONS

Legend: Title of Patent Application, Serial Number, Filing Date.

**AUTOMATED HANDLING AND PACKAGING SYSTEM FOR
MANUFACTURED SOFT GOODS AND METHOD THEREFOR, 08/595,191,
2/1/96.**

**AUTOMATIC ADJUSTABLE FOLDING AND PRODUCT TIGHTENING
APPARATUS, 60013418, 3/14/96.**

SCHEDULE 2

REGISTERED UNITED STATES TRADEMARKS

Legend: Trademark, Registration Number, Registration Date.

AMSCOMATIC, 0668003, 10/07/58.

SCHEDULE 3

COPYRIGHTS

None.

4705/48448-003 LALIB1/367952 v2

RECORDED: 02/24/2000

**TRADEMARK
REEL: 002037 FRAME: 0935**