

07-05-2000

FORM PTO-1595
(Rev. 6-93)
OMB No. 0651-0011 (exp. 4/94)



101395394

U.S. DEPARTMENT OF COMMERCE
Patent and Trademark Office

To the Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
5-26-00
Greyrock Capital, a Division of NationsCredit Commercial Corporation
10880 Wilshire Blvd., Suite 950
Los Angeles, CA 90024

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

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other Assignment of Security Interest

Execution Date: March 31, 2000

2. Name and address of receiving party(ies)

Name: Monotype Systems, Inc.

Internal Address:

Street Address:

2100 Golf Road
Rolling Meadows, IL 60008

Additional name(s) & address(es) attached? Yes No

RECEIVED
07/03/2000 PM 12:42
DIR./REGISTRATION

4. Trademark Application number(s) or Registration number(s):

If this document is being filed together with a new application, the execution date of the application is

A. Trademark Application No.(s)

75/098,544
74/674,654
74/644,837

B. Registration No.(s)

1,954,857
2,954,857
1,763,483
1,850,251
1,803,529
1,803,637

Additional numbers attached? Yes No

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

Name: Richard E. Mikels, Esq.
Address: MINTZ, LEVIN, COHN, FERRIS
GLOVSKY and POPEO, P.C.
One Financial Center
Boston, MA 02111

6. Total number of applications and trademarks involved: [9]

7. Total fee (37 CFR 3.41).....\$360.00

Enclosed
 The Commissioner is authorized to charge
the undersigned's Deposit Account.

8. Deposit Account No:

07/03/2000 DNGUYEN 00000325 75098544

01 FD:481 40.00 DP
02 FD:482 200.00 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.

Dennis E. Nierman

5/15/00

Name of Person Signing

Signature

Date

Total number of pages including cover sheet, attachments, and document: [10]

\$120.00

Refund Ref: 07/03/2000 DNGUYEN 000095520

CHECK Refund Total:

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

Box Assignment
Commissioner of Patents and Trademarks
Washington, D.C. 20231

ASSIGNMENT AND RESOLUTION AGREEMENT

This Assignment and Resolution Agreement (this "Agreement") is entered into as of March 31, 2000 by and among GREYROCK CAPITAL, a Division of Banc of America Commercial Finance Corporation (the "Assignor"), MONOTYPE SYSTEMS, INC. or its designee (the "Assignee").

WHEREAS, pursuant to that certain Amended and Restated Loan and Security Agreement dated as of November 24, 1999 (the "Credit Agreement"), among the Assignor and PrePress Solutions, Inc. (the "Borrower"), the Assignor made certain loans to the Borrower and otherwise extended credit facilities to the Borrower (such loans and other credit facilities are hereinafter referred to as the "Credit Facilities").

WHEREAS, in addition to the Credit Agreement, the Assignor, the Borrower and/or the Assignee entered into certain other documents in connection with the Credit Facilities, all as required by the terms of the Credit Agreement. The Credit Agreement and all such other documents entered into by the Assignor, the Borrower and/or the Assignee in connection with the Credit Facilities are hereinafter referred to collectively as the "Credit Documents". The Credit Documents shall include, without limitation, the documents listed on Exhibit A attached hereto and shall include related documents signed by third parties such as Iennco Industrial Holdings S.A. ("Iennco").

WHEREAS, the parties hereto wish to resolve all disputes and obligations between the Assignor on the one hand and the Assignee and/or the Borrower on the other hand.

WHEREAS, as part of the resolution of such disputes and obligations, the Assignor wishes to sell, and the Assignee wishes to purchase, all of the right, title and interest of the Assignor in and to all of the Credit Facilities and the Credit Documents, and the right to all Collateral provided for in the Credit Documents, including, without limitation, the Secured Promissory Note in the original principal amount of \$2,750,000 made by Borrower to the order of Assignor (the "Note"), the Credit Agreement, the limited continuing guaranty executed by the Assignee in favor of the Assignor with respect to the Borrower (the "Guaranty") and the subordination agreement executed by Iennco in favor of Assignor with respect to the Borrower (the "Subordination Agreement") (all of such right, title and interest of Assignor in the Credit Facilities and the Credit Documents is hereinafter referred to as the "Assigned Claim").

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Assignor and the Assignee hereby agree as follows:

1. Assignment of Assigned Claim. Subject to all of the terms and conditions of this Agreement, effective as of the Closing Date (as defined below), the Assignor hereby irrevocably sells, assigns and transfers to the Assignee all of the Assignor's right, title and interest in and to the Assigned Claim. The Assignor shall deliver to the Assignee the Note endorsed as follows: "Pay to the order of Monotype Systems, Inc., without recourse, warranty, or representation, except as set forth in Section 5 of the Assignment and Resolution Agreement." The sale and assignment of the Assigned Claim is made as is, without recourse, and without any representation or warranty, express or implied, except as set forth in Section 5 of this Agreement.

2. Purchase Price. In consideration of the Assignor's sale and assignment of the Assigned Claim, the Assignee hereby agrees to pay to the Assignor \$1,850,000 (the "Purchase Price"). The Assignee shall pay the Purchase Price to the Assignor in immediately available U.S. dollars by wire transfer to:

Bank of America
San Francisco, CA
ABA #121 000 358
Credit: Account #12332-25159
Greyrock Capital
For Credit to: PrePress Solutions, Inc.

3. Closing Date. Subject to satisfaction of the conditions set forth in Section 11, below, the closing of the transaction contemplated herein shall occur on March 31, 2000 by (i) delivery by each party hereto to the other of a fax signature page to this Agreement, followed by the overnight delivery of an original signature page to this Agreement, (ii) payment by the Assignee to the Assignor of the Purchase Price in accordance with the provisions of Section 2 above, (iii) delivery of the UCC Assignments and other documents evidencing assignments of Collateral (as defined below) from the Assignor to the Assignee via fax, followed by overnight delivery (except that Assignor may deliver the assignments of patent, trademark, and copyright security agreements, in the form that Assignee reasonably requests for filing with the appropriate federal offices, promptly upon Assignee's request, but in any event the assignments provided herein, including, without limitation, the assignments of security interests in patents, trademarks and copyrights, shall be effective upon the Closing Date), (iv) delivery to the Assignee of the Note held by the Assignor, duly endorsed as specified above by the Assignor to the Assignee, via fax, followed by overnight delivery of the original, and (v) delivery to the Assignee of copies of the Credit Documents. The date by which all of the conditions of the immediately preceding sentence are completed is herein referred to as the "Closing Date". Although, prior to receiving the Purchase Price, Assignor shall comply with subsection (i) above, and shall deliver copies of the other items required to be delivered by Assignor as part of the closing, Assignor shall not be obligated to deliver originals of the items listed in "iii" and "iv", above, until it has received the Purchase Price.

4. Post-Closing Distributions. After the Closing Date, if the Assignor receives any documents, notices or correspondence in respect of the Assigned Claim, it shall promptly forward the same to the Assignee. In the event that the Assignor receives any payments or distributions for credit to the Assigned Claim after the Closing Date, it will (i) hold such payment or distribution in trust for the sole benefit of the Assignee, and (ii) within five business days, pay the same over to the Assignee in the currency received. If any such payment or distribution received by the Assignor is not sent to the Assignee within five business days, the Assignor shall pay interest to the Assignee on the amount of such payment or distribution for the period commencing on the seventh business day after which such payment or distribution was actually received by the Assignor, but excluding, the day such payment or distribution is actually sent to the Assignee, at a fluctuating rate per annum equal to the interest rate charged by Assignor to the Borrower pursuant to the Credit Documents for each day during such period.

5. Representations and Warranties.

(a) Each of the parties represents and warrants to the other as of the date hereof and as of the Closing Date as follows:

- i. It is duly organized in the jurisdiction of its organization and has full power and authority, and has taken all actions necessary, to execute and deliver this Agreement, and all documents required to be executed and delivered by it hereunder, and to fulfill its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby.
- ii. The making and performance by it of this Agreement does not and will not (A) violate any law, rule or regulation of the jurisdiction under which it exists or any other law, rule, regulation, order or decree applicable to it, or (B) result in a breach of any provision of, or constitute a default or event which, with or without notice and/or the passage of time, would constitute a default under any of its charter documents, bylaws, operating agreement or any agreement or instrument to which it is a party or by which it is bound.
- iii. This Agreement and all documents required to be executed hereunder have been duly authorized, executed and delivered by it and constitute its legal, valid and binding obligation, enforceable against it in accordance with the respective terms hereof or thereof.
- iv. All approvals, authorizations, consents or other actions by, or filings with, any governmental authority or any other person or entity necessary for the validity or enforceability of its obligations under this Agreement, have been obtained or completed or will have been taken on or before the Closing Date.

(b) The Assignor represents and warrants to the Assignee as of the date hereof and as of the Closing Date that:

- i. Assignor has and is conveying to Assignee good title to the Assigned Claim, free and clear of all transfers, liens, Claims and encumbrances created, caused or incurred by Assignor.
- ii. To the best knowledge of the Assignor, no third-party has claimed any interest, lien, claim or encumbrance in or to all or any portion of the Assigned Claim.
- iii. No litigation or adversary proceeding relating to the Assigned Claim is currently pending against the Assignor or, to the best knowledge of the Assignor, threatened against it which would affect in any material manner the Assigned Claim or the ability of the Assignor to transfer and convey the Assigned Claim to the Assignee in accordance with the terms of this Agreement, or the ability of the Assignor to perform its obligations under this Agreement.
- iv. Without in any way implying that the Assigned Claim constitutes a "security" within the meaning of the securities laws, to the best knowledge of the

Assignor, no offer to sell or solicitation of any offer to buy any portion of the Assigned Claim has been made by the Assignor in a manner which would violate or require registration under any securities laws.

- v. As of March 30, 2000, the aggregate principal balance owing to the Assignor from the Borrower under or in respect of the Assigned Claim is not less than \$2,400,000, including interest through February 29, 2000.
- vi. To the best knowledge of the Assignor, the Credit Documents listed on Schedule A attached hereto constitute all of the material documents and agreements between the Assignor and Borrower concerning the Assigned Claim, as the same may be impacted by existing orders of the Bankruptcy Court in the Borrower's Chapter 11 proceeding under the United States Bankruptcy Code in the District of Massachusetts Western Division, Case No. 99-43152.

(c) The Assignee hereby represents and warrants to the Assignor, as of the date of this Agreement and the Closing Date, that:

- i. Except as otherwise expressly provided in Sections 5(a) and 5(b) herein, the assignment of the Assigned Claim by the Assignor to the Assignee is without recourse to, or representation or warranty by, the Assignor.
- ii. The Assignor has not given any investment advice or rendered any opinion to the Assignee as to the collectability of any or all of the Assigned Claim, whether the purchase of the Assigned Claim is prudent, or any other matter whatsoever not expressly provided for in Sections 5(a) and 5(b) of this Agreement and the Assignee is not relying upon any representation or warranty by the Assignor except as set forth in Sections 5(a) and 5(b) of this Agreement.
- iii. The Assignee is not purchasing the Assigned Claim with a view to, or for resale in connection with, any distribution or public offering of all or any part thereof or of any interest therein in a public manner which would violate any securities law; provided, however, the provisions of this Section shall not preclude the Assignee in the future from reselling the Assigned Claim in accordance with such laws.
- iv. The Assignee is not purchasing the Assigned Claim or any interest therein for or on behalf of one or more employee benefit plans, or with funds which directly or indirectly constitute "plan assets" as defined in the Employee Retirement Income Security Act of 1974, as amended.

6. Further Assurances. The Assignor agrees to provide executed evidence of the assignment of all of Assignor's collateral (the "Collateral") provided for in the Credit Documents, and agrees to execute and deliver evidence of such assignment in the form of UCC-3 financing statement assignments (the "UCC Assignments") and all documents necessary to assign Assignor's rights in and to Collateral which is evidenced by recordings relating to trademarks, patents, copyrights and other intellectual property. The Assignor and the Assignee each covenant and agree to execute and deliver all such agreements, instruments and documents and to take all such further actions (at the expense of the requesting party, except to the expense of Assignor to the extent such item was required to be delivered by Assignor pursuant to Section 3 above) as the other party may reasonably deem necessary from time to time to carry out the intent and purpose of this Agreement and to consummate the transactions contemplated hereby and to fully effect the transfer of the Assigned Claim, including, without limitation, the Collateral to the Assignee.

7. Indemnification.

(a) The Assignor agrees to indemnify, defend and hold the Assignee and its officers, directors, employees, agents and controlling persons (collectively, the "Assignee Indemnitees") harmless from and against any and all expenses, losses, claims, damages, suits, actions, proceedings and liabilities, including, but not limited to, reasonable attorneys' fees, disbursements and other charges, which are incurred by the Assignee Indemnitees or any of them as a result of, or relating to, the breach of any of the Assignor's representations, warranties, agreements or covenants set forth in Section 5(a) and (b) of this Agreement.

(b) The Assignee agrees to indemnify, defend and hold the Assignor and its officers, directors, employees, agents and controlling persons and their respective successors and assigns (collectively, the "Assignor Indemnitees") harmless from and against any and all expenses, losses, claims, damages, suits, actions, proceedings and liabilities, including, but not limited to, reasonable attorneys' fees, disbursements and other charges, which are incurred by the Assignor Indemnitees or any of them (i) as a result of, or relating to, the breach of any of the Assignee's representations, warranties, agreements or covenants set forth in Section 5(a) and (c) of this Agreement and (ii) based upon, arising out of, or relating to the Credit Facilities, the Credit Documents or the Assigned Claim, for the period from and after the Closing Date.

8. Survival. The representations, warranties, covenants and indemnities of the Assignee and the Assignor contained herein shall survive the consummation of the transactions contemplated in this Agreement.

9. Costs and Expenses. Each of the Assignor and Assignee shall be solely responsible for all costs and expenses (including legal expenses) incurred by it with respect to the negotiation and preparation of this Agreement and the transaction contemplated hereby.

10. Releases.

(a) For purposes of this Agreement, the term "Claim" means a right to payment, whether or not such right is fixed reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or a right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such

right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.

(b) Except for Claims arising under this Agreement, effective upon the Closing Date, the Assignee acknowledges that the Assignor shall have no further liability or obligation to the Assignee under, or in connection with, the Credit Facilities, the Credit Documents or the Assigned Claim, Assignee hereby releases and forever discharges Assignor and Assignor's successors, assigns, agents, shareholders, directors, officers, employees, agents, attorneys, parent corporations, subsidiary corporations, affiliated corporations, affiliates, participants, and each of them, from any and all claims, debts, liabilities, demands, obligations, costs, expenses, actions, and causes of action, of every nature and description, known and unknown, which Assignee now has, or at any time may hold, by reason of any matter, cause or thing occurred, done, omitted or suffered to be done, under, or in connection with, the Credit Facilities, the Credit Documents or the Assigned Claim, prior to the date of this Agreement. Assignee waives the benefits of California Civil Code Section 1542 which provides: "a general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

(c) Except for Claims arising under this Agreement, effective upon the Closing Date, the Assignor acknowledges that the Assignee shall have no further liability or obligation to the Assignor under, or in connection with, the Credit Facilities, the Credit Documents or the Assigned Claim (including without limitation, the Guaranty), and Assignor hereby releases and forever discharges Assignee and Assignee's successors, assigns, agents, shareholders, directors, officers, employees, agents, attorneys, parent corporations, subsidiary corporations, affiliated corporations, affiliates, participants, and each of them, from any and all claims, debts, liabilities, demands, obligations, costs, expenses, actions, and causes of action, of every nature and description, known and unknown, which Assignor now has, or at any time may hold, by reason of any matter, cause or thing occurred, done, omitted or suffered to be done, under, or in connection with, the Credit Facilities, the Credit Documents or the Assigned Claim, prior to the date of this Agreement. Assignor waives the benefits of California Civil Code Section 1542 which provides: "a general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

11. Borrower's Consent and Mutual Release. The obligations of the Assignor and the Assignee hereunder are conditioned upon Borrower and Assignor entering into the Acknowledgment, Consent and Mutual Release, the form of which is attached hereto as Exhibit B.

12. No Relationship. Nothing contained in this Agreement shall establish any fiduciary, partnership, joint venture or similar relationship between the Assignor and the Assignee.

13. Controlling Document. To the extent that there are any inconsistencies between this Agreement or any other document executed in connection herewith, the Assignor and the Assignee intend that this Agreement shall control over any such other document.

14. Notices. All demands, notices, requests, consents, and communications hereunder shall be in writing and shall be deemed to have been duly given if personally delivered by overnight

mail or delivery service, messenger, or facsimile, to the following addresses, or such other addresses as may be furnished hereafter by notice as provided in this Section:

If to the Assignor:

Greyrock Capital, A Division of Banc of America
Commercial Finance Corporation
10880 Wilshire Blvd. Suite 1850
Los Angeles, CA 90024
Attention: Richard Suhl, President
Telephone: (310) 234-3334
Fax: (310) 234-3343

With a copy to:

Levy, Small & Lallas
815 Moraga Drive
Los Angeles, CA 90049-1633
Attention: Leo D. Plotkin, Esq.
Telephone: (310) 471-3000
Fax: (310) 471-7990

If to the Assignee:

Monotype Systems, Inc.
2100 Golf Road
Rolling Meadows, IL 60008
Attention: Mr. Dennis Nierman
Telephone: (847) 427-8800
Fax: (847) 427-8860

with a copy to:

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.
One Financial Center
Boston, MA 02111
Attention: Richard E. Mikels, Esq.
Telephone: (617) 348-1691
Facsimile: (617) 542-2241

All demands, requests, consents, notices and communications shall be deemed to have been given at the time of actual delivery thereof.

15. Successors and Assigns. This Agreement, including without limitation, the representations, warranties, covenants and agreements contained herein, (i) shall inure to the benefit of, and be enforceable by the Assignor and the Assignee and their respective successors and assigns, and (ii) shall be binding upon and enforceable against the Assignor and the Assignee and their respective successors and assigns.

16. Amendments; Entire Agreement. Any amendments or modifications to, or waivers of, any provision of this Agreement shall be in writing and signed by the Assignor and the Assignee. This Agreement constitutes the entire agreement of the Assignor and the Assignee with respect to the subject matter hereof and supersedes all prior or contemporaneous negotiations, promises, covenants, agreements or representations.

17. Severability. If any provision of this Agreement, or any other agreement or document delivered in connection with this Agreement, is partially or completely invalid or unenforceable in any jurisdiction, then such provision shall be ineffective in that jurisdiction to the extent of its invalidity or unenforceability, but the invalidity or unenforceability of such provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if such invalid or unenforceable provision were omitted; nor shall the invalidity or unenforceability of such provision in one jurisdiction affect its validity or enforceability in any other jurisdiction.

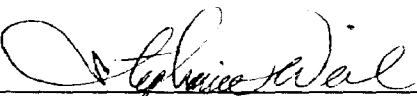
18. Captions and Headings. The captions and headings in this Agreement are for convenience only and are not intended to be full or accurate descriptions of the contents thereof. They shall not be deemed to be part of this Agreement and shall not define, limit, extend or describe the scope or intent of any provisions hereof.

19. Counterparts. This Agreement may be executed in counterparts, each of which when so executed shall be an original, but each of which shall together constitute but one and the same instrument. Transmission by facsimile of executed counterparts of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

20. Governing Law. This Agreement shall be construed and governed in accordance with the laws of the State of California without regard to any conflict of laws provisions thereof. **THE ASSIGNOR AND THE ASSIGNEE HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY IN CONNECTION WITH ANY ACTION, PROCEEDING OR COUNTERCLAIM INSTITUTED IN RESPECT OF ANY MATTER ARISING IN CONNECTION WITH THIS AGREEMENT.** Assignee (i) agrees that, except to the extent that the Bankruptcy Court has exclusive jurisdiction, all actions and proceedings relating directly or indirectly to this Agreement to which Assignor is a party shall, at Assignor's option, be litigated in courts located within California, and that the exclusive venue therefor shall be Los Angeles County or the Federal District Court for the District of California of which Los Angeles County is a part; (ii) consents to the jurisdiction and venue of any such court and consents to service of process in any such action or proceeding by personal delivery or any other method permitted by law; and (iii) waives any and all rights Assignee may have to object to the jurisdiction of any such court, or to transfer or change the venue of any such action or proceeding.

IN WITNESS WHEREOF, the Assignor and the Assignee have duly executed this Agreement as of the date first above written.

GREYROCK CAPITAL, a Division of Banc
of America Commercial Finance Corporation

By: 
Name: Stephanie Weil
Title: Vice President

MONOTYPE SYSTEMS, INC.

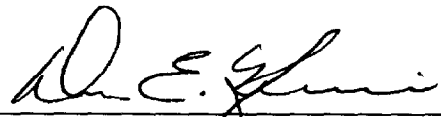
By: 
Name: Dennis E. Nieman
Title: President

EXHIBIT A

1. Amendment and Restated Loan and Security Agreement (“Loan Agreement”) between Greyrock Capital, a Division of Banc of America Commercial Finance Corporation (“Greyrock”) and PrePress Solutions, Inc. (“Borrower”) dated November 24, 1999.
2. Schedule to Loan Agreement between Greyrock and Borrower.
3. Secured Promissory Note in the original principal amount of \$2,750,000 made by Borrower to the order of Greyrock.
4. Reaffirmation Agreement between Greyrock and Borrower.
5. Certified Resolution and Incumbency Certificate of Borrower.
6. Trademark Security Agreement, dated as of October 27, 1995, between Borrower and Greyrock.
7. Trademark Security Agreement, dated as of October 27, 1995, between Direct Response Marketing, Inc and Greyrock.
8. Patent and Trademark Security Agreement, dated as of December 23, 1998, between Borrower and Greyrock.
9. Security Agreement and Copyrighted Works dated as of December 23, 1998 between Borrower and Greyrock.
10. Limited Continuing Guaranty executed by Monotype Systems, Inc. (“Monotype”) in favor of Greyrock with respect to Borrower.
11. Security Agreement between Monotype and Borrower.
12. Certified Resolution - Continuing Guaranty of Monotype.
13. Subordination Agreement executed by Iennco Industrial Holdings S.A. (“Iennco”) in favor of Greyrock with respect to Borrower.
14. UCC-3 Subordination Financing Statements filed with respect to UCC-1 filed against Borrower in favor of Iennco to recognize Subordination Agreement.
15. Confirmation of Security Interest by Borrower (with Consent to Assignment and No Offset Agreement, by Monotype, attached).
16. UCC-3 Amendment Financing Statement executed by Monotype in favor of Borrower and filed in the office of the Illinois Secretary of State (“Illinois Monotype Financing Statement”)
17. UCC-3 Assignment Financing Statement executed by Borrower in favor of Greyrock and filed in the office of the Illinois Secretary of State (“Illinois Financing Statement”)
18. UCC-1 Financing Statement executed by the Borrower in favor of Greyrock and filed in the office of the Massachusetts Secretary of State (“Massachusetts Secretary of State Financing Statement”)
19. UCC-1 Financing Statement executed by the Borrower in favor of Greyrock and filed in the office of the Clerk of Billerica, Massachusetts (“Billerica, Massachusetts Financing Statement”)