

01-29-2001

FORM PTO-1618A
Expires 06/30/99
OMB 0651-0027



U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK

101597666



RECORDATION FORM COVER SHEET TRADEMARKS ONLY

1-17-01

TO: The Commissioner of Patents and Trademarks: Please record the attached 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
Effective Date
Month Day Year
- Merger
- Change of Name
- Other

Conveying Party

Mark if additional names of conveying parties attached

Name

Execution Date
Month Day Year

Formerly

75 46 2387

- Individual General Partnership Limited Partnership Corporation Association
- Other
- Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKATA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

- Individual General Partnership Limited Partnership Association
- Corporation Association
- Other

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.)

- Citizenship/State of Incorporation/Organization

FOR OFFICE USE ONLY

01/26/2001 DBYRNE 00000158 75462387

01 FC: 481
02 FC: 482

40.00 OP
425.00 OP

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

TRADEMARK
REEL: 002221 FRAME: 0877

1-17-01

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)

Registration Number(s)

<input type="text" value="75462387"/>	<input type="text" value="75483172"/>	<input type="text" value="75509767"/>	<input type="text" value="1324069"/>	<input type="text" value="1647413"/>	<input type="text" value="1840312"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1291882"/>	<input type="text" value="1372179"/>	<input type="text" value="1209530"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1223136"/>	<input type="text" value="2196250"/>	<input type="text" value="2196252"/>

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.

Michael B. Hickman
Name of Person Signing

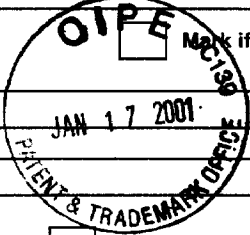
Michael B. Hickman
Signature

1/16/01
Date Signed

**RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY**

FORM PTO-1618C
Expires 06/30/99
OMB 0651-0027

U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK



Conveying Party

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship State of Incorporation/Organization

Receiving Party

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)
City State/Country Zip Code

Individual General Partnership Limited Partnership

Corporation Association

her

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 the Assignment.)

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)

Registration Number(s)

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**GRANT OF SECURITY INTEREST IN
PATENTS, TRADEMARKS AND LICENSES**

THIS GRANT OF SECURITY INTEREST IN PATENTS, TRADEMARKS AND LICENSES (herein the "Agreement") made as of December 29, 2000, by DIDDE WEB PRESS CORPORATION, a Kansas corporation and a Debtor-in-Possession in a reorganization proceeding under Chapter 11 of the Bankruptcy Code before the United States Bankruptcy Court for the District of Kansas (Bankruptcy Case No. 00-42776-11), with its principal place of business at 1200 Graphic Arts Road, Emporia, Kansas 66801-1088 (herein the "Company"), and The CIT Group/Business Credit, Inc., a New York corporation, with offices at 1211 Avenue of the Americas, New York, New York 10036 (herein "CITBC").

WITNESETH:

WHEREAS, the Company and CITBC are parties to a certain DIP Financing Agreement of even date herewith, which has been agreed to and guaranteed by Didde Corporation, a Kansas corporation and a Debtor-in-Possession in a reorganization proceeding under Chapter 11 of the Bankruptcy Code before the United States Bankruptcy Court for the District of Kansas (Bankruptcy Case No. 00-42777-11), 9095-4884 Quebec, Inc. and Didde International, Inc. (as it may hereafter be modified, supplemented, restated or replaced, the "Financing Agreement"), which Financing Agreement provides (i) for CITBC to make certain loans, advances and extensions of credit, all to or for the account of the Company and (ii) for the grant by the Company to CITBC of a security interest in certain of the Company's assets, including, without limitation, its patents, patent applications and/or registrations, trademarks, trademark applications and/or registrations, tradenames, goodwill and licenses, all as more fully set forth therein;

NOW THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, receipt and sufficiency of which is hereby acknowledged, the Company agrees as follows:

1. Definitions. Capitalized terms used herein and defined in the Financing Agreement shall have the meanings set forth therein unless otherwise specifically defined herein.
2. Grant of Security Interest. To secure the payment of the "Obligations" (as defined in the Financing Agreement), the Company hereby grants to CITBC a security interest, effective immediately, in all of the Company's right, title and interest in and to all of the following described property, whether now owned or hereafter acquired (collectively herein the "Intellectual Property Collateral"):
 - (i) Patents and patent applications and/or registrations together with the inventions and improvements described and claimed therein including, without limitation, the patents and applications, if any, listed on Schedule A, attached hereto and made a part hereof, and any and all reissues and renewals thereof and all income, royalties, damages and payments now and hereafter due and/or payable in connection therewith including,

without limitation, damages and payments for past or future infringements thereof (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Patent Collateral");

- (ii) Trademarks, trademark registrations and/or applications and tradenames including, without limitation, the trademarks and applications, if any, listed on Schedule B attached hereto and made a part hereof, and any and all reissues and/or renewals thereof, and all income, royalties, damages and payments now and hereafter due and/or payable in connection therewith including, without limitation, damages and payments for past or future infringements thereof (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Trademark Collateral");
- (iii) Any license agreement in which the Company is or becomes licensed to use any patents and/or trademarks owned by a third party including, without limitation, the licenses, if any, listed on Schedule C attached hereto and made a part hereof (all of the foregoing are sometimes referred to herein individually and/or collectively as the "License Collateral");
- (iv) The goodwill of the Company's business connected with and symbolized by the foregoing; and
- (v) All cash and non-cash proceeds of the foregoing.

3. CITBC's Rights. Upon the occurrence of any Event of Default hereunder, CITBC shall have all the rights and remedies of a secured party under the Uniform Commercial Code and any other applicable state or federal laws. CITBC will give the Company reasonable notice of the time and place of any public sale of the Intellectual Property Collateral or the time after which any private sale of the Intellectual Property Collateral or any other intended disposition thereof is to be made. Unless otherwise provided by law, the requirement of reasonable notice shall be met if such notice is mailed, postage prepaid to the address of the Company set forth above at least ten (10) days before the date of such sale or disposition. In addition to the foregoing and all other rights and remedies of CITBC upon the occurrence of any Event of Default hereunder, CITBC shall thereupon have the immediate right to transfer to itself or to sell, assign and transfer to any other person all right, title and interest in and to all or any part of the Intellectual Property Collateral. A formal irrevocable power of attorney (in the form annexed hereto) is being executed and delivered by the Company to CITBC concurrently with this Agreement to enable such rights to be carried out. The Company agrees that, in the event CITBC exercises its rights hereunder and/or pursuant to said power of attorney in accordance with its terms, after written notification of such exercise from CITBC to the Company, the Company shall never thereafter, without the prior written authorization of the owner or owners of such Intellectual Property Collateral, use any of such Intellectual Property Collateral. The condition of the foregoing provision is such that unless

and until there occurs an Event of Default under this Agreement, the Company shall continue to own and use the Intellectual Property Collateral in the normal course of its business and to enjoy the benefits, royalties and profits therefrom provided, however, that from and after the occurrence of an Event of Default such right will, upon the exercise by CITBC of the rights provided by this Agreement, be revoked and the right of the Company to enjoy the uses, benefits, royalties and profits of said Intellectual Property Collateral will wholly cease, whereupon CITBC or its transferee(s) shall be entitled to all of the Company's right, title and interest in and to the Intellectual Property Collateral hereby so assigned. This Agreement will not operate to place upon CITBC any duty or responsibility to maintain the Intellectual Property Collateral.

4. Fees. The Company will pay all filing fees with respect to the security interest created hereby which CITBC may deem necessary or advisable in order to perfect and maintain the perfection of its security interest in the Intellectual Property Collateral.
5. Representations and Warranties. The Company represents and warrants: that the Company lawfully possesses and owns the Intellectual Property Collateral and that except for the security interest granted hereby and a prior security interest in favor of CITBC, the Intellectual Property Collateral will be kept free from all liens, security interests, claims and encumbrances whatsoever; that the Company has not made or given any prior assignment, transfer or security interest in the Intellectual Property Collateral or any of the proceeds thereof except in favor of CITBC; that the Intellectual Property Collateral is and will continue to be, in all respects, in full force and effect; and that there are no known infringements of the Intellectual Property Collateral.
6. Application of Proceeds. The proceeds of any sale, transfer or disposition of the Intellectual Property Collateral shall be applied first to all costs and expenses, including, but not limited to, reasonable attorneys' fees and expenses and court costs, incurred by CITBC in connection with such sale and the exercise of CITBC's rights and remedies hereunder and under the Financing Agreement; next, such proceeds shall be applied to the payment, in whole or in part, of the Obligations due CITBC in such order as CITBC may elect; and the balance, if any, shall be paid to the Company or as a court of competent jurisdiction may direct.
7. Defense of Claims. The Company will defend at its own cost and expense any material action, claim or proceeding affecting the Intellectual Property Collateral or the interest of CITBC therein. The Company agrees to reimburse CITBC for all costs and expenses incurred by CITBC in defending any such action, claim or proceeding.
8. Rights Cumulative. This Agreement shall be in addition to the Financing Agreement and shall not be deemed to affect, modify or limit the Financing Agreement or any rights that CITBC has under the Financing Agreement. The

Company agrees to execute and deliver to CITBC (at the Company's expense) any further documentation or papers necessary to carry out the intent or purpose of this Agreement including, but not limited to, financing statements under the Uniform Commercial Code.

9. Construction and Invalidity. Any provisions hereof contrary to, prohibited by or invalid under any laws or regulations shall be inapplicable and deemed omitted herefrom, but shall not invalidate the remaining provisions hereof.
10. **CHOICE OF LAW. THE COMPANY AGREES THAT THE VALIDITY, INTERPRETATION AND ENFORCEMENT OF THIS AGREEMENT AND ALL RIGHTS HEREUNDER SHALL BE GOVERNED BY THE LAWS OF THE STATE OF NEW YORK. THIS AGREEMENT TOGETHER WITH THE FINANCING AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT OF THE COMPANY AND CITBC WITH RESPECT TO THE INTELLECTUAL PROPERTY COLLATERAL, CAN ONLY BE CHANGED OR MODIFIED IN WRITING AND SHALL BIND AND BENEFIT THE COMPANY, CITBC AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS. THE COMPANY AND CITBC EACH HEREBY EXPRESSLY WAIVES ANY RIGHT OF TRIAL BY JURY ON ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING HEREUNDER.**
11. Events of Default. Any of the following constitutes an Event of Default under this Agreement:
- (i) The Company fails to perform or observe any agreement, covenant or condition required under this Agreement;
 - (ii) Any warranty or representation made by Company, in this Agreement shall be or becomes false or misleading in any material respect; or
 - (iii) The occurrence of any Event of Default under the Financing Agreement which is not waived in writing by CITBC.
12. Notices. The Company covenants and agrees that, with respect to the Intellectual Property Collateral, it will give CITBC written notice in the manner provided in the Financing Agreement of:
- (i) any claim by a third party that the Company has infringed on the rights of a third party;
 - (ii) any suspected infringement by a third party on the rights of the Company; or
 - (iii) any Intellectual Property Collateral created, arising or acquired by the Company after the date hereof.

13. Further Assurances. The Company will take any such action as CITBC may reasonably require to further confirm or protect CITBC's rights under this Agreement in the Intellectual Property Collateral. In furtherance thereof, the Company hereby grants to CITBC a power of attorney coupled with an interest which shall be irrevocable during the term of this Agreement to execute any documentation or take any action in the Company's behalf required to effectuate the terms, provisions and conditions of this Agreement.
14. Termination. This Agreement shall terminate upon termination of the Financing Agreement and full, final and indefeasible payment of all Obligations of the Company thereunder. Upon the Company's request, CITBC shall within a reasonable time after any such termination execute and deliver to the Company (at the Company's expense) such documents and instruments as are reasonably necessary to evidence such termination and release of the security interest granted herein on any applicable public record.
15. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original, but all of such counterparts shall constitute but one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of December 29, 2000.

DIDDE WEB PRESS CORPORATION,
a Kansas corporation and Debtor-in-Possession in
Bankruptcy Case No. 00-42776-11 (Bankr. Dist. KS 2000)

By 
David C. Diddy, Chairman

Agreed and Accepted as of December 29, 2000.

THE CIT GROUP/BUSINESS CREDIT, INC.

By: _____

Name: _____

Title: _____

14. Termination. This Agreement shall terminate upon termination of the Financing Agreement and full, final and indefeasible payment of all Obligations of the Guarantor thereunder. Upon the Guarantor's request, CITBC shall within a reasonable time after any such termination execute and deliver to the Company (at the Guarantor's expense) such documents and instruments as are reasonably necessary to evidence such termination and release of the security interest granted herein on any applicable public record.
15. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original, but all of such counterparts shall constitute but one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of December 29, 2000.

DIDDE CORPORATION,
a Kansas corporation and Debtor-in-Possession in
Bankruptcy Case No. 00-42777-11 (Bankr. Dist. KS 2000)

By _____
David C. Diddy, President and Chief Executive Officer

Agreed and Accepted as of December 29,
2000

THE CIT GROUP/BUSINESS CREDIT, INC.

By _____
Peter L. Skavla

Name: _____
Peter L. Skavla

Title: _____
Vice President

STATE OF Missouri)
)
COUNTY OF Jackson) ss.

This instrument was acknowledged before me on December 29th, 2000, by David C. Didde, as the Chairman of Didde Web Press Corporation, a Kansas corporation and a debtor-in-possession in a reorganization proceeding under Chapter 11 of the Bankruptcy Code.

Constance J. Fisher
Print Name: Constance J. Fisher

Notary Public in and for said
County and State

My Commission Expires:
August 21, 2001

CONSTANCE J. FISHER
Notary Public - Notary Seal
STATE OF MISSOURI
Jackson County
My Commission Expires: Aug. 21, 2001

**SCHEDULE A TO GRANT OF SECURITY INTEREST IN PATENTS,
TRADEMARKS AND LICENSES**

between

DIDDE WEB PRESS CORPORATION

and

THE CIT GROUP/BUSINESS CREDIT, INC.

U.S. PATENTS

<u>Title</u>	<u>Patent No.</u>	<u>Issue Date</u>
Modular Offset Lithographic Printing Tower	4,616,564	10/14/86
Harmonic Phasing Device for Printing Press	4,363,270	12/14/82
Web Fed Printing Collator Processing Unit and Method	4,307,830	12/29/81
Apparatus for Changeover of Cylinders in Web Fed Printing Press	5,060,569	10/29/91
Printing Station with Toolless Changeable Plate Cylinder	4,378,411	11/09/80
Printing Press with Web Feed Metering System	5,636,567	06/10/97
Cutting Station for a Printing Press	5,806,418	09/15/98
Stripping Method and Apparatus for the Processing of a Continuous Laminated Web	4,346,855	08/31/82
Folding Apparatus and Method for Folding a Continuous Web	4,277,058	07/07/81
Pliable Anilox Roler	6,006,665	12/28/99
Open and Lay Flat Book and Method of Binding	09/122,917	07/27/98

**SCHEDULE B TO GRANT OF SECURITY INTEREST IN PATENTS,
TRADEMARKS AND LICENSES**

between

DIDDE WEB PRESS CORPORATION

and

THE CIT GROUP/BUSINESS CREDIT, INC.

U.S. TRADEMARKS

<u>Title or Mark</u>	<u>Registration No.</u>	<u>Registration Date</u>
ComPerfactor	1,324,069	03/12/85
Apollo	1,647,413	06/11/91
Ashton	1,840,312	06/21/94
Bind-All	1,291,882	08/28/84
Compu-Press	1,372,179	11/26/85
DGS 860-MCM	1,209,530	09/21/82
DGS 860	1,223,136	01/11/83
Didde Colortech	2,196,250	10/13/98
Didde Duratech	2,196,252	10/13/98
Gather-All	722,556	10/10/61
Minicom	1,192,017	03/16/82
Quad-Flow	1,162,467	07/28/81
Tandemer	736,371	08/21/62
Webcom 700	1,192,016	03/16/82
Webtron	1,041,178	06/15/76
BIC	75/462,387	04/06/98
Didde Vip Viper	75/483,172	05/04/99
Speed-Bind System	75/509,767	06/29/98

**SCHEDULE C TO GRANT OF SECURITY INTEREST IN PATENTS,
TRADEMARKS AND LICENSES**

between

DIDDE WEB PRESS CORPORATION

and

THE CIT GROUP/BUSINESS CREDIT, INC.

U.S. LICENSES

Registration Date

Name

Registration No.

NONE