

WRD

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Form PTO-1594 (Rev. 6-93)

3.1501



U.S. DEPARTMENT OF COMMERCE Patent and Trademark Office

To the Honorable Commissione

101654939

attached original documents or copy thereof.

1. Name of conveying party(ies):

Heath Custom Press Company

- Individual(s), Association, General Partnership, Limited Partnership, Corporation-State: Washington, Other

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

3. Nature of conveyance:

- Assignment, Merger, Security Agreement, Change of Name, Other

Execution Date: September 26, 2000

4. Application number(s) or registration number(s):

A. Trademark Application No.(s) 75/703,957

B. Trademark Registration No.(s)

Additional numbers attached? Yes No

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

Name: Paul T. Parker, Internal Address: Perkins Coie LLP, Street Address: 1201 Third Avenue, Suite 4800, City: Seattle, State: WA, ZIP: 98101

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, Charge any additional fees/credit any overpayment to Deposit Account No. 50-0665

8. Deposit account number: (Attach duplicate copy of this page if paying by deposit account)

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.

Paul T. Parker

Signature

Date 3/12/2001

Name of Person Signing

Signature

Date

04/02/2001 GTOM11 00000267 75703957

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

01 FC:481

40.00 DP

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

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Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information Systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project (0651-0011), Washington, D.C. 20503.

**AGREEMENT  
(Trademark)**

THIS AGREEMENT (TRADEMARK) (this "Agreement"), dated as of September 26, 2000, is among CONVERTECH, INC., a Washington corporation, BASELINE, INCORPORATED, a Washington corporation, 3 SIGMA LLC, a Washington limited liability company, HEATH CUSTOM PRESS COMPANY, a Washington corporation, and EVERETT PAD & PAPER COMPANY, a Washington corporation, (individually and collectively "Grantor"), and U.S. BANK NATIONAL ASSOCIATION ("Lender").

**WITNESSETH**

WHEREAS, pursuant to an Amended and Restated Credit Agreement dated as of September 26, 2000 (together with all amendments and other modifications, if any, from time to time thereafter made thereto, the "Credit Agreement"), among Grantor and Lender, Lender has committed to extend certain credit facilities to Grantor;

WHEREAS, Grantor has executed and delivered a Security Agreement, dated as of May 24, 2000 (together with all amendments and other modifications, if any, from time to time thereafter made thereto, the "Security Agreement");

WHEREAS, as a condition precedent to the making extensions of credit under the Credit Agreement, Grantor is required to execute and deliver this Agreement and to grant to Lender a continuing security interest in all of the Trademark Collateral (as defined below) to secure all of the Indebtedness secured under the Security Agreement ("Secured Obligations"); and

WHEREAS, Grantor has duly authorized the execution, delivery and performance of this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and in order to induce Lender to make the extensions of credit to Grantor pursuant to the Credit Agreement, Grantor agrees with Lender as follows:

**1. Definitions**

Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided in the Security Agreement.

**2. Grant of Security Interest**

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure all of the Secured Obligations, Grantor does hereby mortgage.

pledge and hypothecate to Lender, and grant to Lender a security interest in all of the following property (the "Trademark Collateral"), whether now owned or hereafter acquired or existing:

(a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, certification marks, collective marks, 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 in this clause (a) being collectively called a "Trademark"), now existing anywhere in the world or hereafter adopted or acquired, whether currently in use or not; and all common law rights thereto, all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications in the United States Patent and Trademark office or in any office or agency of the United States of America or any State thereof or any foreign country, including those referred to in Attachment I hereto;

(b) all Trademark licenses, including each Trademark license referred to in Attachment I hereto;

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

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

(e) all proceeds of, and rights associated with, the foregoing, including any claim by Grantor against third parties for past, present, or future infringement or dilution of any Trademark, Trademark registration or Trademark license, including any Trademark, Trademark registration or Trademark license referred to in Attachment I hereto, or for any injury to the goodwill associated with the use of any Trademark or for breach or enforcement of any Trademark license.

### **3. Security Agreement**

This Agreement has been executed and delivered by Grantor for the purpose of registering the security interest of Lender in the Trademark Collateral with the United States Patent and Trademark Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to Lender under the Security Agreement. The Security Agreement (and all rights and remedies of Lender thereunder) shall remain in full force and effect in accordance with its terms.

### **4. Release of Security Interest**

Upon payment in full of all Secured Obligations and the termination of all commitments of Lender to lend to Grantor, Lender shall, at Grantor's expense, execute and

deliver to Grantor all instruments and other documents as may be necessary or proper to release the lien on and security interest in the Trademark Collateral which has been granted hereunder.

## **5. Acknowledgment**

Grantor does hereby further acknowledge and affirm that the rights and remedies of Lender with respect to the security interest in the Trademark Collateral granted hereby 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.

## **6. Related Document, Etc.**

This Agreement is a Related Document executed pursuant to the Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Credit Agreement.

## **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.

*[The remainder of this page is intentionally left blank.]*

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

**GRANTOR:**

CONVERTECH, INC., a Washington corporation

By *Grant L. Beck*  
Name: GRANT L. BECK  
Title: Chairman of the Board

BASE-LINE, INCORPORATED, a Washington corporation

By *Grant L. Beck*  
Name: GRANT L. BECK  
Title: Chairman + CEO

3 SIGMA LLC, a Washington limited liability company


By: ConverTech, Inc., its manager

By *Grant L. Beck*  
Name: GRANT L. BECK  
Title: Chairman of the Board

HEATH CUSTOM PRESS COMPANY, a Washington corporation

By *Grant L. Beck*  
Name: GRANT L. BECK  
Title: Chairman of the Board

EVERETT PAD & PAPER COMPANY, a  
Washington corporation

By   
Name: GRANT L BELK  
Title: Chairman

Notice Address:

5103 "D" Street NW  
Auburn, WA 98001  
Attention: John R. Holding  
Facsimile No.: ( ) \_\_\_\_\_

**LENDER:**

U.S. BANK NATIONAL ASSOCIATION

By   
Larry Van Ness, Vice President

Notice Address:

10800 NE Eighth Street, Suite 1000  
Bellevue, Washington 98004  
Attention: Western Washington Corporate Banking  
Facsimile No.: (425) 450-5709