

11-27-2001

Form PTO-1594 (Rev. 03/01) R  
OMB No. 0651-0027 (exp. 5/31/2002)



U.S. DEPARTMENT OF COMMERCE  
U.S. Patent and Trademark Office

Tab settings ⇨ ⇨ ⇨ ▼

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

1. Name of conveying party(ies):

Teepak Properties, LLC

11-7-01

- Individual(s)
- General Partnership
- Corporation-State
- Other Limited Liability Company
- Association
- Limited Partnership

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

3. Nature of conveyance:

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

Execution Date: October 31, 2001

2. Name and address of receiving party(ies)

Name: LaSalle Business Credit, Inc.

Internal  
Address: \_\_\_\_\_

Street Address: 135 South LaSalle Street,  
City: Chicago State: IL Suite: 425 Zip: 60603

- Individual(s) citizenship \_\_\_\_\_
- Association \_\_\_\_\_
- General Partnership \_\_\_\_\_
- Limited Partnership \_\_\_\_\_
- Corporation-State Delaware
- Other \_\_\_\_\_

If assignee is not domiciled in the United States, a domestic representative designation is attached:  Yes  No  
(Designations must be a separate document from assignment)  
Additional name(s) & address(es) attached?  Yes  No

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

A. Trademark Application No.(s)

0577647

B. Trademark Registration No.(s)

See attached

Additional number(s) attached  Yes  No

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

Name: Goldberg Kohn, et al.

Internal Address: Elizabeth Kostiuik

6. Total number of applications and registrations involved: \_\_\_\_\_

16

7. Total fee (37 CFR 3.41).....\$ 415.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number: \_\_\_\_\_

(Attach duplicate copy of this page if paying by deposit account)

11/27/2001 OWNED1 00000014 0577647  
01 FC:441 40.00 OP  
02 FC:442 375.00 OP

Street Address: 55 E. Monroe Street  
Suite 3700

City: Chicago State: IL Zip: 60603

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.

Elizabeth Kostiuik  
Name of Person Signing

Elizabeth Kostiuik  
Signature

11-6-01

Date

Total number of pages including cover sheet, attachments, and document: 9

Mail documents to be recorded with required cover sheet information to:  
Commissioner of Patent & Trademarks, Box Assignments  
Washington, D.C. 20231

TRADEMARK  
REEL: 002399 FRAME: 0136

**SCHEDULE A**

**U. S. TRADEMARKS**

<b>MARK</b>	<b>APPLICATION NO/ FILING DATE</b>	<b>REG. NO./ REG. DATE</b>	<b>STATUS</b>
CMVP	71/633129 07/26/52	0577647 07/21/53	REGISTERED
DELI-SIZER	75/470007 04/20/98	2266788 08/03/99	REGISTERED
FASERIN	73/114634 02/04/77	1076425 11/01/77	REGISTERED
RAPID PEEL	73/410807 01/24/83	1309024 12/11/84	REGISTERED
REDI-REEL	73/455545 12/05/83	1301692 10/23/84	REGISTERED
REEL-PAK	73/471732 03/22/84	1325458 03/19/85	REGISTERED
RP	72/413600 01/24/72	0973148 11/20/73	REGISTERED
SECUREX	72/224809 08/02/65	0821394 01/03/67	REGISTERED
SMOK-E	74/538773 06/17/94	1913332 08/22/95	REGISTERED
T-SHIRR	73/299075 02/27/81	1219980 12/14/82	REGISTERED
T-SIZER	73/650521 03/20/87	1459850 10/06/87	REGISTERED
TEEPAK & design	73/621507 09/22/86	1436411 04/14/87	REGISTERED
TEEPAK	73/457049 12/14/83	1312328 01/01/85	REGISTERED
TEEPAK	73/431193 6/20/83	1282446 6/19/84	REGISTERED
WIENIE-PAK	71/567105 10/16/48	0547415 09/04/51	REGISTERED
ZERO TIME	75/435956 02/18/98	2277443 09/14/99	REGISTERED

## TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "**Agreement**") made as of this 31st day of October, 2001, by TEEPAK PROPERTIES, LLC, a Delaware limited liability company with an office at 1011 Warrenville Road, Suite 255, Lisle, Illinois 60532 ("**Grantor**") in favor of LASALLE BUSINESS CREDIT, INC., a Delaware corporation with an office at 135 South LaSalle Street, Suite 425, Chicago, Illinois 60603 ("**Lender**"):

### W I T N E S S E T H

WHEREAS, Teepak, LLC, a Delaware limited liability company ("**Borrower**") and Lender are parties to that certain Loan and Security Agreement of even date herewith (as amended, amended and restated or otherwise modified from time to time, the "**Loan Agreement**") and other related loan documents of even date herewith, which loan documents provide for Lender to, from time to time, extend credit to or for the account of Borrower;

WHEREAS, as a condition to Lender's agreement to provide working capital to Borrower, Lender has required that Grantor guaranty the obligations of Borrower to Lender pursuant to that certain Continuing Unconditional Guaranty, dated October 31, 2001 (the "**Guaranty**") and grant security interests in substantially all of its assets to Lender as collateral for such guaranty, including, without limitation, its trademarks and trademark applications pursuant to that certain Security Agreement dated October 31, 2001 (the "**Security Agreement**"; together with the Guaranty, as each may be amended or otherwise modified from time to time, the "**Financing Agreements**");

WHEREAS, Grantor is a subsidiary of Borrower and will derive financial benefit from the continued financing of Borrower;

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

1. Incorporation of Financing Agreements. The Financing Agreements and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All capitalized terms used herein but not otherwise defined herein shall have the meanings specified therefor in the Security Agreement.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the complete and timely payment and satisfaction of the Liabilities, Grantor hereby grants to Lender, and hereby reaffirms its prior grant pursuant to the Financing Agreements of, a continuing security interest in Grantor's entire right, title and interest in and to all of its now owned or existing and hereafter acquired or arising trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other business identifiers, prints and labels on which any of the foregoing have appeared or appear, all registrations and recordings thereof, and all applications (other than

"intent to use" applications until a verified statement of use is filed with respect to such applications) in connection therewith, including, without limitation, the U.S. trademark registrations and U.S. trademark applications listed on Schedule A attached hereto and made a part hereof and the trademarks, and renewals thereof, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "**Trademarks**"); and all rights corresponding to any of the foregoing throughout the world and the goodwill of the Grantor's business connected with the use of and symbolized by the Trademarks.

3. Warranties and Representations. Grantor warrants and represents to Lender that:

(i) no material Trademark has been adjudged invalid or unenforceable by a court of competent jurisdiction nor has any such Trademark been cancelled, in whole or in part and each such Trademark is presently subsisting;

(ii) except as set forth on Schedule A attached hereto, Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each material Trademark free and clear of any liens, charges and encumbrances (other than pursuant to this Agreement) except as disposed of or terminated to the extent permitted by the Loan Agreement;

(iii) Grantor has no knowledge of any suits or actions commenced or threatened with reference to any material Trademark; and

(iv) Grantor has the unqualified right to execute and deliver this Agreement and perform its terms.

4. Restrictions on Future Agreements. Grantor agrees that until Grantor's Liabilities shall have been satisfied in full and the Financing Agreements shall have been terminated, Grantor shall not, without the prior written consent of Lender, sell or assign its interest in any Trademark or enter into any other agreement (other than licenses granted to third Persons in the ordinary course of business not interfering in any material respect with the business of the Borrower or any of its Subsidiaries) with respect to any Trademark which would affect the validity or enforcement of the rights transferred to Lender under this Agreement.

5. New Trademarks. Grantor represents and warrants that, based on a diligent investigation by Grantor, the Trademarks listed on Schedule A constitute all of the United States federally registered Trademarks, and United States federal applications for registration of Trademarks (other than "intent to use" applications until a verified statement of use is filed with respect to such applications) now owned by Grantor. If, before Grantor's Liabilities shall have been satisfied in full or before the Financing Agreements have been terminated, Grantor

shall (i) become aware of any existing Trademarks of which Grantor has not previously informed Lender or (ii) become entitled to the benefit of any Trademarks, which benefit is not in existence on the date hereof, the provisions of this Agreement above shall automatically apply thereto and Grantor shall give to Lender prompt written notice thereof. Grantor hereby authorizes Lender to modify this Agreement by amending Schedule A to include any such Trademarks.

6. Term; Royalties. The term of this Agreement shall extend until the payment in full of Grantor's Liabilities (other than contingent obligations of Borrower with respect to indemnities which survive termination of this Agreement) and the termination of the Financing Agreements. Grantor agrees that upon the occurrence of an Event of Default, the use by Lender of all Trademarks shall be without any liability for royalties or other related charges from Lender to Grantor.

7. Product Quality. Grantor agrees to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with commercially reasonable business practices. Upon the occurrence of an Event of Default, Grantor agrees that Lender, or a conservator appointed by Lender, shall have the right to establish such additional product quality controls as Lender, or said conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Grantor under the Trademarks.

8. Release of Agreement. This Agreement is made for collateral purposes only. Upon payment in full of Grantor's Liabilities (other than contingent obligations of Borrower with respect to indemnities which survive termination of this Agreement) and termination of the Financing Agreements, this Agreement shall automatically terminate and Lender shall take such actions as may be necessary or proper to evidence the termination of the security interests created hereby and pursuant to the Financing Agreements.

9. Expenses. All expenses incurred in connection with the performance of any of the agreements set forth herein shall be borne by Grantor. All fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by Lender in connection with the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or otherwise in protecting, maintaining or preserving the Trademarks or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks shall be borne by and paid by Grantor and until paid shall constitute Liabilities.

10. Duties of Grantor. Grantor shall have the duty (i) to file and prosecute diligently any trademark applications pending as of the date hereof or hereafter until Grantor's Liabilities shall have been paid in full (other than contingent obligations of Borrower with respect to indemnities which survive termination of this Agreement) and the Financing Agreements have been terminated (other than with respect to any such trademark application that relates to a Trademark that is no longer used or useful in the business of the Borrower or whose minimal value does not reasonably justify the cost of filing or prosecuting such

application), (ii) to preserve and maintain all rights in the Trademarks, as commercially reasonable and (iii) to ensure that the Trademarks are and remain enforceable, as commercially reasonable. Any expenses incurred in connection with Grantor's Liabilities under this Section 10 shall be borne by Grantor.

11. Lender's Right to Sue. During an Event of Default, Lender shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks and, if Lender shall commence any such suit, Grantor shall, at the request of Lender, do any and all lawful acts and execute any and all proper documents required by Lender in aid of such enforcement and Grantor shall promptly, upon demand, reimburse and indemnify Lender for all costs and expenses incurred by Lender in the exercise of its rights under this Section 11.

12. Waivers. No course of dealing between Grantor and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, any right, power or privilege hereunder or under the Financing Agreements shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

13. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

14. Modification. This Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 5 hereof or by a writing signed by the parties hereto.

15. Cumulative Remedies; Power of Attorney; Effect on Financing Agreements. All of Lender's rights and remedies with respect to the Trademarks, whether established hereby or by the Financing Agreements, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Grantor hereby authorizes Lender upon the occurrence and continuance of an Event of Default, to make, constitute and appoint any officer or agent of Lender as Lender may select, in its sole discretion, as Grantor's true and lawful attorney-in-fact, with power to (i) endorse Grantor's name on all applications, documents, papers and instruments necessary or desirable for Lender in the use of the Trademarks or (ii) take any other actions with respect to the Trademarks as Lender deems to be in the best interest of Lender, or (iii) grant or issue any exclusive or non-exclusive license under the Trademarks to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until Grantor's Liabilities (other than contingent obligations of Borrower with respect to indemnities which survive termination of this Agreement) shall have been paid in full and the Financing Agreements have been terminated. Grantor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Lender under the Financing Agreements but rather is intended to facilitate the exercise of such rights and remedies. Lender shall have, in addition

to all other rights and remedies given it by the terms of this Agreement and the Financing Agreements, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in Illinois.

16. Binding Effect; Benefits. This Agreement shall be binding upon Grantor and its respective successors and assigns, and shall inure to the benefit of Lender, its successors, nominees and assigns.

17. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois and applicable federal law.

18. Headings. Paragraph headings used herein are for convenience only and shall not modify the provisions which they precede.

19. Further Assurances. Grantor agrees to execute and deliver such further agreements, instruments and documents, and to perform such further acts, as Lender shall reasonably request from time to time in order to carry out the purpose of this Agreement and agreements set forth herein.

20. Survival of Representations. All representations and warranties of Grantor contained in this Agreement shall survive the execution and delivery of this Agreement and shall be remade on the date of each borrowing under the Financing Agreements.

IN WITNESS WHEREOF, Grantor has duly executed this Agreement as of the date first written above.

TEEPAK PROPERTIES, LLC

By Paul J. Murphy  
Title President

Agreed and Accepted  
As of the Date First Written Above

LASALLE BUSINESS CREDIT, INC.

By Michelle B. [Signature]  
Title 1st VP



**SCHEDULE A****U. S. TRADEMARKS**

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