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



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

Tab settings

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

1. Name of conveying party(ies):  
Marcal Paper Mills, Inc.

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

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

3. Nature of conveyance:

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

Execution date: December 17, 2001

2. Name and address of receiving party(ies):

Name: American Capital Financial Services, Inc. as "Agent"

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

Street Address: 2 Metro Center, Suite 1400

City: Bethesda State: MD Zip: 20814

- 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

FINANCE SECTION  
2002 APR 24 PM 1:43

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

A. Trademark Application No.(s)

751/2778

See Schedule I

B. Trademark Registration No.(s)

See Schedule I

Additional number(s) attached  Yes  No

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

Name: Eric Brotman

Internal Address: Weil, Gotshal & Manges LLP

Street Address: 767 5th Avenue

City: New York State: NY Zip: 10153

6. Total number of applications and registrations involved: 76

7. Total fee (37 CFR 3.41): \$ 1915.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number: 23-0800

(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.

Phyllis Eremitaggio  
Name of Person Signing

Phyllis Eremitaggio  
Signature

April 24, 2002  
Date

05/10/2002 LWJELLER 00000123 230800 75112728

Total number of pages including cover sheet, attachments, and document: 13

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

01 FC:481 40.00 CH  
02 FC:482 1875.00 CH

**SCHEDULE I****TRADEMARKS**

	<b>Trademark</b>	<b>Status</b>	<b>Registration Number</b>	<b>Serial Number</b>
1.	KAOFIN	REGISTERED	R2122948	75-112728
2.	WORK FORCE	RENEWED	R1089580	73-126467
3.	"KINDER TO THE ENVIRONMENT"	REGISTERED	R1718087	74-234376
4.	ASPEN	REGISTERED	R1551844	73-662099
5.	AT HOME & IN THE OFFICE	REGISTERED	R2305579	75-497306
6.	BELLA	RENEWED	R1027037	72-464418
7.	BELLA	RENEWED	R861511	72-280805
8.	BUY THE BUNDLE	RENEWED	R1672586	74-138864
9.	BY THE BUNDLE	REGISTERED	R1414918	73-535193
10.	CAMELLIA	RENEWED	R706678	72-090539
11.	CAMELLIA	RENEWED	R833704	72-242370
12.	CAMELLIA	RENEWED	R847872	72-267835
13.	CENT-SIBLES	REGISTERED	R1287907	73-435251
14.	CLEAR-PAC	REGISTERED	R1269842	73-412089
15.	COMPLIMENTS	REGISTERED	R1431088	73-609573
16.	DECO LEAF	REGISTERED	R1446365	73-629158
17.	DOLLAR-WISE	REGISTERED	R2067894	75-002525
18.	DOLLAR-WISE	REGISTERED	R2112472	75-228844
19.	DRAW AND STORE	RENEWED	R1634789	73-792634
20.	DUO-TONE	RENEWED	R784859	72-194812
21.	EASY REACH	REGISTERED	R1412269	73-556823
22.	EASY REACH	REGISTERED	R2221794	75-458798
23.	ECONO-GARD	REGISTERED	R1394050	73-563534
24.	ECOPAC	REGISTERED	R1176179	73-273783
25.	ECOPAC	REGISTERED	R1854174	74-359570
26.	ECO	RENEWED	R950808	72-407003
27.	EMPIRE	REGISTERED	R1505884	73-714337
28.	FLORENTINE	RENEWED	R843719	72-271716
29.	FLORENTINE	RENEWED	R866387	72-296334

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30.	FLUFF OUT	RENEWED	R791037	72-083112
31.	FLUFFY	REGISTERED	R2193172	75-241018
32.	FLUFFY	REGISTERED	R2261398	75-241019
33.	HUCK	RENEWED	R822890	72-244234
34.	KITCHEN CHARM	RENEWED	R309329	71-340091
35.	MADEIRA	RENEWED	R800711	72-183080
36.	MARCAL HANKIES	RENEWED	R589555	71-621476
37.	MARCALCULATE	REGISTERED	R1757626	74-138865
38.	MARCAL	RENEWED	R372674	71-421091
39.	MARCAL	RENEWED	R425272	71-491662
40.	MARCAL	RENEWED	R501134	71-506761
41.	MARCAL	RENEWED	R573133	71-613470
42.	MARCAL	RENEWED	R667115	72-040134
43.	MARCAL	RENEWED	R723441	72-115933
44.	MARCAL	RENEWED	R949162	72-404016
45.	PAPER FROM PAPER NOT FROM TREES 100%	REGISTERED	R2036006	74-595972
46.	PAPER FROM PAPER NOT FROM TREES 100% RECYCLED WITHOUT CHLORINE BLEACHING	REGISTERED	R1977939	74-632385
47.	POLY-CASE	REGISTERED	R1265703	73-354916
48.	PROFESSIONALS IN THE ART OF TABLE PRESENTATION	REGISTERED	R1670197	74-034470
49.	PSP	REGISTERED	R1446374	73-630934
50.	PST	RENEWED	R703265	72-085020
51.	PURSE 'N POCKET	RENEWED	R1627099	74-038134
52.	QUALITY AWAY FROM HOME	REGISTERED	R2491 129	75-584786
53.	RIP-RAP	RENEWED	R762770	72-164639
54.	ROLPAC	REGISTERED	R1386762	73-527295
55.	SANI-HANKS	RENEWED	R582691	71-623866
56.	SERVI-ETAS	RENEWED	R1117267	73-180678
57.	SERVICE	REGISTERED	R1990175	75-002521

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58.	SNAPACK	REGISTERED	R2179159	75-137829
59.	SNOW LILY	RENEWED	R723888	72-115820
60.	SOFPAC	RENEWED	R1036445	72-447159
61.	SST	REGISTERED	R1349339	73-516626
62.	STICK 'N LIFT	REGISTERED	R1235071	73-384969
63.	SUNRISE	RENEWED	R348723	71-390329
64.	SUNRISE	REGISTERED	R1237287	73-380445
65.	TIP 'N STAY	REGISTERED	R2029191	74-624262
66.	TISSUES "FLUFF-OUT" ONE AT A TIME"	RENEWED	R736181	72-125312
67.	TUXEDO	REGISTERED	R1443140	73-629159
68.	WORKFORCE	REGISTERED	R1174196	73-269107
69.	WORKFORCE	REGISTERED	R1847360	74-373354
70.	WORKFORCE	REGISTERED	R2010772	74-586235
71.	YELLOW ALERT	RENEWED	R1087719	73-114723
72.	**DESIGN ONLY**	RENEWED	R722710	72-097405
73.	WORKFORCE	REGISTERED	R2132053	75-163782
74.	MARCAL PLANT-A-TREE PROGRAM	REGISTERED	R1707372	74-065264
75.	PAPER FROM PAPER NOT FROM TREES	REGISTERED	R1595334	73-825,616
76.	KAOBED	REGISTERED	R2431471	75-929,398

# TRADEMARK SECURITY AGREEMENT

**TRADEMARK SECURITY AGREEMENT**, dated as of December 17, 2001, by Marcal Paper Mills, Inc. (the "*Grantor*"), in favor of American Capital Financial Services, Inc. ("*ACFS*"), as agent for the Purchasers (as defined in the Purchase Agreement referred to below) (in such capacity, the "*Agent*").

## WITNESSETH:

WHEREAS, pursuant to the Note Purchase Agreement, dated as of December 17, 2001 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "*Purchase Agreement*") among the Grantor, the Purchasers party thereto and ACFS, as agent for the Purchasers, the Purchasers have severally agreed to purchase certain Notes upon the terms and subject to the conditions set forth therein; and

WHEREAS, the Grantor is party to a Security Agreement of even date herewith in favor of the Agent (the "*Security Agreement*") and the Grantor is required to execute and deliver this Trademark Security Agreement pursuant to the Security Agreement and the Purchase Agreement;

NOW, THEREFORE, in consideration of the premises and to induce the Purchasers and the Agent to enter into the Purchase Agreement and to induce the Purchasers to purchase the Notes thereunder, each Grantor hereby agrees with the Agent as follows:

**SECTION 1. Defined Terms.** Unless otherwise defined herein, terms defined in the Purchase Agreement or in the Security Agreement and used herein have the meaning given to them in the Purchase Agreement or the Security Agreement.

**SECTION 2. Grant of Security Interest in Trademark Collateral** The Grantor, as collateral security for the full, prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of the Obligations of the Grantor, hereby collaterally assigns, conveys, mortgages, pledges, hypothecates and transfers to the Agent for the benefit of the Purchasers, and grants to the Agent for the benefit of the Purchasers a lien on and security interest in, all of its right, title and interest in, to and under the following Collateral of Grantor (the "*Trademark Collateral*"):

(a) all of its Trademarks and Trademark Licenses to which it is a party, including those referred to on *Schedule I* hereto;

(b) all reissues, continuations or extensions of the foregoing;

(c) all goodwill of the business connected with the use of, and symbolized by, each Trademark and each Trademark License; and

(d) all proceeds of the foregoing, including any claim by the Grantor against third parties for past, present, future (i) infringement or dilution of any Trademark or Trademark licensed under any Trademark License or (ii) injury to the goodwill associated with any Trademark or any Trademark licensed under any Trademark License.

As used herein, the following terms shall have the following meanings:

*“Trademark”* means (a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source or business identifiers, and all goodwill associated therewith, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, whether in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, or otherwise, and all common-law rights related thereto, and (b) the right to obtain all renewals thereof.

*“Trademark License”* means any agreement, whether written or oral, providing for the grant by or to the Grantor of any right to use any Trademark.

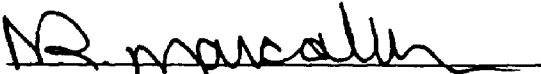
SECTION 3. **Security Agreement**. The security interest granted pursuant to this Trademark Security Agreement is granted in conjunction with the security interest granted to the Agent pursuant to the Security Agreement and the Grantor hereby acknowledges and affirms that the rights and remedies of the Agent with respect to the security interest in the Trademark Collateral 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.

[signature page follows]

IN WITNESS WHEREOF, the Grantor has caused this Trademark Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.


Very truly yours,

MARCAL PAPERS MILLS, INC

By:   
Nicholas R. Marcalus  
President

Accepted and Agreed:

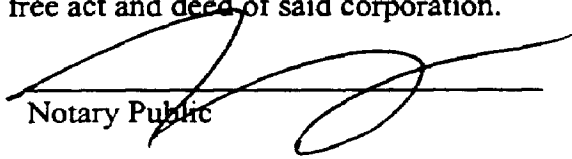
AMERICAN CAPITAL FINANCIAL SERVICES, INC.,  
as Agent

By:   
Kenneth E. Jones  
Title: V.P.

ACKNOWLEDGEMENT OF GRANTOR

STATE OF New York )  
COUNTY OF New York ) ss.

On this 14<sup>th</sup> day of December, 2001 before me personally appeared Nicholas R. Marcalus proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of Marcal Papers Mills, Inc., who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

  
Notary Public

JOHN ELLSWORTH  
Notary Public, State of New York  
No. 01EL4995735  
Qualified in New York County  
Commission Expires June 6, 2002



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