



01-22-2003



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

PTO-1594
(10/02)
OMB No. 0651-0027 (exp. 6/30/2005)
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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):

Modus Media International, Inc. **1.14.03**

- Individual(s)
- General Partnership
- Corporation-State
- Other Delaware
- 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: 1/9/03

2. Name and address of receiving party(ies)

Name: U.S. Bank National Association

Internal Address: _____

Street Address: 2 Avenue de Lafayette

City: Boston State: MA Zip: 02110

- Individual(s) citizenship _____
- Association National Banking Association (US)
- General Partnership _____
- Limited Partnership _____
- Corporation-State _____
- 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) _____

B. Trademark Registration No.(s) 75930118

Additional number(s) attached Yes No

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

Name: Joanne Wolforth

Internal Address: Ropes & Gray

Street Address: 1 International Place

City: Boston State: MA Zip: 02110

6. Total number of applications and registrations involved: 6

7. Total fee (37 CFR 3.41).....\$ 150

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number:

18-1945

DO NOT USE THIS SPACE

9. Signature.

Paul J. LePore

Name of Person Signing

Signature

1/14/03

Date

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

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

01/21/2003 6TOM11 00000152 181945 75930118

01 FC:8521 40.00 CH
02 FC:8522 125.00 CH

TRADEMARK
REEL: 002652 FRAME: 0845

**SCHEDULE A
TO TRADEMARK SECURITY AGREEMENT**

Trademark Name	Country	Owner	Classes	Status	Application/ Number/ Filing Date	Registration Number/ Date	Renewal Date
MMI (AND DESIGN)	USA	Modus Media International, Inc.	040	Registered	75/930118 2/11/00	2461359 6/19/01	6/19/11
MMI (AND DESIGN)	USA	Modus Media International, Inc.	035	Registered	75/930117 2/11/00	2516520 12/11/01	12/11/11
MODUS	United Kingdom	Modus Media International, Inc.	035	Registered	1285508 10/01/86	1285508 10/22/93	10/01/07
MODUS MEDIAL INTERNATIONAL (AND 2-LINE DESIGN)	Australia	Modus Media International, Inc.	035, 039, 040, 042	Registered	805144 8/26/99	805144 4/30/01	8/26/09
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	Benelux	Modus Media International, Inc.	035, 039, 042	Registered	0944784 8/24/99	0665922 8/02/00	8/24/09
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	China	Modus Media International, Inc.	035	Registered	9900116354 9/28/99	1475939 11/14/00	11/14/10
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	China	Modus Media International, Inc.	042	Registered	9900116355 9/28/99	1483337 11/28/00	11/28/10

Trademark Name	Country	Owner	Classes	Status	Application/ Number/ Filing Date	Registration Number/ Date	Renewal Date
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	France	Modus Media International, Inc.	035, 042	Registered	99808763 8/20/99	99808763 8/20/99	8/20/09
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	Ireland	Modus Media International, Inc.	035, 040, 042	Registered	99/2857 8/18/99	218084 10/8/01	8/18/09
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	Japan	Modus Media International, Inc.	035, 039, 040	Pending	11-75190 8/20/99		
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	Republic of Korea	Modus Media International, Inc.	035, 039, 042	Registered	99- 1482[B/8] 10/6/99	66545 2/21/01	2/20/11
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	Malaysia	Modus Media International, Inc.	035	Published	99/08575 9/2/99		
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	Malaysia	Modus Media International, Inc.	040	Published	99/08574 9/2/99		
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	Mexico	Modus Media International, Inc.	042	Registered	453436 10/18/00	716954 9/27/01	10/18/10
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	Mexico	Modus Media International, Inc.	035	Registered	453437 10/18/00	715614 9/24/01	10/18/10

Trademark Name	Country	Owner	Classes	Status	Application/ Number/ Filing Date	Registration Number/ Date	Renewal Date
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	Singapore	Modus Media International, Inc.	035	Pending	T99/088611 8/18/99		
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	Singapore	Modus Media International, Inc.	040	Registered	T99/08862G 8/18/99	T99/08862G 4/30/99	4/30/09
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	Taiwan	Modus Media International , Inc.	035	Registered	88-041552 8/23/99	147092 8/16/01	8/16/11
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	Taiwan	Modus Media International , Inc.	040	Registered	88-041551 8/23/99	141264 4/1/01	3/31/11
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	Taiwan	Modus Media International , Inc.	042	Registered	89023502 4/28/00	146266 7/16/01	7/15/11
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	United States	Modus Media International , Inc.	040	Registered	75/695636 4/30/99	2413647 12/19/00	12/19/10
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	United Kingdom	Modus Media International , Inc.	035, 040	Registered	2208494 9/13/99	2208494 2/1/02	9/13/09

Trademark Name	Country	Owner	Classes	Status	Application/ Number/ Filing Date	Registration Number/ Date	Renewal Date
MODUS MEDIA INTERNATIONAL (AND 2-LINE DESIGN)	USA	Modus Media International , Inc.	035	Registered	75/695634 4/30/99	2401568 11/7/00	11/7/10
MODUS MEDIA INTERNATIONAL (AND 3-LINE DESIGN)	USA	Modus Media International , Inc.	040	Registered	75/695635 4/30/99	2399426 10/31/00	10/31/10
MODUS MEDIA INTERNATIONAL (AND 3-LINE DESIGN)	USA	Modus Media International , Inc.	035	Registered	75/695633 4/30/99	2401567 11/7/00	11/7/10

This instrument is subject to a Subordination and Intercreditor Agreement, dated as of January 9, 2003 (the "Intercreditor Agreement"), among Modus Media International, Inc., Modus Media, Inc., Citicorp USA, Inc., as administrative agent for the senior creditors referred to therein and U.S. Bank National Association, as collateral agent for the subordinated creditors referred to therein, and other parties from time to time party thereto. This instrument and the security interests securing payment and performance of this instrument are subordinated in right and time of payment to the prior payment in full in cash of all Senior Debt (as defined in the Intercreditor Agreement) in accordance with, and to the extent specified in, the Intercreditor Agreement, and each holder of this instrument, by its acceptance hereof, irrevocably agrees to be bound by the terms and provisions of the Intercreditor Agreement. This instrument is also subject to the restrictions on transfer set forth in the Intercreditor Agreement.

Modus Media, Inc.

Trademark Security Agreement

THIS TRADEMARK SECURITY AGREEMENT (as the same may be amended, restated, supplemented or otherwise modified from time to time, this "Agreement"), dated as of January 9, 2003 is made by MODUS MEDIA INTERNATIONAL, INC., a Delaware corporation ("Grantor") in favor of U.S. BANK NATIONAL ASSOCIATION, in its capacity as collateral agent (with its successors and permitted assigns in such capacity, the "Collateral Agent") for the Investors (as defined below) in connection with the (a) Domestic Note Purchase Agreement of even date herewith among the Parent, the Domestic Borrower, the investors from time to time party thereto (collectively, the "Investors"), and the Collateral Agent (as amended, restated, supplemented or otherwise modified from time to time, the "Domestic Note Purchase Agreement") and (b) Foreign Note Purchase Agreement of even date herewith among MODUS MEDIA INTERNATIONAL LIMITED, a company incorporated under the laws of England and Wales ("MMI-UK"), MODUS MEDIA INTERNATIONAL PTE. LTD., a company organized under the laws of Singapore ("MMI-Singapore"), MODUS MEDIA INTERNATIONAL IRELAND (HOLDINGS), a company organized under the laws of Ireland ("MMI-Ireland"), MODUS MEDIA INTERNATIONAL B.V., a company organized under the laws of The Netherlands ("MMI-Netherlands" and together with MMI-UK, MMI-Singapore, MMI-Ireland, collectively, the "Foreign Borrowers"), the Investors and the Collateral Agent (as amended, restated, supplemented or otherwise modified from time to time, the "Foreign Note Purchase Agreement"). Capitalized terms used herein and not otherwise defined herein shall have the respective meanings ascribed to such terms in the Domestic Note Purchase Agreement and if not defined therein, in the Foreign Note Purchase Agreement.

W I T N E S S E T H:

WHEREAS, the Domestic Borrower and the Foreign Borrowers (collectively, the "Borrowers") are a party to the Domestic Note Purchase Agreement and the Foreign Note Purchase Agreement (collectively, the "Note Purchase Agreements"), as the case may be, pursuant to which the Investors have agreed, subject to certain conditions precedent, to purchase from the applicable Borrower secured promissory notes described therein on the date hereof;

WHEREAS, Grantor has unconditionally guaranteed the full and punctual payment when due of all of (a) the Obligations as defined in, and under, the Domestic Note Purchase Agreement (the "Domestic Obligations") and (b) the Obligations as defined in, and under, the Foreign Note Purchase

Agreement (the "Foreign Obligations" and collectively with the Domestic Obligations, the "Obligations") (as amended, restated, supplemented or otherwise modified from time to time, the "Guaranty");

WHEREAS, in order to secure the prompt and complete payment, observance and performance of (i) all of Grantor's Obligations and (ii) all of Grantor's obligations and liabilities hereunder and in connection herewith (all such Obligations and such obligations and liabilities hereunder being hereinafter referred to collectively as the "Liabilities"), the Investors have required that the Grantor execute and deliver this Agreement, as a condition, among others, to entering into (a) each of the Note Purchase Agreements and (b) the Credit Documents;

WHEREAS, the Grantor is a party to that certain Trademark Security Agreement (the "Senior Trademark Security Agreement") dated the date hereof between such Grantor and Citicorp USA, Inc. (the "Senior Administrative Agent") pursuant to which the Grantor has created in favor of the Senior Administrative Agent for the benefit of the senior lenders under the Senior Loan Agreement (as defined below) a security interest in certain of their assets to secure their obligations (the "Senior Obligations") under that certain Credit Agreement of even date herewith among the Domestic Borrower, the Parent, the financial institutions from time to time party thereto as lenders, the financial institutions from time to time party thereto as an issuing bank, and the Senior Administrative Agent (as amended, restated, supplemented or otherwise modified from time to time, the "Senior Loan Agreement") and the other Senior Loan Documents;

WHEREAS, until the Senior Obligations have been paid in full, the security interest created hereunder in favor of the Collateral Agent shall be subordinated to the security interest created in favor of the Senior Administrative Agent under the Senior Trademark Security Agreement and the other Senior Loan Documents;

NOW, THEREFORE, for and in consideration of the foregoing, and of any financial accommodations or extensions of credit (including, without limitation, any loan or advance by renewal, refinancing or extension of the agreements described hereinabove or otherwise) heretofore, now or hereafter made to or for the benefit of Grantor pursuant to the Note Purchase Agreements or any other agreement, instrument or document executed pursuant to or in connection therewith, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of Grantor and the Collateral Agent hereby agree as follows:

W I T N E S S E T H:

1. Defined Terms.

(a) The words "hereof," "herein," "hereby" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and section references are to this Agreement unless otherwise specified.

(b) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

2. Incorporation of Premises. The premises set forth above are incorporated into this Agreement by this reference thereto and are made a part hereof.

3. Security Interest in Trademarks. To secure the complete and timely payment, performance and satisfaction of all of the Liabilities, Grantor hereby grants to the Collateral Agent, for the

benefit of the Investors, a security interest in, as and by way of a mortgage and security interest having priority over all other security interests (other than the security interest granted to the Senior Administrative Agent under the Senior Trademark Security Agreement and the other Senior Loan Documents), with power of sale to the extent permitted by applicable law, all of Grantor's now owned or existing and hereafter acquired or arising:

(a) trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, including, without limitation, the trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications listed on Schedule A attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (iii) the right to sue for past, present and future infringements and dilutions thereof, (iv) the goodwill of Grantor's business symbolized by the foregoing and connected therewith, and (v) all of Grantor's rights corresponding thereto throughout the world (all of the foregoing trademarks, registered trademarks and trademark applications, and service marks, registered service marks and service mark applications, together with the items described in clauses (i) through (v) in this Section 3(a), are sometimes hereinafter individually and/or collectively referred to as the "Trademarks"); and

(b) rights under or interest in any trademark license agreements or service mark license agreements with any other party, whether Grantor is a licensee or licensor under any such license agreement, including, without limitation, those trademark license agreements and service mark license agreements listed on Schedule B attached hereto and made a part hereof, in each case to the extent assignable and pledgeable without violation or breach thereof, together with any goodwill connected with and symbolized by any such trademark license agreements or service mark license agreements, and the right to prepare for sale and sell any and all Inventory now or hereafter owned by Grantor and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Licenses").

Notwithstanding the foregoing, (i) the terms "Trademarks" and "Licenses" shall not include any assets or property of any Foreign Subsidiary and (ii) until the Senior Obligations have been paid in full, this Agreement, including the pledge and grant to the Collateral Agent of a security interest in the Trademarks and Licenses, shall be subject to the rights of the Senior Administrative Agent under the Senior Loan Documents and the Intercreditor Agreement.

4. Consents Under Existing Agreements; Restrictions on Future Agreements. Except as permitted in Section 8 hereof, Grantor will not, without the Collateral Agent's prior written consent (which shall not be unreasonably withheld), enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and Grantor further agrees that it will not take any action, and will use its reasonable best efforts not to permit any action to be taken by others, including, without limitation, licensees, or fail to take any action, which would in any respect affect the validity or enforcement of the rights granted to the Collateral Agent under this Agreement or the rights associated with any material Trademarks or Licenses. Notwithstanding the foregoing, Grantor may grant a security interest in any Trademarks and Licenses in favor of the Senior Administrative Agent under the Senior Trademark Security Agreement to secure the Senior Obligations as contemplated thereby and otherwise comply with the terms thereof.

5. New Trademarks and Licenses. Grantor represents and warrants that, from and after the Closing Date (a) the Trademarks listed on Schedule A include all of the registered trademarks, trademark

applications, registered service marks and service mark applications now owned or held by Grantor, (b) the Licenses listed on Schedule B include all of the trademark license agreements and service mark license agreements under which Grantor is the licensee or licensor and which are material individually or in the aggregate to the operation of the business of Grantor and (c) other than the rights of any party to the Licenses with respect to the Trademarks and Liens permitted by Section 9.3 of the Note Purchase Agreements no liens, claims or security interests in such Trademarks and Licenses have been granted by Grantor to any Person other than the Senior Administrative Agent pursuant to the Senior Trademark Security Agreement and the other Senior Loan Documents and the Collateral Agent pursuant hereto and the other Credit Documents. If, prior to the termination of this Agreement, Grantor shall (i) obtain rights to any new trademarks, registered trademarks, trademark applications, service marks, registered service marks or service mark applications, (ii) become entitled to the benefit of any trademarks, registered trademarks, trademark applications, trademark licenses, trademark license renewals, service marks, registered service marks, service mark applications, service mark licenses or service mark license renewals, whether as licensee or licensor, or (iii) enter into any new trademark license agreement or service mark license agreement, the provisions of Section 3 above shall automatically apply thereto. Grantor shall give to the Collateral Agent written notice of events described in clauses (i), (ii) and (iii) of the preceding sentence not less frequently than once every fiscal quarter. Grantor hereby authorizes the Collateral Agent to modify this Agreement unilaterally, upon reasonable notice to Grantor thereof, (x) by amending Schedule A to include any future trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications owned or held by Grantor or to prepare this Agreement for filing with the United States Patent and Trademark Office and/or an equivalent agency in a foreign jurisdiction and by amending Schedule B to include any trademark license agreements and service mark license agreements to which Grantor becomes a party, which are Trademarks or Licenses under Section 3 above or under this Section 5, and (y) by filing, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule A or B thereto, as the case may be, such future trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, and trademark license agreements and service mark license agreements.

6. Royalties. Grantor hereby agrees that the use by the Collateral Agent of the Trademarks and Licenses as authorized hereunder in connection with the Collateral Agent's exercise of its rights and remedies under Section 14 hereof or pursuant to the Domestic Security Agreement shall be coextensive with Grantor's rights thereunder and with respect thereto and without any liability for royalties or other related charges from the Investors to Grantor.

7. Further Assignments and Security Interests. Except as permitted in Section 8 hereof and Section 9.2 of the Note Purchase Agreements, Grantor agrees (a) not to sell or assign its respective interests in, or grant any license under, the Trademarks or the Licenses without the prior and express written consent of the Collateral Agent (except to the Senior Administrative Agent under the Senior Trademark Security Agreement and the other Senior Loan Documents) and (b) to maintain the quality of such products as of the date hereof.

8. Nature and Continuation of the Collateral Agent's Security Interest; Termination of the Collateral Agent's Security Interest; Release of Collateral.

(a) This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Trademarks and Licenses and shall terminate only upon the indefeasible payment in full ("Paid in Full") of all Obligations. Upon such termination and at the written request of Grantor or its successors or assigns, and at the cost and expense of Grantor or its successors or assigns, the Collateral Agent shall execute in a timely manner such instruments, documents or agreements as are reasonably necessary or reasonably desirable to

terminate the Collateral Agent's security interest in the Trademarks and the Licenses, subject to any disposition thereof which may have been made by the Collateral Agent pursuant to this Agreement or any Credit Document.

(b) The Trademarks and Licenses shall be subject to release from time to time (the Trademarks and Licenses referred to in the immediately preceding sentence are collectively referred to herein as the "Released Collateral") in accordance with the Note Purchase Agreements. The Liens under this Agreement shall automatically terminate with respect to the Released Collateral upon such sale, transfer, assignment, disposition or release, and upon the request of Grantor, the Collateral Agent shall execute and deliver such instrument or document as may be reasonably necessary to release the Liens granted hereunder; provided, however, that (i) the Collateral Agent shall not be required to execute any such documents on terms which, in the Collateral Agent's opinion, would expose the Collateral Agent to liability or create any obligation other than the release of such Liens without recourse or warranty, and (ii) such release shall not in any manner discharge, affect or impair the Liabilities or any Liens on (or obligations of Grantor in respect of) assets which continue to constitute Trademarks and Licenses, including, without limitation, all reversionary rights of Grantor with respect to the Released Collateral and the proceeds of any sale, all of which shall continue to constitute part of the Trademarks and Licenses.

9. Duties of Grantor; the Collateral Agent's Duty of Care. Grantor shall have the duty, to the extent it deems appropriate in the normal conduct of Grantor's business, to: (a) prosecute diligently any material trademark application or service mark application that is part of the Trademarks pending as of the date hereof or hereafter until the termination of this Agreement, and (b) make application for the registration of trademarks or service marks used or adopted by Grantor. Grantor further agrees (i) not to abandon any material Trademark or License without the prior written consent of the Collateral Agent, and (ii) to use its reasonable best efforts to obtain and maintain in full force and effect the Trademarks and the Licenses that are or shall be reasonably necessary or reasonably desirable in the operation of Grantor's business. Any expenses incurred in connection with the foregoing shall be borne by Grantor. The powers conferred on the Collateral Agent hereunder are solely to protect its interest in the Trademarks and Licenses and shall not impose any duty upon it to exercise any such powers. Except for the accounting for monies actually received by it hereunder, the Collateral Agent shall not have any duty as to any Trademarks and Licenses. The Collateral Agent shall be under no obligation to take any necessary steps to preserve rights against prior parties or any other rights pertaining to any Trademarks and Licenses, but may do so at its option, and all reasonable expenses incurred in connection therewith shall be for the sole account of Grantor and shall be added to the Liabilities. Grantor bears all risk of loss or damage of any of the Trademarks and Licenses, except to the extent such loss or damage shall arise solely from the gross negligence or willful misconduct of the Collateral Agent.

10. Right to Sue. From and after the occurrence of an Event of Default, the Collateral Agent and the Investors shall, subject to the Senior Loan Documents and the Intercreditor Agreement, have the right, but shall not be obligated, to bring suit in their own name to enforce the Trademarks and the Licenses and, if the Collateral Agent or any Investor shall commence any such suit, Grantor shall, at the request of the Collateral Agent or Investor, as the case may be, do any and all lawful acts and execute any and all proper documents reasonably required by the Collateral Agent in aid of such enforcement. Grantor shall, upon demand, promptly reimburse the Collateral Agent and Investors for all reasonable costs and expenses incurred by the Collateral Agent and the Investors, as the case may be, in the exercise of their rights under this Section 10 (including, without limitation, reasonable fees and expenses of attorneys for the Collateral Agent and the Investors).

11. Waivers. The Collateral Agent's failure, at any time or times hereafter, to require strict performance by Grantor of any provision of this Agreement shall not waive, affect or diminish any right of the Collateral Agent thereafter to demand strict compliance and performance therewith nor shall any course of dealing between Grantor and the Collateral Agent have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of Grantor contained in this Agreement shall be deemed to have been suspended or waived by the Collateral Agent unless such suspension or waiver is in writing signed by an officer of the Collateral Agent and directed to Grantor specifying such suspension or waiver.

12. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but 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 hereof, 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.

13. 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.

14. Cumulative Remedies; Power of Attorney. Grantor hereby designates, constitutes and appoints the Collateral Agent (and all Persons designated by the Collateral Agent in its sole and absolute discretion) as Grantor's true and lawful attorney-in-fact, and, upon the occurrence and during the continuance of an Event of Default, and subject to the Intercreditor Agreement, authorizes the Collateral Agent and any of the Collateral Agent's designees, in Grantor's or the Collateral Agent's name, to take any action and execute any instrument which the Collateral Agent may deem reasonably necessary or reasonably desirable to accomplish the purposes of this Agreement, including, without limitation, to (subject, where applicable, to the provisions of the Credit Documents) (a) endorse Grantor's name on all applications, documents, papers and instruments reasonably necessary or reasonably desirable for the Collateral Agent in the use, prosecution or protection of the Trademarks or the Licenses, (b) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks or the Licenses to anyone on commercially reasonable terms, (c) grant or issue any exclusive or nonexclusive license under the Trademarks or under the Licenses, to anyone on commercially reasonable terms, and (d) take any other actions with respect to the Trademarks or, to the extent permitted, the Licenses as any of the Investors deems in its or their own best interest. Grantor hereby ratifies all that such attorney shall lawfully do or, to the extent permitted, cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until all of the Obligations shall have been Paid In Full and the Commitments shall 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 the Investors under the Credit Documents, but rather is intended to facilitate the exercise of such rights and remedies.

The Collateral Agent shall have, in addition to all other rights and remedies given it by the terms of this Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Trademarks or the Licenses may be located or deemed located (the "UCC"). Upon the occurrence and during the continuance of an Event of Default and the election by the Collateral Agent to exercise any of its remedies under Section 9-610 of the UCC with respect to the Trademarks and Licenses, Grantor agrees, subject to the Intercreditor Agreement, to assign, convey and otherwise transfer title in and to the Trademarks and the Licenses to the Collateral Agent or any transferee of the Collateral Agent and to execute and deliver to the Collateral Agent or any such transferee all such agreements, documents and instruments as may be reasonably necessary, in the Collateral Agent's sole discretion, to effect such

assignment, conveyance and transfer. All of the Collateral Agent's rights and remedies with respect to the Trademarks and the Licenses, whether established hereby, by any Credit Document, by any other agreements or by law, shall be cumulative and may be exercised separately or concurrently. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence and during the continuance of an Event of Default, the Collateral Agent may, subject to the Intercreditor Agreement, exercise any of the rights and remedies provided in this Agreement and any of the other Credit Documents. Grantor agrees that any notification of intended disposition of any of the Trademarks and Licenses required by law shall be deemed reasonably and properly given if given at least ten (10) days before such disposition; provided, however, that the Collateral Agent may give any shorter notice that is reasonable under the circumstances. Further, notwithstanding anything set forth herein to the contrary, in exercising any rights provided in this Agreement or any of the other Credit Documents the Collateral Agent shall not cause any of the Trademarks to be abandoned by assignment or conveyance of a Trademark separate from the goodwill symbolized by such mark.

15. Successors and Assigns. This Agreement shall be binding upon Grantor and its successors and assigns, and shall inure to the benefit of each of the Investors and their respective nominees, successors and assigns. Grantor's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession of or for Grantor; provided, however, that Grantor shall not voluntarily assign or transfer its rights or obligations hereunder without the Collateral Agent's prior written consent.

16. Governing Law. This Agreement shall be interpreted, and the rights and liabilities of the parties hereto determined, in accordance with the laws of the Commonwealth of Massachusetts.

17. Notices. All notices or other communications hereunder shall be given in the manner and to the addresses set forth in the Note Purchase Agreement.

18. Section Titles. The section titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

19. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

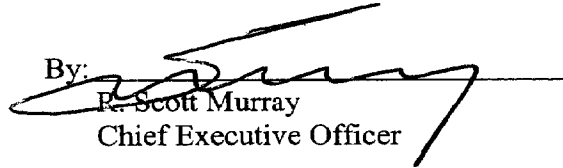
20. Consent to Jurisdiction and Service of Process. Grantor agrees that the terms of the Note Purchase Agreement with respect to consent to jurisdiction and service of process shall apply equally to this Agreement.

21. WAIVER OF JURY TRIAL. EACH OF GRANTOR AND THE COLLATERAL AGENT WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE, BETWEEN THE COLLATERAL AGENT AND GRANTOR ARISING OUT OF OR RELATED TO THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT, OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH. EITHER GRANTOR OR THE COLLATERAL AGENT MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

MODUS MEDIA INTERNATIONAL, INC.

By: 
E. Scott Murray
Chief Executive Officer

Accepted and agreed to as of the day and year first above written.

U.S. BANK NATIONAL ASSOCIATION,

as Collateral Agent

By: _____

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

MODUS MEDIA INTERNATIONAL, INC.

By: _____
Name:
Title:

Accepted and agreed to as of the day and year first above written.

U.S. BANK NATIONAL ASSOCIATION,

as Collateral Agent

By: *Gregory S. [Signature]*

**SCHEDULE B
TO TRADEMARK SECURITY AGREEMENT**

- Turnkey Agreement for Production of Adobe Program Packages between Adobe Systems Incorporated and Modus Media International, Inc., dated 12/5/02
- Response Management and Fulfillment Agreement between Modus Media International, Inc. and Corel Corporation, dated 7/12/02
- Amended and Restated Global Response Management and Fulfillment Agreement between Modus Media International, Inc. and Handspring, Inc., dated 10/1/01
- Base Agreement #4701RL1563 between Modus Media International, Inc. and IBM, dated 7/1/02
- Technical Services Agreement between Modus Media International, Inc. and IBM, dated 12/15/99
- Master Agreement between Modus Media International, Inc. and Intuit Inc., dated 11/11/00
- Replication Agreement between Modus Media International and Microsoft Licensing, Inc., dated 2/1/01, as amended 10/31/01
- Microsoft Manufacturing and Supply and Service Agreement between Microsoft Corporation and Modus Media International, Inc., dated 7/1/01, as amended 6/28/02 and 8/1/02
- Manufacturing & Fulfillment Agreement between Modus Media International, Inc. and Microsoft Corporation, dated 1/1/98, as amended 10/1/99
- Response Management and Fulfillment Agreement between Modus Media International, Inc. and Network Associates, Inc., dated 4/1/02
- Content Management Agreement between Modus Media International, Inc. and Roxio, Inc., dated 2/1/02
- Order Fulfillment Services Agreement between Modus Media International, Inc. and SanDisk Corporation, dated 11/6/02
- Comprehensive-CD Disc License Agreement between U.S. Philips Corporation and MMI, effective July 1, 1999
- Master Services Agreement between Open Channel Solutions and Modus Media International, Inc., dated November 6, 2001

- License Agreement between Modus Media International, Inc. and Sasatoku Printing Co., Ltd., dated December 28, 1998