

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Cellu Tissue Corporation - Neenah		03/12/2004	CORPORATION: DELAWARE

<b>RECEIVING PARTY DATA</b>	
<b>Name:</b>	The CIT Group/Business Credit, Inc., as Agent
<b>Street Address:</b>	1211 Avenue of the Americas
<b>City:</b>	New York
<b>State/Country:</b>	NEW YORK
<b>Postal Code:</b>	10286
<b>Entity Type:</b>	CORPORATION: CANADA

<b>PROPERTY NUMBERS Total: 2</b>		
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>
Registration Number:	2080681	MAGIC SOFT
Registration Number:	2022635	MAGIC SOFT

<b>CORRESPONDENCE DATA</b>	
Fax Number:	(212)455-2502
<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>	
Phone:	(212) 455-2276
Email:	KSolomon@stblaw.com
Correspondent Name:	Alison J. Winick, Esq.
Address Line 1:	Simpson Thacher & Bartlett LLP
Address Line 2:	425 Lexington Avenue
Address Line 4:	New York, NEW YORK 10017

ATTORNEY DOCKET NUMBER:	509335/0636
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NAME OF SUBMITTER:	Kimberly Solomon
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Total Attachments: 7  
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## TRADEMARK SECURITY AGREEMENT

**TRADEMARK SECURITY AGREEMENT**, dated as of March 12, 2004, by each of the entities listed on the signature pages hereof or which becomes a party hereto pursuant to *Section 10.13* of the Security Agreement referred to below (each a “*Grantor*” and, collectively, the “*Grantors*”), in favor of The CIT Group/Business Credit, Inc. (“CIT”), as agent for the Secured Parties (as defined in the Financing Agreement referred to below) (in such capacity, the “*Agent*”).

### WITNESSETH:

WHEREAS, pursuant to the Financing Agreement, dated as of March 12, 2004 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the “*Financing Agreement*”), among Cellu Tissue LLC, Coastal Paper Company, Cellu Tissue Corporation – Natural Dam, Cellu Tissue Corporation – Neenah, Menominee Acquisition Corporation, as US Borrowers, Interlake Acquisition Corporation Limited, as Canadian Borrower, Cellu Tissue Holdings, Inc., Van Paper Company and Van Timber Company, as Guarantors, Cellu Paper Holdings, Inc., as Parent, CIT and each of the other financial institutions party thereto as Lenders, and the Agent, as agent for the Lenders, the Lenders and the Issuing Bank have severally agreed to make extensions of credit to the Borrowers upon the terms and subject to the conditions set forth therein;

WHEREAS, each Borrower is party to a Guaranty pursuant to which it has guaranteed the Obligations of each other Borrower and each other Grantor is party to a Guaranty pursuant to which it has guaranteed the Obligations of all Borrowers; and

WHEREAS, all the Grantors are party to a Pledge and Security Agreement of even date herewith in favor of the Agent (the “*Security Agreement*”) pursuant to which the Grantors are required to execute and deliver this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises and to induce the Lenders, the Issuing Bank and the Agent to enter into the Financing Agreement and to induce the Lenders and the Issuing Bank to make their respective extensions of credit to the Borrowers thereunder, each Grantor hereby agrees with the Agent as follows:

### ***Defined Terms***

Unless otherwise defined herein, terms defined in the Financing Agreement or in the Security Agreement and used herein have the meaning given to them in the Financing Agreement or the Security Agreement.

### ***Grant of Security Interest in Trademark Collateral***

Each 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 Secured Obligations of such Grantor, hereby collaterally assigns, conveys, mortgages, pledges, hypothecates and transfers to the Agent for the benefit of the Secured Parties, and grants to the Agent for the benefit of the Secured Parties a Lien on and security interest in, all of its right, title and interest in, to and under the following Collateral of such Grantor (the “*Trademark Collateral*”):

all of its Trademarks and Trademark Licenses to which it is a party, including, without limitation, those referred to on *Schedule I* hereto;

all reissues, continuations or extensions of the foregoing;

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

all Proceeds of the foregoing, including, without limitation, any claim by 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.

***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 each 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 PAGES FOLLOW]

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

Very truly yours,

**MENOMINEE ACQUISITION CORPORATION,**  
*as Grantor*

By: Dianne Scheu  
Name: Dianne Scheu  
Title: Senior Vice President, Finance and Chief  
Financial Officer

**CELLU TISSUE CORPORATION - NEENAH,**  
*as Grantor*

By: Dianne Scheu  
Name: Dianne Scheu  
Title: Senior Vice President, Finance and Chief  
Financial Officer

**INTERLAKE ACQUISITION CORPORATION LIMITED,**  
*as Grantor*

By: Dianne Scheu  
Name: Dianne Scheu  
Title: Senior Vice President, Finance and Chief  
Financial Officer

ACCEPTED AND AGREED  
as of the date first above written:


**THE CIT GROUP/BUSINESS CREDIT, INC.,**  
*as Agent*

By: \_\_\_\_\_  
Name: Renee M. Singer  
Title: Vice President

ACKNOWLEDGEMENT OF GRANTOR

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

On this 12<sup>th</sup> day of March, 2004 before me personally appeared Dianne Scheu, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of Menominee Acquisition Corporation, Cellu Tissue Corporation – Neenah and Interlake Acquisition Corporation Limited, who being by me duly sworn did depose and say that he is an authorized officer of said corporation or other organization, as the case may be, that the said instrument was signed on behalf of said corporation or other organization, as the case may be, as authorized by its Board of Directors (or equivalent management body) and that he acknowledged said instrument to be the free act and deed of said corporation or other organization, as the case may be.

  
\_\_\_\_\_  
Notary Public

**MATTHEW HEINZ**  
Notary Public, State of New York  
No. 01HE6025979  
Qualified in Kings County  
Commission Expires June 7, 2007

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

Very truly yours,

**MENOMINEE ACQUISITION CORPORATION,**  
*as Grantor*

By: \_\_\_\_\_  
Name: Dianne Scheu  
Title: Senior Vice President, Finance and Chief  
Financial Officer

**CELLU TISSUE CORPORATION - NEENAH,**  
*as Grantor*

By: \_\_\_\_\_  
Name: Dianne Scheu  
Title: Senior Vice President, Finance and Chief  
Financial Officer

**INTERLAKE ACQUISITION CORPORATION LIMITED,**  
*as Grantor*

By: \_\_\_\_\_  
Name: Dianne Scheu  
Title: Senior Vice President, Finance and Chief  
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ACCEPTED AND AGREED  
as of the date first above written:

**THE CIT GROUP/BUSINESS CREDIT, INC.,**  
*as Agent*

By: \_\_\_\_\_  
Name: Renee M. Singer  
Title: Vice President

ACKNOWLEDGEMENT OF GRANTOR

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

On this 12<sup>th</sup> day of march, 2004 before me personally appeared Renee M. Singer, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of The CIT Group/Business Credit, Inc., who being by me duly sworn did depose and say that he is an authorized officer of said corporation or other organization, as the case may be, that the said instrument was signed on behalf of said corporation or other organization, as the case may be, as authorized by its Board of Directors (or equivalent management body) and that he acknowledged said instrument to be the free act and deed of said corporation or other organization, as the case may be.

Kristen Vento  
Notary Public

**KRISTEN VENTO**  
Notary Public, State of New York  
No. 01VE6084451  
Qualified in Richmond County  
Commission Expires Dec. 2, 2006



## Schedule 1

### Trademarks and Trademark Licenses

#### Menominee Acquisition Corporation

1. "WAXTEX", Trademark Registration No. 1,618,760, registered October 23, 1990; International Class No. 16 for waxed paper.

#### Cellu Tissue Corporation – Neenah

1. "MAGIC SOFT", Trademark Registration No. 2,080,681, registered July 22, 1997; International Class No. 16 for facial tissue.
2. "MAGIC SOFT", Trademark Registration No. 2,022,635, registered December 10, 1996; International Class No. 16 for paper towels, paper napkins and bathroom tissue.

#### Interlake Acquisition Corporation Limited

1. "INTERLAKE", Canadian Trademark Registration No. TMA518841, registered October 28, 1999; International Class Nos. 7, 16, 17 and 24 for sanitary tissues; industrial and commercial paper wipers; towels and napkins, etc.
2. "INTERLAKE", Trademark Registration No. 2,584,184, registered June 25, 2002; International Class No. 16 for paper towels; paper napkins; paper bags and paper boxes for packaging by the food industry; filter paper; bathroom and facial tissue; toilet seat cover paper; printed wrapping paper; wax paper; paper packaging materials, namely, interleaving paper; laminated paper and cellulose wiper paper for industrial use.
3. "INTERLAKE PAPER", Trademark Registration No. 2,568,785, registered May 14, 2002; International Class No. 16 for industrial and commercial disposable paper wipers not impregnated with chemicals or compounds; paper towels; paper napkins; paper for wrapping and packaging; filter paper; etc.