

02-09-2004



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RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

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

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

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): 2-S-04
 The Pacific Lumber Company

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

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

2. Name and Address of receiving party(ies)
 Name: Bank of America, N.A. (as Agent)
 Internal
 Address: Suite 900, Business Credit-Account Executive
 Street Address: 55 South Lake Avenue
 City: Pasadena State: CA Zip: 91101

Individual(s) citizenship _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation-State: _____
 Other National Association

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

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: January 23, 2004

4. Application number(s) or registration number(s):
 A. Trademark Application No.(s)
76/384,736

Additional number(s) attached Yes No

B. Trademark Registration No.(s)
See Attached

5. Name and address of party to whom correspondence concerning document should be mailed:
 Name: Intellectual Property Docketing
 Internal Address: SHEARMAN & STERLING LLP

 Street Address: 599 Lexington Avenue

 City: New York State: NY Zip: 10022

6. Total number of applications and registrations involved: 12

7. Total fee (37 CFR 3.41)..... \$ 315.00
 Enclosed
 Authorized to be charged to deposit account

8. If check is missing or otherwise insufficient, charge deposit account number:
50-0324

(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.

Tamara L. Hrivnak [Signature] February 3, 2004
 Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and document: 18

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

02/06/2004 DBYRNE 00000005 76384736

01 FC:8521 40.00 OP
02 FC:8522 275.00 OP

NYDOCS04/394212.1

TRADEMARK
REEL: 002910 FRAME: 0182

Continuation of Trademark Recordation Form Cover Sheet

Continuation of Box 1:

1. Name of conveying party(ies):

Britt Lumber Co., Inc.

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

Continuation of Box 4:

Registration Numbers

2,590,377	2,028,422	1,208,406	734,786
1,910,091	2,053,140	1,362,640	2,683,542
2,370,981	2,140,792	734,785	

NO ADDITIONAL PAGES

INTELLECTUAL PROPERTY SECURITY AGREEMENT

This INTELLECTUAL PROPERTY SECURITY AGREEMENT (as amended, amended and restated, supplemented or otherwise modified from time to time, the "*IP Security Agreement*") dated January 23, 2004, is made by The Pacific Lumber Company, a Delaware corporation, and Britt Lumber Co., Inc., a California corporation (collectively, the "*Grantors*") in favor of Bank of America, N.A. ("*BofA*"), as Agent (the "*Agent*") for the Lenders (as defined below).

WHEREAS, the Grantors have entered into a Credit Agreement dated as of January 23, 2004 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "*Credit Agreement*"), with Bank of America, N.A., as Agent and the financial institutions from time to time parties thereto (the "*Lenders*"). Terms defined in the Credit Agreement and not otherwise defined herein are used herein as defined in the Credit Agreement.

WHEREAS, as a condition precedent to the making of Advances and the issuance of Letters of Credit by the Lenders under the Credit Agreement, each Grantor has executed and delivered that certain Security Agreement dated January 23, 2004 made by the Grantors to the Agent (as amended, amended and restated, supplemented or otherwise modified from time to time, the "*Security Agreement*").

WHEREAS, under the terms of the Security Agreement, the Grantors have granted to the Agent, for the ratable benefit of the Agent and the Lenders, a continuing security interest in, among other property, certain intellectual property of the Grantors, and have agreed as a condition thereof to execute this IP Security Agreement for recording with the U.S. Patent and Trademark Office, the United States Copyright Office and other governmental authorities.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Grantor agrees as follows:

SECTION 1. Grant of Security. Each Grantor hereby grants to the Agent for the ratable benefit of the Agent and Lenders a security interest in all of such Grantor's right, title and interest in and to the following (the "*Collateral*"):

- (i) the patents and patent applications set forth in Schedule A hereto (the "*Patents*");
- (ii) the trademark and service mark registrations and applications set forth in Schedule B hereto (provided that no security interest shall be granted in United States intent-to-use trademark applications to the extent that, and solely during the period in which, the grant of a security interest therein would impair the validity or enforceability of such intent-to-use trademark applications under applicable federal law), together with the goodwill symbolized thereby (the "*Trademarks*");
- (iii) all copyrights, whether registered or unregistered, now owned or hereafter acquired by such Grantor, including, without limitation, the copyright

registrations and applications and exclusive copyright licenses set forth in Schedule C hereto (the "**Copyrights**");

(iv) all reissues, divisions, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the foregoing, all rights in the foregoing provided by international treaties or conventions, all rights corresponding thereto throughout the world and all other rights of any kind whatsoever of such Grantor accruing thereunder or pertaining thereto;

(v) any and all claims for damages and injunctive relief for past, present and future infringement, dilution, misappropriation, violation, misuse or breach with respect to any of the foregoing, with the right, but not the obligation, to sue for and collect, or otherwise recover, such damages; and

(vi) any and all proceeds of, collateral for, income, royalties and other payments now or hereafter due and payable with respect to, and supporting obligations relating to, any and all of the Collateral of or arising from any of the foregoing.

SECTION 2. Security for Obligations. The grant of a security interest in, the Collateral by each Grantor under this IP Security Agreement secures the payment of all Obligations of such Grantor now or hereafter existing under or in respect of the Loan Documents, whether direct or indirect, absolute or contingent, and whether for principal, reimbursement obligations, interest, premiums, penalties, fees, indemnifications, contract causes of action, costs, expenses or otherwise. Without limiting the generality of the foregoing, this IP Security Agreement secures, as to each Grantor, the payment of all amounts that constitute part of the Secured Obligations and that would be owed by such Grantor to any Secured Party under the Loan Documents but for the fact that such Secured Obligations are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving a Loan Party.

SECTION 3. Recordation. Each Grantor authorizes and requests that the Register of Copyrights, the Commissioner for Patents and the Commissioner for Trademarks and any other applicable government officer record this IP Security Agreement.

SECTION 4. Execution in Counterparts. This IP Security Agreement may be executed in any number of 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.

SECTION 5. Grants, Rights and Remedies. This IP Security Agreement has been entered into in conjunction with the provisions of the Security Agreement. Each Grantor does hereby acknowledge and confirm that the grant of the security interest hereunder to, and the rights and remedies of, the Agent with respect to the Collateral are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated herein by reference as if fully set forth herein.

SECTION 6. Governing Law. This IP Security Agreement shall be governed by, and construed in accordance with, the laws of the State of California.

IN WITNESS WHEREOF, each Grantor has caused this IP Security Agreement to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

THE PACIFIC LUMBER COMPANY

By 

Name: Gary L. Clark
Title: Vice President Finance and Administration

Address for Notices:
125 Main Street
P.O. Box 37
Scotia, CA 95565

BRITT LUMBER CO., INC.

By 

Name: Gary L. Clark
Title: Vice President Finance and Administration

Address for Notices:
P O Box 248
Arcata CA 9551

**Schedule A
Patents**

None.

**Schedule B
Trademarks**

See attached.

*The Pacific Lumber Company (08552)
U.S. (and International) Trademark Inventory*

<i>Mark</i>	<i>Country</i>	<i>Status</i>	<i>Application Number</i>	<i>Application Date</i>	<i>Registration Number</i>	<i>Registration Date</i>	<i>Next Due Date</i>	<i>Comments on Next Due Date</i>	<i>Owner of Record</i>
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Mark	Status	Country	Application Number	Application Date	Registration Number	Registration Date	Next Due Date	Comments on Next Due Date	Owner of Record
PALCO BLOCK and Design	Registered	United States	75/892,459	1/7/2000	2,590,377	7/8/2002	7/9/2008	Affidavit of Use due	The Pacific Lumber Company
0001 00000	Goods/Services							Structural and decorative concrete products, namely, pier blocks, building blocks, bricks, pavers, stepping stones, trailer pads, wall ends and wall caps, in Class 19.	
	Comments							4/16/02 Application published for opposition. 7/9/02 Registration issued.	
PALCO PRIME and Design	Registered	United States	74/551,659	7/20/1994	1,910,091	8/8/1995	8/8/2005	Trademark Renewal due	The Pacific Lumber Company
0005 00000	Goods/Services							Lumber products, namely interior and exterior wood siding, fascia, trim and molding, in Class 19.	
	Comments							2/4/02 Affidavit of Use filed. 4/30/02 Notice of Acceptance of Affidavit of Use.	

Mark	Country	Status	Application Number	Application Date	Registration Number	Registration Date	Next Due Date	Comments on Next Due Date	Owner of Record
PALCO BLOCK	United States	Registered	75/774,408	8/12/1999	2,370,981	7/25/2000	7/25/2006	Affidavit of Use due	The Pacific Lumber Company
0006	00000	Goods/Services	Structural and decorative concrete products, namely, pier blocks, building blocks, bricks, pavers, stepping stones, pads for supporting trailers, wall ends, and wall caps, in Class 19.						
		Comments	7/25/00 Mark registered. 3/21/02 Power of Attorney filed.						
THE PACIFIC LUMBER COMPANY	United States	Registered	74/721,725	8/28/1995	2,028,422	1/7/1997	1/7/2007	Trademark Renewal due	The Pacific Lumber Company
0007	00000	Goods/Services	Lumber products, namely, rough and surfaced flooring and ceiling fascia; stepping; molding; shiplap; louvers; tongue and groove; saw textured; beveled and drop siding; bevel sills; paneling; pattern; rails and studs, in Class 19.						
		Comments	1/7/03 Affidavit of Use and Incontestability filed with PTO; Affidavit of Use accepted 4/9/03						

Mark	Country	Status	Application Number	Application Date	Registration Number	Registration Date	Next Due Date	Comments on Next Due Date	Owner of Record	
STEELHEAD	United States	Registered	74/578,200	9/26/1994	2,053,140	4/15/1997	4/15/2007	TM Renewal due	The Pacific Lumber Company	
0009	00000	Goods/Services	Lumber products, namely rails, framing lumber, trim, decking, posts, studs, fencing, lath, lattice panels and planter boxes, in Class 19.							
		Comments	4/15/97 Mark registered. 3/21/02 Power of Attorney filed. 10/10/03 Declarations 8 & 15 filed. 12/10/03 Notice of Acceptance of Combined Declaration 8 & 15 issued.							
STEELHEAD and Design	United States	Registered	75/251,640	3/3/1997	2,140,792	3/3/1998	3/3/2004	Affidavit of Use due	The Pacific Lumber Company	
0010	00000	Goods/Services	Lumber products, namely rails, studs, and fencing, in Class 19.							
		Comments	3/3/98 Mark registered. 3/21/02 Power of Attorney filed. 8/29/03 8 & 15 due letter to client. 12/3/03 8 & 15 reminder sent to client.							

Mark	Status	Country	Application Number	Application Date	Registration Number	Registration Date	Next Due Date	Comments on Next Due Date	Owner of Record
PALCO	Registered	United States	73/338,938	11/25/1981	1,208,406	9/14/1982	9/14/2012	Trademark Renewal due	The Pacific Lumber Company
0011	00000	Goods/Services	Lumber products-namely, patterns, slings, moldings, (box shock, posts) boards, dimension lumber, finger joints, paneling, (pickets) trim, fascia, (rough lumber, cut stock,) and flooring, In Class 19.						
		Comments	9/14/82 Mark registered. 3/21/02 Power of Attorney filed. 12/22/02 Registration renewed.						
SCOTIA INN	Registered	United States	73/522,480	2/15/1985	1,362,640	9/24/1985	9/24/2005	Renewal deadline	The Pacific Lumber Company
0012	00000	Goods/Services	Hotel and restaurant services, In Class 42.						
		Comments	9/24/85 Mark registered. 9/10/91 Combined 8 & 15 Declaration filed. 1/14/92 Combined 8 & 15 Declaration accepted. 3/21/02 Power of Attorney filed.						

Mark	Status	Country	Application Number	Application Date	Registration Number	Registration Date	Next Due Date	Comments on Next Due Date	Owner of Record
PALCO-LOC	Registered	United States	72/120,327	5/18/1961	734,785	7/24/1962	7/24/2002	Renewal deadline	The Pacific Lumber Company
0013	00000	Goods/Services	Finger jointed end glued and/or edge glued redwood and Douglas fir glued lumber products - namely, boards and dimension lumber, in Class 19.						
		Comments	7/24/62 Mark registered. 7/24/62 Registration renewed 20 years. 10/25/84 Declaration 8 & 15 acknowledged. 3/21/02 Power of Attorney filed. 6/10/02 Combined Declaration of Use and Renewal Application filed. 9/12/02 Registration renewed 10 years.						
PALCO	Registered	United States	72/120,328	5/18/1961	734,786	7/24/1962	7/24/2012	Renewal due	The Pacific Lumber Company
0014	00000	Goods/Services	Douglas fir lumber products, consisting of lumber in boards, dimension lumber, planks and joists, and beams and timber, in Class 19.						
		Comments	7/24/62 Mark registered. 7/24/62 Registration renewed 20 years. 10/25/84 Sections 8 & 15 Declaration acknowledged. 3/21/02 Power of Attorney filed. 6/10/02 Combined Declaration of Use and Renewal Application filed. 9/10/02 Registration renewed 10 years.						

Mark	Country	Status	Application Number	Application Date	Registration Number	Registration Date	Next Due Date	Comments on Next Due Date	Owner of Record
PALCO PRIME	United States	Pending	76/384,736	3/8/2002					The Pacific Lumber Company
0015	00000	Goods/Services	Lumber products; namely, interior and exterior wood siding, fascia, trim and molding, in Class 19.						
		Comments	7/1/02 Office Action issued. 12/5/02 Response filed. 5/7/03 Office Action issued, substitute specimen needed. 10/6/03 Response filed. 1/27/04 Mark published.						
COMMITTED TO SUSTAINABLE FORESTRY	United States	Registered	76/407,486	5/14/2002	2,683,542	2/4/2003	2/4/2009	Affidavit of Use due	The Pacific Lumber Company
0016	00000	Goods/Services	Timber logging services, in Class 37.						
		Comments	11/12/02 Application published for opposition. 2/4/03 Mark registered.						

**Schedule C
Copyrights**

See attached.

LIST OF COPYRIGHTS

Description	No.	Date
"California Redwoods" book		
"Palco Insulation Wool, the Insulation of the Ages for Constant Cold" book	Class AA 241,276 Class AA 263,081	07/26/37 03/28/38
"For Comfort & Economy, Palco Insulation, the Insulation of the Ages" book	Class AA 257,981 Class AA 241,278	03/05/38 07/26/37
"Palco Insulation Wool, Comfort that Pays its Own Way" book	Class AA 245,775	10/12/37
Palco Insulation Wool	Class K 37108	04/04/38
"Cold Storage Locker Plants" book	Class AA 322,807	02/08/40
"Comfort that Pays its Own Way" book	Class AA333,530	04/30/40
"For Comfort Savings, Palco Insulation Wool" book	Class AA 353,650	12/26/40
"Frozen Food Locker, Plants Insulated with Palco Wool" book	Class AA 378,152	12/15/41
"Comfort that Pays its Own Way" print	Class KK 9006	09/15/41
"Keeping Heat in its Place" print	Class KK 9007	09/15/41
"How to Choose Your Insulation" print	Class KK 9008	09/15/41
"Cold Storage Manual" book	Class AA 387,451	10/18/41
"For Comfort Savings" book	Class AA393,628	12/30/41
"Palco Pete's Mulch" booklet	Class KK 75463	05/15/44
"Palco Pete's Mulch" label	469016	03/01/44
The Redwood Parallel in History	Class 138295	05/15/45
"Every Home Owner Can Enjoy Lasting Comfort & Savings The Year 'Round for Years to Come"	Class K 25015	07/15/48

EXHIBIT B

TRADEMARK
REEL: 002910 FRAME: 0197

Frozen Food Locker Plant Plan and Construction Manual	Class K 24893	07/12/48
Palco Wool, a Superior Material for Cushioning Running Tracks	Class K 26299	08/05/48
Cold Storage Manual	Class K 27558	11/05/48
Palco Wool Insulation – The All Purpose Insulation	Class K 29335	12/8/48
Palco Seal (Technical Bulletin)	Class K 30978	01/25/49
Palco Wool – a Superior Material for Sound Deadening	Class K 32908	02/25/49
Palco Wool Blowing Machine	Class K 46671	03/01/50
“Palco Chemicals” Technical Bulletin No. T-4	Class A 156920	04/24/50
“Historical Occurrences During the Growth of a Redwood Tree”	Class K 54386	10/10/50
Palco Wool Insulation Proof of Permanence of the Saferized Treatment	Class K 54960	10/20/50
Palco Seal – Preventing and Restoring Lose Circulation	Class K 53668	09/05/50
Palco Wood Insulation – The Multipurpose Insulation	Class AA 195757A	10/22/51
Palco Seal Technical Bulletin	Class AA 197125	11/8/51
Palco Wool Insulation – For Comfort Savings	Class AA 204751 Class AA 204752 Class AA 204753	01/02/52
Field Test Redwood Bark Fibre Wall Insulation	Various	01/02/52
Trademark certificates for chemicals	Various	
Canadian Patent Well Drilling Composition	481545	03/04/52
In Place tests of Palco Wool Insulation	JA227540	11/21/52
Palco Insulation Board	591537	06/16/53
In place field tests, redwood bark insulation	IP 2582	09/13/54
Palco Insulation Wool & Palco Insulation Board	A157628	10/20/54

EXHIBIT B

Palco Wool – Proved by Track Records	200609	08/16/55
Palco Wool used in construction of running tracks	200610	08/16/55
Palco Industrial Fibers	197502	08/03/55
Palco Wool Aislante	58061	07/04/55
Palco Wool Refrigeration Insulation Manual	A213021	12/09/55
Palco Wool Insulation in Steel Frame & Truss Cons. “Cork Recovery”	IP 3649	01/20/56
Palco Industrial Chemicals	456639	09/10/57
Historical Occurences during the Growth of a Redwood Tree	K52959	06/27/58
Palco Seal Bulletin “Palco Seal is Your Best Buy”	KK 141271	03/05/59

EXHIBIT B