

FORM PTO-1595

RECORDATION FORM COVER SHEET

U.S. DEPARTMENT OF COMMERCE

1/31/92

TRADEMARKS ONLY

Patent and Trademark Office

To the Director of Patents and Trademarks: Please Record the attached original documents or copy thereof.

1. Name of conveying party(ics):
 DGI Holding Corp.
 Diversified Graphics Incorporated

Entity: Minnesota Corporation

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

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

Name: Fifth Third Bank

Internal Address: _____

233 S. Wacker Drive Suite 400

Chicago, IL 60606

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date May 16, 2005

Entity: Michigan Banking Corporation

Additional Name(s) & Address(es) attached Yes No

4. Application or registration number(s):

A. Trademark Application No.(s)
 76/062,322; 78/307,261

B. Trademark Registration No. (s)
 1,681,167; 1,790,359; 2,022,021; 2,173,175; 2,439,063;
 2,785,718; 2,723,960; 2,790,959; 2,769,519; 2,693,710;
 2,316,216

Additional numbers attached? Yes No

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

Please send the recorded assignment back by fax to 312-258-5600 to the attention of:

SCHIFF HARDIN LLP
Chris Bollinger, Attorney
 P.O. Box 06079
 Chicago, IL 60606-0079
 Telephone: 312-258-5500
 Att. Ref. No(s): 27662-0020

6. Total number of trademarks involved
 13

7. Total Fee (37 CFR 3.41) **\$340.00**
 Authorization is given to charge the deposit account for the fees required or to credit any overpayment.

8. Deposit Account Number:
19-0409
 (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.

Chris Bollinger
 Name of Person Signing


 Signature

5/25/05
 Date

Total number of pages including cover sheet and attached documents 22:

Mail documents to be recorded and required cover sheet information to:
 By Fax: 703/306-5995
 Commissioner of Patents and Trademarks
 Box Assignments
 Washington, D.C. 20231

CH \$340.00 190409 76062322

EXECUTION COPY**PATENT, COPYRIGHT, LICENSE AND TRADEMARK SECURITY AGREEMENT**

THIS PATENT, COPYRIGHT, LICENSE AND TRADEMARK SECURITY AGREEMENT ("Agreement") is made as of May 16, 2005 by **DGI Holding Corp.**, a Minnesota corporation ("Holding"), and **Diversified Graphics Incorporated**, a Minnesota corporation ("Borrower" and, together with Holding, collectively, the "Obligors" and, individually, an "Obligor"), in favor of **Fifth Third Bank**, a Michigan banking corporation, acting as agent (in such capacity, the "Agent") for the Lenders referred to below and the L/C Issuer (as defined in the Loan Agreement referred to below).

WITNESSETH:

WHEREAS, the Obligors, the financial institutions listed on the Commitment Schedule thereto (including, without limitation, the Swing Line Lender, collectively, the "Lenders"), the L/C Issuer and Agent are concurrently herewith entering into that certain Loan and Security Agreement dated as of May 16, 2005 (as amended, amended and restated, supplemented or otherwise modified from time to time, the "Loan Agreement"); and

WHEREAS, it is a condition to the effectiveness of the Loan Agreement and the Lenders' and the L/C Issuer's commitments to make certain loans, advances and extensions of credit to Borrower under the Loan Agreement that the Obligors enter into this Agreement;

NOW THEREFORE, in consideration of the premises, to induce Agent, the Lenders and the L/C Issuer to enter into the Loan Agreement, to induce the Lenders and the L/C Issuer to make any loan, advance or extension of credit to Borrower thereunder, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties hereto agree as follows:

1. **Incorporation of Loan Agreement.** The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. Terms used herein which are not defined herein but are defined in the Loan Agreement shall have the meanings ascribed to them therein.

2. **Grant of Security Interest, Etc.** To secure the complete and timely satisfaction of all of each Obligor's Secured Liabilities:

(A) each Obligor hereby grants to Agent, for the benefit of itself, the Lenders and the L/C Issuer, a security interest in and to all of such Obligor's right, title and interest in, to and under all of the following, whether now existing or hereafter arising:

(i) patents and patent applications, including, without limitation, the inventions and improvements described and claimed therein, and those patents and patent applications listed on Schedule A attached hereto and made a part hereof, and (a) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (b) all income,

royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing patents and applications, together with the items described in clauses (a) through (d), inclusive, in which such Obligor now or hereafter has any right, title or interest are sometimes hereinafter individually and/or collectively referred to as the "Patents");

(ii) all copyrights, copyright registrations and copyright applications including, without limitation, the copyrights and applications listed on Schedule B attached hereto and made a part hereof, and (a) renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing copyrights, copyright registrations and copyright applications, together with the items described in clauses (a) through (d), inclusive, in which such Obligor now or hereafter has any right, title or interest are sometimes hereinafter individually and/or collectively referred to as the "Copyrights");

(iii) all such Obligor's rights and obligations pursuant to its license agreements with any other Person or Persons with respect to any Patents and Copyrights, whether such Obligor is a licensor or licensee under any such license agreements, including, without limitation, the licenses listed on Schedule C attached hereto and made a part hereof, and, subject to the terms of such licenses, the right to prepare for sale, sell and advertise for sale, all Inventory now or hereafter owned by such Obligor and now or hereafter covered by such licenses (all of the foregoing is hereinafter referred to collectively as the "Patent and Copyright Licenses");

(iv) all service marks, trademarks, trademark or service mark registrations, trademark or service mark applications and trade names including, without limitation, the trademarks and service marks listed on Schedule D attached hereto and made a part hereof, and (a) renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all the foregoing service marks, trademarks, registrations, applications and trade names, together with the items described in clauses (a) through (d), inclusive, with respect thereto in which such Obligor now or hereafter has any right, title or interest are sometimes hereinafter and/or collectively referred to as the "Marks");

(v) all such Obligor's rights and obligations pursuant to its license agreements with any other Person or Persons with respect to any Marks, whether such Obligor is a licensor or licensee under any such license agreements, including, without limitation, the licenses listed on Schedule E attached hereto and made a part hereof, and, subject to the terms of such licenses, the right to prepare for sale, sell and advertise for sale, all Inventory now or hereafter owned by such Obligor and now or hereafter covered by such licenses (all of the foregoing is hereinafter

referred to as "Trademark Licenses"; Patent and Copyright Licenses and Trademark Licenses are hereinafter referred to collectively as "Licenses"; and

(vi) the goodwill of such Obligor's business connected with and symbolized by the Marks;

provided, however, that there shall be excluded from the foregoing grant of security interest any of the existing Licenses to which any Obligor is a licensee (and any Patents, Marks and Copyrights currently licensed by others to any Obligor pursuant to such Licenses) in each case to the extent (but only to the extent) that the applicable License lawfully prohibits such grant; provided further, however, that, upon Agent's request, each Obligor will use its good faith reasonable efforts to obtain any consent needed to subject any such property to this grant of security interest.

3. Restrictions on Future Agreements. Each Obligor agrees and covenants that until the Secured Liabilities shall have been satisfied in full and the Loan Agreement shall have been terminated, such Obligor will not, without Agent's prior written consent, take any action or enter into any agreement, including, without limitation entering into any license agreement, which is inconsistent with such Obligor's obligations under this Agreement, and each Obligor further agrees and covenants that without Agent's prior written consent it will not take any action, or permit any action to be taken by others subject to its control, including its licensees, or fail to take any action which would affect the validity or enforcement or nature of the rights transferred to Agent under this Agreement unless and to the extent that such Obligor has concluded in the exercise of reasonable commercial judgment that any such rights are no longer of material importance to the business of such Obligor. Each Obligor agrees and covenants not to sell or assign its interest in, or grant any license under, the Patents, Marks, Copyrights or Licenses, without receiving the prior written consent of Agent thereto.

4. Certain Covenants, Representations and Warranties of each Obligor. Each Obligor covenants, represents and warrants (to the best of such Obligor's knowledge with respect to any Patents, Marks and Copyrights which are licensed by third parties to such Obligor) that: (i) the Patents, Marks, Copyrights and Licenses are subsisting, have not been adjudged invalid or unenforceable in whole or in part, and are not currently being challenged in any way; (ii) none of the Patents, Marks, Copyrights and Licenses have lapsed or expired or have been abandoned, whether due to any failure to pay any maintenance or other fees or make any filing or otherwise; (iii) each of the Patents, Marks, Copyrights and Licenses is valid and enforceable and such Obligor is unaware of any invalidating prior art (including public uses and sales) relative to the Patents, and is unaware of any impairments to the Patents, Marks, Copyrights or Licenses which would have a material adverse effect on the validity and/or enforceability of the Patents, Marks, Copyrights or Licenses; (iv) to the best of such Obligor's knowledge, no claim has been made that the use of any of the Patents, Marks, Copyrights or Licenses constitutes an infringement; (v) such Obligor owns the entire right, title and interest in and to each of the Patents, Marks and Copyrights (other than those being licensed to such Obligor pursuant to the Licenses) free and clear of any Liens and encumbrances of every kind and nature, and the Licenses are valid and subsisting licenses with respect to the Patents, Marks, Copyrights described therein, free and

clear of any Liens and encumbrances of every kind and nature arising by, through or under such Obligor, in each case except for (A) rights granted by such Obligor pursuant to the applicable licenses listed on Schedules C and E, (B) Liens and encumbrances in favor of Agent pursuant to this Agreement or the other Financing Agreements, and (C) Permitted Liens; (vi) the Patents, Marks and Copyrights listed on Schedules A, B and D constitute all such registered items in which such Obligor has any right, title or interest and the Licenses listed on Schedules C, and E constitute all such Licenses in which such Obligor has any right, title or interest; (vii) such Obligor has the unqualified right to enter into this Agreement and perform its terms; (viii) such Obligor will continue to use proper statutory notice in connection with its use of the Patents, Marks and Copyrights (except as to any thereof which is no longer material to such Obligor's business); and (ix) such Obligor will use standards of quality in its manufacture of products sold under the Marks consistent with those currently employed by it.

5. **New Patents, Marks, Copyrights and Licenses.** If, before the Secured Liabilities shall have been satisfied in full and the Loan Agreement shall have been terminated, any Obligor shall (i) obtain rights to any new patentable inventions, trademarks, service marks, trademark or service mark registrations, copyrights, copyright registrations, trade names or licenses, or (ii) become entitled to the benefit of any patent, trademark or service mark application, trademark, service mark, trademark or service mark registration, copyrights, copyright registrations, license or license renewal, or patent for any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent, the provisions of Section 2 above shall automatically apply thereto and such Obligor shall give to Agent prompt written notice thereof. Each Obligor hereby authorizes Agent to modify this Agreement by noting any future acquired Patents, Marks, Copyrights on Schedule A, B or D and any Licenses and licensed Patents, Marks or Copyrights on Schedules C or E, as applicable; provided, however, that the failure of Agent to make any such notation shall not limit or affect the obligations of any Obligor or rights of Agent hereunder.

6. **Royalties; Terms.** Each Obligor hereby agrees that the security interest of Agent in all Patents, Marks, Copyrights and Licenses as described above shall be worldwide (or in the case of the Patents, Marks and Copyrights licensed to an Obligor such smaller geographic location if any is specified for such Obligor's use in the applicable License) and, without any liability for royalties or other related charges from Agent to such Obligor. The term of the security interest granted herein shall extend until the earlier of (i) the expiration of each of the respective Patents, Marks, Copyrights and Licenses assigned hereunder, or (ii) satisfaction in full of the Secured Liabilities and termination of the Loan Agreement.

7. **Inspection.** Agent shall have the right, at any time and from time to time, to inspect any Obligor's premises and to examine any Obligor's books, records and operations, including, without limitation, any Obligor's quality control processes. From and after the occurrence and during the continuance of a Default and notice by Agent to each Obligor of Agent's intention to enforce its rights and claims against any of the Patents, Marks, Copyrights and Licenses, each Obligor agrees that Agent, or a conservator appointed by Agent, shall have the right to establish such additional product quality controls as Agent or said conservator, in its sole judgment, may deem necessary to assure maintenance of the quality of products sold by

such Obligor under the Marks consistent with the quality of products now manufactured by such Obligor.

8. **Termination of Each Obligor's Interest.** This Agreement is made for collateral purposes only. Upon satisfaction in full of the Secured Liabilities and termination of the Loan Agreement, subject to any disposition thereof which may have been made by Agent pursuant hereto or pursuant to any of the other Financing Agreements, the security interest granted hereunder shall automatically be extinguished. Agent shall, at each Obligor's reasonable expense, execute and deliver to such Obligor, all termination statements and other instruments as may be necessary or proper to evidence the termination of Agent's security interest granted to Agent pursuant to this Agreement, subject to any disposition thereof which may have been made by Agent pursuant hereto or pursuant to any of the other Financing Agreements. Any such termination statements and instruments shall be without recourse upon or warranty by Agent.

9. **Duties of the Obligors.** Except to the extent the same is no longer material to such Obligor's business, each Obligor shall have the duty (i) to prosecute diligently any patent application of the Patents, any application respecting the Marks, and any copyright application of the Copyrights pending as of the date hereof or thereafter, (ii) to make application on unpatented but patentable inventions and on registerable but unregistered trademarks, service marks and copyrights, and (iii) to preserve, maintain and enforce against infringement all rights in patent applications and patents constituting the Patents, in trademark or service mark applications, trademarks, service marks, and trademark or service mark registrations constituting the Marks, and in copyright applications, copyrights and copyright registrations constituting the Copyrights. Any expenses incurred in connection with the foregoing (including, but not limited to, maintenance or renewal fees) shall be borne by the Obligors. Except to the extent the same is no longer material to such Obligor's business, each Obligor shall not abandon any pending patent application, trademark application, copyright application, service mark application, patent, trademark, service mark or copyright without the written consent of Agent.

10. **Agent's Right to Sue.** From and after the occurrence and during the continuance of a Default, Agent shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Patents, the Marks, the Copyrights and the Licenses, and any licenses thereunder, and, if Agent shall commence any such suit, each Obligor shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents reasonably required by Agent in aid of such enforcement, and each Obligor shall promptly, upon demand, reimburse and indemnify Agent for all reasonable costs and expenses incurred by Agent in the exercise of its rights under this Section 10.

11. **Waivers.** No course of dealing between any Obligor and Agent, nor any failure to exercise, nor any delay in exercising, on the part of Agent, any right, power or privilege hereunder 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.

12. **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.

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. **Further Assurances.** Each Obligor shall execute and deliver to Agent, at any time or times hereafter at the request of Agent, all papers (including, without limitation, any as may be deemed desirable by Agent for filing or recording with any Patent and Trademark Office, and any successor thereto) and take all such actions (including, without limitation, paying the cost of filing or recording any of the foregoing in all public offices reasonably deemed desirable by Agent), as Agent may request, to evidence Agent's interest in the Patents, Marks, Copyrights and Licenses and the goodwill associated therewith and enforce Agent's rights under this Agreement.

15. **Cumulative Remedies; Power of Attorney; Effect on Loan Documents.** All of Agent's rights and remedies with respect to the Patents, Marks, Copyrights and Licenses, whether established hereby, by any of the Financing Agreements or otherwise, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Each Obligor hereby constitutes and appoints Agent as such Obligor's true and lawful attorney-in-fact, with full power of substitution in the premises, with power at any time after the occurrence and during the continuance of a Default, to (i) endorse such Obligor's name on all applications, documents, papers and instruments determined by Agent as necessary or desirable for Agent in the use of the Patents, Marks, Copyrights and Licenses, (ii) take any other actions with respect to the Patents, Marks, Copyrights and Licenses as Agent deems in good faith to be in the best interest of Agent, (iii) grant or issue any exclusive or non-exclusive license under the Patents, Marks or Copyrights to any Person, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Patents, Marks, Copyrights or Licenses to any Person. Each Obligor 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 the Secured Liabilities shall have been satisfied in full and the Loan Agreement shall have been terminated. Each Obligor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Agent under the Loan Agreement or any of the Loan Documents but rather is intended to facilitate the exercise of such rights and remedies. 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 Patents, Marks, Copyrights or Licenses may be enforced. Each Obligor hereby releases Agent from any and all claims, causes of action and demands at any time arising out of or with respect to any actions taken or omitted to be taken by Agent under the powers of attorney granted herein.

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

17. **Governing Law.** This Agreement shall be deemed to have been executed and delivered in Chicago, Illinois, and shall be governed by and construed in accordance with the internal laws (as opposed to conflicts of law provisions) of Illinois.

IN WITNESS WHEREOF, the parties hereto have entered into this Patent, Copyright, License and Trademark Security Agreement as of the date first above written.

DIVERSIFIED GRAPHICS INCORPORATED

By: *Paul D. Wynnes*
Name: PAUL D. WYNNES
Title: President & CEO

DGI HOLDING CORP.

By: *Paul D. Wynnes*
Name: PAUL D. WYNNES
Title: President & CEO

The undersigned accepts and agrees to the foregoing Patent, Copyright, License and Trademark Security Agreement as of the date first written above in Chicago, Illinois.

FIFTH THIRD BANK, as Agent

By: _____
Name: _____
Title: _____

IN WITNESS WHEREOF, the parties hereto have entered into this Patent, Copyright, License and Trademark Security Agreement as of the date first above written.

DIVERSIFIED GRAPHICS INCORPORATED

By: _____
Name: _____
Title: _____

DGI HOLDING CORP.

By: _____
Name: _____
Title: _____

The undersigned accepts and agrees to the foregoing Patent, Copyright, License and Trademark Security Agreement as of the date first written above in Chicago, Illinois.

FIFTH THIRD BANK, as Agent

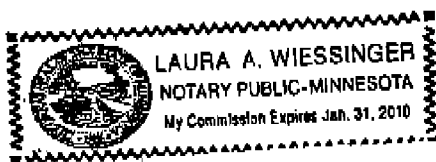
By: *Gracie L. Jack*
Name: GRACIE L JACK
Title: Vice President

STATE OF MN)
) SS.
COUNTY OF Wright)

I, the undersigned, a Notary Public in and for said State and County, do hereby certify that Paul Atines, personally known to me to be the President & CEO of DGI Holding Corp., a Minnesota corporation (the "Company"), and personally known to me to be the same person whose name is subscribed to the foregoing Patent, Copyright, License and Trademark Security Agreement, appeared before me this day and acknowledged that he/she signed and delivered said assignment as an officer of the Company and caused the seal of the Company to be affixed thereto, pursuant to authority given by the board of directors of the Company, as his/her free and voluntary act and as the free and voluntary act and deed of the Company, for the uses and purposes therein set forth.

GIVEN under my hand and official seal as of the 31st day of May, 2005.

(NOTARIAL SEAL)



Laura A. Wiessinger
Notary Public

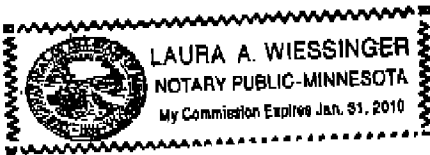
My Commission Expires: Jan 31, 2010

STATE OF MN)
) SS.
COUNTY OF Wright)

I, the undersigned, a Notary Public in and for said State and County, do hereby certify that Pawe Rhines, personally known to me to be the President + CEO of Diversified Graphics Incorporated, a Minnesota corporation (the "Company"), and personally known to me to be the same person whose name is subscribed to the foregoing Patent, Copyright, License and Trademark Security Agreement, appeared before me this day and acknowledged that he/she signed and delivered said assignment as an officer of the Company and caused the seal of the Company to be affixed thereto, pursuant to authority given by the board of directors of the Company, as his/her free and voluntary act and as the free and voluntary act and deed of the Company, for the uses and purposes therein set forth.

GIVEN under my hand and official seal as of the 13th day of May, 2005.

(NOTARIAL SEAL)



Laura A. Wiessinger
Notary Public

My Commission Expires: Jan 31, 2010

STATE OF ILLINOIS)
) SS.
 COUNTY OF COOK)

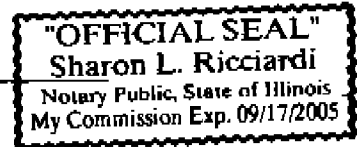
I, the undersigned, a Notary Public in and for said State and County do hereby certify that Graeme Jack, personally known to me to be the Vice President of Fifth Third Bank, personally known to me to be the same person whose name is subscribed to the foregoing Patent, Copyright, License and Trademark Security Agreement, appeared before me this day and acknowledged that he/she signed and delivered said agreement as an officer of said bank and caused the seal of said bank to be affixed thereto, pursuant to authority given by the Board of Directors of said bank, as his/her free and voluntary act and as the free and voluntary act and deed of said bank, for the uses and purposes therein set forth.

GIVEN under my hand and official seal as of the 17th day of May, 2005.

(NOTARIAL SEAL)

Sharon L. Ricciardi
 Notary Public

My Commission Expires: _____



SCHEDULE A
PATENTS AND PATENT APPLICATIONS

None.

SCHEDULE B

COPYRIGHTS

No registered Copyrights

SCHEDULE C**PATENT AND COPYRIGHT LICENSES**

1. License Agreement, dated as of August 1, 2003, between Lulu Guinness, Ltd. and Borrower (as assignee of Mara-Mi).
2. License Agreement, dated as of August 25, 2004, between J.A. Licensing LLC. and Borrower (as assignee of Mara-Mi), as amended by Letter dated September 24, 2004.
3. License Agreement, dated effective March 15, 2005, between McCool Unlimited, Inc. and Borrower (as assignee of Mara-Mi).
4. License Agreement between Marimekko Corporation and Borrower (as assignee of Mara-Mi).
5. Consulting Agreement, dated Feb. 1, 2003, between Borrower (as assignee of Mara-Mi) and Lori Henson, as amended December 14, 2004.
6. Advance Agreement dated August 10, 2002 between Borrower (as successor by merger to Paper Prince) and Betsey Cavallo.
7. Royalty Agreement dated as of January 25, 2004 between Borrower (as successor by merger to Paper Prince) and Anastasia Bayrle Kijewski.
8. Royalty Agreement dated as of January 25, 2004 between Borrower (as successor by merger to Paper Prince) and Michelle Rimpf.
9. Royalty Agreement dated as of January 25, 2004 between Borrower (as successor by merger to Paper Prince) and Julia Briggs.
10. Royalty Agreement dated as of January 25, 2004 between Borrower (as successor by merger to Paper Prince) and Kari Smith.
11. Royalty Agreement dated as of January 25, 2004 between Borrower (as successor by merger to Paper Prince) and Marianne Richmond Studio Inc.
12. Royalty Agreement dated as of November 12, 2003 between Borrower (as successor by merger to Paper Prince) and Dawn Zero Erickson.
13. Royalty Agreement dated as of November 12, 2003 between Borrower (as successor by merger to Paper Prince) and Debbie Kuehn.
14. Royalty Agreement dated as of November 15, 2003 between Borrower (as successor by merger to Paper Prince) and Megan Taylor.

15. Royalty Agreement dated as of October 20, 2004 between Borrower (as successor by merger to Paper Prince) and Benita Epstein.
16. Royalty Agreement dated as of October 20, 2004 between Borrower (as successor by merger to Paper Prince) and Charles Barsotti.
17. Royalty Agreement dated as of October 20, 2004 between Borrower (as successor by merger to Paper Prince) and Bonnie Timmons.
18. Royalty Agreement dated as of October 20, 2004 between Borrower (as successor by merger to Paper Prince) and Chris Reed.
19. Royalty Agreement dated as of October 20, 2004 between Borrower (as successor by merger to Paper Prince) and George Thompson.
20. Royalty Agreement dated as of October 20, 2004 between Borrower (as successor by merger to Paper Prince) and Bill Brewer.
21. Royalty Agreement dated as of October 20, 2004 between Borrower (as successor by merger to Paper Prince) and Charles Poderbarac.
22. Royalty Agreement dated as of October 20, 2004 between Borrower (as successor by merger to Paper Prince) and J & B Global Enterprises, Inc.
23. License Agreement dated October 10, 2002 between Borrower (as successor by merger to Paper Prince) and Kim Reese.
24. License Agreement dated August 10, 2004 between Borrower and Betsey Cavallo.
25. License Agreement dated June 6, 2003 between Borrower (as successor by merger to Paper Prince) and Michelle Rimpf.
26. License Agreement between Borrower (as successor by merger to Paper Prince) and Sweetheart Cup Company, Inc.
27. Letter of Agreement, dated September 25, 2003, between Seller and Gibson & Carothers Studio.

SCHEDULE D
TRADEMARKS, SERVICE MARKS

Trademark No./(App. No.)	File Date	Registration Date	Name	Country
1,680,338 74/136,989	2/6/1991	3/24/1992 (allowed to lapse – registration cancelled by U.S.P.T.O. on 9/28/1998)	M and Design	U.S.
1,681,167 74/136,990	2/6/1991	3/31/1992	MARA-MI	U.S.
1,790,359 74/339,208	12/11/1992	8/31/1993	WORLD OF JOURNALS EXPRESS	U.S.
1,931,201 74/570,041	9/6/1994	10/31/1995 (allowed to lapse- registration cancelled by U.S.P.T.O. on 2/4/05)	GEORGE STANLEY & Design	U.S.
1,956,288 74/649,325	3/20/95	2/13/1996 (allowed to lapse – registration cancelled by U.S.P.T.O. on 11/16/2002)	KIDS WRITE!	U.S.

1,976,921 74/710,827	7/28/1995	5/28/1996 (allowed to lapse – registration cancelled by U.S.P.T.O. on 3/1/2003)	GEORGIE PIE	U.S.
2,022,021 75/029,762	12/8/1995	12/10/1996	GEORGE STANLEY	U.S.
Abandoned 75/031,057	12/8/1995	N/A	ZOOMERANG	U.S.
2,173,175 75/357,518	9/2/1997	7/14/1998	ZOOMERANG	U.S.
2,439,063 75/582,427	11/4/1998	3/27/2001	ROOBEE	U.S.
2,316,216 75/597,067	11/30/1998	2/8/2000 (assignment of mark to Borrower does not appear on U.S.P.T.O. website; assignments have been filed)	WORLD OF JOURNALS	U.S.
2,785,718 76/430,541	7/15/2002	11/25/2003	CARLY'S WISH	U.S.
2,723,960 76/437,463	8/5/2002	6/10/2003	M2 ORIGINALS	U.S.
2,790,959 76/485,829	1/29/2003	12/9/2003	CARLY'S WISH	U.S.
7,6062,322	7/14/2004	Pending	SIMPLEPRINT	U.S.
2,769,519 75/940,763	3/9/2000	9/30/2003	EXPRESSIONS OF LOVE	U.S.

2,693,710 75/939,667	3/9/2000	3/4/2003	XXOX	U.S.
Reg. Pending 78/307,261	9/30/2003	Reg. Pending	BLUE MARMALADE	U.S.

SCHEDULE E

TRADEMARK LICENSES

See Schedule C incorporated herein by this reference.

SPECIAL POWER OF ATTORNEY
(Patent, Trademark, Copyright and License)

STATE OF MINNESOTA)
) SS.
COUNTY OF HENNEPIN

KNOW ALL MEN BY THESE PRESENTS, that DGI Holding Corp., a Minnesota corporation ("Holding"), and Diversified Graphics Incorporated, a Minnesota corporation ("Borrower" and, together with Holding, collectively, the "Obligors" and, individually, an "Obligor"), each hereby appoints and constitutes Fifth Third Bank ("Agent"), its true and lawful attorney, with full power of substitution, and with full power and authority to perform the following acts on behalf of such Obligor at and during the time periods specified in the foregoing Patent, Copyright, License and Trademark Security Agreement (the "Collateral Agreement"):

1. Assigning, selling or otherwise disposing of all right, title and interest of such Obligor in and to the patents, copyrights, licenses and trademarks listed on Schedules A, B, C, D and E of the Collateral Agreement, and including those patents copyrights and licenses which are added to the same subsequent hereto, and all registrations and recordings thereof, and all pending applications therefor, and for the purpose of the recording, registering and filing of, or accomplishing any other formality with respect to, the foregoing, and to execute and deliver any and all agreements, documents, instruments of assignment or other writings necessary or advisable to effect such purpose;
2. To execute any and all documents, statements, certificates or other writings necessary or advisable in order to effect the purposes described above as Agent may in its sole discretion determine.

This power of attorney is made pursuant to that certain Loan and Security Agreement, dated as of May 16, 2005, between the Obligors, the financial institutions listed on the Commitment Schedule thereto and Agent and may not be revoked until the payment in full of all liabilities and obligations of the Obligors under such Loan and Security Agreement.

DIVERSIFIED GRAPHICS INCORPORATED

By: *Paul D. Rhines*
Name: PAUL D. RHINES
Title: President & CEO

DGI HOLDING CORP.

By: *Paul D. Rhines*
Name: PAUL D. RHINES
Title: President & CEO