

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	Grant of Security Interest		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Packaging Dynamics Corporation		06/09/2006	CORPORATION: DELAWARE
RECEIVING PARTY DATA			
Name:	Deutsche Bank Trust Company Americas		
Street Address:	60 Wall Street		
City:	New York		
State/Country:	NEW YORK		
Postal Code:	10005		
Entity Type:	Revolving Collateral Agent:		
PROPERTY NUMBERS Total: 7			
Property Type	Number	Word Mark	
Registration Number:	2811875	STEEL SHIELD	
Registration Number:	2236058	GREASE-GARD	
Registration Number:	2127153	HI-FORM	
Registration Number:	0903027	N	
Registration Number:	2675695	PAPER-GARD	
Serial Number:	78221195	XKL	
Serial Number:	78831137	NICOLET	
CORRESPONDENCE DATA			
Fax Number:	(212)354-8113		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	212-819-8923		
Email:	trademarkdocket@whitecase.com		
Correspondent Name:	Matthew Bart c/o White & Case LLP		
Address Line 1:	1155 Avenue of the Americas		
Address Line 4:	New York, NEW YORK 10036		

CH \$190.00 2811875

ATTORNEY DOCKET NUMBER:	1111779-1607
NAME OF SUBMITTER:	Matthew Bart
Signature:	/Matthew Bart/
Date:	07/06/2006
Total Attachments: 6 source=Grant#page1.tif source=Grant#page2.tif source=Grant#page3.tif source=Grant#page4.tif source=Grant#page5.tif source=Grant#page6.tif	

GRANT OF SECURITY INTEREST IN TRADEMARKS

GRANT OF SECURITY INTEREST IN TRADEMARKS (this "Grant of Security Interest in Trademarks"), dated as of June 9, 2006, by PACKAGING DYNAMICS CORPORATION (the "Grantor"), in favor of DEUTSCHE BANK TRUST COMPANY AMERICAS, as Revolving Collateral Agent, for the benefit of the holders of the Second Priority Lien Obligations (as defined below).

W I T N E S S E T H :

WHEREAS, reference is made to that certain Pledge and Security Agreement, dated as of the date hereof (including all annexes, exhibits or schedules thereto, as from time to time amended, restated supplemented or otherwise modified from time to time, the "Revolving Security Agreement") among PACKAGING DYNAMICS CORPORATION, a Delaware corporation (formerly named Thilmany, Inc.), PDOC, LLC, a Delaware limited liability company, BAGCRAFTPAPERCON I, LLC, a Delaware limited liability company, WOLF PACKAGING, INC., an Iowa corporation, PAPERCON, INC., a Georgia corporation, INTERNATIONAL CONVERTER, LLC, a Delaware limited liability company, IUKA, LLC, a Delaware limited liability company, KIPB HOLDINGS, INC., a Delaware corporation, CERTAIN OTHER SUBSIDIARIES OF HOLDINGS from time to time party thereto, the lenders from time to time party thereto, DBTCA, as administrative agent (in such capacity and together with its successors and assigns in such capacity, the "Revolving Administrative Agent"), DBTCA, as Revolving Collateral Agent, DEUTSCHE BANK SECURITIES INC. and JEFFERIES FINANCE, as Joint Lead Arrangers and Joint Book Running Managers, and JEFFERIES & COMPANY, INC., as Syndication Agent;

Grantor is required to execute and deliver to the Revolving Collateral Agent this Grant of Security Interest in Trademarks for the benefit of the holders of the Second Priority Lien Obligations (as defined in the Revolving Credit Agreement).

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby agrees as follows:

1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in the Pledge and Security Agreement, and, if not therein defined, in the Revolving Credit Agreement.

2. GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL.

(a) Grantor hereby grants to the Revolving Collateral Agent, for the benefit of the holders of the Second Priority Lien Obligations, a security interest in and continuing lien on all of Grantor's right, title and interest in, to and under the following, whether now owned or existing or hereafter acquired or arising and wherever located (collectively, the "Trademark Collateral"):

(i) all United States federal and state and foreign trademarks, service marks, certification marks, collective marks, trade names, corporate names, d/b/as, business names, fictitious business names, internet domain names, trade styles, logos, other source or business identifiers, designs and general intangibles of a like nature, rights of publicity and privacy pertaining to the right to use names, likenesses and biographical data, all registrations and applications for any of the foregoing including, but not limited to, the registrations and applications referred to on Schedule I hereto (as such schedule may be amended or supplemented from time to time);

(ii) the goodwill of the business symbolized by the foregoing, the right to sue for past, present and future infringements or dilution of any of the foregoing or for any injury to goodwill;

(iii) all proceeds of the foregoing, including, without limitation, royalties, income, payments, claims, damages, and proceeds of suit;

(iv) any and all agreements granting any right in, to or under Trademarks to which Grantor is a party (whether such Grantor is a licensee or a licensor thereunder) including, without limitation, each agreement referred to in Schedule I hereto (as such schedule may be amended or supplemented from time to time); and

(v) to the extent not otherwise included above, all proceeds, products, accessions, rents and profits of or in respect of any of the foregoing.

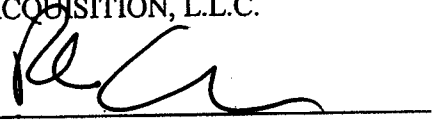
3. PLEDGE AND SECURITY AGREEMENT. The security interests granted pursuant to this Grant of Security Interest in Trademarks are granted in conjunction with the security interests granted to the Revolving Collateral Agent, for the benefit of the holders of the Second Priority Lien Obligations, on behalf of itself and the other Secured Parties, pursuant to the Pledge and Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Revolving Collateral Agent with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Revolving Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provision of this Grant of Security Interest in Trademarks is deemed to conflict with the Pledge and Security Agreement, the provisions of the Pledge and Security Agreement shall control.

4. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Grantor(s) have caused this Grant of Security Interest in Trademarks conform all subsequent signature pages to be executed and delivered by its duly authorized officer as of the date first set forth above.

KIPB HOLDINGS, INC.
PACKAGING DYNAMICS CORPORATION
PDC HOLDCO, LLC
PDOC, LLC
BAGCRAFTPAPERCON, LLC
PAPERCON U.S. HOLDING, LLC
WOLF PACKAGING, INC.
INTERNATIONAL CONVERTER, LLC
IUKA, LLC
GMG INTERNATIONAL, INC.
BAGCRAFTPAPERCON I, LLC
PAPERCON, INC.
IPMC ACQUISITION, L.L.C.

By: 

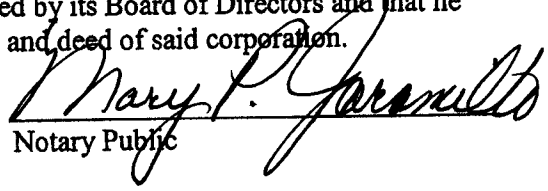
Name: Patrick T. Chambliss
Title: Vice President, Chief Financial Officer & Secretary

ACKNOWLEDGMENT OF GRANTOR(S)

STATE OF ILLINOIS)
COUNTY OF COOK)

ss.

On this 9 day of [JUNE], 2006 before me personally appeared PATRICK T. CHAMBLISS proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of the Grantor(s), who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

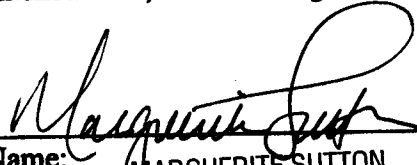

Notary Public

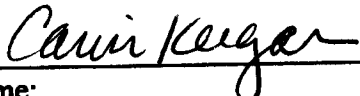


[SIGNATURES CONTINUED ON NEXT PAGE]

ACCEPTED AND ACKNOWLEDGED BY:

DEUTSCHE BANK TRUST COMPANY
AMERICAS, as Revolving Collateral Agent

By: 
Name: MARGUERITE SUTTON
Title: DIRECTOR

By: 
Name: Carin Keegan
Title: Vice President

Trademark Grant

SCHEDULE I
to
TRADEMARK SECURITY AGREEMENT

Trademarks

Trademark	Country	Status	Application Number	Filing Date	Registration Number	Registration Date	Next Renewal
Nicolet	Australia	Registered	460275	19-Feb-1987	460275	19-Feb-1987	19-Feb-2008
Nicolet	Canada	Registered	578799	24-Feb-1987	347061	28-Nov-1988	28-Nov-2018
Thilmany	Canada	Registered	578797	24-Feb-1987	347378	04-Nov-1988	04-Nov-2018
Thilmany	Denmark	Registered	1086/87	20-Feb-1987	913/1989	03-Mar-1989	03-Mar-2009
Thilmany	El Salvador	Registered	996/87	06-Jul-1987	152/120	31-Mar-1989	31-Mar-2009
Nicolet	European Community	Registered	EC000094151	01-Apr-1996	94151	1-Dec-1998	1-Apr-2006
Thilmany	European Community	Registered	9381(5)	01-Apr-1996	93815	22-Apr-1998	01-Apr-2006
Thilmany	France	Registered	841429	26-Feb-1987	1620326	26-Feb-1987	26-Feb-2007
Nicolet	Germany	Registered	26303/16WZ	18-Feb-1987	1116200	04-Jan-1988	28-Feb-2007
Thilmany	Germany	Registered	26304/16WZ	18-Feb-1987	1110831	01-Sep-1987	18-Feb-2007
Nicolet	Mexico	Registered	125468	28-Oct-1991	413072	12-May-1992	28-Oct-2011
Nicolet	New Zealand	Registered	170556	20-Feb-1987	170556	20-Feb-1987	20-Feb-2008
Thilmany	South Africa	Registered	87/0961	18-Feb-1987	87/0961	14-Jul-1988	18-Feb-2007
Thilmany	Spain	Registered	1192364	30-Apr-1987	1192364	05-Dec-1989	05-Dec-2009
Thilmany	United Kingdom	Registered	1301918	24-Feb-1987	1301918	24-Feb-1987	24-Feb-2008
Steel Shield	United States	Registered	78/188520	25-Nov-2002	2811875	03-Feb-2004	03-Feb-2014
Grease-Gard	United States	Registered	75/186642	24-Oct-1996	2236058	30-Mar-1999	30-Mar-2009
Hi-Form	United States	Registered	75/215858	19-Dec-1996	2127153	06-Jan-1998	06-Jan-2008
"N"	United States	Registered	72/359062	07-May-1970	903027	24-Nov-1970	24-Nov-2010
Paper-Gard	United States	Registered	78/071420	28-Jun-2001	2675695	14-Jan-2003	14-Jan-2013

Trademark Applications

XKL	United States	Published	78/221195	04-Mar-2003
NICOLET	United States	Pending	78/831,137	07-Mar-2006