



7/21/06 R

103275800

To the Director of the U. S. Patent and Trademark Office: Please record the attached documents or the new address(es) below.

1. Name of conveying party(ies):

The Pacific Lumber Company

- Individual(s)
- General Partnership
- Corporation- State: \_\_\_\_\_
- Other \_\_\_\_\_
- Association
- Limited Partnership

Citizenship (see guidelines) Delaware

Additional names of conveying parties attached?  Yes  No

3. Nature of conveyance )/Execution Date(s) :

Execution Date(s) July 18, 2006

- Assignment
- Security Agreement
- Other \_\_\_\_\_
- Merger
- Change of Name

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached?  Yes  No

Marathon Structured Finance Fund  
Name: L.P., as Administrative Agent

Internal Address: \_\_\_\_\_

Street Address: 461 Fifth Avenue

City: New York

State: NY

Country: USA Zip: 10017

- Association
- General Partnership
- Limited Partnership
- Corporation
- Other \_\_\_\_\_

Citizenship \_\_\_\_\_  
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)

4. Application number(s) or registration number(s) and identification or description of the Trademark.

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

See continuation of item 4 attached hereto.

Additional sheet(s) attached?  Yes  No

C. Identification or Description of Trademark(s) (and Filing Date if Application or Registration Number is unknown):

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

Name: Magdalini Rizakos

Internal Address: c/o Latham & Watkins  
Suite 5800

Street Address: 233 S. Wacker Drive

City: Chicago

State: IL Zip: 60606

Phone Number: 312/993-2698

Fax Number: 312/993-9767

Email Address: magdalini.rizakos@LW.com

6. Total number of applications and registrations involved:

11

7. Total fee (37 CFR 2.6(b)(6) & 3.41) \$ 290.00

- Authorized to be charged by credit card
- Authorized to be charged to deposit account
- Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers \_\_\_\_\_  
Expiration Date \_\_\_\_\_

b. Deposit Account Number \_\_\_\_\_  
Authorized User Name \_\_\_\_\_

9. Signature:

*Magdalini Rizakos*

Signature

July 20, 2006

Date

07/24/2006 BYRNE 00000094 283367

01 FC:8521  
02 FC:8522  
03 FC:8523

40.00 OP  
250.00 OP  
120.00 OP  
Name of Person Signing

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

8

Documents to be recorded (including cover sheet) should be faxed to (571) 273-0140, or mailed to:  
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1450, Alexandria, VA 22313-1450

Continuation of Item 4

2,833,677

2,683,542

2,590,377

2,370,981

2,053,140

2,028,422

1,910,091

1,362,640

1,208,406

734,786

734,785

# TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT, dated as of July 18, 2006, by THE PACIFIC LUMBER COMPANY, a Delaware corporation ("Grantor"), in favor of MARATHON STRUCTURED FINANCE FUND L.P., in its capacity as the Administrative Agent for Lenders.

## WITNESSETH:

WHEREAS, pursuant to that certain Term Loan Agreement dated as of July 18, 2006 by and among Grantor, the other Persons named therein as Loan Parties, Administrative Agent and the Persons signatory thereto from time to time as Lenders (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Credit Agreement"), Lenders have agreed to make the Loans for the benefit of Grantor and the other Borrowers party thereto;

WHEREAS, Administrative Agent and Lenders are willing to make the Loans as provided for in the Credit Agreement, but only upon the condition, among others, that Grantor shall have executed and delivered to Administrative Agent, for itself and the benefit of Lenders, that certain Guarantee and Collateral Agreement dated as of July 18, 2006 (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Guarantee and Collateral Agreement");

WHEREAS, pursuant to the Guarantee and Collateral Agreement, Grantor is required to execute and deliver to Administrative Agent, for itself and the benefit of Lenders, this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises 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 Credit Agreement.

2. GRANT OF SECURITY INTEREST IN TRADEMARK COLLATERAL. Grantor hereby grants to Administrative Agent, on behalf of itself and Lenders, a continuing security interest in all of Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Trademark Collateral");

(a) all of its Trademarks and Trademark Licenses to which it is a party including those referred to on Schedule I hereto;

(b) all reissues, continuations or extensions of the foregoing;

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

(d) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or 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.

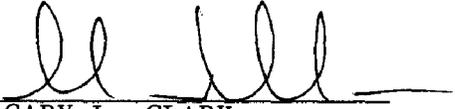
3. GUARANTEE AND COLLATERAL AGREEMENT. The security interests granted pursuant to this Trademark Security Agreement are granted in conjunction with the security interests granted to Administrative Agent, on behalf of itself and Lenders, pursuant to the Guarantee and Collateral Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Administrative Agent with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Guarantee and Collateral Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

4. GOVERNING LAW. This Agreement shall be construed in accordance with and governed by the laws of the State of New York.

[signature page follows]

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

THE PACIFIC LUMBER COMPANY

By:   
Name: GARY L. CLARK  
Title: VP Finance & Administration and CFO

ACCEPTED AND ACKNOWLEDGED BY:

MARATHON STRUCTURED FINANCE FUND L.P.,  
as Administrative Agent

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

[Signature Page to Trademark Security Agreement –Term]

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

THE PACIFIC LUMBER COMPANY

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ACCEPTED AND ACKNOWLEDGED BY:

MARATHON STRUCTURED FINANCE FUND L.P.,  
as Administrative Agent

By:           *L. T. Hanover*            
Name:           **Louis T. Hanover**            
Title:           **Authorized Signatory**          

[Signature Page to Trademark Security Agreement --Term]

TRADEMARK  
REEL: 003354 FRAME: 0308

**SCHEDULE I**  
**TO**  
**TRADEMARK SECURITY AGREEMENT**  
**TRADEMARK REGISTRATIONS**

MarkReg. No.Date

TRADEMARK APPLICATIONS

TRADEMARK LICENSES

Name of Agreement, Parties, Date of Agreement

**SCHEDULE I**  
**TO**  
**TRADEMARK SECURITY AGREEMENT**  
**TRADEMARK REGISTRATIONS**

Registered Owner: Pacific Lumber Company, The  
 125 Main Street  
 Scotia, CA 95565

26317.1

| Country       | Mark                              | Classes | Reg.#     | Reg.Dt    | Status     | Goods   |
|---------------|-----------------------------------|---------|-----------|-----------|------------|---|
| United States | PALCO PRIME                       | 19      | 2,833,677 | 4/20/2004 | Registered | Lumber products, namely, interior and exterior wood siding, fascia, trim and molding  |
| United States | COMMITTED TO SUSTAINABLE FORESTRY | 37      | 2,683,542 | 2/4/2003  | Registered | Timber logging services   |
| United States | PALCO BLOCK & Design              | 19      | 2,590,377 | 7/9/2002  | Registered | STRUCTURAL AND DECORATIVE CONCRETE PRODUCTS, NAMELY, PIER BLOCKS, BUILDING BLOCKS, BRICKS, PAVERS, STEPPING STONES, TRAILER PADS, WALL ENDS AND WALL CAPS                 |
| United States | PALCO BLOCK                       | 19      | 2,370,981 | 7/25/2000 | Registered | STRUCTURAL AND DECORATIVE CONCRETE PRODUCTS, NAMELY, PIER BLOCKS, BUILDING BLOCKS, BRICKS, PAVERS, STEPPING STONES, PADS FOR SUPPORTING TRAILERS, WALL ENDS AND WALL CAPS |
| United States | STEELHEAD                         | 19      | 2,053,140 | 4/15/1997 | Registered | Lumber products, namely rails, framing lumber, trim, decking, posts, studs, fencing, lath, lattice panels and planter boxes   |



Registered Owner: Pacific Lumber Company, The

125 Main Street  
Scotia, CA 95565

26317.1

| Country       | Mark                       | Classes | Reg.#     | Reg.Dt    | Status     | Goods   |
|---------------|----------------------------|---------|-----------|-----------|------------|---|
| United States | THE PACIFIC LUMBER COMPANY | 19      | 2,028,422 | 1/7/1997  | Registered | Lumber products, namely, rough and surfaced flooring and ceiling fascia; stepping; moulding; shiplap; louvers; tongue and groove; saw textured; beveled and drop siding; bevel sills; panelling; pattern; rails and studs |
| United States | PALCO PRIME & Design       | 19      | 1,910,091 | 8/8/1995  | Registered | Lumber products, namely, interior and exterior wood siding, fascia, trim and molding  |
| United States | SCOTIA INN                 | 42      | 1,362,640 | 9/24/1985 | Registered | HOTEL AND RESTAURANT SERVICES   |
| United States | PALCO                      | 19      | 1,208,406 | 9/14/1982 | Registered | LUMBER PRODUCTS-NAMELY, PATTERNS, SIDINGS, MOULDINGS, BOARDS, DIMENSION LUMBER, FINGERJOINTS, PANELING, TRIM, FASCIA, AND FLOORING  |
| United States | PALCO                      | 19      | 734,786   | 7/24/1962 | Registered | Douglas Fir Lumber Products, Consisting of Lumber in Boards, Dimension Lumber, Planks and Joists, and Beams and Timber  |
| United States | PALCO-LOC                  | 19      | 734,785   | 7/24/1962 | Registered | Finger Jointed End Glued and/or Edge Glued Redwood and Douglas Fir Glued Lumber Products-Namely, Boards and Dimension Lumber  |