Form PTO-1594 (Rev. 07/05)
OMB Collection 0651-0027 (exp. 6/30/20(

01-04-2007

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

1/4/07

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To the Director of the U. S. Patent and ... cuments or the new address(es) below.

1. Name of conveying party(ies):

Kapstone Kraft Paper Corporation

- [ ] Individual(s)
- [ ] Association
- [ ] General Partnership
- [ ] Limited Partnership
- [x] Corporation- State: Delaware
- [ ] Other

Citizenship (see guidelines)

Additional names of conveying parties attached? [ ] Yes [x] No

2. Name and address of receiving party(ies)

Additional names, addresses, or citizenship attached? [ ] Yes [x] No

Name: LaSalle Bank National Association, as Administrative Agent

Internal Address:

Street Address: 135 South LaSalle Street

City: Chicago

State: Illinois

Country: USA Zip: 60603

- [x] Association Citizenship
- [ ] General Partnership Citizenship
- [ ] Limited Partnership Citizenship
- [ ] Corporation Citizenship
- [ ] 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)

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

Execution Date(s) January 2, 2007

- [ ] Assignment
- [ ] Merger
- [x] Security Agreement
- [ ] Change of Name
- [ ] Other

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)
1045454 2134345

Additional sheet(s) attached? [ ] Yes [x] No

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

01/05/2007 DBYRNE 00000001 1045454

01 FC:8521 40.00 OP
02 FC:8522 25.00 OP
03 FC:8523 120.00 OP

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

Name: Magdalini Rizakos

Internal Address:

Street Address: 233 South Wacker Drive, Suite 5800

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: 2

7. Total fee (37 CFR 2.6(b)(6) & 3.41) $ 65.00

- [ ] Authorized to be charged by credit card
- [ ] Authorized to be charged to deposit account
- [x] Enclosed

8. Payment Information:

a. Credit Card Last 4 Numbers
Expiration Date

b. Deposit Account Number

Authorized User Name

9. Signature: Magdalini Rizakos 1/3/2007

Signature Date

Magdalini Rizakos

Name of Person Signing

Total number of pages including cover sheet, attachments, and document: 7

ASSIGNMENTS DIV
2007 JAN -4 AM 10:19

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

PATENT AND TRADEMARK SECURITY AGREEMENT

THIS PATENT AND TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of January 2, 2007, by **KAPSTONE KRAFT PAPER CORPORATION**, a Delaware corporation (the "Grantor"), in favor of LASALLE BANK NATIONAL ASSOCIATION, in its capacity as administrative agent for the Lenders (in such capacity, the "Administrative Agent").

RECITALS

A. The Grantor and/or its affiliates have entered into a Credit Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement") with various financial institutions and the Administrative Agent, pursuant to which such financial institutions have agreed to make loans to, and issue or participate in letters of credit for the account of, Grantor and/or its affiliates.

B. The Grantor has entered into a Collateral Agreement dated as of the date hereof (as amended, restated, supplemented or otherwise modified from time to time, the "Collateral Agreement") with the Administrative Agent pursuant to which certain obligations owed to the Lenders are secured.

C. Pursuant to the Collateral Agreement, the Grantor is required to execute and deliver to the Administrative Agent, for the ratable benefit of the Lenders, this Agreement.

D. Pursuant to the terms of the Collateral Agreement, Grantor has granted to the Administrative Agent, for the benefit of the Lenders, a security interest in substantially all the assets of the Grantor, including all right, title and interest of the Grantor in, to and under all now owned and hereafter acquired patents, patent applications, patent licenses, trademarks, trademark applications and trademark licenses, and all products and proceeds thereof, to secure the payment of all amounts owing by the Grantor under the Credit Agreement.

In consideration of the mutual agreements set forth herein and in the Credit Agreement, the Grantor does hereby grant to the Administrative Agent, on behalf of itself and for the benefit of the 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:

(1) each trademark, trade name, corporate name, business name, trade style, service mark, logo, internet domain name, other source or business identifier, print and label on which any of the foregoing have appeared or appear, designs and general intangibles of like nature (whether registered or unregistered), all registrations and recordings thereof, and all applications in connection therewith, including registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state or territory thereof, or any other country or any political subdivision thereof, including, without limitation, each trademark and trademark application referred to in Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof and all goodwill associated therewith;

(2) each trademark license, including, without limitation, each trademark license listed on Schedule 1 annexed hereto, together with all goodwill associated therewith;

(3) all products and proceeds of the foregoing, including, without limitation, any claim by the Grantor against third parties for past, present or future infringement of any trademark, including, without limitation, any trademark referred to in Schedule 1 annexed hereto, any trademark issued pursuant to a trademark application referred to in Schedule 1 and any trademark licensed under any trademark license listed on Schedule 1 annexed hereto (items 1 through 3 being herein collectively referred to as the "Trademark Collateral");

(4) each patent of the United States or any other country, all registrations and recordings thereof, and all applications for letters patent of the United States or of any other country, including registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State or any other country, including, without limitation, each patent and patent application referred to in Schedule 2 annexed hereto, together with any reissues, continuations or extensions thereof and all goodwill associated therewith;

(5) each patent license, including, without limitation, each patent license listed on Schedule 2 annexed hereto, together with all goodwill associated therewith;

(6) all products and proceeds of the foregoing, including, without limitation, any claim by the Grantor against third parties for past, present or future infringement of any patent, including, without limitation, any patent referred to in Schedule 2 annexed hereto, any patent issued pursuant to a patent application referred to in Schedule 2 and any patent licensed under any patent license listed on Schedule 2 annexed hereto (items 4 through 6 being herein collectively referred to as the "Patent Collateral").

This security interest is granted in conjunction with the security interests granted to the Administrative Agent pursuant to the Collateral Agreement and subject to limitations set forth therein. The Grantor hereby acknowledges and affirms that the rights and remedies of the Administrative Agent with respect to the security interest in the Trademark Collateral and the Patent Collateral made and granted hereby are more fully set forth in the Credit Agreement and Collateral Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. Capitalized terms used but not defined herein have the respective meanings ascribed thereto in the Collateral Agreement.

[signature page follows]

The Grantor has caused this Patent and Trademark Security Agreement to be duly executed by its duly authorized officer thereunto as of the date first set forth above.

KAPSTONE KRAFT PAPER
CORPORATION

By: _____
Title: President, Chief Operating Officer + Secretary

Acknowledged:

LASALLE BANK NATIONAL ASSOCIATION,
as Administrative Agent

By:_____
Title:_____

[Signature Page to Patent and Trademark Security Agreement]

The Grantor has caused this Patent and Trademark Security Agreement to be duly executed by its duly authorized officer thereunto as of the date first set forth above.

KAPSTONE KRAFT PAPER
CORPORATION

By:_____
Title: _____

Acknowledged:

LASALLE BANK NATIONAL ASSOCIATION,
as Administrative Agent

By: Mary M. Abbott
Title: ASSISTANT VICE PRESIDENT

[Signature Page to Patent and Trademark Security Agreement]

SCHEDULE 1
to
PATENT AND TRADEMARK SECURITY AGREEMENT

Trademarks, Trademark Applications and Trademark Licenses

Country	Trademark Number	Trademark Application Number	Trademark Registration Number	Date of Application	Date of Registration
European Community	034594em	153155	153155	April 1, 1996	June 15, 1998
France	034594fr	201221	1312278	October 24, 1975	October 24, 1975
United States	034594us	73/070266	1045454	November 26, 1975	August 3, 1976
United Kingdom	034594gb	1054243	B1054243	October 31, 1975	October 31, 1975
United States	N/A	75/238911	2134345	N/A	N/A

SCHEDULE 2
to
PATENT AND TRADEMARK SECURITY AGREEMENT

Patents, Patent Applications and Patent Licenses

None.

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