# Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE: **NEW ASSIGNMENT** SECURITY INTEREST NATURE OF CONVEYANCE:

### **CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
NuArc Company, Inc.		07/23/2007	CORPORATION: DELAWARE

#### **RECEIVING PARTY DATA**

Name:	LaSalle Bank National Association		
Street Address:	1000 S. York Road		
City:	Elmhurst		
State/Country:	ILLINOIS		
Postal Code:	60126		
Entity Type:	national banking association:		

#### PROPERTY NUMBERS Total: 5

Property Type	Number	Word Mark
Registration Number:	0686881	FLIP-TOP
Registration Number:	1120431	NUARC
Registration Number:	1462688	SYSTEMS 631
Registration Number:	1548055	NUARC
Registration Number:	1632741	NUVAC

#### **CORRESPONDENCE DATA**

Fax Number: (312)264-2494

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Email: docket@schwartzcooper.com

Correspondent Name: Roger H. Stein

Address Line 1: 180 N. LaSalle Street, Suite 2700 Address Line 4: Chicago, ILLINOIS 60601

ATTORNEY DOCKET NUMBER: 40934-39005

NAME OF SUBMITTER: Roger H. Stein

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Signature:	/Roger H. Stein/			
Date:	09/13/2007			
Total Attachments: 7				
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### TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "Security Agreement") made as of this 23 day of John, 2007 by NuArc Company, Inc., a Delaware corporation ("NuArc") in favor of EaSalle Bank National Association, with an office at 1000 S. York Road, Elmhurst, Illinois 60126 ("Bank"):

### WITNESSETH

WHEREAS, M & R HOLDINGS, INC., a Delaware corporation, having its principal place of business at 1 N. 372 Main Street, Glen Ellyn, Illinois 60137 ("Holdings"), M & R PRINTING EQUIPMENT, INC., a Delaware corporation, having its principal place of business at 1 N. 372 Main Street, Glen Ellyn, Illinois 60137 ("Printing"), M & R SALES & SERVICE, INC., a Delaware corporation, having its principal place of business at 1 N. 372 Main Street, Glen Ellyn, Illinois 60137 ("Sales"), PRECISION SCREEN MACHINES, INC., a Delaware corporation, having its principal place of business at 1 N. 372 Main Street, Glen Ellyn, Illinois 60137 ("Precision"), NUARC COMPANY, INC., a Delaware corporation, having its principal place of business at 1 N. 372 Main Street, Glen Ellyn, Illinois 60137 ("nuArc"), and AMSCOMATIC, INC., a Delaware corporation, having its principal place of business at 1 N. 372 Main Street, Glen Ellyn, Illinois 60137 ("Amscomatic") (Holdings, Printing, Sales, Precision, nuArc and Amscomatic are collectively referred to as "Borrowers") and Bank are parties to a certain Loan and Security Agreement of even date herewith (as the same may be amended or otherwise modified from time to time, the "Loan Agreement") and other related loan documents of even date herewith (collectively, with the Loan Agreement, and as each may be amended or otherwise modified from time to time, the "Financing Agreements"), which Financing Agreements provide (i) for Bank to, from time to time, extend credit to or for the account of Borrowers and (ii) for the grant to Bank by each Borrower of a security interest in certain of each Borrower's respective assets, including, without limitation, its trademarks and trademark applications;

NOW, THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, Borrower agrees as follows:

- 1. <u>Incorporation of Financing Agreements</u>. The Financing Agreements and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Loan Agreement.
- 2. Grant and Reaffirmation of Grant of Security Interests. To secure the complete and timely payment and satisfaction of the Liabilities, NuArc hereby grants to Bank, and hereby reaffirms its prior grant pursuant to the Financing Agreements of, a continuing security interest in NuArc's entire right, title and interest in and to all of its now owned or existing and hereafter acquired or arising trademarks, trade names, corporate

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names, company names, business names, fictitious business names, trade styles, service marks, logos, other business identifiers, prints and labels on which any of the foregoing have appeared or appear, all registrations and recordings thereof, and all applications (other than United States "intent to use" applications until a verified statement of use or amendment to allege use is filed in the United States Patent and Trademark Office with respect to such applications) in connection therewith, including, without limitation, the trademarks, trademark registrations and applications listed on Schedule A attached hereto and made a part hereof and the trademarks, and renewals thereof, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "Trademarks"); all rights corresponding to any of the foregoing throughout the world and the goodwill of the NuArc's business connected with the use of and symbolized by the Trademarks.

- 3. <u>Warranties and Representations</u>. NuArc warrants and represents to Bank that:
  - (i) no Trademark has been adjudged invalid or unenforceable by a court of competent jurisdiction nor has any such Trademark been cancelled, in whole or in part and each such Trademark is presently subsisting;
  - (ii) NuArc is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each Trademark, free and clear of any liens, charges and encumbrances;
  - (iii) NuArc has no notice of any suits or actions commenced or threatened with reference to any Trademark; and
  - (iv) NuArc has the unqualified right to execute and deliver this Security Agreement and perform its terms.
- 4. <u>Restrictions on Future Agreements</u>. NuArc agrees that until NuArc's Liabilities shall have been satisfied in full and the Financing Agreements shall have been terminated, NuArc shall not, without the prior written consent of Bank, sell or assign its interest in any Trademark or enter into any other agreement with respect to any Trademark which would affect the validity or enforcement of the rights transferred to Bank under this Security Agreement.
- 5. New Trademarks. NuArc represents and warrants that, based on a diligent investigation by NuArc, the Trademarks listed on Schedule A constitute all of the federally registered Trademarks, and federal applications for registration of Trademarks in the United States and Canada (other than United States "intent to use" applications until a verified statement of use or amendment to allege use is filed with the United States Patent and Trademark Office with respect to such applications) now owned by NuArc. If, before NuArc's Liabilities shall have been satisfied in full or before the Financing Agreements have

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been terminated, NuArc shall (i) become aware of any existing Trademarks of which NuArc has not previously informed Bank, or (ii) become entitled to the benefit of any Trademarks, which benefit is not in existence on the date hereof, the provisions of this Security Agreement above shall automatically apply thereto and NuArc shall give to Bank prompt written notice thereof. NuArc hereby authorizes Bank to modify this Security Agreement by amending Schedule A to include any such Trademarks.

- 6. <u>Term.</u> The term of the Security Agreements granted herein shall extend until the payment in full of NuArc's Liabilities and the termination of the Financing Agreements. NuArc agrees that upon the occurrence of an Event of Default, the use by Bank of all Trademarks shall be without any liability for royalties or other related charges from Bank to NuArc.
- 7. Product Quality. NuArc agrees to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with commercially reasonable business practices. Upon the occurrence of an Event of Default, NuArc agrees that Bank, or a conservator appointed by Bank, shall have the right to establish such additional product quality controls as Bank, or said conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by NuArc under the Trademarks.
- 8. Release of Security Agreement. This Security Agreement is made for collateral purposes only. Upon payment in full of NuArc's Liabilities and termination of the Financing Agreements, Bank shall take such actions as may be necessary or proper to terminate the security interests created hereby and pursuant to the Financing Agreements
- 9. <u>Expenses</u>. All expenses incurred in connection with the performance of any of the agreements set forth herein shall be borne by NuArc. All fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by Bank in connection with the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or otherwise in protecting, maintaining or preserving the Trademarks or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks shall be borne by and paid by NuArc and until paid shall constitute Liabilities.
- 10. <u>Duties of NuArc</u>. NuArc shall have the duty (i) to file and prosecute diligently any trademark applications pending as of the date hereof or hereafter until NuArc's Liabilities shall have been paid in full and the Financing Agreements have been terminated, (ii) to preserve and maintain all rights in the Trademarks, as commercially reasonable and (iii) to ensure that the Trademarks are and remain enforceable, as commercially reasonable. Any expenses incurred in connection with NuArc's Liabilities under this Section 10 shall be borne by NuArc.
- 11. <u>Bank's Right to Sue</u>. After an Event of Default, Bank shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks and, if

Bank shall commence any such suit, NuArc shall, at the request of Bank, do any and all lawful acts and execute any and all proper documents required by Bank in aid of such enforcement and NuArc shall promptly, upon demand, reimburse and indemnify Bank for all costs and expenses incurred by Bank in the exercise of its rights under this Section 11.

- 12. <u>Waivers</u>. No course of dealing between NuArc and Bank, nor any failure to exercise, nor any delay in exercising, on the part of Bank, any right, power or privilege hereunder or under the Financing Agreements 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.
- 13. <u>Severability</u>. The provisions of this Security 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 Security Agreement in any jurisdiction.
- 14. <u>Modification</u>. This Security 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.
- Cumulative Remedies; Power of Attorney; Effect on Financing 15. Agreements. All of Bank's rights and remedies with respect to the Trademarks, whether established hereby or by the Financing Agreements, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. NuArc hereby authorizes Bank upon the occurrence of an Event of Default, to make, constitute and appoint any officer or agent of Bank as Bank may select, in its sole discretion, as NuArc's true and lawful attorney-in-fact, with power to (i) endorse NuArc's name on all applications, documents, papers and instruments necessary or desirable for Bank in the use of the Trademarks or (ii) take any other actions with respect to the Trademarks as Bank deems to be in the best interest of Bank, or (iii) grant or issue any exclusive or non-exclusive license under the Trademarks to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone. NuArc 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 NuArc's Liabilities shall have been paid in full and the Financing Agreements have been terminated. NuArc acknowledges and agrees that this Security Agreement is not intended to limit or restrict in any way the rights and remedies of Bank under the Financing Agreements but rather is intended to facilitate the exercise of such rights and remedies. Bank shall have, in addition to all other rights and remedies given it by the terms of this Security Agreement and the Financing Agreements, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in Illinois.
- 16. <u>Binding Effect; Benefits</u>. This Security Agreement shall be binding upon NuArc and its respective successors and assigns, and shall inure to the benefit of Bank, its successors, nominees and assigns.

- 17. <u>Governing Law</u>. This Security Agreement shall be governed by and construed in accordance with the laws of the State of Illinois and applicable federal law.
- 18. <u>Headings</u>. Paragraph headings used herein are for convenience only and shall not modify the provisions which they precede.
- 19. <u>Further Assurances</u>. NuArc agrees to execute and deliver such further agreements, instruments and documents, and to perform such further acts, as Bank shall reasonably request from time to time in order to carry out the purpose of this Security Agreement and agreements set forth herein.
- 20. <u>Survival of Representations</u>. All representations and warranties of NuArc contained in this Security Agreement shall survive the execution and delivery of this Security Agreement and shall be remade on the date of each borrowing under the Financing Agreements.

IN WITNESS WHEREOF, NuArc has duly executed this Security Agreement as of the date first written above.

NUARC COMPANY, INC.

By fauf M

Agreed and Accepted As of the Date First Written Above

By LASALLE BANK NATIONAL

**ASSOCIATION** 

Its

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# $\underline{\textbf{SCHEDULE}\ A}$

# TRADEMARK REGISTRATIONS

<u>Trademark</u>	Registration No.	Date Registered
FLIP-TOP	686,881	October 20, 1959
NUARC	1,120,431	June 19, 1979
SYSTEMS 631	1,462,688	October 27, 1987
NUARC & SUNBURST DESIGN	1,548,055	July 18, 1999
NUVAC	1,632,741	January 22, 1991

# TRADEMARK APPLICATIONS

<u>Trademark</u> <u>Application No.</u> <u>Application Date</u>

NONE

revised 1/7/2002 096-20532D

LA1:1141297

**RECORDED: 09/13/2007** 

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