

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
Southworth Company		12/19/2012	CORPORATION: MASSACHUSETTS
RECEIVING PARTY DATA			
Name:	Webster Bank, National Association		
Street Address:	145 Bank Street		
City:	Waterbury		
State/Country:	CONNECTICUT		
Postal Code:	06702		
Entity Type:	CORPORATION: CONNECTICUT		
PROPERTY NUMBERS Total: 4			
Property Type	Number	Word Mark	
Registration Number:	3070670	PARKSIDE	
Registration Number:	2883654	MADISON PARK	
Registration Number:	2457043	MADISON PARK GREETINGS	
Registration Number:	2162206	PARKSIDE PAPERS	
CORRESPONDENCE DATA			
Fax Number:	4137334543		
<i>Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent via US Mail.</i>			
Email:	snyder@ip-lawyers.com		
Correspondent Name:	McCORMICK, PAULDING & HUBER LLP		
Address Line 1:	185 Asylum Street, City Place II		
Address Line 4:	Hartford, CONNECTICUT 06103		
ATTORNEY DOCKET NUMBER:	6004-0167		
NAME OF SUBMITTER:	Kevin H. Vanderleeden		

OP \$115.00 3070670

Signature:	/Kevin H. Vanderleeden/
Date:	01/04/2013
Total Attachments: 8 source=Security Agreement#page1.tif source=Security Agreement#page2.tif source=Security Agreement#page3.tif source=Security Agreement#page4.tif source=Security Agreement#page5.tif source=Security Agreement#page6.tif source=Security Agreement#page7.tif source=Security Agreement#page8.tif	

SECURITY AGREEMENT

Agreement dated as of December 19, 2012 by and between SOUTHWORTH COMPANY, whose principal place of business is at 265 Main Street, Agawam, Massachusetts (the "Debtor") and WEBSTER BANK, NATIONAL ASSOCIATION, 145 Bank Street, Waterbury, Connecticut, (the "Secured Party").

1. GRANT OF SECURITY INTEREST. For valuable consideration, receipt of which is hereby acknowledged, the Debtor hereby grants to the Secured Party a security interest in that property set forth in Exhibit "A" annexed hereto, which Exhibit is hereby incorporated by reference and made a part hereof, referred to in this Agreement as the "Collateral".

2. OBLIGATIONS SECURED. The security interest granted in this Agreement shall secure (i) the advance of \$3,500,000 made this date by Secured Party to enable the Debtor to acquire the Collateral; (ii) all other obligations of the Debtor to Secured Party, including any advances or obligations made or owed pursuant to that certain Amended and Restated Credit Agreement between the parties dated August 11, 2010, together with all liabilities of the Debtor to the Secured Party now existing or hereafter arising, regardless of the form, class or purpose, including, without limitation, liabilities which are primary or secondary, direct or indirect, absolute or contingent, sole or joint and credit evidenced by notes, open accounts and/or overdrafts, agreements, obligations under letters of credit or similar agreements, guaranties or in any other manner (collectively referred to as the "Obligations"). All advances, charges, costs and expenses, including reasonable attorney's fees, incurred or paid by the Secured Party in exercising any right, power or remedy conferred by this Agreement, or in the enforcement hereof, shall become a part of the secured Obligations and shall be paid to the Secured Party immediately and without demand.

3. REPRESENTATIONS, WARRANTIES AND COVENANTS. Debtor warrants and agrees that:
 - 3.1 Debtor has the right and authority to grant this security interest.
 - 3.2 Debtor has good and marketable title to all of the Collateral, none of which are subject to any encumbrance or claim of any person.

This security interest represents a valid perfected first lien on the Collateral, subject to no equal or prior lien, except as may be set forth above. Debtor will not permit any liens or security interests to attach to any of the Collateral, or to any of the Debtor's other assets, except in favor of the Secured Party.

3.3 Debtor will insure any tangible Collateral at all times against all risks of fire, theft and any other hazards specified by the Secured Party, the policy or policies to be payable to the Secured Party as its interest may appear. The policy or policies shall be satisfactory to the Secured Party as to form, amount and insurer. The Debtor shall furnish certificates, policies or endorsements to the Secured Party as proof of such insurance, and if the Debtor fails to do so, the Secured Party is authorized (but not required) to obtain such insurance at the Debtor's expense.

All policies shall provide for at least twenty (20) days prior written notice of cancellation to the Secured Party.

3.4 Debtor will keep the Collateral in good order and repair, reasonable wear and tear excepted, and will not waste or destroy any portion of Collateral. Debtor will defend against any claims to the Collateral of any third parties, and will pay when due all taxes, license fees and assessments relating to the Collateral. Debtor will not use the Collateral in violation of any statute or ordinance or any policy of insurance.

4. DEFAULT. With respect to the Debtor, or any endorser, guarantor or surety for the Debtor, the occurrence of any one or more of the following shall constitute a Default hereunder:

4.1 Default in payment or performance when due of any of the Obligations.

4.2 Failure to perform any term, condition or covenant contained in this Agreement within any applicable grace period.

4.3 The involvement in any financial difficulty as evidenced by:

(a) an assignment, composition or similar device for the benefit of creditors,
or

(b) inability to pay debts when due, or

(c) the filing of a voluntary or involuntary petition in bankruptcy or the institution of any other proceedings under the law relating to bankruptcy, bankruptcy reorganization, insolvency or relief of debtors, or

(d) the appointment of a receiver or trustee, the institution of proceedings for the dissolution, or full or partial liquidation, or the change in nature or discontinuance of its business.

5. RIGHTS AND REMEDIES.

5.1 At any time, without notice, and at the expense of the Debtor, Secured Party in its name or in the name of its nominee or of the Debtor may, but shall not be obligated to:

(a) return any Collateral;

(b) discharge taxes, liens or any other encumbrances placed on the Collateral;

(c) insure, and maintain the Collateral;

(d) renew, extend, accelerate the terms of any Obligation or any part thereof;

(e) release or substitute any party to any of the Obligations.

5.2 Upon default, the Secured Party at its option may declare any or all of the Obligations immediately due and payable, and shall have all of the rights and remedies of a Secured Party as provided in the Uniform Commercial Code, including but not limited to:

(a) the right to require the Debtor to assemble the Collateral and make it available to the Secured Party at a place designated by the Secured Party which is reasonably convenient to both parties;

(b) the right to take immediate possession and remove all Collateral and for that purpose, the Secured Party is authorized to enter upon the premises where the Collateral is kept;

(c) the right to take exclusive possession of the premises on which the Collateral is stored and to conduct any sale on those premises, and/or store the Collateral free of rent on the premises; the Debtor expressly agrees to pay any rents due on the premises while the Secured Party is in possession thereof pursuant to this Agreement;

(d) the right to apply the proceeds of any sale or disposition to the payment in whole or in part of any of the Obligations, after deducting therefrom the following expenses together with interest thereon at the rates specified in the Loan Agreement and/or Note: the expenses of retaking and storing the Collateral, transporting the Collateral from the place of possession to the place of sale, preparation for sale and sale, including Court costs, bond premiums and attorney's fees. Any proceeds hereunder may be applied to principal or interest of any or all of the Obligations, all in the Secured Party's sole discretion.

5.3 The Debtor agrees that the requirements of reasonable notification to the Debtor of the time and place of any public sale or of the time after which any private sale or other intended disposition is to be made shall be met if such notification is sent by mail, certified or not, postage prepaid, at least ten (10) days prior to the date of sale or other disposition, addressed to the Debtor at its principal place of business, such address being the place held out by the Debtor for the receipt of all communications relative to this Agreement. No change of such address shall be effective until specific written notice thereof is received by the Secured Party.

5.4 Upon default, the Debtor will be liable for all reasonable attorney's fees incurred in enforcing this Agreement. The Debtor agrees to hold the Secured Party harmless for any damages or other costs incurred by the Secured Party by reason of the breach of any provision of this Agreement.

5.5 All rights and remedies of the Secured Party, whether provided for in this Agreement or in notes, other instruments or documents or covered by law, are cumulative and not alternative and may be enforced successively or concurrently. The Secured Party shall not be deemed to have waived any of its rights unless such waiver be in writing and signed by the Secured Party. No delay or omission on the part of the Secured Party in exercising any right shall operate as a waiver of such right or any other right. A waiver on one occasion shall not be construed as a bar to or a waiver of any right or remedy on any future occasion.

6. MISCELLANEOUS.

6.1 This Agreement shall be governed by and interpreted according to the laws of the Commonwealth of Massachusetts.

6.2 This Agreement shall be binding upon and for the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns.

6.3 In the event that any provision hereof shall be deemed to be invalid by any court, such invalidity shall not affect the remainder of this Agreement.

6.4 THE DEBTOR ACKNOWLEDGES THAT IT HAS BEEN REPRESENTED BY COUNSEL AND THAT THIS DOCUMENT WAS AVAILABLE FOR REVIEW AND NEGOTIATION PRIOR TO ITS EXECUTION. THE DEBTOR HEREBY AGREES THAT ALL OF SECURED PARTY'S RIGHTS WERE THE RESULT OF NEGOTIATIONS BETWEEN THE SECURED PARTY AND THE DEBTOR AND WERE INDUCED IN A MATERIAL RESPECT BY THE BENEFITS GRANTED TO THE DEBTOR HEREUNDER. IN THIS CONTEXT, THE DEBTOR, ANY GUARANTORS, AND SECURED PARTY ALL AGREE TO WAIVE TRIAL BY JURY AS TO ANY AND ALL MATTERS AND ISSUES WHICH MAY ARISE HEREFROM OR FROM ANY OTHER DOCUMENT, LETTER OR AGREEMENT EXECUTED IN CONJUNCTION HEREWITH, WHETHER DIRECTLY OR INDIRECTLY, INCLUDING WITHOUT LIMITATION, COUNTERCLAIMS, IF ANY.

Executed as a sealed instrument on the date first written above.

SOUTHWORTH COMPANY


By: 
Name: DAVID C. SOUTHWORTH
Title: President

EXHIBIT "A"

All inventory, equipment, intellectual property, intangibles and other assets being acquired by Debtor from Madison Park Group, Inc., including, without limitation, the registered patent, trademarks and copyrights described in Schedules 1, 2 and 3.

SCHEDULE 1

ASSIGNED PATENTS AND PATENT APPLICATIONS

App. No.	File Date	Patent No.	Issue Date	Title	Owner of Record
10/206,552	07/25/2002	US 6957507	10/25/2005	DECORATIVE MAGNET AND CASING	MADISON PARK GREETINGS, INC.

SCHEDULE 2

ASSIGNED TRADEMARKS REGISTRATIONS AND TRADEMARK APPLICATIONS

Serial No.	File Date	Reg. No.	Reg. Date.	Mark	Class	Status	Owner of Record
78/565,551	02/11/2005	3070670	03/21/2006	PARKSIDE	35	Live	Madison Park Greetings, Inc. CORPORATION WASHINGTON
76/486,401	01/27/2003	2883654	09/14/2004	MADISON PARK	16	Live	Madison Park Greetings, Inc. CORPORATION WASHINGTON
75/909,465	02/04/2000	2457043	06/05/2001	MADISON PARK GREETINGS	16	Live	MADISON PARK GREETINGS, INC. CORPORATION WASHINGTON
75/332,070	07/28/1997	2162206	06/02/1998	PARKSIDE PAPERS	16	Live	MADISON PARK GREETINGS, INC. CORPORATION WASHINGTON

SCHEDULE 3

ASSIGNED COPYRIGHTS REGISTRATIONS AND APPLICATIONS

Title of Work	Description	Reg. No.	Reg. Date	Owner of Record
Flower design	Art reproduction	VA 1-088-514	08/02/2001	Madison Park Greetings, Inc.
Sunburst design	Art reproduction	VA 1-088-513	08/02/2001	Madison Park Greetings, Inc.
Heart design: version II	Art reproduction	VA 1-088-512	08/02/2001	Madison Park Greetings, Inc.
Hearts	Art reproduction	VA 1-056-381	02/15/2001	Madison Park Greetings, Inc.
Wings	Art reproduction	VA 1-056-380	02/15/2001	Madison Park Greetings, Inc.

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