

8-12-99

FORM PTO-1618A  
Expires 08/30/99  
OMB 0651-0027

08-16-1999

U.S. Department of Commerce  
Patent and Trademark Office  
TRADEMARK



101117131

RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)  
Document ID # \_\_\_\_\_
- Correction of PTO Error  
Reel # \_\_\_\_\_ Frame # \_\_\_\_\_
- Corrective Document  
Reel # \_\_\_\_\_ Frame # \_\_\_\_\_

Conveyance Type

- Assignment  License
  - Security Agreement  Nunc Pro Tunc Assignment
  - Merger  Change of Name
  - Other \_\_\_\_\_
- Effective Date  
Month Day Year  
\_\_\_\_\_

Conveying Party

Mark if additional names of conveying parties attached

Name UNITED PAPER, INC. Execution Date  
Month Day Year  
08 10 99

Formerly All-Pro Paper, Inc.

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

Citizenship/State of Incorporation/Organization Texas

Receiving Party

Mark if additional names of receiving parties attached

Name LASALLE BUSINESS CREDIT, INC.

DBA/AK/A/T/A \_\_\_\_\_

Composed of \_\_\_\_\_

Address (line 1) 120 E. Baltimore Street, Suite 1802

Address (line 2) \_\_\_\_\_

Address (line 3) Baltimore Maryland USA 21202  
City State/Country Zip Code

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

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

Citizenship/State of Incorporation/Organization Delaware

08/13/1999 NTHAI1 00000122 75489897

FOR OFFICE USE ONLY

01 FC:481 40.00 OP  
02 FC:482 150.00 OP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:  
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK  
REEL: 001943 FRAME: 0355

**Domestic Representative Name and Address**

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Correspondent Name and Address**

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

**Pages**

Enter the total number of pages of the attached conveyance document including any attachments.

#

**Trademark Application Number(s) or Registration Number(s)**

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

**Trademark Application Number(s)**

**Registration Number(s)**

**Number of Properties**

Enter the total number of properties involved.

#

**Fee Amount**

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

**Statement and Signature**

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

Lawrence J. Gebhardt, Esq.

August 11, 1999

Name of Person Signing

Signature

Date Signed

## TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT ("Agreement") is dated as of August 10, 1999, by and between UNITED PAPER, INC., a Texas corporation ("Borrower"), with its mailing address at 4560 Beltline Road, Suite 202, Addison, Texas 75001; and LASALLE BUSINESS CREDIT, INC., a Delaware corporation ("LaSalle"), with its principal place of business at 120 E. Baltimore Street, Suite 1802, Baltimore, Maryland 21202.

### RECITALS

The Borrower has applied to LaSalle for certain credit accommodations. LaSalle has agreed to extend the credit accommodations to the Borrower, under the terms and conditions set forth in an Amended And Restated Loan And Security Agreement of even date herewith ("Loan Agreement") by and between the Borrower, other parties, and LaSalle, and various other documents, instruments and agreements executed by or on behalf of the Borrower in connection with the above-described credit accommodations (together with the Loan Agreement, collectively, "Loan Documents").

In order to induce LaSalle to enter into the above-described credit accommodations, the Borrower, pursuant to the terms and conditions of the Loan Agreement, has agreed to grant to LaSalle a lien and security interest in all trademark and service mark rights owned by the Borrower, and also has granted to LaSalle a lien on and security interest in all of the Borrower's assets, including but not limited to those assets relating to products sold under the trademarks and services rendered under the service marks, whereby LaSalle, upon the occurrence of an Event of Default (as such term is defined in the Loan Agreement), shall have the right to foreclose on the trademarks, service marks and other assets of the Borrower, in order that LaSalle or its assignee may continue the sale of products sold and services rendered under the trademarks and service marks.

NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, the receipt and adequacy of which are hereby acknowledged, the Borrower agrees with LaSalle as follows:

Section 1. Grant Of Security Interest. The Borrower, as additional security for the complete and timely payment, performance and satisfaction of all of the Obligations (as hereafter defined), hereby grants unto LaSalle, its successors and assigns, upon the following terms and conditions, a continuing lien and security interest in the BORROWER'S interest in those certain trademarks and service marks registered with the United States Patent and Trademark Office in the name of the Borrower, and described on Exhibit A attached hereto and made a part hereof, together with any renewals thereof, and the entire goodwill of the business in connection with which such trademarks and service marks

are used, and all claims for damages by reason of past infringement of such trademarks and service marks with the right to sue for and collect the same, to LaSalle (collectively, "Trademarks") and all license rights in the Trademarks. As used herein, the term "Obligations" shall mean all duties of payment and performance, whether direct or indirect, both now existing and arising from time to time, owed by the Borrower to LaSalle under the Loan Agreement and the other Loan Documents. This Agreement is delivered pursuant to and in confirmation of the terms and conditions of the Loan Agreement, which terms and conditions are incorporated by reference into this Agreement and made a part hereof as if fully set out herein.

Section 2. Additional Trademarks Or Service Marks. If, before the Obligations shall have been satisfied in full, the Borrower shall obtain rights to any new trademarks or service marks, the provisions of Section 1 shall automatically apply thereto and the Borrower shall give prompt written notice thereof to LaSalle. The Borrower irrevocably and unconditionally authorizes LaSalle to modify this Agreement by amending Exhibit A to include any additional or future trademarks, service marks and applications therefor owned or acquired by the Borrower without any further assent or signature of the Borrower.

Section 3. Purpose. This Agreement has been executed and delivered by the Borrower for the purpose of recording the grant of security interest herein with the United States Patent and Trademark Office. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to LaSalle under the Loan Agreement. The terms and conditions of the Loan Agreement shall remain in full force and effect in accordance with its terms, notwithstanding the execution, delivery and recordation of this Agreement.

Section 4. Representations And Warranties. The Borrower represents and warrants that:

a. To its knowledge without investigation, the Trademarks are subsisting and have not been adjudged invalid or unenforceable in whole or in part;

b. To its knowledge without investigation, each of the Trademarks is valid and enforceable;

c. To its knowledge without investigation, no claim has been made that the use of any of the Trademarks does or may violate the rights of any third person;

d. To its knowledge without investigation, the Borrower is the sole and exclusive owner of the entire unencumbered right, title and interest in and to each of the Trademarks, free and clear of any liens, charges and encumbrances, including without

limitation pledges, assignments, licenses, registered user agreements and covenants by the Borrower not to sue third persons;

e. The Borrower has the unqualified right to enter into this Agreement and to perform its terms;

f. The Borrower will use, for the duration of this Agreement, proper statutory notice in connection with its use of the Trademarks; and

g. The Borrower will use or require the use of, for the duration of this Agreement, consistent standards of quality in the manufacture of products sold and services rendered under the Trademarks.

Section 5. Patent And Trademark Office May Rely Upon This Agreement. If LaSalle shall elect to exercise any of the rights hereunder, the United States Patent and Trademark Office shall have the right to rely upon LaSalle's written statement of LaSalle's right to sell, assign and transfer the Trademarks and the Borrower hereby irrevocably and unconditionally authorizes the United States Patent and Trademark Office to recognize such sale by LaSalle either in the Borrower's name or in LaSalle's name without the necessity or obligation of the United States Patent and Trademark Office to ascertain the existence of any default by the Borrower under the Loan Agreement.

Section 6. Costs And Expenses. Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorney's fees and legal expenses incurred by LaSalle in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise 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 and paid by the Borrower on demand by LaSalle and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the highest rate prescribed in the Loan Agreement.

Section 7. Notices. Notices that are required or permitted to be delivered hereunder shall be sufficient if in writing and sent to the addresses set forth in the Loan Agreement, in the manner and within the time specified in the Loan Agreement.

Section 8. No Assignment Or Further Lien. The Borrower shall not assign, transfer or convey its interests in the Trademarks, nor shall the Borrower grant any further lien or security interest in all or any of the Trademarks, without the prior written consent of LaSalle.

Section 9. Further Assurances. The Borrower shall execute any further or additional documents considered necessary, appropriate or proper by LaSalle to effectuate the purposes and intent of this Agreement.

Section 10. Amendment. The terms and conditions of this Agreement may be modified, altered, waived, or amended only by a writing executed by LaSalle consenting to the modification, alteration, waiver, or amendment.

Section 11. Severability. If any of the provisions of this Agreement are judicially determined to be in conflict with any law of the State of Maryland or otherwise judicially determined to be unenforceable for any reason whatsoever, such provision shall be deemed null and void to the extent of such unenforceability but shall be deemed separable from and shall not invalidate any other provision of this Agreement.

Section 12. Successors And Assigns. The terms, covenants and conditions contained in this Agreement shall inure to the benefit of LaSalle and its successors and assigns, and shall be binding upon the Borrower and its successors and assigns.

Section 13. Choice Of Law. The laws of the State of Maryland (excluding, however, conflict of law principles) shall govern and be applied to determine all issues relating to this Agreement and the rights and obligations of the parties hereto, including the validity, construction, interpretation, and enforceability of this Agreement and its various provisions and the consequences and legal effect of all transactions and events which resulted in the execution of this Agreement or which occurred or were to occur as a direct or indirect result of this Agreement having been executed.

Section 14. Consent To Jurisdiction; Agreement As To Venue. The Borrower irrevocably consents to the non-exclusive jurisdiction of the courts of the State of Maryland and of the United States District Court For The District Of Maryland, if a basis for federal jurisdiction exists. The Borrower agrees that venue shall be proper in any circuit court of the State of Maryland selected by LaSalle or in the United States District Court For The District Of Maryland if a basis for federal jurisdiction exists and waives any right to object to the maintenance of a suit in any of the state or federal courts of the State of Maryland on the basis of improper venue or of inconvenience of forum.

Section 15. Waiver Of Jury Trial. The Borrower (by its execution hereof) and LaSalle (by its acceptance of this Agreement) agree that any suit, action, or proceeding, whether claim or counterclaim, brought or instituted by any party hereto or any successor or assign of any party hereto, with respect to this Agreement, the Loan Documents, or any other document or agreement which in any way relates, directly or indirectly, to this

Agreement, the Loan Documents, the Obligations or any event, transaction or occurrence arising out of or in any way connected with this Agreement, the Loan Documents, any of the Obligations, or the dealings of the parties with respect thereto, shall be tried only by a court, and not by a jury. **THE BORROWER AND LASALLE HEREBY EXPRESSLY WAIVE ANY AND ALL RIGHTS TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION, OR PROCEEDING.** The Borrower acknowledges and agrees that this provision is a specific and material aspect of the agreement between the parties hereto and that LaSalle would not enter into the subject transactions if this provision were not part of this Agreement.

IN WITNESS WHEREOF, the Borrower has executed this Agreement as of the date first above written with the specific intention of creating an instrument under seal.

WITNESS/ATTEST:

BORROWER:

UNITED PAPER, INC.,  
A Texas Corporation

Deborah L. Sullivan

By: E. Andrew Harvey (SEAL)  
E. Andrew Harvey,  
President

ACKNOWLEDGMENT

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

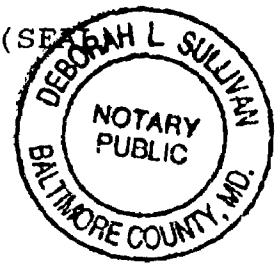
I HEREBY CERTIFY that on this 10th day of August, 1999, before me, the undersigned Notary Public of the State of Maryland, personally appeared E. Andrew Harvey, and acknowledged himself to be the President of UNITED PAPER, INC., a Texas corporation, and that he, as such President, being authorized so to do, executed the foregoing instrument in the capacity and for the purposes therein contained, by signing the name of UNITED PAPER, INC. by himself as President.

IN WITNESS MY Hand and Notarial Seal.

Deborah L. Sullivan (SEAL)  
NOTARY PUBLIC

My Commission Expires:

9/26/00



**EXHIBIT A**  
**TO TRADEMARK SECURITY AGREEMENT**

**Schedule Of Trademarks**

<b><u>TRADEMARK</u></b>	<b><u>REGISTRATION NO.</u></b>
PG	1,694,301
THE PAPER GROUP INC.	1,697,580

<b><u>TRADEMARK</u></b>	<b><u>SERIAL NO.</u></b>
GOLDMAN PAPER GROUP	75/489,897
GOLDMAN PAPER GROUP & DESIGN	75/486,805
GOLDMAN PAPER GROUP & LOGO	75/494,391
HIGHSTREET	75/724,544
KENSINGTON	75/724,543