

RE

04-22-2003

ET

4/23/03

Tab settings



To the Honorable Commissioner of Pa

102426106

ched original documents or copy thereof

1. Name of conveying party(ies):
Bell & Howell Mail and Messaging Technologies

2. Name and address of receiving party(ies)

Name Heller Financial, Inc., as Agent

Internal Address: 500 West Monroe Street

Street Address: _____

City: Chicago State IL ZIP: 60661

Additional name(s) of conveying party(ies) attached? Yes No

Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:

- Assignment Merger
- X Security Agreement Change of Name
- Other _____

Execution Date: April 11, 2003

4. Application number(s) or patent number(s):

If this document is being filed together with a new application, the execution date of the application _____

A. Patent Application No.(s)
See Attached Schedule 1

B. Patent No.(s)
See Attached Schedule 1

Additional numbers attached? Yes

60394254

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

Name: _____

Internal Addr: _____

Federal Research Company, LLC
1030 15th Street, NW, Suite 920
Washington, DC 20005

Street Addr: _____

City: _____ State: _____ ZIP: _____

6. Total number of applications and patents involved:

34

7. Total fee (37 CFR 3.41) \$ 1,360.00

- Enclosed
- Authorized to be charged to deposit account

8. Deposit account number: _____

(Attach duplicate copy of this page if paying by deposit account)

04/23/2003 LMUELLER 00000070 60394256

DO NOT USE THIS SPACE

01 FC:0021 1360.00 00

9. 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 the original document.

Terese M. Scholl

Name of Person

Terese M. Scholl

Signature

April 17, 2003

Date

10

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

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

SCHEDULE 1**Bell & Howell Mail and Messaging Technologies Company**

	Pat/App No.	Ctry	Title
1.	60/394,256	US	Method for Multiple Print Stream Management and Finishing
2.	60/389,915	US	High Capacity and Low Capacity Removable Bin Configurations
3.	60/356,950	US	Sheet Accumulator System and Method
4.	60/356,229	US	Non-Marking Accumulator
5.	U.S. App. No. N/A	US	Apparatus and Method for Merging Sheet Articles from Multiple Print Streams
6.	10/335,910	US	Electronic Document Presentment Services in the Even of a Disaster
7.	10/273,464	US	APPARATUS AND METHOD FOR STUFFING A FOLDER
8.	10/175,433	US	Non-Marking Accumulator
9.	10/174,859	US	Non-Marking Accumulator
10.	10/118,346	US	Tracking System Method and Computer Program Product for Document Processing
11.	10/085,357	US	System and Method for Monitoring Grouped Resources
12.	10/075,771	US	Right Angle Stager Apparatus and Method
13.	10/072,791	US	Sheet Feeder Apparatus and Method With Throughput Control
14.	10/055,604	US	Automated Methods and Systems for Analyzing Data Associated with an Industrial Process
15.	10/054,774	US	Automated Methods and Systems for Analyzing Data Associated with an Industrial Process
16.	10/034,853	US	Apparatus and Method for Collecting Flat and Letter Units
17.	09/596,978	US	Methods and Systems for Tracking and Controlling Mailpiece Processing Using Postal Service
18.	09/352,441	US	Method and System to Remotely Configure Business Office Devices to User Defined Parameters
19.	09/202768	US	Feed Rollers With Reversing Clutch
20.	6390461	US	Insert Hopper and Method for Improving the Operation Thereof
21.	6378861	US	Right Angle Stager Apparatus and Method
22.	6370521	US	Tracking System, Method and Computer Program Product for Document Processing
23.	6305684	US	Feed Rollers with Reversing Clutch
24.	6283276	US	Overhead Pusher Finger Guide System
25.	6276621	US	Cutter Module with an Integrated Trim Disposal Mechanism
26.	6266575	US	Client-Server System and Method of Managing Database Driven Insertion (DDI) and Mail Piece Tracking (MPT) Data

Pat/App No.	Ctry	Title
27. 6264021	US	High Speed Envelope Packing Apparatus
28. 5224695	US	Method And Apparatus For Feeding Documents
29. 5211384	US	Insertor With Diverter For Faulty Members
30. 5130558	US	Skew Detector For Insertor
31. 5129503	US	Turnover Module
32. 5125642	US	Feeder Module With Thickness Detection
33. 5125214	US	Insertor Station For Envelope Inserting
34. 4927133	US	Angled Conveyor For Document Packages

PATENT SECURITY AGREEMENT

THIS PATENT SECURITY AGREEMENT (the "Agreement") made as of this 11th day of April, 2003, by BELL & HOWELL MAIL AND MESSAGING TECHNOLOGIES COMPANY, a Delaware corporation ("Grantor"), in favor of Heller Financial, Inc., a Delaware corporation, in its capacity as Agent for the Lenders party to the Credit Agreement (defined below) ("Grantee").

WITNESSETH

WHEREAS, Bell & Howell Company, a Delaware corporation f/k/a BH Acquisition, Inc. ("Borrower"), Grantee and Lenders are parties to a certain Credit Agreement dated as of September 28, 2001 (as amended or otherwise modified from time to time, the "Credit Agreement"), providing for extensions of credit to be made to Borrower by Lenders;

WHEREAS, as a wholly-owned subsidiary of Borrower, Grantor will receive substantial direct and indirect benefits by the extensions of credit to Borrower under the Credit Agreement, and, accordingly, Grantor has guaranteed the payment and performance of Borrower's obligations under the Credit Agreement pursuant to a Subsidiary Guaranty dated as of September 28, 2001 by Grantor and certain other signatories thereto in favor of Agent, for the benefit of the Lenders (the "Guaranty"); and

WHEREAS, pursuant to the terms of that certain Security Agreement dated as of September 28, 2001 among Grantor, Grantee and the other parties signatories thereto (as the same may be amended or otherwise modified from time to time, the "Security Agreement"), Grantor has granted to Grantee, for the benefit of Lenders, a security interest in substantially all of the assets of Grantor including all right title and interest of Grantor in, to and under all now owned and hereafter acquired or arising (a) patents and patent applications and the inventions and improvements described and claimed therein, and patentable inventions; (b) the reissues, divisions, continuations, renewals, extensions and continuations-in-part of any of the foregoing; (c) all income, royalties, damages and payments now or hereafter due and/or payable under any of the foregoing, under licenses of the foregoing, 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; (d) the right to sue for past, present and future infringements of any of the foregoing; and (e) all rights corresponding to any of the foregoing throughout the world (collectively, "Patents") and all products and proceeds thereof, to secure the payment of all amounts owing by Grantor under the Security Agreement; and

WHEREAS, Grantor has granted to Grantee certain security interests (the "Prior Patent Grant") pursuant that certain Patent Security Agreement, dated as of September 28, 2001, recorded with the United States Patent and Trademark Office at Reel No. 012199, Frame No. 0004 on October 5, 2001, as corrected by that certain correction filing recorded at Reel No. 012879, Frame No. 0310 on May 13, 2002.

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, Grantor agrees as follows:

1. Incorporation of Guaranty and Security Agreement. The Guaranty and Security Agreement 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 Security Agreement.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the complete and timely payment and satisfaction of the Obligations, Grantor hereby grants to Grantee, for the benefit of Lenders, and hereby reaffirms its prior grant pursuant to the Security Agreement of, a continuing security interest in Grantor's entire right, title and interest in and to the following (all of the following items or types of property being herein collectively referred to as the "Patent Collateral"), whether now owned or existing and hereafter acquired or arising:

(i) each Patent and application for Patent listed on Schedule 1 annexed hereto, together with any reissues, continuations or extensions thereof; and

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

3. Warranties and Representations. Grantor warrants and represents to Grantee that:

(i) Grantor is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each Patent, free and clear of any liens, charges and encumbrances, including without limitation licenses, shop rights and covenants by Grantor not to sue third persons;

(ii) Grantor has no notice of any suits or actions commenced or threatened with reference to any Patent; and

(iii) Grantor has the unqualified right to execute and deliver this Agreement and perform its terms.

4. Restrictions on Future Agreements. Grantor agrees that until Grantor's Obligations shall have been satisfied in full and the Credit Agreement shall have been terminated, Grantor shall not, without the prior written consent of Grantee, (i) sell or assign its interest in, or grant any license or grant any license that would impair, or conflict with Grantor's Obligations to Grantee under, any Patent or (ii) enter into any other agreement that would impair or conflict with Grantor's Obligations to Grantee or that would in any other manner be materially adverse to the interests of Grantee with respect to any Patent, and Grantor further agrees that it shall not take any action or permit any action to be taken by others subject to its control, including licensees, or fail to take any action which would affect the validity or enforcement of the rights transferred to Grantee under this Agreement.

5. Grantee's Right to Sue. After an Event of Default, Grantee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Patents and, if Grantee shall commence any such suit, Grantor shall, at the request of Grantee, do any and all lawful acts and execute any and all proper documents required by Grantee in aid of such

enforcement and Grantor shall promptly, upon demand, reimburse and indemnify Grantee for all costs and expenses incurred by Grantee in the exercise of its rights under this Section 5.

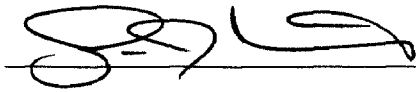
6. Cumulative Remedies; Power of Attorney. Grantee hereby acknowledges and affirms that the rights and remedies with respect to the Patents, whether established hereby or by the Security Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Grantor hereby authorizes Grantee upon the occurrence of an Event of Default, to make, constitute and appoint any officer or agent of Grantee as Grantee may select, in its sole discretion, as Grantor's true and lawful attorney-in-fact, with power to (i) endorse Grantor's name on all applications, documents, papers and instruments necessary or desirable for Grantee in the use of the Patents or (ii) take any other actions with respect to the Patents as Grantee deems to be in the best interest of Grantee, or (iii) grant or issue any exclusive or non-exclusive license under the Patents to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Patents to anyone. Grantor 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 Grantor's Obligations shall have been paid in full and the Credit Agreement has been terminated. Grantor hereby further acknowledges and agrees that the use by Grantee of all Patents shall be worldwide, except as limited by their terms, and without any liability for royalties or other related charges from Grantee to Grantor.

7. Release. Upon payment in full of all Secured Obligations and the termination of all commitments of Grantee and Lenders under the Credit Agreement and all Lender Letters of Credit and Risk Participation Agreements, the Security Interests, including, but not limited to, the Prior Patent Grant, shall terminate and all rights to the Patent Collateral shall revert to Grantor. Upon such termination of the Security Interests or release of the Patent Collateral, Agent will, at the expense of Grantor, execute and deliver to Grantor such documents as Grantor shall reasonably request to evidence the termination of the Security Interests or the release of such Patent Collateral, as the case may be.

[remainder of page intentionally left blank]

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

BELL & HOWELL MAIL AND MESSAGING
TECHNOLOGIES COMPANY
a Delaware corporation

By:  _____

Name LOUIS J. MANETTI

Title: Vice President

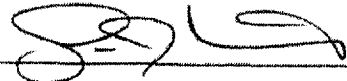
Agreed and Accepted
As of the Date First Written Above

HELLER FINANCIAL, INC., as Agent

By: _____
Name _____
Title: _____

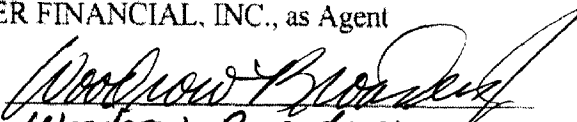
IN WITNESS WHEREOF, Grantor has duly executed this Agreement as of the date first written above.

BELL & HOWELL MAIL AND MESSAGING
TECHNOLOGIES COMPANY
a Delaware corporation

By: 
Name LOUIS V. MANETTI
Title: Vice President

Agreed and Accepted
As of the Date First Written Above

HELLER FINANCIAL, INC., as Agent

By: 
Name Woodrow Borders
Title: Duly Authorized Signatory

SCHEDULE 1**Bell & Howell Mail and Messaging Technologies Company**

	Pat/App No.	Ctry	Title
1.	60/394,256	US	Method for Multiple Print Stream Management and Finishing
2.	60/389,915	US	High Capacity and Low Capacity Removable Bin Configurations
3.	60/356,950	US	Sheet Accumulator System and Method
4.	60/356,229	US	Non-Marking Accumulator
5.	U.S. App. No. N/A	US	Apparatus and Method for Merging Sheet Articles from Multiple Print Streams
6.	10/335,910	US	Electronic Document Presentment Services in the Even of a Disaster
7.	10/273,464	US	APPARATUS AND METHOD FOR STUFFING A FOLDER
8.	10/175,433	US	Non-Marking Accumulator
9.	10/174,859	US	Non-Marking Accumulator
10.	10/118,346	US	Tracking System Method and Computer Program Product for Document Processing
11.	10/085,357	US	System and Method for Monitoring Grouped Resources
12.	10/075,771	US	Right Angle Stager Apparatus and Method
13.	10/072,791	US	Sheet Feeder Apparatus and Method With Throughput Control
14.	10/055,604	US	Automated Methods and Systems for Analyzing Data Associated with an Industrial Process
15.	10/054,774	US	Automated Methods and Systems for Analyzing Data Associated with an Industrial Process
16.	10/034,853	US	Apparatus and Method for Collecting Flat and Letter Units
17.	09/596,978	US	Methods and Systems for Tracking and Controlling Mailpiece Processing Using Postal Service
18.	09/352,441	US	Method and System to Remotely Configure Business Office Devices to User Defined Parameters
19.	09/202768	US	Feed Rollers With Reversing Clutch
20.	6390461	US	Insert Hopper and Method for Improving the Operation Thereof
21.	6378861	US	Right Angle Stager Apparatus and Method
22.	6370521	US	Tracking System, Method and Computer Program Product for Document Processing
23.	6305684	US	Feed Rollers with Reversing Clutch
24.	6283276	US	Overhead Pusher Finger Guide System
25.	6276621	US	Cutter Module with an Integrated Trim Disposal Mechanism
26.	6266575	US	Client-Server System and Method of Managing Database Driven Insertion (DDI) and Mail Piece Tracking (MPT) Data

	Pat/App No.	Ctry	Title
27.	6264021	US	High Speed Envelope Packing Apparatus
28.	5224695	US	Method And Apparatus For Feeding Documents
29.	5211384	US	Insertor With Diverter For Faulty Members
30.	5130558	US	Skew Detector For Insertor
31.	5129503	US	Turnover Module
32.	5125642	US	Feeder Module With Thickness Detection
33.	5125214	US	Insertor Station For Envelope Inserting
34.	4927133	US	Angled Conveyor For Document Packages