

PATENT ASSIGNMENT

Electronic Version v1.1

Stylesheet Version v1.1

SUBMISSION TYPE:

NEW ASSIGNMENT

NATURE OF CONVEYANCE:

First Lien Patent Security Interest

CONVEYING PARTY DATA

Name	Execution Date
Varn International, Inc.	12/02/2005

RECEIVING PARTY DATA

Name:	Goldman Sachs Credit Partners L.P.
Street Address:	85 Broad Street
City:	New York
State/Country:	NEW YORK
Postal Code:	10004

PROPERTY NUMBERS Total: 13

Property Type	Number
Patent Number:	4981077
Patent Number:	5134935
Patent Number:	5387279
Patent Number:	5454310
Patent Number:	5539952
Patent Number:	5551338
Patent Number:	5680816
Patent Number:	5878663
Patent Number:	5879748
Patent Number:	5979314
Patent Number:	5983791
Patent Number:	6095042
Patent Number:	6330859

CORRESPONDENCE DATA

PATENT

500066291

REEL: 016902 FRAME: 0532

OP \$520.00 4981077

Fax Number: (714)755-8290

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

Phone: 714-540-1235

Email: ipdocket@lw.com

Correspondent Name: Latham & Watkins, LLP

Address Line 1: 650 Town Center Drive

Address Line 2: 20th Floor

Address Line 4: Costa Mesa, CALIFORNIA 92626

ATTORNEY DOCKET NUMBER:

022411-0536 FIRST LEIN PA

NAME OF SUBMITTER:

Joanna Fowler

Total Attachments: 15

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PATENT FIRST LIEN SECURITY AGREEMENT

This PATENT SECURITY AGREEMENT (as may be amended, restated, supplemented or otherwise modified from time to time, this "Patent Security Agreement"), dated as of December 5, 2005, by **DAY INTERNATIONAL, INC.** (the "Borrower"), **DAY INTERNATIONAL GROUP, INC.** and **CERTAIN SUBSIDIARIES OF DAY INTERNATIONAL, INC.**, as Grantors (collectively, the "Grantors"), in favor of **GOLDMAN SACHS CREDIT PARTNERS L.P.**, as administrative agent (in such capacity, as the "Administrative Agent") for the benefit of the banks, financial institutions and other entities (the "Lenders") from time to time parties to the Credit and Guarantee Agreement dated as of December 5, 2005 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement").

WITNESSETH:

WHEREAS, DAY INTERNATIONAL, INC., (the "Borrower"), has entered into a Credit Agreement, dated as of December 5, 2005, with the banks and other financial institutions and entities from time to time party thereto (the "Lenders"), **GOLDMAN SACHS CREDIT PARTNERS L.P.**, as sole lead arranger and sole syndication agent and **GOLDMAN SACHS CREDIT PARTNERS L.P.**, as administrative agent and collateral agent (in such capacity, the "Administrative and Collateral Agent"), **JPMORGAN CHASE BANK, N.A.** and **PNC BANK NATIONAL ASSOCIATION**, as joint documentation agents (in such capacity, the "Documentation Agents").

WHEREAS, it is a condition precedent to the obligation of the Lenders to make their respective extensions of credit to the Borrower under the Credit Agreement that the Borrower and Grantors shall have executed and delivered that certain First Lien Pledge and Security Agreement, dated as of December 5, 2005, in favor of the Administrative Agent (as amended, supplemented, replaced or otherwise modified from time to time, the "Pledge and Security Agreement") for the ratable benefit of the Secured Parties (as defined in the Pledge and Security Agreement).

WHEREAS, under the terms of the Pledge and Security Agreement, the Grantors have granted a security interest in certain property, including, without limitation, certain Intellectual Property of the Grantors, including all successors and assigns, to the Administrative Agent for the ratable benefit of the Secured Parties and, upon the payment in full of all amounts owed to the Secured Parties, has agreed as a condition thereof to execute this Patent Security Agreement for recording with the United States Patent and Trademark Office and other applicable Governmental Authorities.

WHEREAS, this Agreement is supplemental to the provisions contained in the Pledge and Security Agreement and the Credit Agreement and, in the event of an inconsistency among them, the Credit Agreement shall control over the Pledge and Security Agreement and the Pledge and Security Agreement shall control over this Agreement.

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantors hereby agree as follows:

SECTION 1. DEFINED TERMS. All capitalized terms used but not otherwise defined herein have the meanings given to them in Pledge and Security Agreement, and, if not therein defined, in the Credit Agreement.

SECTION 2. (1) GRANT OF SECURITY INTEREST IN PATENT COLLATERAL. Grantors hereby grant to the Administrative Agent, for the benefit of the Secured Parties, a security interest in and continuing lien on all of Grantors' right, title and interest in, to and under the following, whether now owned or existing or hereafter acquired or arising and wherever located (collectively, the "Patent Collateral"):

(a) all United States and foreign patents and certificates of invention, or similar industrial property rights, and applications for any of the foregoing (collectively, "Patents"), including, but not limited to each patent and patent application referred to on Schedule I hereto (as such schedule may be amended or supplemented from time to time);

(b) all agreements (whether or not in writing) providing for the granting of any right to manufacture, use or sell any invention covered in whole or in part by any Patents, whether Grantor(s) is licensee or licensor thereunder;

(c) all provisionals, reissues, divisions, continuations, continuations-in-part, extensions, renewals, and reexaminations thereof;

(d) all rights corresponding thereto throughout the world;

(e) all inventions and improvements described therein;

(f) all rights to sue for past, present and future infringements thereof;

(g) all licenses, claims, damages, and proceeds of suit arising therefrom;

(h) all Proceeds of the foregoing, including, without limitation, licenses, royalties, income, payments, claims, damages, and proceeds of suit; and

(i) any and all past, present or future rights in to and associated with the Patents and other rights of inventions throughout the world, whether arising under federal law, state law, common law, foreign law or otherwise.

(2) The foregoing security interest shall terminate upon termination of the Pledge and Security Agreement and full and final payment of the Obligations of the Grantor(s) thereunder. Upon termination of this Agreement, at the sole expense of the Grantor(s), the Collateral Agent and/or the Secured Parties, as applicable, shall take such actions as may be necessary to release the Collateral Agent's and the Secured Parties' security interest in the Patent Collateral.

SECTION 3. PLEDGE AND SECURITY AGREEMENT. The security interests granted pursuant to this Patent Security Agreement are granted in conjunction with the security interests granted to the Administrative Agent, for the benefit of the Secured Parties, pursuant to the Pledge and Security Agreement. Grantors hereby acknowledge and affirm that the rights and remedies of Administrative Agent with respect to the security interest in the Patent Collateral made and granted hereby are more fully set forth in the Pledge and Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. In the event that any provision of this Patent Security Agreement is deemed to conflict with the Pledge and Security Agreement, the provisions of the Pledge and Security Agreement shall control.

SECTION 4. APPLICABLE LAW. This Patent Security Agreement and the rights and obligations of the parties hereunder shall be governed by, and shall be construed and enforced in accordance with, the laws of the State of New York, without regard to its conflicts of law provisions (other than Section 5-1401 and Section 5-1402 of the New York General Obligation Laws).

SECTION 5. COUNTERPARTS. This Patent Security Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Grantor has caused this Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

DAY INTERNATIONAL, INC.

By: _____

Name: THOMAS J KOENIG

Title: VICE PRESIDENT & C.F.O.

ACKNOWLEDGMENT OF GRANTOR

STATE OF OHIO)

ss.

COUNTY OF MONTGOMERY)

On, this 23rd day of December 2005 before me personally appeared THOMAS J KOENIG, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of the Grantor, who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

Notary Public

{seal}

TERESA L. SMITH, NOTARY PUBLIC
for the State of Ohio
My Commission Expires March 5, 2008

IN WITNESS WHEREOF, the Grantor has caused this Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

DAY INTERNATIONAL GROUP, INC.

By: _____

Name: THOMAS J. KOENIG

Title: VICE PRESIDENT & CFO

ACKNOWLEDGMENT OF GRANTOR

STATE OF OHIO)

ss.

COUNTY OF MONTGOMERY)

On this 3rd day of December, 2005 before me personally appeared THOMAS J. KOENIG, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of the Grantor, who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

Notary Public

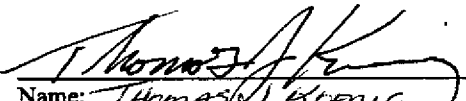
{seal}

[SIGNATURES CONTINUED ON NEXT PAGE]

THOMAS J. L. SMITH, Notary Public,
in and for the State of Ohio
My Commission Expires March 5, 2008

IN WITNESS WHEREOF, the Grantor has caused this Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

VARN INTERNATIONAL, INC.

By: 
Name: THOMAS J. KOENIG
Title: VICE PRESIDENT V.I.F.O.

ACKNOWLEDGMENT OF GRANTOR

STATE OF OHIO)

COUNTY OF MONTGOMERY)

ss.

On this 2nd day of December __, 2005 before me personally appeared THOMAS J. KOENIG, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of the Grantor, who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.


Notary Public

{seal}

[SIGNATURES CONTINUED ON NEXT PAGE]

NOTARIAL PUBLIC
STATE OF OHIO
My Comm. Expires 03/17/08

IN WITNESS WHEREOF, the Grantor has caused this Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

DAY INTERNATIONAL FINANCE, INC.

By: _____

Name: THOMAS S. KOENIG
Title: VICE PRESIDENT & CFO

ACKNOWLEDGMENT OF GRANTOR

STATE OF OHIO)

ss.

COUNTY OF MONTGOMERY)

On this 2nd day of December, 2005 before me personally appeared THOMAS S. KOENIG, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of the Grantor, who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

Notary Public

{seal}

[SIGNATURES CONTINUED ON NEXT PAGE]

IN WITNESS WHEREOF, the Grantor has caused this Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

NETWORK DISTRIBUTION INTERNATIONAL

By: _____

Name: _____

Title: _____

ACKNOWLEDGMENT OF GRANTOR

STATE OF CHIO)

ss.

COUNTY OF MONTGOMERY)

On this 2nd day of December __, 2005 before me personally appeared THOMAS KOENIG, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of the Grantor, who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

Notary Public

{seal}

[SIGNATURES CONTINUED ON NEXT PAGE]

INTERNATIONAL STATE NOTARY PUBLIC
Notary Public for the State of Ohio
My Commission Expires August 1, 2008

IN WITNESS WHEREOF, the Grantor has caused this Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

**NETWORK DISTRIBUTION INTERNATIONAL,
INC.**

By:


Name: THOMAS J. KOENIG
Title: VICE PRESIDENT & CFO

ACKNOWLEDGMENT OF GRANTOR

STATE OF OHIO

COUNTY OF MONTGOMERY

ss.

On this 2nd day of December __, 2005 before me personally appeared THOMAS J. KOENIG, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of the Grantor, who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.


Notary Public

{seal}

JOSEPH L. SMITH, Notary Public
in and for the State of Ohio
My Commission Expires March 3, 2008

[SIGNATURES CONTINUED ON NEXT PAGE]

Accepted and Agreed:

GOLDMAN SACHS CREDIT PARTNERS L.P.,
as Administrative Agent

By: Ww Archer
Name: William W. Archer
Title: Managing Director

[PATENT FIRST LIEN SECURITY AGREEMENT]

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PATENT
REEL: 016902 FRAME: 0542

SCHEDULE I
to
PATENT SECURITY AGREEMENT

Day International Group, Inc.		
None		

Day International, Inc.		
Replaceable Sleeve	RE38468	03/23/2004
Interlocking Rubber-Jacketed End Cap and a Rubber-Covered Roll	4,864,704	09/12/1989
Mounting Device for Adhesive-Backed Blankets	4,932,324	06/12/1990
Printing Blanket Construction Having Nontextured Surface	5,006,400	04/09/1991
Printing Press Blanket Cylinder Assembly, Subassemblies and Method of Using Same	5,188,031	02/23/1993
Locking and Adjusting Device for a Printing Press	5,245,924	09/21/1993
Locking Device for a Printing Press	5,271,324	12/21/1993
Printing Press Blanket Cylinder Assembly	5,327,831	07/12/1994
Printing Blanket for Use With a Printing Cylinder to Achieve a Narrow Gap Lock-Up	5,357,863	10/25/1994
Printing Blanket Having Smooth Nontextured Base Surface	5,366,799	11/22/1994
Printing Blanket Having Improved Dynamic Thickness Stability and Method of Making	5,498,470	03/12/1996
Replaceable Printing Sleeve	5,860,360	01/19/1999
Replaceable Sleeve	5,983,799	11/16/1999

Day International, Inc.		
Drafting System Spinning Roller for Producing Thread	6,182,333	02/06/2001
Continuous Image Transfer Belt and Variable Image Size Offset Printing System	6,205,920	03/27/2001
Variable Image Size Offset Printing System and Method of Printing	6,205,921	03/27/2001
Endless Belt for Use in Digital Imaging Systems	6,217,964	04/17/2001
Endless Belt for Use in Digital Imaging Systems	6,228,448	05/08/2001
Bridge Mandrel for Flexographic Printing Systems	6,276,271	08/21/2001
Bridge Mandrel for Flexographic Printing Systems	6,360,662	03/26/2002
Bridge Mandrel for Flexographic Printing Systems	6,467,409	10/22/2002
Flexible Image Transfer Blanket Having Non-Extensible Backing	6,530,321	03/11/2003
Dispensing Carton for Metal-Backed Printing Blanket	6,540,076	04/01/2003
Boltless Cutting Mat Lock Up	6,629,482	10/07/2003
Dampening Solution Recirculator	6,651,555	11/25/2003
Printing Plate and Method of Making Using Digital Imaging Photopolymerization	6,696,221	02/24/2004
Lock-Up System for Cutting Mat	6,698,326	03/02/2004
Thin-Walled Reinforced Sleeve with Integral Compressible Layer	6,703,095	03/09/2004
Printing Blanket Sleeve Having Sound Dampening Feature	6,732,648	05/11/2004
Dampener Metering Device	6,796,228	09/28/2004

Day International, Inc.		
Gapless Compressible Cylinder Assembly	6,799,511	10/05/2004
Cutting Mat	6,820,529	11/23/2004
Method of Dispensing Metal-Backed Printing Blankets	6,827,017	12/07/2004
Segmented Air Distribution Bar	6,842,996	01/18/2005
Liquid Transfer Articles and Method for Producing the Same Using Digital Imaging Photopolymerization	6,855,482	02/15/2005
Printing Blanket Sleeve with Replaceable Printing Surface	Pub. #: US2003-0047097	Pub. Date: 03/13/2003
Image Replication Element and Method and System for Producing the Same	Pub. #: US2003-0188650	Pub. Date: 10/09/2003
Sleeve for Flexographic Printing Having Hard Deformable Outer Layer	Pub. #: US2003-0217661	Pub. Date: 11/27/2003
Variable Cut-Off Offset Press System and Method of Operation	Pub. #: US2004-0020382	Pub. Date: 02/05/2004
Four Color Digital Printing Process and Color Image Element Using Color-Sensitive Photopolymers	Pub. #: US2004-0045465	Pub. Date: 03/11/2004
Thin-Walled Reinforced Sleeve with Integral Compressible Layer	Pub. #: US2004-0103976	Pub. Date: 06/03/2004
Printing Blanket and Method for Reducing Corrosion and Abrasion of Printing Blankets and Blanket Cylinders	Pub. #: US2004-0115446	Pub. Date: 06/17/2004
Printing Blanket Sleeve Having Sound Dampening Feature	Pub. #: US2004-0222039	Pub. Date: 11/11/2004

Day International, Inc.		
Cutting Mat for a Rotary Anvil	Pub. #: US2004- 0231479	Pub. Date: 11/25/2004
Printing Blanket Construction and Method of Making	Pub. #: US2005- 0098051	Pub. Date: 05/12/2005
Liquid Transfer Articles and Method for Producing the Same Using Digital Imaging Photopolymerization	Pub. #: US2005- 0118524	Pub. Date: 06/02/2005
Liquid Transfer Articles and Method for Producing the Same Using Digital Imaging Photopolymerization	Pub. #: US2005- 0186510	Pub. Date: 08/25/2005
Method of Dispensing Metal-Backed Printing Blankets	App. #: 10/992453	Filing Date: 11/18/2004
Method of Making a Photopolymer Sleeve Blank Having an Integral UV Transparent Cushion Layer for Flexographic Printing	App. #: 11/124400	Filing Date: 05/06/2005
Method of Making a Photopolymer Sleeve Blank for Flexographic	App. #: 11/124427	Filing Date: 05/06/2005
Intermediate Transfer Blanket for Use in Electrophotographic Printing	App. #: 11/124430	Filing Date: 05/09/2005
Method of Making a Photopolymer Sleeve Blank Having an Integral Cushion Layer for Flexographic Printing	App. #: 11/124614	Filing Date: 05/06/2005
Composite Packing Material for Use in Offset Lithography and Method of Making	App. #: 11/129111	Filing Date: 05/13/2005

Varn International, Inc.		
Dampening Apparatus for Lithographic Press	4,981,077	01/01/1991
Lithographic Dampener	5,134,935	08/04/1992

Varn International, Inc.		
Lithographic Dampening Solution	5,387,279	02/07/1995
Segmented Oscillating Fluid Evaporator Roller for Printing Presses	5,454,310	10/03/1995
Fluid Handling Apparatus for Maintaining Lithographic Presses	5,539,952	07/30/1996
Drive Disengaging Device for an Offset Lithographic Seal-Type Dampening System	5,551,338	09/03/1996
Live Shaft Oscillator for Lithographic Press Dampener	5,680,816	10/28/1997
Dampener Recirculator Apparatus for a Printing Press	5,878,663	03/09/1999
Protective Lubricant Emulsion Compositions for Printing	5,879,748	03/09/1999
Lithographic Dampener	5,979,314	11/09/1999
End-Seal Carrier Assembly	5,983,791	11/16/1999
Dampener Activation Apparatus and Method	6,095,042	08/01/2000
Method for Activating a Dampening Apparatus	6,330,859	12/18/2001

Day International Finance, Inc.		
None		

Network Distribution International		
None		

Network Distribution International, Inc.		
None		

Sunshine Paper Company, LLC		
None		

Rockmont Graphic, LLC		
None		