

10-03-2001

JUN 15 2001

Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002)



U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office

Tab settings

101860352

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies): MRD Royal Blue Papers, Inc. 6-15-01

- Individual(s) Association General Partnership Limited Partnership Corporation-State - Delaware Other

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

- 3. Nature of conveyance: Assignment Merger Security Agreement Change of Name Other Corrective Assignment - Trademark No.

Reel#002250 Frame#0569

2. Name and address of receiving party(ies) Name: Fleet Capital Corporation as Agent Internal Address:

Street Address: One South Wacker Dr. City: Chicago State: IL Zip: 60606

- Individual(s) citizenship Association General Partnership Limited Partnership Corporation-State Rhode Island Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? Yes No

4. Application number(s) or registration number(s): A. Trademark Application No(s) Delete recorded trademark numbers in Reel#002250 Frame#0569 0484909, 0493909, 0192694, 0054312 & 0054465

B. Trademark Registration No.(s) 1521941 change to 1531941 in Reel#002250 Frame #0569 Recorded on 3/12/01

Additional number(s) attached Yes No

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

Internal Address:

GT0N11 00000070 0484909

40.00 OP 100.00 OP

Street Address: Goldberg, Kohn, et al

55 E. Monroe, Ste. 3700

City: Chicago State: IL Zip: 60603

6. Total number of applications and registrations involved: 3

7. Total fee (37 CFR 3.41): \$140.00

- Enclosed Authorized to be charged to deposit account

8. Deposit account number:

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

DO NOT USE THIS SPACE

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 copy of the original document.

Maisha Gibson Name of Person Signing

Signature

May 29, 2001 Date

Total number of pages including cover sheet, attachments, and document: 3

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

Additional Name of Conveying Party:

Curtis Papers, Inc.

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

03-21-2001



101643088

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

2/18/01

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 Royal Blue Papers, Inc.

Execution Date
Month Day Year
03 01 01

Formerly _____

- Individual General Partnership Limited Partnership Corporation Association
- Other _____
- Citizenship/State of Incorporation/Organization Delaware

Receiving Party

Mark if additional names of receiving parties attached

Name Fleet Capital Corporation, as Agent and Lender

RECEIVED
ASSIGNMENT
SECTION
OCT 11 2001
11:21 AM

DBA/AKA/TA _____

Composed of _____

Address (line 1) One South Wacker Drive

Address (line 2) 14th Floor

Address (line 3) Chicago

Illinois/USA

60606

Zip Code

- Individual General Partnership Limited Partnership 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.)
- Corporation Association
- Other _____
- Citizenship/State of Incorporation/Organization Rhode Island

FOR OFFICE USE ONLY

3/20/01 STOR11 06000135 75680794

40.00 OP
1275.00 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: 002339 FRAME: 0533

FORM PTO-1618B
Expires 06/30/99
OMB 0651-0027

Page 2

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

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)		
<input type="text" value="75/680794"/>	<input type="text" value="1945306"/>	<input type="text" value="2004462"/>	<input type="text" value="0397462"/>	<input type="text" value="0735688"/>	<input type="text" value="0694929"/>
<input type="text" value="2006305"/>	<input type="text" value="1911366"/>	<input type="text"/>	<input type="text" value="0682894"/>	<input type="text" value="1220875"/>	<input type="text" value="1174174"/>
<input type="text" value="1954530"/>	<input type="text" value="2131984"/>	<input type="text"/>	<input type="text" value="0501002"/>	<input type="text" value="0508776"/>	<input type="text" value="1720260"/>

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

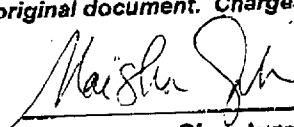
Deposit Account (Enter for payment by deposit account or if additional fees can be charged to the account.) #

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.

Maisha Gibson 

Name of Person Signing Signature Date Signed

RECORDATION FORM COVER SHEET CONTINUATION TRADEMARKS ONLY

FORM PTO-1618C
Expires 06/30/99
OMB 0651-0027

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

Conveying Party

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship State of Incorporation/Organization

Receiving Party

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

Individual General Partnership Limited Partnership

Corporation Association

Other

Citizenship/State of Incorporation/Organization

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 the Assignment.)

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)

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1128273	0729743	1521941
1720261	1460873	1570855
2273232	1869044	1676422
0647099	1551909	1600809
0834345	1815870	1703248
03733381	1804456	0701604
0373382	0558609	1873846

RECORDATION FORM COVER SHEET CONTINUATION TRADEMARKS ONLY

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

FORM PTO-1618C
Expires 06/30/99
OMB 0651-0027

Conveying Party

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship State of Incorporation/Organization

Receiving Party

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

Individual General Partnership Limited Partnership

Corporation Association

Other

Citizenship/State of Incorporation/Organization

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Registration Number(s)

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1896226	0770360	054465
1802682	2006218	
0791857	507812	
0774547	484909	
166926	493909	
1547344	0192694	
0151091	054312	

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (this "Security Agreement") made as of this 1 day of MARCH, 2001, by ROYAL BLUE PAPERS, INC., a Delaware corporation, having an office at 404 French Town Road, Milford, New Jersey 08848 ("Grantor") in favor of FLEET CAPITAL CORPORATION, a Rhode Island corporation, as a Lender and as Agent on behalf of itself and the Lenders, with an office at One South Wacker Drive, 14th Floor, Chicago, Illinois ("Agent").

WITNESSETH:

WHEREAS, Grantor and Agent are parties to a certain Loan and Security Agreement of even date herewith (as from time to time amended or otherwise modified, the "Loan Agreement"), which Loan Agreement provides, among other things, (i) for Agent, as agent for itself and various other financial institutions party thereto ("Lenders"), and Lenders to, from time to time, extend credit to or for the account of Grantor and (ii) for the grant by Grantor to Agent, on behalf of itself and Lenders, of a security interest in substantially all of Grantor's assets, including, without limitation, the Intellectual Property Collateral (as hereinafter defined) of Grantor;

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

1. Capitalized Terms. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Loan Agreement.

2. Security Agreement of Copyrights, Patents, Trademarks and Licenses. To secure the complete and timely satisfaction of all of the Obligations, Grantor hereby grants a continuing security interest in favor of Agent, on behalf of itself and Lenders, having priority over all other security interests, all of Grantor's right, title and interest in and to all of its now existing and hereafter created or acquired:

(i) copyrights, rights and interests in copyrights, works protectable by copyrights, copyright registrations and copyright applications, including, without limitation, the copyright registrations and applications listed on Exhibit A attached hereto and hereby made a part hereof, and all renewals of any of the foregoing, all income, royalties, damages and payments now and hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present or 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 "Copyrights");

(ii) patents and patent applications, including, without limitation, the inventions described and claimed therein, and those patents and patent applications listed on Exhibit B attached hereto and hereby made a part hereof, and all reissues, divisions, improvements, continuations, extensions and continuations of any of the foregoing, all income, royalties, damages and payments now and hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present or 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 "Patents");

(iii) trademarks, trademark registrations, trademark applications, tradenames, corporate names, company names, business names, fictitious business names, trade styles, service marks, other business identifiers, all registrations and applications in connection therewith, including, without limitation, the trademarks, tradenames, service marks, registrations and applications listed on Exhibit C attached hereto and hereby made a part hereof, the goodwill of the business symbolized thereby, and all renewals of any of the foregoing, all income, royalties, damages and payments now and hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present or 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");

(iv) Grantor's rights under all license agreements with respect to Copyrights, Patents or Trademarks, whether Grantor is a licensor or licensee under any such license agreement, including, without limitation, the licenses listed on Exhibit D attached hereto and hereby made a part hereof (all of the foregoing license agreements ("Licenses") and Grantor's rights thereunder are referred to collectively as the "License Rights"); and

(v) all rights corresponding to any of the foregoing throughout the world (together with Patents, Trademarks, Copyrights, Licenses and License Rights, "Intellectual Property Collateral").

Upon the occurrence and during the continuation of an Event of Default, Agent, on behalf of itself and Lenders, shall have the power, to the extent permitted by law, to exercise the rights and remedies of a secured party provided under the Loan Agreement, including without limitation the right to sell or assign the Intellectual Property Collateral.

In addition to, and not by way of limitation of, all other rights granted to Agent and Lenders under this Security Agreement, effective upon, and only upon, the occurrence and

during the continuation of any Event of Default, Grantor assigns, transfers and conveys to Agent, on behalf of itself and Lenders, all of the Intellectual Property Collateral to the extent necessary to enable Agent to realize on such property and any successor or assign to enjoy the benefits thereof during the continuation of such Event of Default. This right and assignment shall inure to the benefit of Agent and Lenders and their respective successors, assigns and transferees, whether by voluntary conveyance, operation of law, assignment, transfer, foreclosure, deed in lieu of foreclosure or otherwise. Such right and assignment is granted free of charge, without requirement that any monetary payment whatsoever (including, without limitation, any royalty or license fee) be made to Grantor or any other Person by Agent (except that if Agent shall receive proceeds from the disposition of any such property, such proceeds shall be applied to the Obligations).

3. Restrictions on Future Agreements. Except as expressly permitted by subsection 8.2.9 of the Loan Agreement, Grantor agrees that until the Obligations shall have been satisfied in full and the Loan Agreement shall have been terminated (the "Loan Agreement Termination"), Grantor shall not, without the prior written consent of Agent, abandon, sell or assign its interest in, or grant any exclusive license under (except licenses granted in the ordinary course of Grantor's business), any Intellectual Property Collateral, or enter into any other agreement with respect to the Intellectual Property Collateral which is inconsistent with the Obligations under this Security Agreement, or which would reasonably be expected to have a Material Adverse Effect, 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 materially adversely affect the validity or enforcement of the rights transferred to Agent under this Security Agreement.

4. New Intellectual Property Collateral. Grantor represents and warrants that the registrations and applications for Copyrights, Patents and Trademarks listed on Exhibits A, B and C, respectively, and the Licenses and License Rights set forth on Exhibit D, constitute all of the registrations and applications for Copyrights, Patents and Trademarks now owned by, and material Licenses and License Rights granted by or to, Grantor. If, before the Loan Agreement Termination, Grantor shall obtain rights to or become entitled to the benefit of any new Intellectual Property Collateral, the provisions of this Security Agreement above shall automatically apply thereto. Grantor shall give to Agent written notice by the end of each calendar quarter of any such new Intellectual Property Collateral that it registers with any governmental authority during each calendar quarter. Grantor hereby authorizes Agent to modify this Security Agreement by amending Exhibits A, B, C and D, as applicable, to include any such Intellectual Property Collateral.

5. Royalties: Term. The term of the security interests granted herein shall extend until the earlier of (i) the expiration of each item in the Intellectual Property Collateral encumbered hereunder, and (ii) the Loan Agreement Termination. Upon the occurrence and during the continuation of an Event of Default, Grantor agrees that the use by Agent of all Intellectual Property Collateral shall be, to the fullest extent permitted by law or contract,

worldwide and without any liability for royalties or other related charges from Agent to Grantor.

6. Release of Security Agreement. This Security Agreement is made for collateral purposes only and is not intended to constitute a present assignment of Grantor's ownership interest in the Intellectual Property Collateral. Upon the Loan Agreement Termination, Agent shall execute and deliver to Grantor all releases and other instruments, and shall take such other actions, as may be necessary or proper to release its security interest in the Intellectual Property Collateral, subject to any disposition thereof which may have been made by Agent pursuant hereto or pursuant to the Loan Agreement.

7. Expenses. All fees, costs and expenses, including attorneys' and paralegals' fees and legal expenses, incurred in connection with the performance of any of the agreements set forth herein shall be borne by Grantor. All fees, costs and out-of-pocket expenses, of whatever kind or nature, including attorneys' and paralegals' fees and legal expenses, incurred by Agent 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, counsel fees, maintenance fees, encumbrances or otherwise in registering, maintaining or preserving the Intellectual Property Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Intellectual Property Collateral, shall be borne by and paid by Grantor on written demand by Agent and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the then applicable rate as set forth in the Loan Agreement.

8. Duties of Grantor. Grantor shall have the duty, to the extent deemed commercially reasonable by Grantor according to Grantor's good faith judgment, (i) to file and prosecute diligently any Intellectual Property Collateral applications pending as of the date hereof or thereafter until the Loan Agreement Termination, (ii) to make application on uncopyrighted but copyrightable works, on unpatented but patentable inventions and on trademarks and service marks, as appropriate, (iii) to preserve and maintain all rights in the Intellectual Property Collateral and (iv) to ensure that the Intellectual Property Collateral is and remains enforceable. Any expenses incurred in connection with Grantor's obligations under this Section 9 shall be borne by Grantor. If Grantor fails to comply with any of the foregoing duties, Agent may perform said duties in Grantor's name, to the extent permitted by law, at Grantor's expense, as provided in Section 7, and Grantor hereby agrees to reimburse Agent in full for all out-of-pocket expenses incurred in connection with Agent's performance of such duties, including attorneys' fees and expenses so incurred by Agent. Grantor agrees (i) to maintain in all material respects the quality of any and all products in connection with which the Trademarks are used, consistent with the quality of said products as of the date hereof and (ii) to provide Agent, upon Agent's request from time to time, with a certificate of an officer of Grantor certifying Grantor's compliance with the foregoing. Upon, and only upon, the occurrence and during the continuation of an Event of Default, Grantor agrees that Agent, or a conservator appointed by Agent, shall have the right to establish such additional product quality controls as Agent, or said conservator, in its sole judgment, may deem

necessary to assure maintenance of the quality of products sold by Grantor under the Trademarks.

9. Agent's Right to Sue. After the occurrence and during the continuation of an Event of Default, to the fullest extent permitted by law, Agent shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Intellectual Property Collateral, and, if Agent shall commence any such suit, Grantor shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents required by Agent in aid of such enforcement and Grantor shall promptly, upon demand, reimburse and indemnify Agent for all costs and out-of-pocket expenses incurred by Agent, including attorneys' fees and expenses so incurred by Agent, in the exercise of its rights under this Section 9.

10. Waivers. No course of dealing among Grantor, Agent and the Lenders, nor any failure to exercise, nor any delay in exercising, on the part of Agent or Lenders, any right, power or privilege hereunder or under the Loan Agreement 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.

11. Severability. 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.

12. Modification. This Security Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 4 hereof or by a writing signed by the parties hereto.

13. Cumulative Remedies; Power of Attorney; Effect on Loan Agreement. All of Agent's rights and remedies with respect to the Intellectual Property Collateral, whether established hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Upon the occurrence and during the continuation of an Event of Default, Grantor hereby authorizes Agent to make, constitute and appoint any officer or agent of Agent as Agent 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 Agent in the use of any or all of the Intellectual Property Collateral, to the extent that Grantor is entitled to use such Intellectual Property Collateral, or (ii) take any other actions with respect to any or all of the Intellectual Property Collateral as Agent deems to be in its best interest, to the extent that Grantor is entitled to take any such action, or (iii) grant or issue any exclusive or non-exclusive license under any or all of the Intellectual Property Collateral to any Person, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of any or all of the Intellectual Property Collateral to any Person, or (v) take any other actions with respect to

any or all of the Intellectual Property Collateral, to the extent that Grantor is entitled to take any such action, as Agent deems to be in its best interests. Grantor hereby ratifies all that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable until the Loan Agreement Termination. Grantor acknowledges and agrees that this Security Agreement is not intended to limit or restrict in any way the rights and remedies of Agent or Lenders or their respective successors transferees and assigns under the Loan Agreement but rather is intended to facilitate the exercise of such rights and remedies. Agent and such other parties shall have, in addition to all other rights and remedies given it or them by the terms of this Security Agreement and the Loan Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code (or such other applicable law) as enacted in any jurisdiction in which the Intellectual Property Collateral may be deemed located.

14. Binding Effect; Benefits. This Security Agreement shall be binding upon Grantor and its respective successors and permitted assigns, and shall inure to the benefit of Agent and Lenders, their successors, nominees and assigns.

15. GOVERNING LAW. THIS SECURITY AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF ILLINOIS.

16. CONSENT TO FORUM AND WAIVERS. TO INDUCE AGENT AND LENDERS TO MAKE THE LOANS, AS EVIDENCED BY THE LOAN AGREEMENT AND THIS AGREEMENT, GRANTOR IRREVOCABLY AGREES THAT, SUBJECT TO AGENT'S SOLE AND ABSOLUTE ELECTION, ALL SUITS, ACTIONS OR OTHER PROCEEDINGS IN ANY WAY, MANNER OR RESPECT ARISING OUT OF OR FROM OR RELATED TO THIS AGREEMENT OR ANY DOCUMENTS EXECUTED IN CONNECTION HEREWITH, SHALL BE SUBJECT TO LITIGATION IN COURTS HAVING SITUS WITHIN CHICAGO, ILLINOIS. GRANTOR HEREBY CONSENTS AND SUBMITS TO THE JURISDICTION OF ANY LOCAL, STATE OR FEDERAL COURT LOCATED WITHIN CHICAGO, ILLINOIS. GRANTOR HEREBY WAIVES ANY RIGHT IT MAY HAVE TO TRANSFER OR CHANGE THE VENUE OF ANY SUIT, ACTION OR OTHER PROCEEDING BROUGHT AGAINST GRANTOR BY AGENT IN ACCORDANCE WITH THIS SECTION. GRANTOR AND AGENT HEREBY WAIVE, TO THE EXTENT PERMITTED BY LAW, TRIAL BY JURY. GRANTOR FURTHER WAIVES ANY BOND OR SURETY OR SECURITY UPON SUCH BOND WHICH MIGHT, BUT FOR THIS WAIVER, BE REQUIRED OF AGENT.

17. Headings. Paragraph headings used herein are for convenience only and shall not modify the provisions which they precede.

18. Further Assurances. Grantor agrees to execute and deliver such further agreements, instruments and documents, and to perform such further acts, as Agent shall

reasonably request from time to time in order to carry out the purpose of this Security Agreement and agreements set forth herein.

19. Survival of Representations. All representations and warranties of Grantor 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 Loan Agreement.

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

ROYAL BLUE PAPERS, INC.

By *Phanni Noel*
Its Secretary

AGREED AND ACCEPTED THIS
1 day of March, 2001.

FLEET CAPITAL CORPORATION,
as Agent

By *[Signature]*
Its Senior VP

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The foregoing Intellectual Property Security Agreement was executed and acknowledged before me this 1st day of March, 2001 by Charmaine Noel, personally known to me to be the Secretary of Royal Blue Papers, Inc., a Delaware corporation, on behalf of such corporation.



Bonnie L Reddel
Notary Public

My Commission expires:
1/24/04

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The foregoing Intellectual Property Security Agreement was executed and acknowledged before me this 1st day of March, 2001, by Mark Gertzof, personally known to me to be the Senior VP of Fleet Capital Corporation, as Agent, a Rhode Island corporation, on behalf of such corporation.



Bonnie L Reddel
Notary Public
My Commission expires:
1/24/04

AFTER FILING RETURN THIS INSTRUMENT TO:

Rachel S. Gena, Esq.
Goldberg, Kohn, Bell, Black,
Rosenbloom & Moritz, Ltd.
Suite 3700
55 East Monroe
Chicago, Illinois 60603

EXHIBIT A

Copyrights

None

EXHIBIT B**U.S. Patents**

<u>Patent Title</u>	<u>U.S. Patent Registration No.</u>
Method of making decorative cast-coated paper, casting drums, particles, paper coatings	4,929,470
Security paper and method of making same	5,161,829
Opaque thermal transfer paper for receiving heated ink from a thermal transfer printing ribbon	5,677,043

U.S. Patent Applications

<u>Patent Application Title</u>	<u>U.S. Patent Application No.</u>	<u>Date Applied</u>
Method and apparatus for symmetrical current starting of polyphase induction motors; electrical three phase AC induction motor starter	08/192,625	2/7/94

Non-U.S. Patents

<u>Patent Title</u>	<u>Patent No.</u>
Security paper and method of making same	244,832 (Argentina)
Opaque thermal transfer paper for thermal printer-has low density base coating sandwiched between paper and top coat with pigments and binders	US97/00933 (PCT)
Opaque thermal transfer paper for thermal printer-has low density base coating sandwiched between paper and top coat with pigments and binders	9712818 (Australia)
Security paper for currency with authentication indicia – printed inside laminated layers, visible with thermosetting polyacrylic adhesives	1040298 (Canada)
Security paper for currency with authentication indicia – printed inside laminated layers, visible with thermosetting polyacrylic adhesives	4222297 (Japan)

Non-U.S. Patent Applications

<u>Patent Application Title</u>	<u>Patent Application No.</u>	<u>Date Applied</u>
Security paper and method of making same	9101477 (Brazil)	4/11/91
Security paper and method of making same	91302977 (EPO)	4/4/91
Security paper and method of making same	25337 (Mexico)	4/12/91

EXHIBIT C**Trademarks**

Trademark	Date of Application/Registration	Application No.	Registration No.
Stop-Stayn	4/12/99	75/680,794	
Curtis Corduroy	10/8/96	2,006,305	
Curtis Jewel	2/6/96	1,954,530	
Curtis Marble	1/2/96	1,945,306	
King James Silhouette	8/15/95	1,911,366	
Diplomatte	1/27/98	2,131,984	
Dominion	1/27/98	2,004,462	
Aqualized (stylized)	9/8/42		0397462
Astra Glo (stylized)	8/4/59		0682894
Brightwater (stylized)	7/13/48		0501002
Brookshire	8/7/62		0735688
Catalina Plus	12/21/82		1220875
Colophon (stylized)	4/19/49		0508776
Conquest (stylized)	3/22/60		0694929
Curtis and design	10/20/81		1174174
Curtis Flannel	9/29/92		1720260
Curtis Linen	12/25/79		1128273
Curtis Tweedweave	9/29/92		1720261
IPS	8/31/99		2,273,232
Dello	6/18/57		0647099
Dello (stylized)	8/29/67		0834345
Dur-Natus (stylized)	12/5/39		03733381
Dur-Sylvan (stylized)	12/5/39		0373382
Granada	4/10/62		0729743

Gloss			
Graphika	10/13/87		1460873
Interactive Product Selector	12/20/94		1869044
King James	8/15/89		1551909
Legend	1/11/94		1815870
Limited Edition	11/16/93		1804456
No. 101 (stylized)	5/13/52		0558609
Parchkin	3/28/89		1521941
Patapar	12/12/89		1570855
Reclaim	2/18/92		1676422
Retreeve	6/12/90		1600809
Retreevecoat	7/28/92		1703248
Selectacel	7/26/60		0701604
Squire	1/17/95		1873846
Staynles	5/30/95		1896226
Terracoat	11/2/93		1802682
Triad	6/29/65		0791857
Tuf-Red	8/04/64		0774547
Tuscan	4/17/23		166926
Tuscan Terra	7/11/89		1547344
White Mountain Bond (stylized)	1/24/22		0151091
Winter	5/26/64		0770360
Zealand	10/8/96		2,006,218
Dominion	10/5/98		507,812
Squire	10/29/97		484,909
Zealand	5/5/98		493,909
[CZ Design]	[7/13/73]		[0192694]
Duracel	5/17/32		054312
[Duracel]	[6/6/32]		[054465]

EXHIBIT D**Licenses**

<u>Name of License</u>	<u>Nature of License</u>	<u>Licensor</u>	<u>Term of License</u>
Buyer Intellectual Property License Agreement from Crown Paper Co. to Royal Blue Papers, Inc.	Patent No. 4,557,800: Process of forming a porous celulosic paper from a thermal treated celulosic non-bounding pulp	James River Corporation of Virginia	Term of Patent
Buyer Intellectual Property License Agreement from Crown Paper Co. to Royal Blue Papers, Inc.	Patent No. 5,123,343: Multicolor printing of paper webs	James River Corporation of Virginia	Term of Patent
Buyer Intellectual Property License Agreement from Crown Paper Co. to Royal Blue Papers, Inc.	Patent No. 5,223,092: Fibrous paper cvoer stock with textured surface pattern and method of manufacturing same	James River Corporation of Virginia	Term of Patent
Buyer Intellectual Property License Agreement from Crown Paper Co. to Royal Blue Papers, Inc.	Patent No. D285, 019: Hand truck for displaying a product	James River Corporation of Virginia	Term of Patent
Buyer Intellectual Property License Agreement from Crown Paper Co. to Royal Blue Papers, Inc.	Patent No. 5,569,358: Particle generated capillaries for enhanced dewatering; imprinted felt and method using the same	James River Corporation of Virginia	Term of Patent
Buyer Intellectual Property License Agreement from Crown Paper Co. to Royal Blue Papers, Inc.	Patent No. 5,553,442: Robotic towel and tissue color proportioning system for mixing articles in containers	James River Corporation of Virginia	Term of Patent

Buyer Intellectual Property License Agreement from Crown Paper Co. to Royal Blue Papers, Inc.	Non-U.S. Patent No. 0287083: Foldable metallized paperboard (EPO: United Kingdom, France, Denmark)	James River Corporation of Virginia	Term of Patent
Buyer Intellectual Property License Agreement from Crown Paper Co. to Royal Blue Papers, Inc.	Non-U.S. Patent Application No. 63-112,655: Foldable metallized paperboard (Japan)	James River Corporation of Virginia	Term of Patent
Buyer Intellectual Property License Agreement from Crown Paper Co. to Royal Blue Papers, Inc.	Patent Application No. 08/192,625: Method and apparatus for symmetrical current starting of polyphase induction motors; electrical three phase AC induction motor starter	James River Corporation of Virginia	Term of Patent
Buyer Intellectual Property License Agreement from Crown Paper Co. to Royal Blue Papers, Inc.	Trademark Registration No. 1720258: Imagemaster	James River Corporation of Virginia	
Buyer Intellectual Property License Agreement from Crown Paper Co. to Royal Blue Papers, Inc.	Trademark Registration No. 1591515: Roll To Sheet	James River Corporation of Virginia	
Buyer Intellectual Property License Agreement from Crown Paper Co. to Royal Blue Papers, Inc.	Patent No. 5,223,093: Fibrous tape base material	James River Corporation of Virginia	6/29/93
Buyer Intellectual Property License Agreement from Crown Paper Co. to Royal Blue Papers, Inc.	Patent No. 5,876,815: Oil and grease resistant paper products and	James River Corporation of Virginia	3/2/99

Inc.	processes for producing the products		
Buyer Intellectual Property License Agreement from Crown Paper Co. to Royal Blue Papers, Inc.	Patent No. 5,336,528: Heat sealable paper and method for its manufacture; applying coating of aqueous dispersion of wax and copolymer of ethylene and either acrylic acid or methacrylic acid	Crown Paper Co.	8/9/94
Buyer Intellectual Property License Agreement from Crown Paper Co. to Royal Blue Papers, Inc.	Patent No. 5,368,946: Packaging material having a wax coating containing a styrene copolymet	Crown Paper Co.	11/29/94
Buyer Intellectual Property License Agreement from Crown Paper Co. to Royal Blue Papers, Inc.	Trademark No. 1678482: RE-ECCO	Crown Paper Co.	3/10/92