

Tab settings

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

1. Name of conveying party(ies):
Menominee Acquisition Corporation

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

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

2. Name and address of receiving party(ies)

Name: **Ableco Finance LLC**
Internal
Address: _____
Street Address: **450 Park Avenue**
City: **New York** State: **NY** Zip: **10022**

Individual(s) citizenship _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation-State
 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

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other

Execution Date: **September 30, 2002**

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)
1,618,760

Additional number(s) attached Yes No

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

Name: **Stanley Seuradge**
Internal Address: **Schulte Roth & Zabel LLP**

Street Address: **919 Third Avenue**

City: **New York** State: **N.Y.** Zip: **10022**

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41).....\$ **40.00**

Enclosed
 Authorized to be charged to deposit account

8. Deposit account number:
500675 - Schulte Roth & Zabel

(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.

Stanley Seuradge **October 28, 2002**

Name of Person Signing Signature Date

Total number of pages including cover sheet, attachments, and document: 6

12/11/2002 LHWELLER 00000036 500675 1618760
01 FC:8521 40.00 CH

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

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SHORT FORM TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT, dated as of September 30, 2002, by each of the entities listed on the signature pages hereof or which becomes a party hereto pursuant to Section 7.10 (Additional Grantors) of the Security Agreement referred to below (each a "Grantor" and, collectively, the "Grantors"), in favor of Ableco Finance LLC ("Ableco"), as agent for the Secured Parties (as defined in the Financing Agreement referred to below) (in such capacity, the "Agent").

WITNESSETH:

WHEREAS, pursuant to the Financing Agreement, dated as of September 30, 2002 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Financing Agreement"), among Cellu Tissue Corporation, Coastal Paper Company, Cellu Tissue Corporation – Natural Dam, Cellu Tissue Corporation – Neenah and Menominee Acquisition Corporation, as Borrowers, Cellu Tissue Holdings, Inc., Cellu Paper Holdings, Inc., Van Paper Company and Van Timber Company, as Guarantors, Ableco and each of the other financial institutions party thereto as Lenders, and the Agent, as agent for the Lenders, the Lenders have severally agreed to make extensions of credit to the Borrowers upon the terms and subject to the conditions set forth therein;

WHEREAS, each Borrower is party to a Guaranty pursuant to which it has guaranteed the Obligations of each other Borrower and each other Grantor is party to a Guaranty pursuant to which it has guaranteed the Obligations of all Borrowers; and

WHEREAS, all the Grantors are party to a Pledge and Security Agreement of even date herewith in favor of the Agent (the "Security Agreement") pursuant to which the Grantors are required to execute and deliver this Trademark Security Agreement;

NOW, THEREFORE, in consideration of the premises and to induce the Lenders and the Agent to enter into the Financing Agreement and to induce the Lenders to make their respective extensions of credit to the Borrowers thereunder, each Grantor hereby agrees with the Agent as follows:

Defined Terms

Unless otherwise defined herein, terms defined in the Financing Agreement or in the Security Agreement and used herein have the meaning given to them in the Financing Agreement or the Security Agreement.

Grant of Security Interest in Trademark Collateral

Each Grantor, as collateral security for the full, prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of the Secured Obligations of such Grantor, hereby collaterally assigns, conveys, mortgages, pledges, hypothecates and transfers to the Agent for the benefit of the Secured Parties, and grants to the Agent for the benefit of the Secured Parties, a Lien on and security interest in, all of its right, title and interest in, to and under the following Collateral of such Grantor (the "Trademark Collateral"):

- (a) all of its Trademarks and Trademark Licenses to which it is a party, including, without limitation, those referred to on Schedule I hereto;
- (b) all renewals, modifications and extensions of the foregoing;
- (c) all goodwill of the business connected with the use of, and symbolized by, each Trademark and each Trademark License; and
- (d) all Proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present, future (i) infringement or dilution of any Trademark or Trademark licensed under any Trademark License or (ii) injury to the goodwill associated with any Trademark or any Trademark licensed under any Trademark License.

Security Agreement

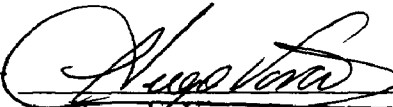
The security interest granted pursuant to this Trademark Security Agreement is granted in conjunction with the security interest granted to the Agent pursuant to the Security Agreement and each Grantor hereby acknowledges and affirms that the rights and remedies of the Agent with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[SIGNATURE PAGES FOLLOW]

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

GRANTOR:


MENOMINEE ACQUISITION CORPORATION

By 
Name: ~~Hugo E. Vivero~~
Title: Senior Vice President Finance
Chief Financial Officer

STATE OF New York

COUNTY OF New York ^{SS.:}

On this 30 day of September, 2002, before me personally came Hugo E. Vivero, to me known to be the person who executed the foregoing instrument, and who, being duly sworn by me, did depose and say that he is the Senior Vice President Finance and Chief Financial Officer of MENOMINEE ACQUISITION CORPORATION, a Delaware corporation, and that he executed the foregoing instrument in the firm name of MENOMINEE ACQUISITION CORPORATION, and that he had authority to sign the same, and he acknowledged to me that he executed the same as the act and deed of said firm for the uses and purposes therein mentioned.


Notary Public

RONALD CARLTON
NOTARY PUBLIC, State of New York
No. 24-01CA4841982
Qualified in Kings County
~~Certificate filed in New York County~~
Comm. Expires 09/30/2003

Schedule I
to
Trademark Security Agreement
Trademark Registrations

A. Registered Trademarks

1. "WATEX", Trademark Registration No. 1,618,760, registered on October 23, 1990; International Class No. 16 for waxed paper.
2. Menominee Paper Company, Inc. filed an assumed name notice ("Bell Packaging / Menominee") with the Secretary of State of Michigan of January 6, 1997. The assumed name filing expires December 31, 2002.

B. Trademark Applications

None

C. Trademark Licenses

None