Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE: NEW ASSIGNMENT

NATURE OF CONVEYANCE: Security Agreement

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
BLUEGRASS CONTAINER HOLDINGS, LLC.		06/30/2006	LIMITED LIABILITY COMPANY: DELAWARE
BLUEGRASS CONTAINER COMPANY, LLC.		06/30/2006	LIMITED LIABILITY COMPANY: DELAWARE
BLUEGRASS MILLS HOLDINGS COMPANY, LLC		06/30/2006	LIMITED LIABILITY COMPANY: DELAWARE
BLUEGRASS FLEXIBLE PACKAGING COMPANY, LLC.		06/30/2006	LIMITED LIABILITY COMPANY:
BLUEGRASS MULTIWALL BAG COMPANY, LLC.		06/30/2006	LIMITED LIABILITY COMPANY:
BLUEGRASS LABELS COMPANY, LLC		06/30/2006	LIMITED LIABILITY COMPANY:
BLUEGRASS FOLDING CARTON COMPANY, LLC.		06/30/2006	LIMITED LIABILITY COMPANY:
BLUEGRASS CONTAINER CANADA HOLDINGS, LLC.		06/30/2006	LIMITED LIABILITY COMPANY: NOVA SCOTIA

RECEIVING PARTY DATA

Name:	JPMorgan Chase Bank, N.A., as First Lien Collateral Agent
Street Address:	P.O.Box 2558
City:	Houston
State/Country:	TEXAS
Postal Code:	77252
Entity Type:	Bank:

PROPERTY NUMBERS Total: 22

Property Type	Number	Word Mark
Registration Number:	2562559	LITHOFLUTE
Registration Number:	1516386	MASTERCOAT
Registration Number:	2416232	PAPER CAN

TRADEMARK "REEL: 003355 FRAME: 0033

900054083

Registration Number:	640708	LUSTERGRIP
Registration Number:	780238	FORCE FLOW
Registration Number:	1364462	CAP-SAC
Registration Number:	1412274	STONE-TITE
Registration Number:	1664118	KITCHEN MASTER
Registration Number:	1949831	THE YARD MASTER
Registration Number:	1982563	SONI-LOK
Registration Number:	2189462	SONI-SEAL
Registration Number:	2370346	PEEL PAK
Registration Number:	1682947	FILTER-PLY
Registration Number:	1456519	MILROL
Registration Number:	1736655	ECO-SAC
Registration Number:	1672595	AT BARRIER-SAC
Registration Number:	1492914	DI-NA-CAL
Serial Number:	78750673	SHAPEFX
Serial Number:	78750676	SHAPEFX
Serial Number:	78880703	MASTER IMPRESSIONS
Serial Number:	78884979	CONTAINER CORPORATION OF AMERICA
Serial Number:	78884991	CCA

CORRESPONDENCE DATA

Fax Number: (866)459-2899

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

Phone: 202-783-2700

Email: Oleh.Hereliuk@federalresearch.com

Correspondent Name: CBC Companies dba Federal Research

Address Line 1: 1023 Fifteenth Street, NW, Ste 401

Address Line 2: attn: Oleh Hereliuk

Address Line 4: Washington, DISTRICT OF COLUMBIA 20005

ATTORNEY DOCKET NUMBER:	364271
NAME OF SUBMITTER:	Oleh Hereliuk
Signature:	/oh/
Date:	07/26/2006

Total Attachments: 14 source=364271#page1.tif source=364271#page2.tif



FIRST-LIEN TRADEMARK SECURITY AGREEMENT, dated as of June 30, 2006, among BLUEGRASS CONTAINER HOLDINGS, LLC, a Delaware limited liability company ("Holdings"), BLUEGRASS CONTAINER COMPANY, LLC, a Delaware limited liability company (the "Company"), the subsidiaries of the Company listed on Schedule I hereto and JPMORGAN CHASE BANK, N.A., as Collateral Agent (the "Collateral Agent").

Reference is made to the First-Lien Security Agreement, dated as of June 30, 2006 (as amended, supplemented or otherwise modified from time to time, the "First-Lien Security Agreement"), among Holdings, the Company, Bluegrass Mills Holdings Company, LLC, a Delaware limited liability company, each of the other subsidiaries of the Company listed on Annex A thereto and the Collateral Agent. The Lenders have severally agreed to make loans to the Borrowers and the Letter of Credit Issuer has agreed to issue letters of credit for the account of the Company (collectively, the "Extensions of Credit") subject to the terms and conditions set forth in the First-Lien Credit Agreement, dated as of June 30, 2006 (as amended, supplemented or otherwise modified from time to time (the "First-Lien Credit Agreement")), among Holdings, the Company, Bluegrass Mills Holdings Company, LLC, a Delaware limited liability company, Bluegrass Container Canada Company, a Nova Scotia unlimited liability company, the lending institutions from time to time parties thereto, JPMorgan Chase Bank, N.A., as Administrative Agent and Letter of Credit Issuer, J.P. Morgan Securities Inc., as Co-Lead Arranger and Joint Bookrunner, Lehman Brothers Inc., as Co-Lead Arranger and Joint Bookrunner, Banc of America Securities LLC, as Joint Bookrunner, Lehman Commercial Paper, Inc., as Co-Syndication Agent, and Bank of America, N.A., as Co-Syndication Agent. The obligations of the Lenders to make such Extensions of Credit are conditioned upon, among other things, the execution and delivery of this Agreement. Holdings and the subsidiaries of the Company listed on Schedule I hereto are affiliates of the Borrowers, will derive substantial benefits from the Extensions of Credit to the Borrowers pursuant to the First-Lien Credit Agreement and are willing to execute and deliver this Agreement in order to induce the Lenders to extend such credit. Accordingly, the parties hereto agree as follows:

SECTION 1. <u>Terms.</u> Capitalized terms used in this Agreement and not otherwise defined herein have the meanings specified in the First-Lien Credit Agreement or First-Lien Security Agreement. The rules of construction specified in Section 1.02(b) of the First-Lien Credit Agreement also apply to this Agreement.

SECTION 2. Grant of Security Interest. As security for the payment or performance, as the case may be, in full of the Obligations, each Grantor, pursuant to the First-Lien Security Agreement, did and hereby does grant to the Collateral Agent, its successors and assigns, for the benefit of the Secured Parties, a security interest in, all right, title or interest in or to any and all of the following assets and properties now owned or at any time hereafter acquired by such Grantor or in which such Grantor now

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has or at any time in the future may acquire any right, title or interest (collectively, the "Trademark Collateral"):

- (a) all trademarks, service marks, logos, other source or business identifiers, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all registration and recording applications filed in connection therewith, including registrations and registration applications in the United States Patent and Trademark Office or any similar offices in any State of the United States or any other country or any political subdivision thereof, and all extensions or renewals thereof, including those listed on Schedule I.
 - (b) all goodwill associated therewith or symbolized thereby, and
- (c) all trademark and service mark assets, rights and interests that uniquely reflect or embody goodwill.

SECTION 3. <u>Collateral Agreement</u>. The security interests granted to the Collateral Agent herein are granted in furtherance, and not in limitation of, the security interests granted to the Collateral Agent pursuant to the First-Lien Security Agreement. Each Grantor hereby acknowledges and affirms that the rights and remedies of the Collateral Agent with respect to the Trademark Collateral are more fully set forth in the First-Lien Security Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein. In the event of any conflict between the terms of this Agreement and the First-Lien Security Agreement, the terms of the First-Lien Security Agreement shall govern.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first above written.

BLUEGRASS CONTAINER HOLDINGS, LLC,

Name

Title:

BLUEGRASS CONTAINER COMPANY, LLC,

By: Edva B Name:

Title:

BLUEGRASS MILLS HOLDINGS COMPANY, LLC,

By: Edward
Name: Title:

BLUEGRASS FLEXIBLE PACKAGING COMPANY, LLC,

By: Elvad Br.

Name: Title:

BLUEGRASS MULTIWALL BAG COMPANY, LLC,

By: Edvare & '
Name:

Title:

[[2616426]]

BLUEGRASS LABELS COMPANY, LLC,

By: Elvan B Name:

Title:

[[2616426]]

BLUEGRASS FOLDING CARTON COMPANY, LLC,

By: Elvas B Name:

Title:

BLUEGRASS CONTAINER CANADA HOLDINGS, LLC,

By:

Name:

Title:

[[2616426]]

JPMORGAN CHASE BANK, N.A., as Collateral Agent,

by

Name:

Title:

Robert Anastasio Vice President

Schedule I

U.S. Trademarks Registrations

Owner	Reg./App. No.	Description	Issue Date	Expiration Date
Bluegrass Container Company, LLC	2,562,559	Litho Flute	<u>4-16-02</u>	
Bluegrass Container Company, LLC	78750673 78750676	ShapeFX		
Bluegrass Container Company, LLC	1,516,386	MasterCoat	12-13-88	
Bluegrass Container Company, LLC	78880703	Master Impressions		
Bluegrass Container Company, LLC	2,416,232	PAPER CAN	12-26-00	12-26-10
Bluegrass Container Company, LLC	640,708	LUSTERGRIP	1-29-57	1-29-07
Bluegrass Container Company, LLC	780,238	FORCE FLOW	11-17-64	11-17-14
Bluegrass Container Company, LLC	1,364,462	CAP-SAC	10-8-85	10-8-15
Bluegrass Container Company, LLC	1,412,274	STONE-TITE	10-7-86	10-7-06
Bluegrass Container Company, LLC	1,664,118	KITCHEN MASTER	11-12-91	11-12-11
Bluegrass Container Company, LLC	1,949,831	THE YARD MASTER	1-23-96	1-23-16
Bluegrass Container Company, LLC	1,982,563	SONI-LOK	6-25-96	6-25-06
Bluegrass Container Company, LLC	2,189,462	SONI-SEAL	9-15-98	9-15-08
Bluegrass Container	2,370,346	PEEL PAK	7-25-00	7-25-10

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Company, LLC

Bluegrass Container Company, LLC	1,682,947	FILTER-PLY	4-14-92	1-20-03
Bluegrass Container Company, LLC	1,456,519	MILROL	9-8-87	
Bluegrass Container Company, LLC	1,736,655	ECO-SAC	12-1-92	9-6-03
Bluegrass Container Company, LLC	1,672,595	AT BARRIER- SAC	1-21-92	7-27-98
Bluegrass Container Company, LLC	1,492,914	DI-NA-CAL	6-21-88	6-21-08

U.S. Trademark Applications

<u>Owner</u>	Reg./App. No.	<u>Description</u>	Issue Date	Expiration Date
Bluegrass Container Company, LLC	78884979	Container Corporation of America		
Bluegrass Container Company, LLC	78884991	CCA		

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RECORDED: 07/26/2006