

MD
6-18-99

06-23-1999



To the Honorable commissioner of Pa.

101073624

hed original documents or copy thereof.

1. Name of conveying party(ies):

FIRST QUALITY HYGIENIC, INC.

- Individual (s)
- General Partnership
- Corporation - State
- Other
- Association
- Change of Name

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

2. Name and address of receiving party(ies)

Name: First Union National Bank f/k/a CoreStates Bank, N.A.

Internal Address: Paul S. Phillips, Sr. Vice Pres.

Street Address: 600 Penn St., 3rd Floor

City: Reading State: PA Zip: 19603

- Individual(s) citizenship
- Association
- General Partnership
- Limited Partnership
- Corporation - State
- Other national banking association

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designation must be a separate document from assignment)

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other Acknowledgment, Amendment & Confirmation
- Merger
- Change of Name

Execution Date: June 3, 1999

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s) (1,838,347)

Additional Numbers Attached? Yes No

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

Name: Lynn A. Huebner, Legal Assistant

Internal Address: Wolf, Block, Schorr & Solis-Cohen, LLP

06/21/1999 15NAB077 00000022 1838347

FC:480 40.00 05

Street Address: 350 Sentry Pkwy., Bldg. 640

City: Blue Bell State: PA Zip: 19422

556. Total number of registrations 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:

(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.

Lynn A. Huebner
Name of Person Signing

June 16, 1999
Date

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

4

ASSISTANT COMMISSIONER
JUN 16 1999
11 46 11

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patents & Trademarks, Box Assignments

**ACKNOWLEDGMENT, AMENDMENT AND
CONFIRMATION OF COLLATERAL ASSIGNMENT OF
PATENTS, TRADEMARKS, LICENSES AND COPYRIGHTS**

THIS ACKNOWLEDGMENT, AMENDMENT AND CONFIRMATION OF COLLATERAL ASSIGNMENT OF PATENTS, TRADEMARKS, LICENSES AND COPYRIGHTS ("Amendment") is made this 3rd day of June, 1999, by and between FIRST QUALITY HYGIENIC, INC., a Pennsylvania corporation (the "Obligor"), and FIRST UNION NATIONAL BANK, successor by merger to CoreStates Bank, N.A. ("Bank").

BACKGROUND

A. As security for all present and future obligations and indebtedness of Obligor to Bank, whether direct or contingent, including, without limitation, all obligations of Obligor under its certain Surety Agreements dated September 20, 1995 and October 9, 1996, respectively in favor of Bank whereby Obligor guaranteed and became a surety for all present and future obligations of First Quality Products, Inc. and/or First Quality Fibers, Inc. to Bank, and all obligations of Obligor, First Quality Products, Inc. and First Quality Fibers, Inc. (collectively, the "**Borrowers**") to Bank under the Loan Documents defined in that certain Amended and Restated Loan Agreement dated December 30, 1997 among Bank and Borrowers, Obligor executed and delivered to Bank that certain Collateral Assignment of Patents, Trademarks, Licenses and Copyrights in favor of Bank dated September 20, 1995 and recorded with the United States Patent and Trademark Office at Reel 1403, Frame 0253 on October 25, 1995 (as the same may be amended from time to time, being the "**Collateral Assignment**").

B. Of even date herewith, Bank has agreed to consolidate and amend certain existing credit facilities (collectively, the "**Consolidated Loans**") to Borrowers, all as described in that certain Second Amended and Restated Loan Agreement dated of even date herewith by and among Bank and Borrowers (the "**New Loan Agreement**").

C. In connection with the New Loan Agreement, Bank and Obligor desire that Obligor amend and confirm the terms of the Collateral Assignment to, *inter alia*, specifically secure, without limitation, the Borrowers' obligations under the New Loan Agreement.

D. Capitalized terms used herein and not otherwise defined shall have the meanings provided for such terms in the Collateral Assignment.

NOW, THEREFORE, the parties hereto, intending to be legally bound hereby, agree as follows:

1. **Loan Agreement.** The definition of Loan Agreements contained in Background Paragraph D of the Collateral Assignment is hereby amended to specifically include, without limitation, the New Loan Agreement, as the same may be amended from time to time; and all references in the Collateral Assignment to the Loan Documents shall expressly include, without limitation, the New Loan Agreement.

2. **Bank Indebtedness.** The definition of Bank Indebtedness contained in **Section 1** of the Collateral Assignment is hereby amended to specifically include, without limitation, all obligations under and in connection with the Consolidated Loans and the New Loan Agreement.

3. **Ratification and Confirmation.** As amended hereby, all of the terms and conditions of the Collateral Assignment, all documents in connection therewith and all liens, security interests, rights and remedies granted therein, remain in full force and effect and are hereby ratified, confirmed and continued as security for all obligations of Borrowers to Bank, including, without limitation, all obligations under and in connection with the Consolidated Loans and the New Loan Agreement.

4. **Binding Effect.** This Amendment shall be binding upon the successors, assigns and personal representatives of Obligor and shall inure to the benefit of the successors and assigns of Bank.

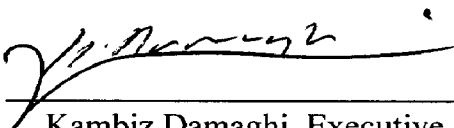
5. **Severability.** The provisions of this Amendment are deemed to be severable and the invalidity or unenforceability of any provision shall not affect or impair the remaining provisions which shall continue in full force and effect.

6. **Governing Law.** This Amendment shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

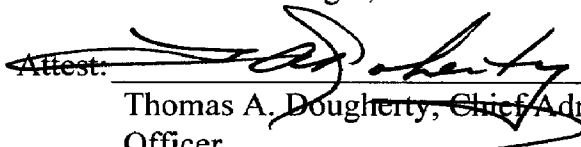
7. **Headings.** The headings of this Amendment are inserted for convenience only and shall not be deemed to constitute a part of this Amendment.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment effective as of the date first above written.

FIRST QUALITY HYGIENIC, INC.

By: 
Kambiz Damaghi, Executive Vice President

(CORPORATE SEAL)

Attest: 
Thomas A. Dougherty, Chief Administrative Officer

FIRST UNION NATIONAL BANK

By: 
Paul S. Phillips, Senior Vice President

STATE OF NEW YORK :
 : SS.
COUNTY OF Nassau :

On this, the 3rd day of June, 1999, before me, a Notary Public, personally appeared **Kambiz Damaghi**, who acknowledged himself to be the Executive Vice President of First Quality Hygienic, Inc., a Pennsylvania corporation, and that he as such officer, being duly authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as such officer.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Leslie R. Todaro
Notary Public
My commission expires:

LESLIE R. TODARO
Notary Public, State of New York
No. 4851481
Qualified in Nassau County
Certificate filed in New York County
Commission Expires Jan. 27, 2000

STATE OF NEW YORK :
 : SS.
COUNTY OF Nassau :

On this, the 3rd day of June, 1999, before me, a Notary Public, personally appeared **Paul S. Phillips**, who acknowledged himself to be a Senior Vice President of First Union National Bank, and that he as such officer, being so authorized to do so, executed the foregoing instrument for the purposes therein contained, by signing on behalf of the bank himself as such officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Leslie R. Todaro
Notary Public
My commission expires:

LESLIE R. TODARO
Notary Public, State of New York
No. 4851481
Qualified in Nassau County
Certificate filed in New York County
Commission Expires Jan. 27, 2000