

09-25-2000



101469632

RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

9,8100

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 Effective Date
Month Day Year
- Change of Name
- Other

Conveying Party

Mark if additional names of conveying parties attached Execution Date
Month Day Year

Name

Formerly

1384262

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

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 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

FOR OFFICE USE ONLY

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

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"/>	<input type="text"/>	<input type="text"/>
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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

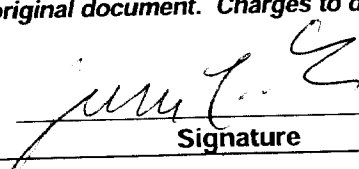
No

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.

James C. Fallon

Name of Person Signing



Signature

09-07-00

Date Signed

RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY

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

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Address (line 2)

Address (line 3)

City

State/Country

Zip Code

Individual General Partnership Limited Partnership

Corporation Association

Other

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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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1384262	1495430	<input type="text"/>
RN70907	1965682	<input type="text"/>
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FN42310	2025987	<input type="text"/>
RN70905	1597407	<input type="text"/>
RN70906	1308965	<input type="text"/>
1415569	<input type="text"/>	<input type="text"/>

**GRANT OF SECURITY INTEREST IN
TRADEMARKS AND LICENSES**

THIS GRANT OF SECURITY INTEREST IN TRADEMARKS AND LICENSES (this "Agreement") is made as of this 3rd day of August, 2000, by THE CINCINNATI CORDAGE AND PAPER COMPANY, an Ohio corporation with its principal place of business at 800 Ross Avenue, Cincinnati, Ohio 45217 (the "Company"), and THE CIT GROUP/BUSINESS CREDIT, INC., a New York corporation with offices at 10 South LaSalle Street, Chicago, Illinois 60603 ("CITBC").

WITNESSETH:

WHEREAS, the Company and CITBC are parties to a certain Post-Petition Financing Agreement dated as of August 1, 2000, as the same may be amended from time to time (the "Financing Agreement"), which Financing Agreement provides (i) for CITBC to make certain loans, advances and extensions of credit, all to or for the account of the Company and (ii) for the grant by the Company to CITBC of a security interest in certain of the Company's assets, including, without limitation, its patents, patent applications and/or registrations, trademarks, trademark applications and/or registrations, trade names, goodwill and licenses, all as more fully set forth therein;

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

1. Definitions. Capitalized terms used herein and defined in the Financing Agreement shall have the meanings set forth therein unless otherwise specifically defined herein.
2. Grant of Security Interest. To secure the payment of the Obligations, the Company hereby grants to CITBC a continuing lien on and security interest in all of the Company's right, title and interest in and to all of the following described property, whether now owned or hereafter acquired (collectively, the "Intellectual Property Collateral"):
 - (i) Trademarks, trademark registrations and/or applications and trade names including, without limitation, the trademarks and applications, if any, listed on Schedule A attached hereto and made a part hereof, and any and all reissues and/or renewals thereof, and all income, royalties, damages and payments now and hereafter due and/or payable in connection therewith including, without limitation, damages and payments for past or future infringements thereof (all of the foregoing individually and/or collectively, the "Trademark Collateral");
 - (ii) Any license agreement in which the Company is or becomes licensed to use any patents and/or trademarks owned by a third party including, without limitation, the licenses, if any, listed on Schedule B attached hereto and made a part hereof (all of the foregoing individually and/or collectively, the "License Collateral");
 - (iii) The goodwill of the Company's business connected with and symbolized by the Intellectual Property Collateral; and
 - (iv) All cash and non-cash proceeds of the foregoing.


3. CITBC's Rights. Upon the occurrence of any Event of Default under the Financing Agreement, CITBC shall have all the rights and remedies of a secured party under the Uniform Commercial Code (as in effect in Illinois) and any other applicable state or federal laws. CITBC will give the Company reasonable notice of the time and place of any public sale of the Intellectual Property Collateral or the time after which any private sale of the Intellectual Property Collateral or any other intended disposition thereof is to be made. Unless otherwise provided by law, the requirement of reasonable notice shall be met if such notice is mailed, postage prepaid to the address of the Company set forth above at least ten (10) days before the date of such sale or disposition. In addition to the foregoing and all other rights and remedies of CITBC upon the occurrence of any Event of Default hereunder, CITBC shall thereupon have the immediate right to transfer to itself or to sell, assign and transfer to any other person all right, title and interest in and to all or any part of the Intellectual Property Collateral. A formal irrevocable power of attorney (in the form annexed hereto) is being executed and delivered by the Company to CITBC concurrently with this Agreement to enable such rights to be carried out. The Company agrees that, in the event CITBC exercises its rights hereunder and/or pursuant to said power of attorney in accordance with its terms, after written notification of such exercise from CITBC to the Company, the Company shall never thereafter, without the prior written authorization of the owner or owners of such Intellectual Property Collateral, use any of such Intellectual Property Collateral. The condition of the foregoing provision is such that unless and until there occurs an Event of Default under the Financing Agreement, the Company shall continue to own and use the Intellectual Property Collateral in the normal course of its business and to enjoy the benefits, royalties and profits therefrom, provided, *however*, that from and after the occurrence of an Event of Default and the exercise by CITBC of the rights provided by this Agreement, such rights shall be revoked and the right of the Company to enjoy the uses, benefits, royalties and profits of said Intellectual Property Collateral will wholly cease, whereupon CITBC or its transferee(s) shall be entitled to all of the Company's right, title and interest in and to the Intellectual Property Collateral hereby so assigned. This Agreement will not operate to place upon CITBC any duty or responsibility to maintain the Intellectual Property Collateral.
4. Fees. The Company will pay all filing fees with respect to the security interest created hereby which CITBC may deem necessary or advisable in order to perfect and maintain the perfection of its security interest in the Intellectual Property Collateral.
5. Representations and Warranties. The Company represents and warrants to CITBC that: (a) the Company lawfully possesses and owns the Intellectual Property Collateral; (b) except for the security interest granted hereby and Permitted Encumbrances (as defined in the Financing Agreement), the Intellectual Property Collateral will be kept free from all liens, security interests, claims and encumbrances whatsoever; (c) the Company has not made or given any prior assignment, transfer or security interest in the Intellectual Property Collateral or any of the proceeds thereof except to CITBC, (d) the Intellectual Property Collateral is and will continue to be, in all respects, in full force and effect; and (e) there are no known infringements of the Intellectual Property Collateral.
6. Application of Proceeds. The proceeds of any sale, transfer or disposition of the Intellectual Property Collateral shall be applied first to all costs and expenses, including, but not limited to, reasonable attorneys' fees and expenses and court costs, incurred by CITBC in connection with such sale and the exercise of CITBC's rights and remedies hereunder and under the Financing Agreement; next, such proceeds shall be applied to the payment, in whole or in part, of the Obligations due CITBC in such order as CITBC may elect; and the balance, if any, shall be paid to the Company or as a court of competent jurisdiction may direct.

7. Defense of Claims. Prior to the exercise of CITBC's rights hereunder or pursuant to the power of attorney, the Company will defend at its own cost and expense any action, claim or proceeding affecting the Intellectual Property Collateral or the interest of CITBC therein. The Company agrees to reimburse CITBC for all reasonable costs and expenses incurred by CITBC in defending any such action, claim or proceeding.
8. Rights Cumulative. This Agreement shall be in addition to the Financing Agreement and shall not be deemed to affect, modify or limit the Financing Agreement or any rights that CITBC has under the Financing Agreement. The Company agrees to execute and deliver to CITBC (at the Company's expense) any further documentation or papers necessary to carry out the intent or purpose of this Agreement including, but not limited to, financing statements under the Uniform Commercial Code.
9. Construction and Invalidity. Any provisions hereof contrary to, prohibited by or invalid under any laws or regulations shall be inapplicable and deemed omitted herefrom, but shall not invalidate the remaining provisions hereof.
10. CHOICE OF LAW. THE COMPANY AGREES THAT THE VALIDITY, INTERPRETATION AND ENFORCEMENT OF THIS AGREEMENT AND ALL RIGHTS HEREUNDER SHALL BE GOVERNED BY THE LAWS OF THE STATE OF ILLINOIS. THIS AGREEMENT TOGETHER WITH THE FINANCING AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT OF THE COMPANY AND CITBC WITH RESPECT TO THE INTELLECTUAL PROPERTY COLLATERAL, CAN ONLY BE CHANGED OR MODIFIED IN WRITING AND SHALL BIND AND BENEFIT THE COMPANY, CITBC AND THEIR RESPECTIVE SUCCESSORS AND ASSIGNS. THE COMPANY AND CITBC EACH HEREBY EXPRESSLY WAIVES ANY RIGHT OF TRIAL BY JURY ON ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING HEREUNDER.
11. Events of Default. Any default under the Financing Agreement shall constitute a default hereunder and shall require no further action or notice on the part of CITBC.
12. Notices. The Company covenants and agrees that, with respect to the Intellectual Property Collateral, it will give CITBC written notice in the manner provided in the Financing Agreement of (a) any claim by a third party that the Company has infringed on the rights of a third party, (b) any suspected infringement by a third party on the rights of the Company; or (c) any Intellectual Property Collateral created, arising or acquired by the Company after the date hereof.
13. Further Assurances. The Company will take any such action as CITBC may reasonably require to further confirm or protect CITBC's rights under this Agreement in the Intellectual Property Collateral. In furtherance thereof, the Company hereby grants to CITBC a power of attorney coupled with an interest which shall be irrevocable during the term of this Agreement to execute any documentation or take any action in the Company's behalf required to effectuate the terms, provisions and conditions of this Agreement.
14. Termination. This Agreement shall terminate upon termination of the Financing Agreement and full, final and indefeasible payment of all Obligations of the Company thereunder. Upon the Company's request, CITBC shall within a reasonable time after any such termination execute and deliver to the Company (at the Company's expense) such documents and instruments as are reasonably necessary

to evidence such termination and release of the security interest granted herein on any applicable public record.


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

**THE CINCINNATI CORDAGE AND
PAPER COMPANY**

By: 
Lawrence. A. Bresko
President

Agreed to and accepted this 5th
day of Sept., 2000:

THE CIT GROUP/BUSINESS CREDIT, INC.

By: 
Title: Vice President & Asst. General Counsel


IRREVOCABLE POWER OF ATTORNEY

THE CINCINNATI CORDAGE AND PAPER COMPANY, an Ohio corporation with offices at 800 Ross Avenue, Cincinnati, Ohio 45217 (hereinafter referred to as the "Company"), hereby grants to THE CIT GROUP/BUSINESS CREDIT, INC., a New York corporation with offices at 10 South LaSalle Street, Chicago, Illinois 60603 (hereinafter referred to as "CITBC"), the exclusive Irrevocable Power of Attorney to transfer to CITBC or to any designee of CITBC all Intellectual Property Collateral listed on the Schedules attached to the Grant of Security Interest in Trademarks and Licenses dated as of the date hereof between the Company and CITBC (the "Agreement"), including, without limitation, all trademarks, trademark applications and/or registrations, and licenses together with the goodwill of the business connected with or symbolized by such Intellectual Property Collateral and the Company's entire inventory of labels and decals bearing any trademarks not affixed to its products, and the right to operate and control, sell, assign, and transfer the business under those trademarks upon the following terms:

1. the Power of Attorney granted hereunder shall be effective as of the date hereof and shall last for as long as any now existing or hereafter arising Indebtedness, liabilities or Obligations of the Company to CITBC are outstanding under the Financing Agreement referred to in the Agreement;
2. the Power of Attorney granted herein shall be irrevocable throughout the duration of its life as specified in Paragraph 1 hereinabove;
3. the Power of Attorney granted herein shall only be exercisable by CITBC after the occurrence of an Event of Default under the Agreement; and
4. CITBC shall give the Company ten (10) days prior written notice of the exercise of the powers granted hereby, and the waiver by CITBC of any particular Event of Default under the Agreement shall have no force or effect unless made in accordance with the terms of the Financing Agreement described therein. Even then, such waiver shall not constitute or be considered a waiver of any other Event of Default then existing or thereafter arising whether similar or not.

IN WITNESS WHEREOF, the Company has caused this Power of Attorney to be executed as of the 3rd day of August, 2000.

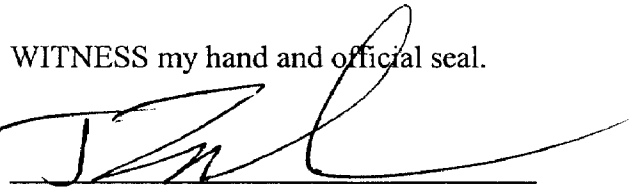
**THE CINCINNATI CORDAGE AND
PAPER COMPANY**

By: 

Lawrence A. Bresko
President

STATE OF OHIO)
)
COUNTY OF HAMILTON)

On August 3, 2000, before me, the undersigned, a notary public in and for said State, personally appeared Lawrence A. Bresko, known to me to be the President of The Cincinnati Cordage and Paper Company, the corporation that executed the foregoing instrument and power of attorney, and acknowledged to me that he executed such instrument and power of attorney on behalf of such corporation pursuant to authority granted by the board of directors of such corporation, as its free act and deed for the uses and purposes therein set forth.

WITNESS my hand and official seal.




JEFFREY LEE ZACKERMAN, Attorney at Law
Notary Public, State Of Ohio
My Commission Has No Expiration Date
Section 147.03

Notary Public
Commission Expires:

**SCHEDULE A TO GRANT OF SECURITY INTEREST IN
TRADEMARKS AND LICENSES**

between

THE CINCINNATI CORDAGE AND PAPER COMPANY

and

THE CIT GROUP/BUSINESS CREDIT, INC.

U.S. TRADEMARKS

<u>Title or Mark Date</u>	<u>Registration No.</u>	<u>Registration</u>
Cordage Papers and Design	1,384,262	2/5/86
Cordage Papers - Brewer Chilcote Division	RN70907	5/18/83
Cordage Papers - Columbus Division	RN70908	5/18/83
Cordage Papers - Cleveland Division	FN42310	6/22/88
Cordage Papers - Cincinnati Division	RN70905	5/18/83
Cordage Papers - Dayton Division	RN70906	5/18/83
Cordage Papers - Indianapolis Division		2/23/79
Cordage of Huntington		9/14/63
Cordage Papers - Pittsburgh Division		6/16/88
Cordage Packaging	1415569	4/3/67
Cordage Paperability	1,495,430	7/5/88
Cordage Express	1,965,682	4/2/96
Cordair	1,650,734	7/16/91
Cordair Gloss	2,025,987	12/24/96
Iceland Opaque	1,597,407	5/22/90
Cordx & Design	1,308,965	1/15/84
CORDcote (In process of registration. Process initiated 4/28/2000.)		

**SCHEDULE B TO GRANT OF SECURITY INTEREST IN
TRADEMARKS AND LICENSES**

between

THE CINCINNATI CORDAGE AND PAPER COMPANY

and

THE CIT GROUP/BUSINESS CREDIT, INC.

U.S. LICENSES

Name

Registration No.

Registration Date

NONE

797906.01