

09-26-2000



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9.26.00

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  
08 23 00

Conveying Party

Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name

08 23 00

Formerly

1626029

- 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)

- 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

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40.00 00

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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: 002147 FRAME: 0536

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

<input type="text" value="1626029"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

**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.

Joel Kabakoff  
Name of Person Signing

  
Signature

9/22/00  
Date Signed

# GRANT OF SECURITY INTEREST

## TRADEMARKS

THIS GRANT OF SECURITY INTEREST, dated as of August 23, 2000, is executed by Apple Plastics, Inc., a California corporation ("Borrower"), in favor of Fleet Capital Corporation ("Lender").

A. Pursuant to a Loan and Security Agreement dated as of August 23, 2000 (as amended from time to time, the "Loan Agreement") among Borrower, Apple Plastics LLC, a California limited liability company, Quality Polymers, Inc., a California corporation and Lender, Lender has agreed to extend certain credit facilities to Borrower upon the terms and subject to the conditions set forth therein.

B. Borrower has adopted, used and is using the trademarks, more particularly described on Schedules 1-A and 1-B annexed hereto as part hereof, which trademarks are registered or subject to an application for registration in the United States Patent and Trademark Office (collectively, the "Trademarks");

C. Borrower has entered into a Security Agreement (Intellectual Property) dated the date hereof (the "Security Agreement") in favor of Lender; and

D. Pursuant to the Security Agreement, Borrower has granted to Lender a security interest in all right, title and interest of Borrower in and to the Trademarks, together with the goodwill of the business symbolized by the Trademarks and the customer lists and records related to the Trademarks and the applications and registrations thereof, and all proceeds thereof, including any and all causes of action which may exist by reason of infringement thereof (the "Collateral"), to secure the payment, performance and observance of the Obligations, as defined in the Security Agreement;

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, Borrower does hereby further grant to Lender a security interest in the Collateral to secure the prompt payment, performance and observance of the Obligations.

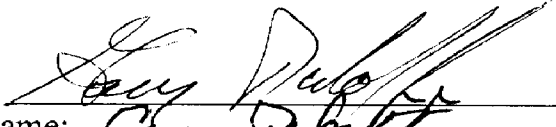
Borrower does hereby further acknowledge and affirm that the rights and remedies of Lender with respect to the security interest in the Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are hereby incorporated herein by reference as if fully set forth herein.

Lender's address is:

Fleet Capital Corporation  
15260 Ventura Boulevard  
Suite 400  
Sherman Oaks, California 91403  
Attn: Loan Administration Manager  
Telecopier No.: (818) 382-4291

IN WITNESS WHEREOF, Borrower has caused this Assignment to be executed as of the day and year first above written.

APPLE PLASTICS, INC.

By:   
Name: Guy Duff  
Title: President

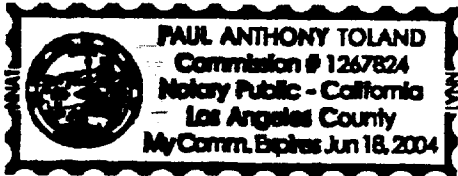
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

STATE OF CALIFORNIA )
) ss.
COUNTY OF LOS ANGELES )

On August 9, 2000, before me, Paul Toland, Notary Public
Date Name and Title of Officer (e.g. "Jane Doe, Notary Public")

personally appeared Gary Duboff
Name of Signer(s)

personally known to me - OR - proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Signature of Notary Public

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY(IES) CLAIMED BY SIGNER(S)

- Individual
Corporate Officer
President
Partner(s)
Attorney-In-Fact
Trustee(s)
Guardian/Conservator
Other

DESCRIPTION OF ATTACHED DOCUMENT

Grant of Security Interest Trademarks
Title or Type of Document
Number of Pages
Date of Document
Signer(s) Other Than Named Above

Signer is Representing:
Name of Person(s) or Entity(ies)
Apple Plastics, Inc.

SCHEDULE 1-A TO GRANT OF SECURITY INTEREST

TRADEMARKS

<u>Trademark</u>	<u>Jurisdiction</u>	<u>Reg. Date</u>	<u>Reg. No.</u>
Apple (words and design)	United States	12/4/90	1626029

SCHEDULE 1-B TO GRANT OF SECURITY INTEREST

TRADEMARK APPLICATIONS

<u>Trademark</u>	<u>Jurisdiction</u>	<u>Date Filed</u>	<u>Application No.</u>
None.			