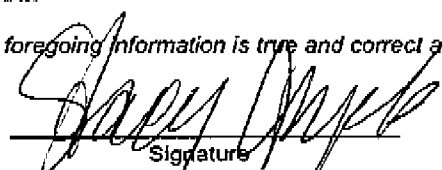


Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002) Tab settings $\leftrightarrow \leftrightarrow \leftrightarrow$	RECORDATION FORM COVER SHEET TRADEMARKS ONLY	U.S. DEPARTMENT OF COMMERCE U.S. Patent and Trademark Office
To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.		
1. Name of conveying party(ies): <u>Ioana McNamara d/b/a</u> <u>Permacharge Corporation</u> <input type="checkbox"/> Individual(s) <input type="checkbox"/> Association <input type="checkbox"/> General Partnership <input type="checkbox"/> Limited Partnership <input checked="" type="checkbox"/> Corporation-State <u>New Mexico</u> <input type="checkbox"/> Other _____ Additional name(s) of conveying party(ies) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	2. Name and address of receiving party(ies) Name: <u>Cardinal Growth, LP</u> Internal Address: <u>Suite 5500</u> Street Address: <u>311 South Wacker Drive</u> City: <u>Chicago</u> State: <u>IL</u> Zip: <u>60606</u> <input type="checkbox"/> Individual(s) citizenship _____ <input type="checkbox"/> Association _____ <input type="checkbox"/> General Partnership _____ <input checked="" type="checkbox"/> Limited Partnership <u>Delaware</u> <input type="checkbox"/> Corporation-State _____ <input type="checkbox"/> Other _____ <small>If assignee is not domiciled in the United States, a domestic representative designation is attached: <input type="checkbox"/> Yes <input type="checkbox"/> No (Designations must be a separate document from assignment) Additional name(s) & address(es) attached? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</small>	
3. Nature of conveyance: <input type="checkbox"/> Assignment <input type="checkbox"/> Merger <input checked="" type="checkbox"/> Security Agreement <input type="checkbox"/> Change of Name <input type="checkbox"/> Other _____ Execution Date: <u>October 23, 2001</u>	4. Application number(s) or registration number(s): A. Trademark Application No.(s) B. Trademark Registration No.(s) <u>1,696,000</u> <u>2,050,952</u> Additional number(s) attached <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
5. Name and address of party to whom correspondence concerning document should be mailed: Name: <u>Stacy P. Chronopoulos</u> Internal Address: <u>Pedersen & Houpt</u> <u>Suite 3100</u> Street Address: <u>161 North Clark Street</u> City: <u>Chicago</u> State: <u>IL</u> Zip: <u>60601</u>	6. Total number of applications and registrations involved: 2 7. Total fee (37 CFR 3.41)..... \$ <u>65.00</u> <input type="checkbox"/> Enclosed <input checked="" type="checkbox"/> Authorized to be charged to deposit account 8. Deposit account number: <u>500276</u> <u>Docket #200001228</u> <small>(Attach duplicate copy of this page if paying by deposit account)</small>	
DO NOT USE THIS SPACE		
9. Statement and signature. <i>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.</i> <u>Stacy P. Chronopoulos</u> Name of Person Signing <u></u> Signature <u>2/27/02</u> Date <div style="text-align: right; margin-top: 10px;"> 10 </div>		

Total number of pages including cover sheet, attachments, and document:
 Mail documents to be recorded with required cover sheet information to:
 Commissioner of Patent & Trademarks, Box Assignments
 Washington, D.C. 20231

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT (as amended, supplemented, amended and restated or otherwise modified from time to time, this "IP Security Agreement"), dated as of October 23, 2001, is made by PERMACHARGE CORPORATION, a New Mexico corporation ("Grantor"), in favor of CARDINAL GROWTH, L.P., a Delaware limited partnership ("Secured Party").

RECITALS

WHEREAS, Grantor and the Secured Party have entered into a Loan Agreement dated as of October 23, 2001 (the "Loan Agreement");

WHEREAS, to secure payment and performance of all of the Obligations of Grantor, Grantor has agreed to grant the security interests and undertake the obligations contemplated by this IP Security Agreement; and

WHEREAS, Grantor is required to execute and deliver this IP Security Agreement and to grant to Secured Party a continuing security interest in all of the Intellectual Property (as defined below) to secure certain obligations of Grantor in connection with the Loan Agreement.

NOW THEREFORE, in consideration of the foregoing recitals which are incorporated herein by reference, the mutual promises and covenants contained in this IP Security Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Grantor hereby agrees with Secured Party as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this IP Security Agreement, including its preamble and recitals, have the meanings provided (or incorporated by reference) in the Loan Agreement.

SECTION 2. Grant of Security Interest. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure all of the Secured Obligations, Grantor does hereby assign, pledge, hypothecate, charge, mortgage, deliver, transfer and grant to the Secured Party a continuing security interest in, all of the right, title and interest of Grantor in, to and under all of the following:

(a) the intellectual property described on Exhibit A attached hereto and made a part hereof and all other intellectual property of Grantor and all amendments, issues, reissues, divisions, continuations, continuations-in-part, extensions, renewals and reexaminations of any of such intellectual property, whether now owned or existing or filed or hereafter acquired or arising and filed, including any goodwill associated with any of the above (the "Intellectual Property"), including:

- (i) all renewals and amendments thereto,
- (ii) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof,
- (iii) the right to sue for past, present and future infringements, damages and royalties thereof,
- (iv) all rights corresponding thereto throughout the world, including any benefits and priority rights under applicable convention; and
- (v) all proceeds thereof, and

(b) all proceeds or products of the foregoing.

SECTION 3. New Intellectual Property. Grantor represents and warrants that the Intellectual Property listed on Exhibit A constitute all of the trademarks, copyrights and patents now owned, applied for or held by

Grantor. If before the Obligations shall have been satisfied in full, Grantor shall (i) obtain rights to any Intellectual Property not listed on Exhibit A, or (ii) become entitled to the benefit of any Intellectual Property (which is in any manner related to or a derivative of the invention that is the subject of the Intellectual Property listed in Exhibit A) and is not listed on Exhibit A, the provisions of Section 2 above shall automatically apply thereto and Grantor shall give to Secured Party written notice thereof on each anniversary of the date hereof. Grantor hereby authorizes Secured Party to modify this IP Security Agreement by amending Exhibit A to include any such future acquired Intellectual Property. Grantor agrees to execute all Intellectual Property added to Exhibit A, pursuant to this Section 3.

SECTION 4. Restrictions on Future Agreements. Grantor agrees that it will not, without Secured Party's prior written consent, which consent shall not be unreasonably withheld, enter into any agreement which is inconsistent with Grantor's obligations under this IP Security Agreement, and Grantor further agrees that it will not take any action, or permit any action to be taken by others subject to its control, including licensees, or fail to take any action, which would affect the validity or enforcement of the rights transferred to Secured Party under this IP Security Agreement. Furthermore, Grantor shall not, except for (a) the security interests created by this IP Security Agreement and (b) licenses granted to third parties with respect to the Intellectual Property, sell, assign, lease, transfer or convey any of the Collateral or create or suffer to exist any lien upon or with respect to any of the Collateral to secure the indebtedness or other obligations of any person.

SECTION 5. Royalties. Grantor hereby agrees that the use by the Secured Party of the Intellectual Property as authorized hereunder in connection with Secured Party's exercise of its rights and remedies under Section 6 shall be as co-extensive with the rights of Grantor under the Intellectual Property and without any liability for royalties or other related charges from Secured Party to Grantor.

SECTION 6. Secured Party's Rights. Secured Party shall have, in addition to all other rights and remedies given it by this IP Security Agreement, those rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which Grantor's records concerning the Intellectual Property may be located.

SECTION 7. Duties of Grantor. Grantor shall have the duty to:

(a) prosecute diligently any application filed by Grantor with respect to any of the Intellectual Property and satisfy any associated maintenance requirements until Grantor's obligations pursuant to the provisions of this IP Security Agreement shall have been satisfied in full. Grantor shall not abandon any Intellectual Property rights without prior written consent of the Secured Party, which shall not be unreasonably withheld; and

(b) prosecute diligently any material infringements of any of the Intellectual Property. Any expenses incurred in connection with such applications shall be borne by the Grantor.

SECTION 8. Secured Party's Right to Sue. At any time the secured Party shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Intellectual Property and, if the Secured Party shall commence any such suit, the Grantor shall, at the request of the Secured Party, do any and all lawful acts and execute any and all proper documents reasonably required by the Secured Party in aid of such enforcement and the Grantor shall promptly, upon demand, reimburse and indemnify the Secured Party for all costs and expenses incurred by the Secured Party in the exercise of its rights under this Section 3.

SECTION 9. IP Security Agreement. This IP Security Agreement has been executed and delivered by Grantor for the purpose of registering the security interest of Secured Party in the Intellectual Property with the United States Patent and Trademark Office. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to Secured Party under the Loan Agreement. The Loan Agreement (and all rights and remedies of Secured Party thereunder) shall remain in full force and effect in accordance with its terms. Furthermore, if any of the Intellectual Property is a registered patent or a patent application applied for with the United States Patent and Trademark Office, Grantor shall execute the attached Assignment of US Patents.

SECTION 10. Representations and Warranties. Grantor represents, warrants and covenants to the Secured Party as follows:

- (a) The Intellectual Property is subsisting and has not been adjudged invalid or unenforceable;
- (b) All of the Intellectual Property rights are subsisting and are still valid and enforceable;
- (c) Grantor has no notice of any material suits or actions commenced or threatened against it, or notice of material claims asserted or threatened against it with respect to the Intellectual Property; and
- (d) Grantor has complied with, and will continue to comply with for the duration of its obligations, the requirements of Title 15 and Title 17 of the US Code and any other applicable statutes, laws, rules and regulations in connection with its use of the Intellectual Property except where the failure to comply would not have a material adverse effect on Grantor or the Intellectual Property.

SECTION 11. Default. Grantor shall be in default under this IP Security Agreement upon the happening of any of the following events of default (each being an "Event of Default"):

- (a) an Event of Default shall have occurred under the Loan Agreement and shall be continuing beyond the applicable period for cure thereof;
- (b) any representation or warranty made by the Grantor in Section 4 hereof proves untrue in any material respect as of the date of the issuance or making thereof; or
- (c) any failure by the Grantor to observe or perform any of the covenants set forth herein which is not remedied by the Company within 30 days after notice thereof to the Grantor by the Secured Party.

SECTION 12. Rights and Remedies Upon an Event of Default. Upon occurrence of any of the above Events of Default, Grantor may accelerate all of the Obligations secured hereby and shall have, in addition to all other rights and remedies at law or in equity, the rights and remedies of a Secured Party under the Code, including, without limitation, the right to take possession of the Intellectual Property. Upon request, Grantor shall assemble and make the Intellectual Property available to Grantee.

SECTION 13. Release of Security Interest. Upon the payment or performance in full of all the obligations secured hereby, the Secured Party will, at the request and at the expense of Grantor, execute and deliver to Grantor such documents and instruments as Grantor shall reasonably request to release the lien on and security interest in the Intellectual Property that has been granted hereunder and furthermore, execute any documents to assure any patent rights granted to Grantee pursuant to the Assignment of US Patents to revert back to Grantor.

SECTION 14. Power of Attorney. To effectuate the rights and remedies of the Grantee hereunder, effective upon and during the continuation of an event of default, the Grantor hereby irrevocably appoints the Grantee as attorney in fact for the Grantor, with full power of substitution to sign, execute and deliver any and all instruments and documents and to do all acts and things to the same extent as the Grantors could do to sell, assign and transfer any Intellectual Property.

SECTION 15. Acknowledgment. Grantor does hereby further acknowledge and affirm that the rights and remedies of Secured Party with respect to the security interest in the Intellectual Property granted hereby are more fully set forth in the Loan Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 16. Transaction Documents. This IP Security Agreement is a Transaction Document executed pursuant to the Loan Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Transaction Documents.

SECTION 17. Counterparts. This IP Security Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, Grantor and Secured Party have caused this IP Security Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

GRANTOR:

PERMACHARGE CORPORATION

By: *Joana H. Hanara*
Name: JOANA H. HANARA
Title: PRESIDENT

SECURED PARTY:

CARDINAL GROWTH, L.P.

By: *Joseph M. Incasey*
Name: Joseph M. Incasey
Title: President

STATE OF New Mexico)
COUNTY OF Sandoval) SS.

The undersigned, a Notary Public, in and for said County, in the State aforesaid, DOES HEREBY CERTIFY that Josua McNamee personally known to me to be the President of Permacharge Corporation, a New Mexico corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered this said instrument as his own free and voluntary act, for the uses and purposes therein set forth.

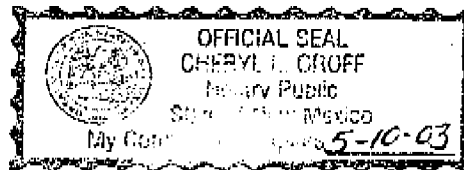
GIVEN under my hand and Notarial Seal this 28 day of November 2001.

Notary Public

Cheryl L. Groff

My Commission Expires:

5-10-03



STATE OF New Mexico)
COUNTY OF Sandoval) SS.

The undersigned, a Notary Public, in and for said County, in the State aforesaid, DOES HEREBY CERTIFY that _____ personally known to me to be the _____ of Cardinal Growth, L.P., a Delaware limited partnership, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered this said instrument as his own free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this _____ day of _____, 2001.

Notary Public

My Commission Expires:

EXHIBIT A
INTELLECTUAL PROPERTY

Pending Trademark Applications

European Economic Union (EEU) Trademark App.
 Serial #: 1,988,898
 Intl. Class: 016
CLING Z

Trademark Registrations

<u>Country</u>	<u>Reg. No.</u>	<u>Reg. Date</u>	<u>Owner(s)</u>	<u>Mark</u>
USA	1,696,000	06/23/92	Ioana McNamara dba Permacharge Corp.	WALL WRITE
USA	2,050,952	04/08/97	Ioana McNamara dba Permacharge Corp.	CLING Z

Common Law Trademark Rights

Copyright Registrations

<u>Title of Work</u>	<u>Reg. No.</u>	<u>Creation Date</u>	<u>Reg. Date</u>	<u>Authors</u>	<u>Owners</u>
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Common Law Copyrights

Pending Patent Applications

<u>Title of Work</u>	<u>Country</u>	<u>Serial No.</u>	<u>Filing Date</u>	<u>Inventor(s)</u>	<u>Owner(s)</u>
Electret Composition adapted for High-Speed Printing	USA	9/668,397	09/22/00	Senft	Permacharge
Charged Films Having High Ink Absorbency For Printing on Inkjet Printers	USA	9/694,250	10/23/00	Senft	Permacharge
Coated Electret Film Composition Adapted For Printing	JAPAN	2000 524130	06/09/00	Floegel	Permacharge
Electret Film Composition Adapted for Printing on Inkjet Printers	EUROPE	9892 2441.5	07/28/00	Hockaday	Permacharge
Coated Electret Film Composition for Printing	EUROPE	9896 2041.4	12/09/98	Floegal	Permacharge

EXHIBIT A
(CONT.)

Patent Registrations

<u>Title of Work</u>	<u>Country</u>	<u>Reg. No.</u>	<u>Reg. Date</u>	<u>Inventors</u>	<u>Owner(s)</u>
Metal Ion Monitoring <i>abandoned</i>	USA	5,354,996	10/11/94	Jeffery K. Griffith Teresa A. Goons Jack E. Floegel	Permacharge Corp.
Apparatus and Method For Printing on and Polarizing Polymer Electret Film	USA	5,477,784	12/26/95	Jack E. Floegel	Permacharge Corp.
Electret Film Composition Adapted for Printing on Computer Printers and the Like	USA	5,904,985	05/18/99	Calvin B. Ward Robert G. Hockaday	Permacharge Corp.
Electret Film Composition Adapted for Printing on Inkjet Printers	USA	5,989,685	11/23/99	Robert G. Hockaday	Permacharge Corp.
Method for Controlling Arcing While Charging A Web	USA	6,143,255	11/07/00	Donna S. Cowell Senft	Permacharge Corp.
Electret Film Composition For Printing on Computer Printers and the Like	USA	6,284,339	09/04/01	Jack E. Floegel Calvin Ward	Permacharge Corp.