

02-04-2002



Form PTO-1594
(Rev. 03/01)
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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

101969399

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

2-4-02

1. Name of conveying party(ies):

Apple Plastics, Inc.

- Individual(s)
- Association
- General Partnership
- Limited Partnership
- Corporation-State California
- Other _____

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

2. Name and address of receiving party(ies)

Name: Guaranty Business Credit

Internal Corporation

Address: Portfolio Manager

Street Address: 355 South Grand Avenue, #2400

City: Los Angeles State: CA Zip: 90071

- Individual(s) citizenship _____
- Association _____
- General Partnership _____
- Limited Partnership _____
- Corporation-State Delaware
- Other _____

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from assignment)
Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:

- Assignment
- Merger
- Security Agreement
- Change of Name
- Other _____

Execution Date: November 16, 2001

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

1626209

Additional number(s) attached Yes No

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

Name: Gary D. Samson, Esq.

Internal Address: _____

Orrick, Herrington & Sutcliffe LLP

Street Address: 777 S. Figueroa Street

Suite 3200

City: Los Angeles State: CA Zip: 90017

6. Total number of applications 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.

Joel Kabakoff

Name of Person Signing

Signature

January 30, 2002

Date

Total number of pages including cover sheet, attachments, and document: 6

Mail documents to be recorded with required cover sheet information to:
Commissioner of Patent & Trademarks, Box Assignments
Washington, D.C. 20231

02/05/2002 6TON11 00000058 1626209

01 FC:481

40.00 DP

TRADEMARK
REEL: 002435 FRAME: 0706

GRANT OF SECURITY INTEREST

TRADEMARKS

THIS GRANT OF SECURITY INTEREST, dated as of November 16, 2001, is executed by Apple Plastics, Inc., a California corporation ("Apple Inc."), in favor of Guaranty Business Credit Corporation ("Lender").

A. Pursuant to a Loan and Security Agreement dated as of November 21, 2001 (as amended from time to time, the "Loan Agreement") among Apple Plastics International, LLC, a California limited liability company, Quality Polymers, Inc., a California corporation and Power Plastics, Inc. (collectively, "Borrowers") and Lender, Lender has agreed to extend certain credit facilities to Borrowers upon the terms and subject to the conditions set forth therein. In connection with the Loan Agreement, Apple Inc. has executed a Secured Continuing Guaranty in favor of Lender.

B. Apple Inc. 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. Apple Inc. 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, Apple Inc. has granted to Lender a security interest in all right, title and interest of Apple Inc. 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, Apple Inc. does hereby further grant to Lender a security interest in the Collateral to secure the prompt payment, performance and observance of the Obligations.

Apple Inc. 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:

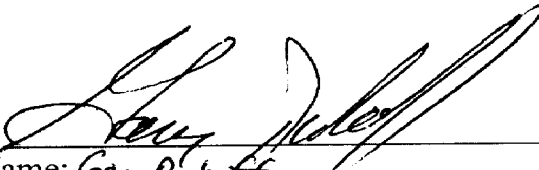
Guaranty Business Credit Corporation
355 South Grand Avenue
Suite 2400
Los Angeles, California 90071
Attn: Portfolio Manager

With a copy to:

Guaranty Business Credit Corporation
8333 Douglas Avenue, Suite 530
Dallas, Texas 75225
Attn: Corporate Counsel

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

APPLE PLASTICS, INC.

By: 
Name: Gary Duboff
Title: president

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

I-A-1

DOCSLA1:396102.2
12350-14 RPG

TRADEMARK
REEL: 002435 FRAME: 0709

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.			

I-B-1

DOCSLA1:396102.2
12350-14 RPG

TRADEMARK
REEL: 002435 FRAME: 0710

ALL-PURPOSE ACKNOWLEDGMENT

STATE OF California)
COUNTY OF Los Angeles) ss.

On November 16, 2001, before me, Joel Kabakoff Notary Public
(Name and Title of Officer)

personally appeared Gary Duboff

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]
Signature Of Notary



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 CLAIMED BY SIGNER

- Individual
- Corporate Officer

Title(s)

- Partner(s) Limited
- Attorney-In-Fact General
- Trustee(s)
- Guardian/Conservator
- Other: _____

Signer is representing:

Name Of Person(s) Or Entity(ies)

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