

COVER SHEET  
07-30-2002

Docket No.:

Tab settings

attached original documents or copy thereof.

To the Honorable Commissioner of Pat...

102173208

1. Name of conveying party(ies):  
Unifoil Corporation  
217 Brook Avenue  
Passaic Park, New Jersey 07055

07-01-02

2. Name and address of receiving party(ies):  
Name: Sterling National Bank

Internal Address: \_\_\_\_\_  
Street Address: 500 Seventh Avenue  
City: New York State: NY ZIP: 10018

Individual(s) citizenship \_\_\_\_\_  
 Association \_\_\_\_\_  
 General Partnership \_\_\_\_\_  
 Limited Partnership \_\_\_\_\_  
 Corporation-State \_\_\_\_\_  
 Other Financial Institution

If assignee is not domiciled in the United States, a domestic designation is  Yes  N  
(Designations must be a separate document from Additional name(s) & address(es)  Yes  N

Individual(s)  Association  
 General Partnership  Limited Partnership  
 Corporation-State NJ  
 Other \_\_\_\_\_

Additional names(s) of conveying party(ies)  Yes  No

3. Nature of conveyance:  
 Assignment  Merger  
 Security Agreement  Change of Name  
 Other \_\_\_\_\_

Execution Date: June 20, 2002

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

A. Trademark Application No.(s)  
76,078,055 75,204,282  
76,306,659

B. Trademark Registration No.(s)  
1,415,664 1,181,075

Additional numbers

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

Name: Joseph Zawila, Esq.

Internal Address: \_\_\_\_\_

Street Address: c/o Wolff & Samson, PA  
5 Becker Farm Road, Roseland, NJ 07068

City: Roseland State: NJ ZIP: 07068

6. Total number of applications and registrations involved:.....

5

7. Total fee (37 CFR 3.41):.....\$

Enclosed  
 Authorized to be charged to deposit account

8. Deposit account number:

DO NOT USE THIS SPACE

07/29/2002 AHMED1 00000043 76078055

01 FC:481 40.00 OP  
02 FC:482 100.00 OP

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.

Joseph Zawila, Esq.  
Name of Person Signing

*[Signature]*  
Signature

6/27/02  
Date

Total number of pages including cover sheet, attachments, and

TRADEMARK

## TRADEMARK AND PATENT SECURITY AGREEMENT

THIS TRADEMARK AND PATENT SECURITY AGREEMENT (this "Agreement") is dated June 20, 2002 by and between UNIFOIL CORPORATION, a New Jersey corporation with its principal office at 217 Brook Avenue, Passaic Park, New Jersey 07055 (the "Grantor"), and STERLING NATIONAL BANK, a national banking association having an office at 500 Seventh Avenue, New York, New York 10018 (the "Bank").

### RECITALS

A. Concurrently herewith, the Grantor, Unifoil Holdings, Inc. and Unifoil Export Corporation (collectively, the "Borrowers") and the Bank are entering into a Loan and Security Agreement (the "Loan Agreement"), pursuant to which, among other things, the Bank has agreed, subject to the terms and conditions contained therein, to make loans and advances to the Borrowers in an aggregate principal amount not to exceed \$5,000,000 (the "Loans").

B. In order to induce the Bank to enter into the Loan Agreement and to make the Loans to the Borrowers contemplated thereby, and to secure the payment of all principal, interest and other amounts under the Loans, the Grantor has agreed to mortgage, pledge and grant to the Bank a security interest in all of its right, title and interest in, to and under all patents, trademarks and related rights owned or held by the Grantor, all on the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto agree as follows:

### AGREEMENT

1. Definitions. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Loan Agreement. In addition, the following terms when used in this Agreement shall have the definitions given below:

"Alugas Agreement" means the Alugas Agreement dated April 26, 2001 between Alusit Holdings, L.P. and the Grantor.

"Collateral" means, collectively, all of the Patents, all of the Trademarks, all of the Patent Licenses, all of the Trademark Licenses, all of the Grantor's rights, title and interest (but none of its duties, obligations or liabilities) in, to and under the Alugas Agreement and all other rights of the Grantor relating to any of the foregoing.

"Patent Licenses" means, collectively, all existing and future agreements material to the operation of the Grantor's businesses, whether written or oral, providing for the grant by or to the Grantor of any right to manufacture, use or sell any invention covered by a Patent.

“Patents” means, collectively, all types of exclusionary or protective rights now or hereafter held or owned by the Grantor and granted for inventions in any country of the world (including, without limitation, letters patent, plant patents, utility models, breeder’s right certificates, inventor’s certificates and the like), including without limitation all of the Patents in Use and the Unused Patents, together with all applications therefor, all renewals, reissues and extensions thereof, all proceeds thereof, all divisions, continuations and continuations-in-part thereof, the right to sue for past, present and future infringements, all rights now or hereafter held or owned by the Grantor corresponding thereto throughout the world and the goodwill of the business utilizing any such patent or other right.

“Patents in Use” means, collectively, all of the Patents and related rights set forth on Schedule A-1 attached hereto and made a part hereof.

“Trademark Licenses” means, collectively, all existing and future agreements material to the operation of the businesses of the Grantor, written or oral, providing for the grant by or to the Grantor of any right to use any Trademark.

“Trademarks” means, collectively, all trademark applications, trademarks (whether registered, unregistered or for which any application to register has been filed), service mark applications, service marks (whether registered, unregistered or for which any application to register has been filed) and tradenames now or hereafter held or owned by the Grantor, including, but not limited to, the Trademarks in Use and the Unused Trademarks, together with all renewals, reissues and extensions thereof, all proceeds thereof (such as, by way of example, license royalties and proceeds of infringement suits), the right to sue for past, present and future infringements, all rights now or hereafter held or owned by the Grantor corresponding thereto throughout the world, and the goodwill of the business symbolized by each such mark and the registrations (if any) thereof.

“Trademarks in Use” means, collectively, all of the Trademarks and related rights set forth on Schedule B-1 attached hereto and made a part hereof.

“Unused Patents” means, collectively, all of the Patents and related rights set forth on Schedule A-2 attached hereto and made a part hereof.

“Unused Trademarks” means, collectively, all of the Trademarks and related rights set forth on Schedule B-2 attached hereto and made a part hereof.

2. Assignment and Grant of Security Interest. To secure the complete and timely payment and satisfaction of all of the Obligations, the Grantor hereby mortgages, pledges and assigns to the Bank, and grants and conveys to the Bank a security interest in and to, all of the Grantor’s right, title and interest in, to and with respect to the Collateral.

3. Representations and Warranties. The Grantor hereby represents and warrants as follows:

(a) Schedule A-1 and Schedule A-2 attached hereto and made a part hereof collectively set forth a complete list of all Patents owned or held by the Grantor or to which the Grantor has any colorable claim of ownership.

(b) Schedule B-1 and Schedule B-2 attached hereto and made a part hereof collectively set forth a complete list of all Trademarks owned or held by the Grantor or to which the Grantor has any colorable claim of ownership.

(c) Except as set forth in the Alugas Agreement, the Grantor is the sole and exclusive owner of the entire right, title and interest in the Trademarks in Use and the Patents in Use, free and clear of any liens, pledges, assignments, licensing agreement, franchise agreements or other encumbrances.

(d) Each Patent in Use and Trademark in Use is in full force and effect, and is valid, subsisting and enforceable. No Patent in Use or Trademark in Use has expired, has been abandoned or has been adjudicated to be invalid or unenforceable.

(e) The Grantor has used consistent standards of quality in its manufacture of products and delivery of services sold or provided under the Trademarks.

(f) No holding, decision or judgment has been rendered by any governmental authority which limits, cancels or questions the validity of any Patent in Use or Trademark in Use, and no action or proceeding is pending or, to the Grantor's knowledge, threatened, which seeks to limit, cancel or threaten the validity of any Patent in Use or Trademark in Use or which, if adversely determined, would reasonably be likely to have a material adverse effect on the value of any Patent in Use or Trademark in Use.

(g) No person or entity has challenged the Grantor's right to use and enjoy any of the Patents or Trademarks, and the Grantor has not received notice of any claim that the use of any Patent or Trademark violates or may violate the rights of any third person.

(h) The Grantor has the unqualified right to enter into this Agreement and to perform its obligations hereunder.

(i) The Grantor does not utilize any Unused Patent or Unused Trademark in any aspect of the conduct or operation of its business, and no Unused Patent or Unused Trademark is necessary for the continuation of the conduct or operation of the Grantor's business as it is now being conducted or operated. To the best of the Grantor's knowledge, the future use by the Grantor of any Unused Patent or Unused Trademark would not violate the rights of any third party.

4. Covenants. During the term of this Agreement, the Grantor shall comply with the following covenants:

(a) From time to time, upon the written request of the Bank, and at the sole expense of the Grantor, the Grantor shall promptly and duly execute and deliver such further instruments and

documents and take such further action as the Bank may reasonably request for the purpose of obtaining or preserving the full benefits of this Agreement and of the rights and powers herein granted, including without limitation the filing of any financing or continuation statements under the UCC in effect in any jurisdiction with respect to the liens created hereby. Without limiting the generality of the foregoing, the Grantor hereby irrevocably authorizes the Bank to file any such financing or continuation statement without any further or additional consents or authorizations by, and without any notice to, the Grantor.

(b) The Grantor shall not create, incur or permit to exist, shall take all commercially reasonable actions to defend the Collateral against, and shall take such other commercially reasonable action as is necessary to promptly remove, any lien or claim on or to any portion of the Collateral, other than the liens created hereby. The Grantor shall take all commercially reasonable actions to defend the right, title and interest of the Bank in and to any of the Collateral against the claims and demands of all persons whomsoever.

(c) The Grantor shall not sell, transfer, assign or otherwise dispose of, or attempt, offer or contract to sell, transfer, assign or otherwise dispose of, any of the Collateral.

(d) The Grantor shall provide the Bank with prompt written notice, in reasonable detail, of (i) any lien (other than liens created hereby) on, or claim asserted against, any of the Trademarks or Patents, and (ii) the occurrence of any other event which could reasonably be expected to have a material adverse effect on the aggregate value of the Collateral or on the liens created hereunder.

(e) The Grantor (either itself or through licensees) shall, with respect to each Trademark, (i) continue or begin to use such Trademark in order to maintain such Trademark in full force and effect free from any claim of abandonment for non-use, (ii) continue to use consistent standards of quality in its manufacture of products and delivery of services sold or provided under such Trademark, (iii) use reasonable efforts to employ such Trademark with the appropriate notice of registration, (iv) not adopt or use any mark which is confusingly similar or a colorable imitation of such Trademark unless the Bank, at the Grantor's cost, shall obtain a perfected security interest in such mark pursuant to this Security Agreement within 30 days after such use or adoption, and (v) not (and not permit any licensee or sublicensee thereof to) do any act or knowingly omit to do any act whereby such Trademark may become invalidated.

(f) The Grantor shall not do any act, or omit to do any act, whereby any Patent may become abandoned or dedicated.

(g) The Grantor shall promptly notify the Bank if it knows, or has reason to know, that any application relating to any Patent or any Trademark may become abandoned or dedicated, or of any adverse determination or material development (including, without limitation, the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office or any court or tribunal in any country) regarding the Grantor's ownership of any Patent or Trademark or its right to register the same or to keep and maintain the same.

(h) Whenever the Grantor, either by itself or through any agent, employee, licensee or designee, shall file an application for any Patent or for the registration of any Trademark with the United States Patent and Trademark Office or any similar office or agency in any other country or any political subdivision thereof, the Grantor shall report such filing to the Bank in writing within ten (10) business days after such filing. All such Patents and Trademarks, together with the applications therefor and all materials relating thereto, shall automatically be and become part of the Collateral covered by this Agreement. Notwithstanding the foregoing, upon request of the Bank, the Grantor shall execute and deliver any and all reasonably necessary agreements, instruments, documents, and papers as the Bank may request to evidence the Bank's security interest in any newly filed Patent or newly registered Trademark and the goodwill and general intangibles of the Grantor relating thereto or represented thereby. The Grantor hereby constitutes the Bank its attorney-in-fact to execute and file all such writings for the foregoing purposes, all acts of such attorney being hereby ratified and confirmed. The foregoing power of attorney is coupled with an interest and is irrevocable until the Obligations are paid in full.

(i) (i) The Grantor shall take all reasonable and necessary steps to file and pursue each application for a Patent or Trademark, to obtain the applicable Trademark registration or Patent and to maintain each Patent and each Trademark registration in full force and effect. Such steps shall include, without limitation, the commencement or institution of any proceedings before any tribunal, office or agency in any other country or any political subdivision thereof and the filing of applications for renewal, affidavits of use and affidavits of incontestability, when appropriate.

(ii) Without limiting the generality of the foregoing, the Grantor shall take commercially reasonable steps to obtain the absolute right (whether by assignment or otherwise), free and clear of all liens and encumbrances and rights of others and without infringement on the rights of others, to use any and all of the Unused Patents and Unused Trademarks that the Grantor determines to be of commercial value to it or its business. In any event, the Grantor shall not use any Unused Patent or Unused Trademark in any aspect of the conduct or operation of its business unless and until it shall have provided to the Bank evidence, reasonably acceptable to the Bank, that the Grantor has obtained the absolute right to use such Unused Patent or Unused Trademark, free and clear of all liens and encumbrances and rights of others and without infringement on the rights of others.

(j) In the event the Grantor knows or has reason to know that any Patent or Trademark is or has been infringed, misappropriated or diluted by a third party, the Grantor shall promptly notify the Bank in writing, and shall promptly commence or institute an appropriate action for infringement, misappropriation or dilution, or take such other actions as the Grantor shall reasonably deem appropriate under the circumstances to protect such Patent or Trademark and the Bank's interest therein.

5. Grantor's Right to Use Collateral. Provided no Event of Default (as hereinafter defined) has occurred and is continuing, the Grantor shall retain legal and equitable title to the Collateral and shall have the right to use the Collateral, including the Patents and the Trademarks, in the ordinary course of its business, subject to the covenants set forth in Paragraph 4 above.

6. Bank Appointed as Attorney-in-Fact.

(a) The Grantor hereby irrevocably constitutes and appoints the Bank, and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of the Grantor and in the name of the Grantor or in its own name, from time to time after the occurrence and during the continuance of an Event of Default in the Bank's sole discretion, for the purpose of carrying out the terms of this Agreement, to take any and all actions and to execute any and all documents and instruments which may be necessary or desirable to realize the full benefits of the Collateral or otherwise to evidence, accomplish, effectuate or implement the intent and purposes of this Agreement.

(b) Without limiting the generality of the foregoing, the Grantor hereby irrevocably gives and grants to the Bank the authority, power and right, on behalf of the Grantor without notice to or assent by the Grantor, to do, at the Grantor's cost and expense, any or all the following at any time and from time to time following the occurrence and during the continuance of an Event of Default:

(i) in the name of the Grantor or its own name, or otherwise, to take possession of and endorse and collect any checks, drafts, notes, acceptances or other instruments for the payment of moneys due under, or with respect to, any Collateral, and to file any claim or to take any other action or proceeding in any court of law or equity or otherwise deemed appropriate by the Bank for the purpose of collecting any and all such moneys due with respect to such Collateral whenever payable;

(ii) to pay or discharge taxes and liens levied or placed on or threatened against the Collateral, to obtain or maintain any insurance which the Bank deems necessary or advisable and to pay all or part of the premiums therefor and the costs thereof;

(iii) to direct any party liable for any payment under any of the Collateral to make payment of any and all moneys due or to become due thereunder directly to the Bank or as the Bank shall direct;

(iv) to ask or demand for, collect, receive payment of and receipt for, any and all moneys, claims and other amounts due or to become due at any time in respect of or arising out of any Collateral;

(v) to sign and endorse any invoices, freight or express bills, bills of lading, storage or warehouse receipts, drafts against debtors, assignments, verifications, notices and other documents in connection with any of the Collateral;

(vi) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to protect or preserve the Collateral, to collect the Collateral or any portion thereof or to enforce any other right in respect of any Collateral;

(vii) to defend any suit, action or proceeding brought against the Grantor with respect to any Collateral;

(viii) to settle, compromise or adjust any suit, action or proceeding described in the preceding clauses (vi) and (vii) and, in connection therewith, to give such discharges or releases as the Bank may deem appropriate;

(ix) to grant or issue any exclusive or non-exclusive license under or with respect to all or any portion of the Collateral to any third person, and to assign any portion of the Collateral (along with goodwill of the business to which such Collateral pertains), throughout the world for such term or terms, on such conditions, and in such manner, as the Bank shall in its sole discretion determine; and

(x) generally to sell, transfer, assign, pledge and make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Bank were the absolute owner thereof for all purposes, and to do, at the Bank's option and the Grantor's expense, at any time, or from time to time, all acts and things which the Bank deems reasonably necessary to protect, preserve or realize upon the Collateral and the liens of the Bank thereon and to effect the intent of this Agreement, all as fully and effectively as the Grantor might do.

(c) The Grantor hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable.

(d) The Grantor hereby also irrevocably authorizes the Bank, at any time and from time to time following the occurrence and during the continuance of an Event of Default, to execute any endorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral as shall be necessary or advisable, in the Bank's discretion, in connection with the exercise of any of the Bank's remedies hereunder.

(e) The powers conferred on the Bank hereunder are solely to protect the interests of the Bank in the Collateral and shall not impose any duty upon the Bank to exercise any such powers. The Bank shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither the Bank nor any of its affiliates, partners, officers, directors, employees or agents shall be responsible to the Grantor for any act or failure to act hereunder, except for their own gross negligence or willful misconduct.

7. Right To Inspect. The Grantor hereby grants to the Bank and its employees and agents the right, upon reasonable prior notice, to visit the Grantor's warehouses, stores and other facilities where products sold or services provided under the Trademarks or Patents are manufactured, inspected, stored or provided, and to inspect and review the products and quality control records relating thereto during normal business hours.

8. Events of Default. Each of the following events shall be and constitute an event of default under this Agreement (each, an "Event of Default"):



(a) The occurrence of any Event of Default (as defined in the Loan Agreement) under the Loan Agreement.

(b) If any representation or warranty made by the Grantor in this Agreement proves to be false or inaccurate in any material respect at the time when made.

(c) If the Grantor shall breach, violate or default under any obligation, agreement, or covenant of the Grantor contained in this Agreement, and such breach, violation or default shall not be cured within ten (10) days after notice thereof from the Bank.

9. Remedies.

(a) Upon the occurrence of an Event of Default, the Bank shall have and may in its discretion exercise, in addition to all other rights and remedies given to it by this Agreement and the Loan Agreement, all rights and remedies provided by law, including without limitation all rights and remedies of a secured party under the UCC. Without limiting the generality of the foregoing, the Bank may immediately, in New York, New Jersey or elsewhere, without demand of performance and without advertisement of any kind, sell at public or private sale or otherwise realize upon all or any portion of the Collateral and the goodwill associated therewith, or any interest which the Grantor has therein, upon such terms, including price, as the Bank shall deem appropriate in its sole and absolute discretion. After deducting from the proceeds of said sale or other disposition of the Collateral all expenses (including all reasonable expenses for brokers' fees and legal services), the Bank shall apply the remainder of such proceeds to the payment of the Obligations. The Grantor shall remain liable for any deficiency if the proceeds of any such sale or other disposition of the Collateral are insufficient to pay in full the Obligations and all such expenses. Notice of any sale or other disposition of the Collateral shall be given to the Grantor at least ten (10) calendar days before the time of any intended public or private sale or other disposition of the Collateral is to be made, which the Grantor hereby agrees shall be reasonable notice of such sale or other disposition. At any such sale or other disposition, the Bank may, to the extent permissible under applicable law, purchase the whole or any part of the Collateral sold, free from any right of redemption on the part of the Grantor, which right is hereby waived and released. To the extent not prohibited by applicable law, the Grantor hereby waives all claims, damages and demands it may have or acquire against the Bank relating to or arising out of the exercise by the Bank of its rights hereunder.

(b) The Grantor acknowledges and agrees that it is the intention of the parties hereto that, upon the occurrence and during the continuance of an Event of Default, the Bank shall have the right, in its sole and absolute discretion, to make use of all of the Collateral, all of the Grantor's rights thereto and interests therein and all of the goodwill associated therewith, all of which will and is intended to permit the Bank to manufacture and sell the products of the Grantor to which the Patents and Trademarks relate, and to maintain substantially the same product specifications and quality as maintained by the Grantor.

10. Indemnification. The Grantor shall, and hereby does, indemnify, defend and hold harmless the Bank from and against any and all losses, costs, damages, expenses and liabilities, including without limitation reasonable legal fees and expenses, incurred or to be incurred by the

Bank in connection with, arising out of or relating to (a) the preparation, negotiation, administration, amendment or termination of this Agreement, (b) the enforcement of this Agreement or the exercise or performance by the Bank of any of its rights or remedies under this Agreement or at law, including without limitation the commencement, institution, prosecution or defense of, or participation in, any action or proceeding relating to the Collateral or the rights of the Grantor or the Bank therein, (c) the payment or discharge by the Bank, in its sole discretion, of any taxes, reasonable counsel fees, maintenance fees, encumbrances or other amounts relating to the Collateral or (d) the protection, preservation or maintenance of the Collateral. All such amounts shall be payable by the Grantor to the Bank on demand, and shall, until so paid, be added to the principal amount of the Obligations and bear interest at a rate equal to the Default Rate.

11. Termination. Upon the irrevocable payment and satisfaction in full of all of the Obligations, and provided that the Bank shall have no further obligation to extend any credit or make any advances or loans to the Borrowers under the Loan Agreement, the Bank shall, at the Grantor's request and at the Grantor's cost and expense, execute and deliver to the Grantor all deeds, assignments and other instruments as may be necessary or proper to terminate the Bank's security interest in the Collateral and re-vest in the Grantor title to the Collateral, subject to any disposition thereof which may have been made by the Bank pursuant hereto.

12. No Waiver. No course of dealing between the Grantor and the Bank nor any failure to exercise, nor any delay in exercising, on the part of the Bank, any right, power or privilege hereunder or under any of the other Loan Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise or the exercise of any other right, power or privilege.

13. Severability. The provisions of this Agreement are severable, and if any clause or provision shall be held invalid or unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Agreement in any jurisdiction.

14. Amendment. This Agreement may be modified, amended, supplemented or otherwise changed only by a writing executed and delivered by all of the parties to this Agreement.

15. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Grantor and the Bank and their respective successors and assigns.

16. Governing Law. This Agreement and the rights and obligations of the parties hereunder shall be governed by and construed in accordance with the laws of the State of New York.

17. Waiver of Jury Trial; Waiver of Special, Exemplary, Punitive and Consequential Damages. EACH PARTY TO THIS AGREEMENT AGREES THAT ANY SUIT, ACTION, OR PROCEEDING, WHETHER CLAIM OR COUNTERCLAIM, BROUGHT OR INSTITUTED BY ANY PARTY HERETO OR ANY SUCCESSOR OR ASSIGN OF ANY PARTY, ON OR WITH RESPECT TO THIS AGREEMENT OR THE DEALINGS OF THE PARTIES WITH RESPECT

HERETO, SHALL BE TRIED ONLY BY A COURT AND NOT BY A JURY. EACH PARTY HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY SUCH SUIT, ACTION OR PROCEEDING. IN ADDITION, THE GRANTOR WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER, IN ANY SUCH SUIT, ACTION OR PROCEEDING, ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. THE GRANTOR ACKNOWLEDGES AND AGREES THAT THIS SECTION IS A SPECIFIC AND MATERIAL ASPECT OF THIS AGREEMENT.

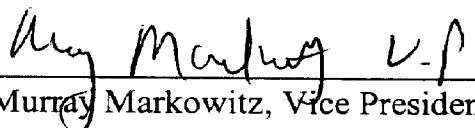
18. Counterparts. This Agreement may be executed in any number of duplicate originals or counterparts, each of such duplicate originals or counterparts shall be deemed to be an original and all taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties hereto have executed this Agreement as of the date set forth on the first page hereof.

UNIFOIL CORPORATION

By:   
Joseph Funicelli, President

STERLING NATIONAL BANK

By:   
Murray Markowitz, Vice President

STATE OF NEW YORK )  
 )  
COUNTY OF NEW YORK )

ss: ,

On June 20<sup>th</sup>, 2002 before me, the undersigned, personally appeared Joseph Funicelli, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(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 capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

William F. Herget, Jr.  
Signature and office of individual taking  
acknowledgment

WILLIAM F. HERGET, JR.  
NOTARY PUBLIC, State of New York  
No. 4518126  
Qualified in Queens County  
Certificate Filed in New York County  
Commission Expires Aug. 31, 2002

STATE OF NEW YORK )  
 )  
COUNTY OF NEW YORK )

ss:

On June 20<sup>th</sup>, 2002 before me, the undersigned, personally appeared Murray Markowitz, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(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 capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

William F. Herget, Jr.  
Signature and office of individual taking  
acknowledgment

WILLIAM F. HERGET, JR.  
NOTARY PUBLIC, State of New York  
No. 4519126  
Qualified in Queens County  
Certificate Filed in New York County  
Commission Expires Aug. 31, 2002

**SCHEDULE A-1**

**List of Patents in Use**

Patent No. 5,441,761

Patent No. 5,858,487

**SCHEDULE A-2**

**List of Unused Patents**

Patent No. 4,869,767

Patent No. 4,923,572

Patent No. 4,968,370

Patent No. PCT/US94/07708

**SCHEDULE B-1**

**List of Trademarks in Use**

UniFoil – Reg. No. 76078055

UltraLustre – Reg. No. 75204282

UniLustre – Reg. No. 76306659

**SCHEDULE B-2**

**List of Unused Trademarks**

E.B.-ALUGLAS – Reg. No. 1,415,664

ALUGLAS – Reg. No. 1,181,075

779256.03

**RECORDED: 07/01/2002**

**TRADEMARK  
REEL: 002551 FRAME: 0429**