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EET U.S. DEPARTMENT OF COMMERCE Y 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): 1-8-03 Kolmar Laboratories, Inc., a Delaware corp. [] Individual(s) [] Association [] General Partnership [] Limited Partnership [x] Corporation-State [] Other Additional name(s) of conveying party(ies) attached? [] Yes [x] No

2. Name and address of receiving party(ies) Name: Foothill Capital Corporation Internal Address: Street Address: 2450 Colorado Avenue City: Santa Monica State: CA Zip: 90404 [] Individual(s) citizenship [] Association [] General Partnership [] Limited Partnership [x] Corporation-State California [] 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

OFFICE OF PUBLIC RECORDS 2003 JAN -8 PM 3:07 FINANCE SECTION

3. Nature of conveyance: [] Assignment [] Merger [x] Security Agreement [] Change of Name [] Other Execution Date: 10/30/2002

4. Application number(s) or registration number(s): A. Trademark Application No.(s) B. Trademark Registration No.(s) 684270; 1045563 Additional number(s) attached [] Yes [x] No

5. Name and address of party to whom correspondence concerning document should be mailed: Name: Jennifer Lee Taylor/Elayne Ricci Internal Address: Morrison & Foerster LLP Street Address: 425 Market Street City: San Francisco State: CA Zip: 64105-2482

6. Total number of applications and registrations involved: 2 7. Total fee (37 CFR 3.41): \$ 65.00 [] Enclosed [x] Authorized to be charged to deposit account 8. Deposit account number: 03-1952 (Ref. 51270/17)

DO NOT USE THIS SPACE

9. Signature. Jennifer Lee Taylor Name of Person Signing [Signature] Signature January 7, 2003 Date [23]

01/14/2003 LUMELLER 00000141 031952 684270 01 FC:0521 40.00 CH 02 FC:0522 25.00 CH

Total number of pages including cover sheet, attachments, and document: 23 Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

TRADEMARK REEL: 002648 FRAME: 0849

TRADEMARK SECURITY AGREEMENT

by and among

THE GRANTORS NAMED HEREIN,

as Grantors

and

FOOTHILL CAPITAL CORPORATION,

as the Collateral Agent

Dated as of October 30, 2002

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Schedule I - Trademarks, Registrations and Applications

Schedule II - Licenses

TRADEMARK SECURITY AGREEMENT, dated October 30, 2002, made by the persons listed on the signature pages hereof under the caption "Grantors" (each a "Grantor" and, collectively, the "Grantors"), to FOOTHILL CAPITAL CORPORATION ("Foothill"), as agent (the "Collateral Agent") for the lenders (the "Lenders") party to the Loan and Security Agreement (as hereinafter defined).

PRELIMINARY STATEMENTS.

(1) The Lenders, as lenders, and Foothill, as the arranger and administrative agent for the Lenders, have entered into a Loan and Security Agreement dated as of October 30, 2002 (said agreement, as it may hereafter be amended or otherwise modified from time to time, being the "Loan and Security Agreement", the terms defined therein and not otherwise defined herein being used herein as therein defined) with Outsourcing Services Group, Inc., a Delaware corporation ("Parent"), as parent, and Aerosol Services, Inc., a California corporation, Piedmont Laboratories, Inc., a Georgia corporation, Acupac Packaging, Inc., a New Jersey corporation, Kolmar Laboratories, Inc., a Delaware corporation, and Precision Packaging and Services, Inc., an Ohio corporation as borrowers.

(2) Parent, as guarantor, has entered into a Security Agreement and a Guaranty, each dated as of October 30, 2002 and each in favor of the Collateral Agent.

(3) Kolmar Canada Inc., an Ontario corporation, as guarantor, has made a General Security Agreement and a Guarantee, each dated as of October 30, 2002 and each in favor of the Collateral Agent.

(4) OSG Ivers-Lee Inc., an Ontario corporation, as guarantor, has made a General Security Agreement and a Guarantee, each dated as of October 30, 2002 and each in favor of the Collateral Agent.

(5) It is a condition precedent to the making of the initial Advance by the Lenders under the Loan and Security Agreement (or any other extension of credit provided for thereunder) that each Grantor shall have granted the assignment and security interest and made the pledge and assignment contemplated by this Agreement.

NOW, THEREFORE, in consideration of the premises and in order to induce the Lenders to make the initial Advance under the Loan and Security Agreement, each of the Grantors hereby agrees with the Collateral Agent for its benefit and the ratable benefit of the Lenders as follows:

SECTION 1. Grant of Security. Each Grantor hereby assigns and pledges to the Collateral Agent for its benefit and the ratable benefit of the Lenders, and hereby grants to the Collateral Agent for its benefit and the ratable benefit of the Lenders a security interest in, all of such Grantor's right, title and interest in and to the following, whether now owned or hereafter acquired (collectively, the "Trademark Collateral"):

(a) all trademarks, service marks, trade names, trade dress or other indicia of trade origin, trademark and service mark registrations, and applications for trademark or service

mark registrations (except for "intent to use" applications for trademark or service mark registrations filed pursuant to Section 1(b) of the Lanham Act, unless and until an Amendment to Allege Use or a Statement of Use under Sections 1(c) and 1(d) of said Act has been filed), and any renewals thereof, including, without limitation, each registration and application identified in Schedule I attached hereto and made a part hereof, and including without limitation (i) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (ii) all income, royalties, damages and other payments now and hereafter due and/or payable with respect thereto (including, without limitation, payments under all licenses entered into in connection therewith, and damages and payments for past or future infringements thereof), and (iii) all rights corresponding thereto throughout the world and all other rights of any kind whatsoever of such Grantor accruing thereunder or pertaining thereto, together in each case with the goodwill of the business connected with the use of, and symbolized by, each such trademark, service mark, trade name, trade dress or other indicia of trade origin (collectively, the "Trademarks"); and

(b) all license agreements with any other person in connection with any of the Trademarks or such other person's names or marks, whether such Grantor is a licensor or licensee under any such license agreement, including, without limitation, the license agreements listed on Schedule II attached hereto and made a part hereof, subject, in each case, to the terms of such license agreements, including, without limitation, terms requiring consent to a grant of a security interest, and any right to prepare for sale, sell and advertise for sale, all Inventory (as defined in the Loan and Security Agreement) now or hereafter owned by such Grantor and now or hereafter covered by such licenses (collectively, the "Licenses").

SECTION 2. Security for Obligations. The assignment and pledge of and grant of a security interest in the Trademark Collateral by each Grantor pursuant to this Agreement secures the payment of all Obligations of the Grantors now or hereafter existing under the Loan Documents, if any, whether for principal, interest, fees, expenses or otherwise (all such Obligations being the "Secured Obligations"). Without limiting the generality of the foregoing, this Agreement secures the payment of all amounts that constitute part of the Secured Obligations and would be owed by any Grantor to the Collateral Agent or the Lenders under the Loan Documents but for the fact that they are unenforceable or not allowable due to the existence of a bankruptcy, reorganization or similar proceeding involving the Collateral Agent or any Lender or Grantor.

SECTION 3. Grantors Remain Liable. Anything herein to the contrary notwithstanding, (a) each Grantor shall remain liable under the contracts and agreements included in the Trademark Collateral to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Agreement had not been executed, (b) the exercise by the Collateral Agent of any of the rights hereunder shall not release such Grantor from any of its duties or obligations under the contracts and agreements included in the Trademark Collateral and (c) neither the Collateral Agent nor any Lender shall have any obligation or liability under the contracts and agreements included in the Trademark Collateral by reason of this Agreement, nor shall the Collateral Agent nor any Lender be obligated to perform any of the obligations or duties of such Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

SECTION 4. Representations and Warranties. Each Grantor represents and warrants as to itself and its Trademark Collateral as follows:

(a) Such Grantor is the sole, legal and beneficial owner of the entire right, title and interest in and to the trademark registrations and applications for registration set forth in Schedule I hereto as being the property of such Grantor free and clear of any Lien, except for the security interest created by this Agreement and Permitted Liens. No security agreement, effective financing statement or other instrument similar in effect covering all or any part of the Trademark Collateral, that has not been terminated or released, is on file in any recording office (including, without limitation, the United States Patent and Trademark Office and the Canadian Intellectual Property Office ("CIPO")), except such as may have been filed in favor of the Collateral Agent relating to this Agreement or any other Loan Document, and such Grantor has not consented to the filing of a financing statement under the Uniform Commercial Code or the Personal Property Security Act (Ontario) (the "PPSA") or the filing of any document or notice similar in effect, that has not been released or terminated, with the United States Patent and Trademark Office and/or CIPO covering all or any part of the Trademark Collateral other than as contemplated hereby and thereby.

(b) Set forth in Schedule I opposite the name of such Grantor is a complete and accurate list of the material trademarks, trademark registrations and applications for registration owned by such Grantor. Such Grantor has made all necessary filings and recordations to protect and maintain, under the laws of the United States or Canada, as applicable, its interest in the trademark registrations and applications for registration set forth in Schedule I, including, without limitation, all necessary filings and recordings in the United States Patent and Trademark Office and CIPO. Set forth in Schedule II opposite the name of such Grantor is a complete and accurate list of the material written Licenses owned by such Grantor in which such Grantor is (i) a licensor or (ii) a licensee.

(c) Each trademark registration and application for registration of such Grantor set forth in Schedule I is subsisting and has not been adjudged invalid, unregistrable or unenforceable, in whole or in part, and, to the best of such Grantor's knowledge, is valid, registrable and enforceable. Each License of such Grantor identified in Schedule II is validly subsisting and has not been adjudged invalid or unenforceable, in whole or in part, and, to the best of such Grantor's knowledge, is valid and enforceable. Such Grantor has notified the Collateral Agent in writing of all uses of any item of Trademark Collateral of which such Grantor is aware which could reasonably be expected to lead to such item becoming invalid or unenforceable, including unauthorized uses by third parties and uses which were not supported by the goodwill of the business connected with such Trademark Collateral, other than any such uses that would not cause or result in a Material Adverse Change.

(d) Such Grantor has not made a previous assignment, sale, transfer or agreement constituting a present or future assignment, sale, transfer or encumbrance of any of the Trademark Collateral that has not been terminated or released, except where such assignment, sale, transfer or agreement would not have a Material Adverse Change. Such Grantor has not granted any license (other than those listed on Schedule II hereto), release, covenant not to sue, or non-assertion assurance to any person with respect to any part of the Trademark Collateral so as to cause or result in a Material Adverse Change.

(e) No consent of any other person and no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or other third party in the United States and Canada, as applicable, is required either (A) for the grant by any Grantor of the assignment and security interest granted hereby or for the execution, delivery or performance of this Agreement by any Grantor, (B) for the perfection or maintenance of the pledge, assignment and security interest created hereby (including the first priority nature of such pledge, assignment or security interest), except for the filing of financing and continuation statements under the Uniform Commercial Code and the PPSA and filings with the United States Patent and Trademark Office and CIPO, which financing statements and filings have been duly filed, or (C) for the exercise by the Collateral Agent of its rights provided for in this Agreement or the remedies in respect of the Trademark Collateral pursuant to this Agreement.

(f) Except for the licenses listed on Schedule II hereto, such Grantor has no knowledge of the existence of any right or any claim that is likely to be made under any item of Trademark Collateral contained on Schedule I.

(g) No claim has been made and is continuing or threatened that the use by such Grantor of any item of Trademark Collateral is invalid or unenforceable or that the use by such Grantor of any Trademark Collateral does or may violate the rights of any person, other than any such claim which would not cause or result in a Material Adverse Change. To the best of such Grantor's knowledge, there is currently no infringement or unauthorized use of any item of Trademark Collateral contained on Schedule I.

(h) Such Grantor uses consistent standards of quality in all material respects in the manufacture, distribution and sale of all products sold and provision of all services provided under or in connection with any item of Trademark Collateral contained on Schedule I and has taken all steps necessary to ensure that all licensed users of any item of Trademark Collateral contained on Schedule I use such consistent standards of quality.

(i) No Grantor has knowledge of the existence of any trademark or license agreement held or claimed by any other person that would preclude such Grantor from distributing, marketing, selling or providing any product or service currently distributed, marketed, sold or provided by it, as the case may be, under or in connection with any of the Trademark Collateral (except, in each case, to the extent that such Grantor has granted an exclusive license to another person), or that would interfere with the ability of such Grantor to carry on its business as currently carried on, and no Grantor has knowledge of any claim that is likely to be made that if upheld would preclude or interfere with the business of such Grantor as currently carried on under any of the Trademark Collateral, other than any such trademark, license agreement or claim that would not cause or result in a Material Adverse Change.

SECTION 5. Further Assurances.

(a) Each Grantor shall from time to time, at its expense, promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or desirable, or that the Collateral Agent may request, in order to perfect and protect any pledge, assignment or security interest granted or purported to be granted hereby or to enable the Collateral Agent to exercise and enforce its rights and remedies hereunder with respect to any

part of the Trademark Collateral, except that no such actions shall be required under this Section 5(a) with respect to Trademark Collateral covered by the last sentence of Section 5(e). Without limiting the generality of the foregoing, each Grantor will execute and file such financing or continuation statements, or amendments thereto, and such other instruments or notices, as Collateral Agent, in its Permitted Discretion, deems necessary or desirable, or as the Collateral Agent may request, in order to perfect and preserve the pledge, assignment and security interest granted or purported to be granted hereby. Each Grantor hereby authorizes the Collateral Agent to file one or more financing or continuation statements, and amendments thereto, relating to all or any part of the Trademark Collateral without the signature of such Grantor where permitted by law. A photocopy or other reproduction of this Agreement or any financing statement covering the Trademark Collateral or any part thereof shall be sufficient as a financing statement where permitted by law.

(c) Each Grantor will furnish to the Collateral Agent from time to time statements and schedules further identifying and describing the Trademark Collateral and such other reports in connection with the Trademark Collateral as the Collateral Agent may reasonably request, all in reasonable detail.

(d) Each Grantor agrees that, should it obtain an ownership interest in any trademark, service mark, trade name, trade dress, other indicia of trade origin, trademark or service mark registration, or application for trademark or service mark registration, or license, which is not now a part of the Trademark Collateral, (i) the provisions of Section 1 shall automatically apply thereto, (ii) any such trademark, service mark, trade name, trade dress, indicia of trade origin, trademark or service mark registration or application for trademark or service mark registration, together with the goodwill of the business connected with the use of same and symbolized by same, or license, shall automatically become part of the Trademark Collateral, and (iii) with respect to any ownership interest in any trademark or service mark registration, or application for trademark or service mark registration that such Grantor should obtain, it shall give prompt written notice thereof to the Collateral Agent in accordance with Section 13 hereof. Each Grantor authorizes the Collateral Agent to modify this Agreement by amending Schedules I and II (and will cooperate reasonably with the Collateral Agent in effecting any such amendment) to include any trademark or service mark registration or application for trademark or service mark registration, or License, which becomes part of the Trademark Collateral under this Section.

(e) With respect to each trademark or service mark registration, application for trademark or service mark registration, and License, each Grantor agrees, subject to the last sentence of this subsection, to take all necessary steps, including, without limitation, in the United States Patent and Trademark Office, CIPO or in any court, to (i) maintain each such trademark or service mark registration, application for trademark or service mark registration, and License, and (ii) pursue each such application for trademark or service mark registration, now or hereafter included in the Trademark Collateral, including, without limitation, the filing of responses to office actions issued by the United States Patent and Trademark Office and CIPO, the filing of applications for renewal, the filing of affidavits under Sections 8 and 15 of the United States Trademark Act, or under any applicable equivalent legislation, and the participation in opposition, cancellation and infringement and misappropriation proceedings. Each Grantor agrees to take corresponding steps with respect to each new or acquired trademark

or service mark registration, application for trademark or service mark registration, or License to which it is now or later becomes entitled. subject to the last sentence of this subsection. Any expenses incurred in connection with such activities shall be borne by such Grantor. Such Grantor shall not discontinue use of or otherwise abandon any trademark or service mark, or abandon any right to file an application for registration thereof, or abandon any pending application for registration or registration of any trademark or service mark, without the written consent of the Collateral Agent, unless such Grantor shall have previously determined that such use or the pursuit or maintenance of such application or registration is no longer desirable in the conduct of such Grantor's business and that the loss thereof will not cause or result in a Material Adverse Change, in which case, such Grantor will give notice of any such abandonment to the Collateral Agent pursuant to the terms of Section 13 hereof.

(f) Each Grantor agrees to notify the Collateral Agent promptly and in writing if it learns (i) (x) that any item of the Trademark Collateral contained on Schedule I may be determined to have become abandoned or dedicated or (y) of any adverse determination or the institution of any proceeding (including, without limitation, the institution of any proceeding in the United States Patent and Trademark Office, CIPO or any court) regarding any item of the Trademark Collateral, and (ii) that such event would cause or result in a Material Adverse Change.

(g) In the event that any Grantor becomes aware that any item of the Trademark Collateral is infringed or misappropriated by a third party, such Grantor shall promptly notify the Collateral Agent and shall take such actions as such Grantor or the Collateral Agent deems appropriate under the circumstances to protect such Trademark Collateral, including, without limitation, suing for infringement or misappropriation and for an injunction against such infringement or misappropriation, unless any such infringement or misappropriation would not cause or result in a Material Adverse Change. Any expense incurred in connection with such activities shall be borne by such Grantor.

(h) Each Grantor shall to the extent it deems reasonable in its best business judgment use proper statutory notice in connection with its use of each of its federally registered trademarks and service marks contained in Schedule I, and use the notice designation "TM" or "SM", as applicable, in connection with its use of its adopted trademarks and service marks that are not federally registered.

(i) Each Grantor shall take all steps which it or the Collateral Agent deems appropriate under the circumstances to preserve and protect its Trademark Collateral, including, without limitation, maintaining the quality of any and all products or services used or provided in connection with the Trademark Collateral, consistent with the quality and services as of the date hereof, and taking all steps necessary to ensure that all licensed users of any of said Trademark Collateral use consistent standards of quality.

SECTION 6. Transfers and Other Liens. No Grantor shall, (a) except with respect to Permitted Dispositions, sell, assign (by operation of law or otherwise) or otherwise dispose of, or grant any option with respect to, any item of the Trademark Collateral that would cause or result in a Material Adverse Change or (b) create or suffer to exist any Lien upon or

with respect to any of the Trademark Collateral except for the pledge, assignment, and security interest created by this Agreement or Permitted Liens.

SECTION 7. The Collateral Agent Appointed Attorney-in-Fact. Each Grantor hereby irrevocably appoints the Collateral Agent as such Grantor's attorney-in-fact, with full authority in the place and stead of such Grantor and in the name of such Grantor or otherwise, from time to time in the Collateral Agent's discretion after the occurrence and during the continuance of an Event of Default, to take any action and to execute any instrument that the Collateral Agent may deem necessary or advisable to accomplish the purposes of this Agreement, including, without limitation:

(a) to ask for, demand, collect, sue for, recover, compromise, receive and give acquittance and receipts for moneys due and to become due under or in respect of any of the Trademark Collateral,

(b) to receive, indorse, and collect any drafts or other instruments, documents and chattel paper, in connection with clause (a) above, and

(c) to file any claims or take any action or institute any proceedings that the Collateral Agent may deem necessary or desirable for the collection of any payments relating to any of the Trademark Collateral or otherwise to enforce the rights of the Collateral Agent with respect to any of the Trademark Collateral.

To the extent permitted by law, each Grantor hereby ratifies all that the Collateral Agent shall lawfully do or cause to be done as attorney-in-fact for such Grantor. This power of attorney is a power coupled with an interest and is irrevocable.

SECTION 8. The Collateral Agent May Perform. If any Grantor fails to perform any agreement contained herein, the Collateral Agent may itself perform, or cause performance of, such agreement after reasonable notice to such Grantor to the extent practicable, and the expenses of the Collateral Agent incurred in connection therewith shall be payable by such Grantor under Section 11.

SECTION 9. The Collateral Agent's Duties. The powers conferred on the Collateral Agent hereunder are solely to protect its interest in the Trademark Collateral and shall not impose any duty upon the Collateral Agent to exercise any such powers. Except for the safe custody of any Trademark Collateral in its possession and the accounting for any moneys actually received by it hereunder, the Collateral Agent shall have no duty as to any Trademark Collateral or as to the taking of any necessary steps to preserve rights against any parties or any other rights pertaining to any Trademark Collateral. The Collateral Agent shall be deemed to have exercised reasonable care in the custody and preservation of any Trademark Collateral in its possession if such Trademark Collateral is accorded treatment substantially equal to that which the Collateral Agent accords its own property.

SECTION 10. Remedies. If any Event of Default shall have occurred and be continuing and if the Collateral Agent has taken or is taking remedial actions in respect of the Collateral that is Inventory or Accounts:

(a) The Collateral Agent may exercise in respect of the Trademark Collateral, in addition to other rights and remedies provided for herein or otherwise available to it and to the fullest extent permitted by law, all the rights and remedies of a secured party upon default under the Uniform Commercial Code in effect in the State of New York at such time (the "N.Y. Uniform Commercial Code") (whether or not the N.Y. Uniform Commercial Code applies to the affected Trademark Collateral) and also may (i) require each Grantor to, and such Grantor hereby agrees that it will at its expense and upon request of the Collateral Agent forthwith, assemble all or part of the documents and things embodying the Trademark Collateral as directed by the Collateral Agent and make them available to the Collateral Agent at a place to be designated by the Collateral Agent that is reasonably convenient to both parties, (ii) occupy any premises owned or leased by such Grantor where documents and things embodying the Trademark Collateral or any part thereof are assembled for a reasonable period in order to effectuate the Collateral Agent's rights and remedies hereunder or under law, without obligation to any Grantor in respect of such occupation, and (iii) without notice except as specified below, sell the Trademark Collateral or any part thereof in one or more parcels at public or private sale, at any of the Collateral Agent's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as the Collateral Agent may deem commercially reasonable. In the event of any sale, assignment, or other disposition of any of the Trademark Collateral, the goodwill of the business connected with and symbolized by any Trademark Collateral subject to such disposition shall be included, and such Grantor shall supply to the Collateral Agent or its designee such Grantor's know-how and expertise, and documents and things embodying the same, relating to the manufacture, distribution, advertising and sale of products or the provision of services relating to any Trademark Collateral subject to such disposition, and such Grantor's customer lists and other records and documents relating to such Trademark Collateral and to the manufacture, distribution, advertising and sale of such products and services. Each Grantor agrees that, to the extent notice of sale shall be required by law, at least ten days' notice to such Grantor of the time and place of any public sale or the time after which any private sale is to be made shall constitute reasonable notification. The Collateral Agent shall not be obligated to make any sale of Trademark Collateral regardless of notice of sale having been given. The Collateral Agent may adjourn any public or private sale from time to time by announcement at the time and place fixed therefor, and such sale may, without further notice, be made at the time and place to which it was so adjourned.

(b) All cash proceeds received by the Collateral Agent in respect of any sale of, collection from, or other realization upon all or any part of the Trademark Collateral may, in the discretion of the Collateral Agent, be held by the Collateral Agent as collateral for, and/or then or at any time thereafter applied (after payment of any amounts payable to the Collateral Agent pursuant to Section 11) in whole or in part by the Collateral Agent for the ratable benefit of the Lenders against, all or any part of the Secured Obligations in accordance with Section 2.4 of the Loan and Security Agreement. Any surplus of such cash or cash proceeds held by the Collateral Agent and remaining after payment in full of all the Secured Obligations shall be paid over to the applicable Grantor or to whomsoever may be lawfully entitled to receive such surplus.

(c) The Collateral Agent may exercise any and all rights and remedies of each Grantor under or otherwise in respect of the Trademark Collateral.

(d) All payments received by any Grantor under or in connection with any of the Trademark Collateral shall be received in trust for the benefit of the Collateral Agent, shall be segregated from other funds of such Grantor and shall be forthwith paid over to the Collateral Agent in the same form as so received (with any necessary endorsement).

SECTION 11. Indemnity and Expenses. (a) Each Grantor agrees to indemnify the Collateral Agent from and against any and all claims, losses and liabilities arising out of or resulting from this Agreement (including, without limitation, enforcement of this Agreement), except claims, losses or liabilities resulting from the Collateral Agent's gross negligence or willful misconduct as determined by a final judgment of a court of competent jurisdiction.

(b) Each Grantor will upon demand pay to the Collateral Agent the amount of any and all reasonable expenses, including the reasonable fees and expenses of its counsel and of any experts and agents, that the Collateral Agent may incur in connection with (i) the administration of this Agreement, (ii) the custody, preservation, use or operation of, or the sale of, collection from or other realization upon, any of the Trademark Collateral, (iii) the exercise or enforcement of any of the rights of the Collateral Agent or the Lenders hereunder or (iv) the failure by such Grantor to perform or observe any of the provisions hereof.

SECTION 12. Amendments, Waivers, Etc. No amendment or waiver of any provision of this Agreement, and no consent to any departure by any Grantor herefrom, shall in any event be effective unless the same shall be in writing and signed by the Collateral Agent and, in the case of an amendment, by each Grantor and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No failure on the part of the Collateral Agent to exercise, and no delay in exercising any right hereunder, shall operate as a waiver thereof; nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.

SECTION 13. Addresses for Notices. All notices and other communications provided for hereunder shall be in writing (including telecopier, telegraphic, telex or cable communication), and mailed, telegraphed, telecopied, telexed, cabled or delivered to any Grantor, addressed to it at its address specified in the Loan and Security Agreement or to the Collateral Agent, addressed to it at its address specified in the Loan and Security Agreement or, as to any party, at such other address as shall be designated by such party in a written notice to each other party complying as to delivery with the terms of this Section 13. All such notices and other communications shall, when mailed, telecopied, telegraphed, telexed or cabled, respectively, be effective when deposited in the mails, telecopied, delivered to the telegraph company, confirmed by telex answerback, or delivered to the cable company, respectively, addressed as aforesaid.

SECTION 14. Continuing Security Interest; Assignments Under the Loan and Security Agreement. This Agreement shall create a continuing security interest in the Trademark Collateral and shall (a) remain in full force and effect until the later of the payment in full in cash of all of the Secured Obligations and the effective date of termination or expiration of the Loan and Security Agreement, (b) be binding upon each Grantor, its successors and assigns and (c) inure, together with the rights and remedies of the Collateral Agent hereunder, to the benefit of the Collateral Agent, the Lenders and their respective successors, transferees and assigns.

Without limiting the generality of the foregoing clause (c), the Collateral Agent and any Lender may assign or otherwise transfer all or any portion of its rights and obligations under the Loan and Security Agreement, to any other person, and such other person shall thereupon become vested with all the benefits in respect thereof granted to the Collateral Agent or such Lender herein or otherwise, in each case as provided in Section 14 of the Loan and Security Agreement.

SECTION 15. Release and Termination. (a) Upon any sale, lease, transfer or other disposition of any item of Trademark Collateral in accordance with the terms of the Loan Documents (other than sales of Inventory in the ordinary course of business), the Collateral Agent will, at any Grantor's expense, execute and deliver to such Grantor such documents as such Grantor shall reasonably request to evidence the release of such item of Trademark Collateral from the assignment and security interest granted hereby; provided, however, that (i) at the time of such request and such release and after giving effect thereto no Default shall have occurred and be continuing, (ii) such Grantor shall have delivered to the Collateral Agent, at least ten Business Days prior to the date of the proposed release, a written request for release describing the item of the Trademark Collateral and the terms of the sale, lease, transfer or other disposition in reasonable detail, including the price thereof and any expenses in connection therewith, together with a form of release for execution by the Collateral Agent and a certification by such Grantor to the effect that the transaction is in compliance with the Loan Documents and as to such other matters as the Collateral Agent may request and (iii) the proceeds of any such sale, lease, transfer or other disposition required to be applied in accordance with Section 2.4 of the Loan and Security Agreement shall be paid to, or in accordance with the instructions of, the Collateral Agent at the closing.

(b) Upon the later of the payment in full in cash of all of the Secured Obligations and the effective date of termination or expiration of the Loan and Security Agreement, the pledge, assignment, and security interest granted hereby shall terminate and all rights to the Trademark Collateral as shall not have been sold or otherwise applied pursuant to the terms hereof shall revert to the applicable Grantors. Upon any such termination, the Collateral Agent will, at such Grantor's expense, execute and deliver to any Grantor such documents as such Grantor shall reasonably request to evidence such termination.

SECTION 16. Governing Law; Terms. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK, EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF THE SECURITY INTEREST HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR TRADEMARK COLLATERAL ARE GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF NEW YORK. Unless otherwise defined herein or in the Loan and Security Agreement, terms used in Article 9 of the N.Y. Uniform Commercial Code are used herein as therein defined.

SECTION 17. Consent to Jurisdiction. Each Grantor agrees that any suit for the enforcement of this Agreement may be brought in the courts of the State of New York or any federal court sitting therein and consents to the non-exclusive jurisdiction of any such court and to service of process in any such suit being made upon each Grantor by mail at the address specified in the Loan and Security Agreement. Each Grantor hereby waives any objection that it

may now or hereafter have to venue of any such suit or any such court or that such suit is brought in an inconvenient forum.


SECTION 18. Waiver of Jury Trial. Each Grantor hereby irrevocably waives all rights to trial by jury in any action, proceeding or counterclaim (whether based on contract, tort or otherwise) arising out of or relating to this Agreement, the transactions contemplated hereby or the actions of the Collateral Agent or any Lender in the negotiation, administration, performance or enforcement hereof.

[Signature Pages to follow]

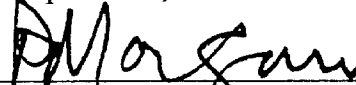
IN WITNESS WHEREOF, Grantors have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

GRANTORS:


ACUPAC PACKAGING, INC., a New Jersey corporation, as Grantor

By: 
Title: VP + CFO

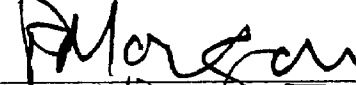
AEROSOL SERVICES COMPANY, INC., a California corporation, as Grantor

By: 
Title: VP + CFO

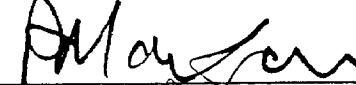
KOLMAR CANADA, INC., an Ontario corporation, as Grantor

By: 
Title: VP + CFO

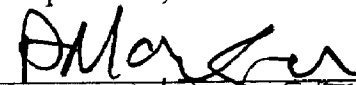
KOLMAR LABORATORIES, INC., a Delaware corporation, as Grantor

By: 
Title: VP + CFO

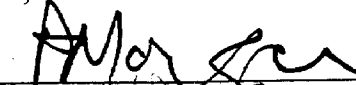
OSG IVERS-LEE, INC., an Ontario corporation, as Grantor

By: 
Title: VP + CFO

OUTSOURCING SERVICES GROUP, INC., a Delaware corporation, as Grantor

By: 
Title: VP + CFO

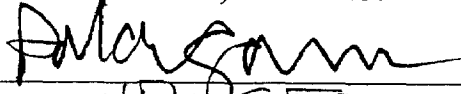
PIEDMONT LABORATORIES, INC., a Georgia corporation, as Grantor

By: 
Title: VP + CFO

**PRECISION PACKAGING AND SERVICES,
INC., an Ohio corporation, as Grantor**

By:

Title:


VP+CFO


Agreed and consented to as of
the date first above written:

FOOTHILL CAPITAL CORPORATION, as Collateral Agent

By:

Title:

Address:


V.P.

SIGNATURE PAGE TO TRADEMARK SECURITY AGREEMENT

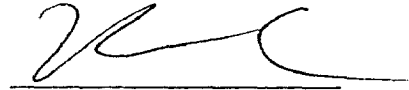
ny-428838

TRADEMARK
REEL: 002648 FRAME: 0864

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 27th day of October, 2002, before me personally came
Perry Morgan to me known, who, being by me duly sworn, did
depose and say he resides at _____

_____ and that
he is the VP + CEO of **ACUPAC PACKAGING, INC.**, the corporation described in
and which executed the above instrument; that he has been authorized to execute said instrument
on behalf of said corporation; and that he signed said instrument on behalf of said corporation
pursuant to said authority.



Notary Public


[Notarial Seal]

RICHARD ARLEN COLE, JR.
Notary Public, State of New York
No. 01CO6069239
Qualified in New York County
Commission Expires Jan. 28, 2006

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 29th day of October, 2002, before me personally came
Perry Morgan to me known, who, being by me duly sworn, did
depose and say he resides at _____

_____ and that he is the
VP + CEO of **AEROSOL SERVICES COMPANY, INC.**, the corporation described
in and which executed the above instrument; that he has been authorized to execute said
instrument on behalf of said corporation; and that he signed said instrument on behalf of said
corporation pursuant to said authority.



Notary Public

[Notarial Seal]

RICHARD ARLEN COLE, JR.
Notary Public, State of New York
No. 01CO6069239
Qualified in New York County
Commission Expires Jan. 28, 2006

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 29th day of October 2002, before me personally came
Perry Morgan to me known, who, being by me duly sworn, did
depose and say he resides at _____

_____ and that he is the
VP + CFO of **KOLMAR CANADA, INC.**, the corporation described in and which
executed the above instrument; that he has been authorized to execute said instrument on behalf
of said corporation; and that he signed said instrument on behalf of said corporation pursuant to
said authority.



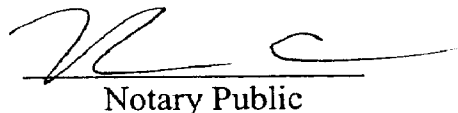
Notary Public
RICHARD ARLEN COLE, JR.
Notary Public, State of New York
No. 01CO6069239
Qualified in New York County
Commission Expires Jan. 28, 2006

[Notarial Seal]

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 29th day of October 2002, before me personally came
Perry Morgan to me known, who, being by me duly sworn, did
depose and say he resides at _____

_____ and that he is the
VP + CFO of **KOLMAR LABORATORIES, INC.**, the corporation described in and
which executed the above instrument; that he has been authorized to execute said instrument on
behalf of said corporation; and that he signed said instrument on behalf of said corporation
pursuant to said authority.



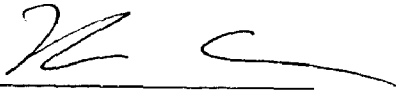
Notary Public
RICHARD ARLEN COLE, JR.
Notary Public, State of New York
No. 01CO6069239
Qualified in New York County
Commission Expires Jan. 28, 2006

[Notarial Seal]

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 29th day of October, 2002, before me personally came
Perry Morgan to me known, who, being by me duly sworn, did
depose and say he resides at _____

_____ and that he is the
VP + CFO of **OSG IVERS-LEE, INC.**, the corporation described in and which
executed the above instrument; that he has been authorized to execute said instrument on behalf
of said corporation; and that he signed said instrument on behalf of said corporation pursuant to
said authority.



Notary Public


[Notarial Seal]

RICHARD ARLEN COLE, JR.
Notary Public, State of New York
No. 01CO6069239
Qualified in New York County
Commission Expires Jan. 28, 2006

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 29th day of October, 2002, before me personally came
Perry Morgan to me known, who, being by me duly sworn, did
depose and say he resides at _____

_____ and that he is the
VP + CFO of **OUTSOURCING SERVICES GROUP, INC.**, the corporation
described in and which executed the above instrument; that he has been authorized to execute
said instrument on behalf of said corporation ; and that he signed said instrument on behalf of
said corporation pursuant to said authority.



Notary Public


[Notarial Seal]

RICHARD ARLEN COLE, JR.
Notary Public, State of New York
No. 01CO6069239
Qualified in New York County
Commission Expires Jan. 28, 2006

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 27th day of October 2002, before me personally came
Perry Morgan to me known, who, being by me duly sworn, did
depose and say he resides at _____

_____ and that he is the
VP + CFO of **PIEDMONT LABORATORIES, INC.**, the corporation described in
and which executed the above instrument; that he has been authorized to execute said instrument
on behalf of said corporation; and that he signed said instrument on behalf of said corporation
pursuant to said authority.



Notary Public

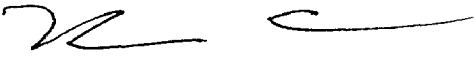
[Notarial Seal]

RICHARD ARLEN COLE, JR.
Notary Public, State of New York
No. 01CO6069239
Qualified in New York County
Commission Expires Jan. 28, 2006

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 29th day of October 2002, before me personally came
Perry Morgan to me known, who, being by me duly sworn, did
depose and say he resides at _____

_____ and that he is the
VP + CFO of **PRECISION PACKAGING AND SERVICES, INC.**, the corporation
described in and which executed the above instrument; that he has been authorized to execute
said instrument on behalf of said corporation ; and that he signed said instrument on behalf of
said corporation pursuant to said authority.



Notary Public


[Notarial Seal]

RICHARD ARLEN COLE, JR.
Notary Public, State of New York
No. 01CO6069239
Qualified in New York County
Commission Expires Jan. 28, 2006

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On the 21th day of October, 2002, before me personally came
Katy Brooks to me known, who, being by me duly sworn, did depose
and say ~~he~~ resides at _____

_____ and that ~~he~~ is the
VP of **FOOTHILL CAPITAL CORPORATION**, the corporation
described in and which executed the above instrument; that he has been authorized to execute
said instrument on behalf of said corporation; and that he has signed said instrument on behalf of
said corporation pursuant to said authority.


Notary Public

[Notarial Seal]

RICHARD ARLEN COLE, JR.
Notary Public, State of New York
No. 01CO6069239
Qualified in New York County
Commission Expires Jan. 28, 2006

SCHEDULE I: TRADEMARKS, REGISTRATIONS AND APPLICATIONS

<u>Owner</u>	<u>Country</u>	<u>Trademark</u>	<u>App. or Reg. No.</u>	<u>Reg. Date</u>
Kolmar	Australia	AQUALIZER	A452,427	09/22/1987
Kolmar	Canada	AQUALIZER	135,059	03/14/1989
Kolmar	France	AQUALIZER	1,380,792	11/21/1986
Kolmar	Germany	AQUALIZER	1,189,767	12/19/1986
Kolmar	Great Britain	AQUALIZER	1,293,464	11/24/1997
Kolmar	Indonesia	AQUALIZER	222,110	04/29/1997
Kolmar	Italy	AQUALIZER	482,233	12/23/1996
Kolmar	Japan	AQUALIZER	1,099,899	09/18/1994
Kolmar	Japan	AQUALIZER	1,099,900	09/18/1994
Kolmar	Japan	AQUALIZER	1,685,759	05/29/1994
Kolmar	Japan	AQUALIZER	1,712,769	09/26/1994
Kolmar	Malaysia	AQUALIZER	88-04233	08/22/1988
Kolmar	Mexico	AQUALIZER	468,242	03/02/1993
Kolmar	Switzerland	AQUALIZER	351,722	04/14/1987
Kolmar	Thailand	AQUALIZER	TM 54699	12/22/1986
✓ Kolmar	U.S.	AQUALIZER	684,270	12/04/1959
Kolmar	Canada	KOLMAR	412,941	05/28/1993
Kolmar	Egypt	KOLMAR	63,898	04/07/1994
Kolmar	France	KOLMAR	92,441,299	11/10/1992
Kolmar	Germany	KOLMAR	2,080,270	11/23/1992
Kolmar	Great Britain	KOLMAR	2,000,954	11/10/1994
Kolmar	Italy	KOLMAR	439,661	04/08/1981
Kolmar	Japan	KOLMAR	878,635	11/07/1990
✓ Kolmar	U.S.	KOLMAR	1,045,563	08/03/1976
OSG Ivers-Lee, Inc.	Canada	IL Design	TMA467,894	12/19/1996
OSG Ivers-Lee, Inc.	Canada	IVERS-LEE	TMA462,004	08/23/1996
OSG Ivers-Lee, Inc.	Canada	MINI-WASH	TMA187,336	12/15/1972
OSG Ivers-Lee, Inc.	Canada	IL	TMA127527	04/24/1961

ny-428838

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SCHEDULE II: LICENSES

**[TO BE COMPLETED BY OSG, IF ANY. OTHERWISE, OSG TO CONFIRM THAT
THERE ARE NONE.]**

ny-428838

RECORDED: 01/08/2003

**TRADEMARK
REEL: 002648 FRAME: 0871**