

10-09-2003

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Form PTO-1594

(Rev. 03/01)

OMB No. 0651-0027 (exp. 5/31/2002)

OFF

U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

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

1. Name of conveying party(ies):
Formed Fiber Technologies, Inc.
Formed Fiber Technologies, LLC

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

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

3. Nature of conveyance:

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

Execution date: August 22, 2003

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

Name:

American Capital Financial Services, Inc. as agent

Internal

Address:

2 Bethesda Metro Center, 14th Floor

Street Address:

City: Bethesda State: MD Zip: 20814

- ☐ 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

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

A. Trademark Application No.(s) 76/241071

Additional number(s) attached

B. Trademark Registration No.(s) 1322168, 2493113, 1431183, 1422908, 1769369, 1723875☐ Yes ☒ No

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

Name: Caroline Kraus, Esq.Internal Address: Weil, Gotshal & Manges, LLPStreet Address: 767 5th AvenueCity: New York State: NY Zip: 10153

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

7

7. Total fee (37 CFR 3.41): \$ 190.00

- ☐ Enclosed
☒ Authorized to be charged to deposit account

8. Deposit account number: 23-0800

(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.

Phyllis Eremitaggio

Name of Person Signing

Signature

October 1, 2003

Date

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

15

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

10/09/2003 ECOMPER 00000111 230000 76241071

01 FEB 2004
02 FEB 200470.00 DA
150.00 DA

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TRADEMARK
REEL: 002841 FRAME: 0320

TRADEMARK SECURITY AGREEMENT

TRADEMARK SECURITY AGREEMENT, dated as of August 22, 2003, by Formed Fiber Technologies, Inc., a Delaware corporation ("Parent") and Formed Fiber Technologies, LLC, a Delaware limited liability company ("FFT," and together with Parent, each, a "Grantor"), in favor of American Capital Financial Services, Inc. ("ACFS"), as agent for the Purchasers (as defined in the Purchase Agreement referred to below) (in such capacity, the "Agent").

WITNESSETH:

WHEREAS, pursuant to the Note and Equity Purchase Agreement, dated as of August 22, 2003 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Purchase Agreement") among Grantors, the Purchasers party thereto and ACFS, as agent for the Purchasers, the Purchasers have severally agreed to purchase certain Notes upon the terms and subject to the conditions set forth therein; and

WHEREAS, each Grantor is party to a Security Agreement of even date herewith in favor of the Agent (the "Security Agreement") and each Grantor is required to execute and deliver this Trademark Security Agreement pursuant to the Security Agreement and the Purchase Agreement;

NOW, THEREFORE, in consideration of the premises and to induce the Purchasers and the Agent to enter into the Purchase Agreement and to induce the Purchasers to purchase the Notes thereunder, each Grantor hereby agrees with the Agent as follows:

SECTION 1. Defined Terms. Unless otherwise defined herein, terms defined in the Purchase Agreement or in the Security Agreement and used herein have the meaning given to them in the Purchase Agreement or the Security Agreement.

SECTION 2. Grant of Security Interest in Trademark Collateral. Each Grantor, as collateral security for the full, prompt and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of the Obligations of such Grantor, hereby collaterally assigns, conveys, mortgages, pledges, hypothecates and transfers to the Agent for the benefit of the Purchasers, and grants to the Agent for the benefit of the Purchasers a lien on and security interest in, all of its right, title and interest in, to and under the following Collateral of each Grantor (the "Trademark Collateral"):

(a) all of its Trademarks and Trademark Licenses to which it is a party, including those referred to on Schedule I hereto;

(b) all reissues, continuations or extensions of the foregoing;

(c) all goodwill of the business connected with the use of, and symbolized by, each Trademark and each Trademark License; and

(d) all proceeds of the foregoing, including any claim by the Grantor against third parties for past, present, future (i) infringement or dilution of any Trademark or Trademark licensed under any Trademark License or (ii) injury to the goodwill associated with any Trademark or any Trademark licensed under any Trademark License.

As used herein, the following terms shall have the following meanings:

“Trademark” means (a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos and other source or business identifiers, and all goodwill associated therewith, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications (excluding intent-to-use applications) in connection therewith, whether in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof or any other country or any political subdivision thereof, or otherwise, and all common-law rights related thereto, and (b) the right to obtain all renewals thereof.

“Trademark License” means any agreement, whether written or oral, providing for the grant by or to any Grantor of any right to use any Trademark.

SECTION 3. Conditional Assignment of Trademarks. Notwithstanding anything to the contrary herein, all rights and remedies of Agent herein are subject to the prior rights of the Senior Lenders under the Intercreditor Agreement.

(a) In addition, each Grantor hereby authorizes the Agent to complete as assignee, execute pursuant to the power of attorney, and record with the United States Patent and Trademark Office and in any other applicable public office or agency of the United States, any State or Territory thereof, or any other country, a document in substantially the form of Exhibit A (the “Assignment of Marks”), upon the occurrence and during the continuance of an Event of Default and the proper exercise of the Agent’s remedies under the Security Agreement and this Trademark Security Agreement.

(b) In addition to, and not by way of limitation of, the grant of a security interest in the Trademark Collateral provided in Section 2, as collateral security for the complete and timely payment, performance and satisfaction of the Obligations (as defined in the Security Agreement), each Grantor hereby assigns, conveys, mortgages, pledges, hypothecates, transfers and grants to the Agent, on behalf of itself and the Agent, its entire right, title and interest in, to and under the Trademark Collateral; provided, however, that such assignment, conveyance, mortgage, pledge, hypothecation, transfer and grant shall be and become of force and effect, with respect to any item of the Trademark Collateral, only: (i) upon or after the occurrence or during the continuance of an Event of Default; and (ii) either (A) upon the written demand of the Agent at any time during such continuance, or (B) immediately and automatically, without any notice or action of any kind by the Agent, upon the sale or other disposition of such item of the

Trademark Collateral by Agent pursuant to Article 9 of the UCC (including the transfer or other disposition of such item by such Grantor to the Agent in lieu of foreclosure).

(c) Notwithstanding any of the foregoing, so long as no Event of Default has occurred and is continuing, and except as otherwise provided in the Security Agreement and this Trademark Security Agreement, the Grantors shall be permitted to remain in full possession, ownership, enjoyment and control of all of their right, title and interest in the Trademark Collateral and to manage, operate, dispose and use the same and each part thereof, in each case, as permitted hereunder, with all the rights pertaining thereto. Until such time, all of the goodwill embodied in and associated with such Trademark Collateral shall inure to the benefit of each Grantor.

SECTION 4. **Grantor Remains Liable.** It is expressly agreed by each Grantor that, anything herein to the contrary notwithstanding, such Grantor shall assume full and complete responsibility for the prosecution, defense, enforcement or any other necessary or desirable actions in connection with their Trademarks or Trademark Licenses, and shall hold the Agent harmless from any and all costs, damages, liabilities and expenses that may be incurred in connection with the Agent's interest in such Trademarks or Trademark Licenses or any other action or failure to act in connection with this Trademark Security Agreement. Each Grantor shall remain liable for any and all claims by any Person that the conduct of such Grantor's business or products or processes of such Grantor infringe any rights of such person.

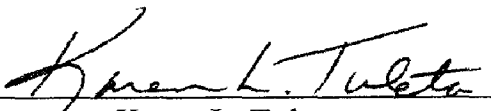
SECTION 5. **Security Agreement.** The security interest granted pursuant to this Trademark Security Agreement is granted in conjunction with the security interest granted to the Agent pursuant to the Security Agreement and each Grantor hereby acknowledges and affirms that the rights and remedies of the Agent with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

SECTION 6. **Governing Law.** This Trademark Security Agreement is governed and construed in accordance with the laws of the State of New York without regard to its conflicts of law provisions.

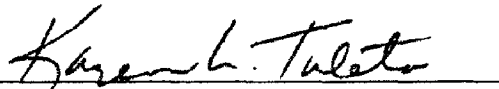
[signature page follows]

IN WITNESS WHEREOF, the Grantors have caused this Trademark Security Agreement to be executed and delivered by their duly authorized officers as of the date first set forth above.

FORMED FIBER TECHNOLOGIES, INC.

By: 
Name: Karen L. Tuleta
Title: Vice President

FORMED FIBER TECHNOLOGIES, LLC

By: 
Name: Karen L. Tuleta
Title: Vice President

Accepted and Agreed:

AMERICAN CAPITAL FINANCIAL SERVICES, INC.,
as Agent

By: _____
Kenneth E. Jones
Vice President

IN WITNESS WHEREOF, the Grantors have caused this Trademark Security Agreement to be executed and delivered by their duly authorized officers as of the date first set forth above.

FORMED FIBER TECHNOLOGIES, INC.

By: _____

Name: Karen L. Tuleta

Title: Vice President

FORMED FIBER TECHNOLOGIES, LLC

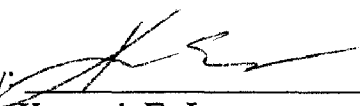
By: _____

Name: Karen L. Tuleta

Title: Vice President

Accepted and Agreed:

AMERICAN CAPITAL FINANCIAL SERVICES, INC.,
as Agent

By:  _____

Kenneth E. Jones

Vice President

SCHEDULE I**Registered Trademarks**

<i>Title</i>	<i>Country</i>	<i>Serial Number</i>	<i>Registration Number (U.S.)</i>	<i>Filing Date (U.S.)</i>	<i>Issue Date</i>
CON-FORM	Australia	A542239			May 10, 1994
	Brazil	819907189			December 28, 1999
	Canada	429211			June 17, 1994
	Germany	2092777			March 14, 1995
	Indonesia	317.815			March 1, 1996
	Italy	T095C00219 2			July 7, 1995
	Japan	3289433			April 25, 1997
	Malaysia	93/004181			April 23, 1999
	Mexico	441409			September 7, 1993
	South Africa	97/03164			January 16, 2001
	Taiwan	657267			November 1, 1994
	United Kingdom	B1441934			April 10, 1992
	United States	73-443795	1322168	September 15, 1983	February 26, 1985
DURA-BOND	Canada	4419689			September 22, 2000
	Mexico	633757			November 25, 1999
	United States	75-620648	2493113	January 13, 1999	September 25, 2001
DURA-LOCK	Mexico	633758			November 25, 1999

<i>Title</i>	<i>Country</i>	<i>Serial Number</i>	<i>Registration Number (U.S.)</i>	<i>Filing Date (U.S.)</i>	<i>Issue Date</i>
LINE- LITE	Australia	B542238			November 29, 1993
	Canada	434033			September 30, 1994
	France	93/479412			August 5, 1993
	Indonesia	318335			March 1, 1993
	Italy	717720			July 17, 1997
	Japan	93023/1993			July 31, 1996
	Mexico	441410			September 7, 1993
	Taiwan	680797			July 1, 1995
	United Kingdom	1441904			October 10, 1992
	United States	73-592906	1431183	April 11, 1986	March 3, 1987
MAT- FORM	Australia	B542237			September 18, 1997
	Canada	429210			June 17, 1994
	France	93/479414			August 5, 1993
	Germany	2073635			August 2, 1994
	Indonesia	318.774			March 1, 1996
	Mexico	442733			September 24, 1993
	Spain	1765675			June 20, 1994
	Taiwan	727104			October 1, 1996
	Taiwan	680798			July 1, 1995
	United States	73-592907	1422908	April 11, 1986	December 30, 1986

<i>Title</i>	<i>Country</i>	<i>Serial Number</i>	<i>Registration Number (U.S.)</i>	<i>Filing Date (U.S.)</i>	<i>Issue Date</i>
TARA- LOCK	Australia	A603057			October 20, 1994
	Benelux	533440			February 1, 1994
	Canada	436866			December 9, 1994
	France	93/479413			August 5, 1993
	Germany	2075043			August 17, 1994
	Indonesia	318573			March 31, 1996
	Italy	664807			December 11, 1995
	Japan	63025/1993			July 31, 1996
	Malaysia	MA/4178/93			June 16, 1993
	Mexico	442734			September 24, 1993
	Spain	1765677			June 4, 1993
	Sweden	257736			April 29, 1994
	Taiwan	672119			April 1, 1995
	Taiwan	717456			June 16, 1996
	United Kingdom	B1536584			October 27, 1995
	United States	74-240167	1769369	January 27, 1992	May 4, 1993
	United States	74-136932	1723875	February 6, 1991	October 13, 1992

Pending Trademark Applications

<i>Title</i>	<i>Country</i>	<i>Serial Number</i>	<i>Filing Date</i>
CON-FORM	France	93/475584	July 8, 1993
DURA-LOCK	Canada	1022049	July 13, 1999
HANG IT ALL UP!	United States	76/241071	April 12, 2001
LINE-LITE	Malaysia	MA/4180/93	June 16, 1993
MAT-FORM	Italy	T095C002193	July 7, 1995
	Japan	63024/1993	June 23, 1993
	Malaysia	MA/4179/93	June 16, 1993

EXHIBIT A

ASSIGNMENT OF MARKS

WHEREAS, Formed Fiber Technologies, Inc. and Formed Fiber Technologies, LLC (the "Assignors") have adopted and used and are using the trademarks identified on Schedule A hereto as indicated therein (the "Marks"), and are the owner of the registrations and pending registration applications for such Marks in the United States Patent and Trademark Office identified on such Schedule as indicated therein; and

WHEREAS, American Capital Financial Services, Inc. (the "Assignee"), is desirous of acquiring the Marks and the registrations thereof and registration applications therefor.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged, the Assignors do hereby assign, sell and transfer unto the Assignee all of their right, title and interest in and to the Marks, together with (a) the registrations of and pending registration applications for such Marks, (b) the goodwill of the business symbolized by and associated with such Marks and the registrations and pending registration applications thereof, and (c) the right to sue and recover for, and the right to profits or damages due or accrued arising out of or in connection with any and all past, present or future infringements or dilution of or damage or injury to such Marks, the registrations or pending registration applications thereof, or such associated goodwill.

This Assignment of Marks is intended to and shall take effect at such time as the Assignee shall complete this instrument by signing its acceptance of this Assignment of Marks below.

[signature page follows]

IN WITNESS WHEREOF, the Assignor has caused this Assignment of Marks to be executed and delivered by its duly authorized officer as of the date first set forth above.

FORMED FIBER TECHNOLOGIES, INC.

By: _____
Name:
Title:

FORMED FIBER TECHNOLOGIES, LLC

By: _____
Name:
Title:

AMERICAN CAPITAL FINANCIAL
SERVICES, INC. (ASSIGNEE)

By: _____
Name:
Title:

SCHEDULE A
to
ASSIGNMENT OF MARKS

[to be completed at time of assignment]

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RECORDED: 10/01/2003

TRADEMARK
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