

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Intellectual Property Security Agreement

CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
OS Partners LLC		05/24/2004	Limited liability company: DELAWARE
Innovative Paper Technologies Real Estate, LLC		05/24/2004	Limited liability company: DELAWARE
Innovative Paper Technologies, LLC		05/24/2004	Limited liability company: DELAWARE
Powell, LLC		05/24/2004	Limited liability company: MASSACHUSETTS

RECEIVING PARTY DATA	
Name:	PNC Bank, National Association
Street Address:	70 East 55th Street, 14th Floor
Internal Address:	Jack Braha
City:	New York
State/Country:	NEW YORK
Postal Code:	10022
Entity Type:	National banking association: UNITED STATES

PROPERTY NUMBERS Total: 9		
Property Type	Number	Word Mark
Registration Number:	1819486	DMD180
Registration Number:	1187639	CEQUINBORD
Registration Number:	1153932	QUIN-T
Registration Number:	1503685	LENSWRAP
Registration Number:	1385225	TUFQUIN
Registration Number:	1385224	CORQUIN
Registration Number:	1342631	CEQUIN
Registration Number:	0405678	QUINTERRA
Serial Number:	78415038	THERMAL SHIELD

CH \$240.00 1819486

CORRESPONDENCE DATA

Fax Number: (617)523-1231
Correspondence will be sent via US Mail when the fax attempt is unsuccessful.
Phone: 617.570.1292
Email: mrovner@goodwinprocter.com
Correspondent Name: Miriam J. Rovner
Address Line 1: Exchange Place, 53 State Street
Address Line 2: Goodwin Procter LLP
Address Line 4: Boston, MASSACHUSETTS 02109-2881

ATTORNEY DOCKET NUMBER:	101140-145393/288
-------------------------	-------------------

NAME OF SUBMITTER:	Miriam J. Rovner, Senior Paralegal
--------------------	------------------------------------

Total Attachments: 27
source=OS Partners IP Security Agreement#page1.tif
source=OS Partners IP Security Agreement#page2.tif
source=OS Partners IP Security Agreement#page3.tif
source=OS Partners IP Security Agreement#page4.tif
source=OS Partners IP Security Agreement#page5.tif
source=OS Partners IP Security Agreement#page6.tif
source=OS Partners IP Security Agreement#page7.tif
source=OS Partners IP Security Agreement#page8.tif
source=OS Partners IP Security Agreement#page9.tif
source=OS Partners IP Security Agreement#page10.tif
source=OS Partners IP Security Agreement#page11.tif
source=OS Partners IP Security Agreement#page12.tif
source=OS Partners IP Security Agreement#page13.tif
source=OS Partners IP Security Agreement#page14.tif
source=OS Partners IP Security Agreement#page15.tif
source=OS Partners IP Security Agreement#page16.tif
source=OS Partners IP Security Agreement#page17.tif
source=OS Partners IP Security Agreement#page18.tif
source=OS Partners IP Security Agreement#page19.tif
source=OS Partners IP Security Agreement#page20.tif
source=OS Partners IP Security Agreement#page21.tif
source=OS Partners IP Security Agreement#page22.tif
source=OS Partners IP Security Agreement#page23.tif
source=OS Partners IP Security Agreement#page24.tif
source=OS Partners IP Security Agreement#page25.tif
source=OS Partners IP Security Agreement#page26.tif
source=OS Partners IP Security Agreement#page27.tif

INTELLECTUAL PROPERTY SECURITY AGREEMENT

May 24, 2004

from

OS PARTNERS LLC,
INNOVATIVE PAPER TECHNOLOGIES, LLC,
INNOVATIVE PAPER TECHNOLOGIES REAL ESTATE, LLC, and
POWELL, LLC

to

PNC BANK, NATIONAL ASSOCIATION
(AS LENDER AND AS AGENT)

TABLE OF CONTENTS

	<u>Page</u>
SECTION 1. Grant of Security	1
SECTION 2. Security for Lender Obligations.....	3
SECTION 3. Grantors Remain Liable.....	3
SECTION 4. Representations and Warranties	3
SECTION 5. Further Assurances	5
SECTION 6. Transfers and Other Liens.....	7
SECTION 7. The Agent Appointed Attorney-in-Fact.....	7
SECTION 8. The Agent May Perform.....	7
SECTION 9. The Agent's Duties.....	7
SECTION 10. Remedies.....	8
SECTION 11. Indemnity and Expenses	9
SECTION 12. Security Interest Absolute.....	9
SECTION 13. Amendments, Waivers, Supplements, Etc.....	10
SECTION 14. Addresses for Notices.....	10
SECTION 15. Continuing Security Interest, Assignments.....	11
SECTION 16. Release and Termination	12
SECTION 17. Execution in Counterparts.....	12
SECTION 18. Governing Law; Terms.....	12

SCHEDULES

- Schedule I - Patents and Patent Applications
- Schedule II - Trademark Registrations and Applications
- Schedule III - Copyright Registrations and Applications
- Schedule IV - Licenses

EXHIBITS

- Exhibit A Form of Intellectual Property Security Agreement Supplement

INTELLECTUAL PROPERTY SECURITY AGREEMENT

INTELLECTUAL PROPERTY SECURITY AGREEMENT (as at any time amended, modified or supplemented, this "Agreement") dated as of May 24, 2004, made by and among OS PARTNERS LLC, a Delaware limited liability company ("Holdings"), INNOVATIVE PAPER TECHNOLOGIES, LLC, a Delaware limited liability company ("IPT"), INNOVATIVE PAPER TECHNOLOGIES REAL ESTATE, LLC, a Delaware limited liability company ("IPT Real Estate"), and POWELL, LLC, a Massachusetts limited liability company ("Powell", and collectively with Holdings, IPT and IPT Real Estate, the "Grantors" and each, individually, a "Grantor"), for the benefit of PNC Bank, National Association, a national banking association, as Agent (the "Agent") for the lenders (the "Lenders") from time to time party to the Credit Agreement (as defined below). All capitalized terms used herein, unless otherwise defined, shall be defined as provided in the Credit Agreement (as defined below).

WHEREAS, the Grantors, the Lenders, and the Agent have entered into a Revolving Credit, Term Loan and Security Agreement dated as of May 24, 2004 (as at any time amended, modified or supplemented, the "Credit Agreement"), pursuant to which the Lenders have extended certain credit facilities to the Grantors;

WHEREAS, it is a condition to the making of the Advances under the Credit Agreement that the Grantors enter into this Agreement;

WHEREAS, the Grantors' access to the credit facilities to be extended by the Lenders will confer direct benefits on each Grantor, and the Grantors' execution, delivery and performance of this Agreement are in furtherance of the Grantors' purposes and are necessary or convenient to the conduct, promotion or attainment of the Grantors' businesses.

NOW THEREFORE, in consideration of the premises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Grant of Security. Each Grantor hereby grants and pledges to the Agent, for the benefit of the Lenders, a security interest in the following, in each case and as to each type of property described below, whether now owned or hereafter acquired by each Grantor, and whether now or hereafter existing (collectively, the "Intellectual Property Collateral"):

(a) all patents, patent applications and patentable inventions, including, without limitation, each patent identified in Schedule I attached hereto and made a part hereof and each patent application identified in such Schedule I, and including, without limitation, (i) all inventions and improvements described and claimed therein and the right to make, use or sell the same, (ii) the right to sue or otherwise recover for any misappropriations thereof, (iii) 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, present and future infringements thereof), and (iv) all rights corresponding thereto throughout the world and all reissues, divisions, continuations, continuations-in-part, substitutes, renewals and extensions thereof, all improvements thereon and

all other rights of any kind whatsoever of each Grantor accruing thereunder or pertaining thereto (all of the foregoing being collectively herein referred to as the "Patents");

(b) 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 and any renewals thereof, including, without limitation, each registration and application identified in Schedule II 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, present and future infringements thereof), and (iii) all rights corresponding thereto throughout the world and all other rights of any kind whatsoever of each 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 (all of the foregoing being collectively herein referred to as the "Trademarks");

(c) all copyrights, whether statutory or common law, and whether or not the underlying works of authorship have been published, and all works of authorship and other intellectual property rights therein, all copyrights of works based on, incorporated in, derived from or relating to works covered by such copyrights, all right, title and interest to make and exploit all derivative works based on or adopted from works covered by such copyrights, and all copyright registrations and copyright applications, and any renewals or extensions thereof, including, without limitation, each copyright registration and copyright application identified in Schedule III attached hereto and made a part hereof, and including, without limitation, (i) the right to reproduce, prepare derivative works, distribute copies, perform and display any of the foregoing, (ii) the right to sue or otherwise recover for any and all past, present and future infringements and misappropriations thereof, (iii) 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, present and future infringements thereof), and (iv) all rights corresponding thereto throughout the world and all other rights of any kind whatsoever of each Grantor accruing thereunder or pertaining thereto (all of the foregoing being collectively herein referred to as the "Copyrights");

(d) except for commercially available off-the-shelf software owned by third parties and licensed to Grantors, all license agreements with any other Person in connection with any of the Patents, Trademarks or Copyrights, or such other Person's patents, trade names, trademarks, service marks, copyrights or works of authorship, or other intellectual property, whether such Grantor is a licensor or licensee under any such license agreement, including, without limitation, the license agreements listed on Schedule IV attached hereto and made a part hereof and any right to prepare for sale, sell and advertise for sale, all Inventory now or hereafter owned by each Grantor and now or hereafter covered by any such licenses (all of the foregoing being collectively herein referred to as the "Licenses" and each a "License"); and

(e) all proceeds of any of the foregoing Patents, Trademarks, Copyrights and Licenses, including, without limitation, any claims by any Grantor against third parties for infringement of the Patents, Trademarks, Copyrights or Licenses.

SECTION 2. Security for Lender Obligations. This Agreement and the Intellectual Property Collateral secures the payment and performance in full of all obligations of the Grantors now or hereafter existing under the Credit Agreement, the Other Documents and all other documents or agreements executed in connection therewith, whether for principal, interest, fees, expenses or otherwise (the "Secured Obligations").

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 Intellectual Property Collateral to which it is a party 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 Agent of any of the rights or remedies hereunder shall not release such Grantor from any of its duties or obligations under any of the contracts and agreements included in the Intellectual Property Collateral, and (c) the Agent shall have no obligation or liability under any of the contracts and agreements included in the Intellectual Property Collateral by reason of this Agreement, nor shall the Agent 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 follows:

(a) such Grantor is the legal and beneficial owner of the Intellectual Property Collateral pledged by such Grantor free and clear of any lien, claim, option or right of others, except for the liens and security interests created under this Agreement and under the Credit Agreement and Permitted Encumbrances. No effective financing statement or other instrument similar in effect covering all or any part of the Intellectual Property Collateral or listing such Grantor or any of its Subsidiaries or any trade name of such Grantor or any of its Subsidiaries as debtor is on file in any recording office (including, without limitation, the United States Patent and Trademark Office and the United States Copyright Office), except such as may have been filed in favor of the Agent relating to this Agreement or the Credit Agreement and except for financing statements with respect to Permitted Encumbrances.

(b) Set forth in Schedule I is a complete and accurate list of all patents and patent applications owned by such Grantor. Set forth in Schedule II is a complete and accurate list of all trademark and service mark registrations and all trademark and service mark applications owned by such Grantor. Set forth in Schedule III is a complete and accurate list of all copyright registrations and copyright applications owned by such Grantor. Set forth in Schedule IV is a complete and accurate list of all Licenses in which such Grantor is (i) a licensor with respect to any of the Patents, Trademarks, or Copyrights or (ii) a licensee of any other Person's patents, trade names, trademarks, service marks, copyrights or works of authorship. Such Grantor has made all necessary filings and recordations to protect and maintain its interest in the Patents, Trademarks, Copyrights and Licenses set forth in Schedules I, II, III and IV

hereto, except where the failure to protect or maintain its interest would not have a Material Adverse Effect.

(c) Each Patent, Trademark and Copyright of such Grantor set forth in Schedule I, II or III hereto is subsisting and has not been adjudged invalid, unregistrable or unenforceable, in whole or in part, and to Grantor's knowledge is valid, registrable and enforceable. Each License of such Grantor identified in Schedule IV is subsisting and to Grantor's knowledge has not been adjudged invalid or unenforceable, in whole or in part, and to Grantor's knowledge is valid and enforceable. Such Grantor is not aware of any uses of any item of Intellectual Property Collateral which would 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 Intellectual Property Collateral.

(d) Such Grantor has not made any previous assignment, transfer or agreement constituting a present or future assignment, transfer or encumbrance of any of the Intellectual Property Collateral. As of the effective date, such Grantor has not granted any License (other than those listed on Schedule IV hereto), release, covenant not to sue, or non-assertion assurance to any Person with respect to any part of the Intellectual Property Collateral except as provided under the Credit Agreement or Other Documents.

(e) The Grantor has used proper statutory notice in connection with its use of each Patent, registered Trademark and Copyright contained in Schedule I, II or III.

(f) This Agreement and the filing of UCC-1 financing statements covering the Intellectual Property Collateral and the filing and recording of this Agreement with the United States Patent and Trademark Office and the payment of all applicable filing and recording fees creates in favor of the Agent, for the benefit of the Lenders, a valid and perfected first priority security interest in the Intellectual Property Collateral of such Grantor, securing the payment in full of the Secured Obligations.

(g) Except for commercially available off-the-shelf software owned by third parties and licensed to Grantors, no consent of any Person and no authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or other Person is required (i) for the grant by such Grantor of the security interest granted hereby, for the pledge by such Grantor of the Intellectual Property Collateral pursuant hereto, or for the execution, delivery or performance of this Agreement by such Grantor, (ii) for the perfection or maintenance of the pledge and security interest created hereby (including the first and only priority nature of such pledge and security interest), except for the filing of financing and continuation statements under the Uniform Commercial Code, which financing statements are in proper form and are duly executed, and the filing and recording of this Agreement in the United States Patent and Trademark Office against each Patent and Trademark and in the U.S. Copyright Office against each Copyright of such Grantor set forth in Schedule I, II or III hereto, or (iii) for the exercise by the Agent of its rights provided for in this Agreement or the remedies in respect of the Intellectual Property Collateral pursuant to this Agreement.

(h) There are no claims by any third party relating to any item of Intellectual Property Collateral.

(i) No claim has been made and is continuing or threatened that any item of Intellectual Property Collateral is invalid or unenforceable or that the use by such Grantor of any Intellectual Property Collateral does or may violate the rights of any Person. To the best of such Grantor's knowledge, there is currently no infringement or unauthorized use of any item of Intellectual Property Collateral.

(j) Such Grantor has taken all reasonably necessary steps to use consistent standards of quality in the manufacture, distribution and sale of all products sold and the provision of all services provided under or in connection with any of the Intellectual Property Collateral and has taken all necessary steps to ensure that all licensed users of any of the Intellectual Property Collateral use such consistent standards of quality.

SECTION 5. Further Assurances.

(a) Each Grantor agrees that from time to time, at the joint and several expense of the Grantors, such Grantor shall promptly execute and deliver all further instruments and documents, and take all further action, that the Agent believes may be reasonably necessary or reasonably desirable, or that the Agent may reasonably request, in order to perfect and protect any pledge or security interest granted or purported to be granted hereby or to enable the Agent to exercise and enforce its rights and remedies hereunder with respect to any part of the Intellectual Property Collateral. Without limiting the generality of the foregoing, each Grantor will, upon the reasonable request of the Agent, with respect to the Intellectual Property Collateral owned by such Grantor, execute and file such financing or continuation statements, or amendments thereto, and such other instruments or notices, as may be reasonably necessary or desirable, or as the Agent may reasonably request, in order to perfect and preserve the pledge and security interest granted or purported to be granted hereby.

(b) Each Grantor hereby authorizes the Agent to file one or more financing or continuation statements, and amendments thereto, relating to all or any part of the Intellectual Property 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 Intellectual Property Collateral or any part thereof will be sufficient as a financing statement where permitted by law.

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

(d) Each Grantor agrees that, should it obtain an ownership interest in any Patent, Trademark, Copyright or License, which is not now a part of the Intellectual Property Collateral, (i) the provisions of Section 1 will automatically apply thereto, and (ii) any such Patent, Trademark (together with the goodwill of the business connected with the use of same and symbolized by same), Copyright and/or License will automatically become part of the Intellectual Property Collateral. Each Grantor further agrees that it shall deliver to the Agent a written report, in reasonable detail, on a semi-annual basis (starting, for this year, on December 31, 2004, and thereafter on June 30 and December 31 of each succeeding year),

setting forth each new Patent, Trademark, Copyright and/or License that such Grantor has filed, acquired or otherwise obtained in the preceding six month reporting period. Each Grantor authorizes the Agent to modify this Agreement by amending Schedules I, II, III and IV hereto (and shall cooperate with the Agent in effecting any such amendment) to include any Patent, Trademark, Copyright and/or License which becomes part of the Intellectual Property Collateral.

(e) With respect to each Patent, Trademark and Copyright set forth in Schedule I, II or III hereto of material value, each Grantor agrees to take all necessary or desirable steps including, without limitation, in the United States Patent and Trademark Office and the United States Copyright Office or in any court, to (i) maintain each such patent, trademark or service mark registration, and copyright registration, and (ii) pursue each such patent application, trademark or service mark application and copyright application now or hereafter included in the Intellectual Property Collateral, including, without limitation, the filing of responses to office actions issued by the United States Patent and Trademark Office, the filing of affidavits under Sections 8 and 15 of the United States Trademark Act, the filing of divisional, continuation, continuation-in-part and substitute applications, the filing of applications for re-issue, renewal or extensions, the payment of maintenance fees, and the participation in interference, reexamination, opposition, cancellation, infringement and misappropriation proceedings. Each Grantor agrees to take corresponding steps with respect to each new or acquired Patent, Trademark and Copyright to which it is now or later becomes entitled. Any and all expenses incurred in connection with such activities will be borne by the Grantors, at the Agent's request, jointly and severally. Each Grantor shall not discontinue use of or otherwise abandon any Patent, Trademark or Copyright now or hereafter included in the Intellectual Property Collateral, unless such Grantor shall have first determined in its reasonable business judgment that such use or pursuit or maintenance of same is no longer desirable in the conduct of such Grantor's business, in which case, such Grantor shall give written notice of any such abandonment or discontinuance to the Agent pursuant to the semi-annual reporting requirement contained in Section 5(d) above.

(f) Each Grantor agrees to notify the Agent promptly and in writing if it learns (i) that any material item of the Intellectual Property Collateral has been determined to have become abandoned or dedicated to the public, (ii) of the institution of any proceeding (including, without limitation, the institution of any proceeding in the United States Patent and Trademark Office or the United States Copyright Office or any court) regarding any item of the Intellectual Property Collateral, or (iii) of any adverse determination.

(g) In the event that a Grantor makes a determination in its reasonable business judgment that any material item of the Intellectual Property Collateral is infringed or misappropriated by a third party, such Grantor shall promptly notify the Agent and will take such actions as such Grantor or the Agent deems appropriate under the circumstances to protect such Intellectual Property Collateral, including, without limitation, suing for infringement or misappropriation and for an injunction against such infringement or misappropriation. Any expense in connection with such activities will be borne by the Grantors, at the Agent's request, jointly and severally.

(h) Each Grantor shall continue to use proper statutory notice in connection with its use of each of its Patents, registered Trademarks and Copyrights contained in Schedule I, II or III.

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

SECTION 6. Transfers and Other Liens. Each Grantor agrees that it shall not (i) sell, assign (by operation of law or otherwise) or otherwise dispose of (except as provided in Section 5(e)) or grant any option with respect to, any of the Intellectual Property Collateral, or (ii) create or suffer to exist any lien upon or with respect to any of the Intellectual Property Collateral except for the pledge and security interest created by this Agreement and the Credit Agreement.

SECTION 7. The Agent Appointed Attorney-in-Fact. Each Grantor hereby irrevocably appoints the Agent as attorney-in-fact, with full authority in the place and stead of such Grantor and in the name of such Grantor or otherwise, upon the occurrence and during the continuance of an Event of Default to take any action and to execute any instrument that the 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 Intellectual Property Collateral;

(b) to receive, endorse 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 Agent may deem necessary or desirable to enforce the rights of the Agent with respect to any of the Intellectual Property Collateral.

SECTION 8. The Agent May Perform. If a Grantor fails to perform any agreement contained herein, the Agent may itself perform, or cause performance of, such agreement, and the reasonable expenses of the Agent incurred in connection therewith shall be borne by the Grantors, at the Agent's request, jointly and severally.

SECTION 9. The Agent's Duties. The powers conferred on the Agent hereunder are solely to protect its interest in the Intellectual Property Collateral and shall not impose any duty upon it to exercise any such powers. Except for the safe custody of any Intellectual Property Collateral in its possession and the accounting for moneys actually received by it hereunder, the Agent shall have no duty as to any Intellectual Property Collateral, whether or not the Agent has or is deemed to have knowledge of such matters, or as to the taking of any necessary steps to

preserve rights against any parties or any other rights pertaining to any Intellectual Property Collateral. The Agent shall exercise reasonable care in the custody and preservation of any Intellectual Property Collateral in its possession and shall accord such Intellectual Property Collateral treatment equal to that which the Agent accords its own property.

SECTION 10. Remedies. If any Event of Default shall have occurred and be continuing:

(a) The Agent may exercise in respect of the Intellectual Property Collateral, in addition to all other rights and remedies provided for herein, in the Credit Agreement and in any Other Document or otherwise available to it at law or in equity, all the rights and remedies of a secured party upon default under the Uniform Commercial Code in effect in The Commonwealth of Massachusetts at such time (the "Uniform Commercial Code") (whether or not the Uniform Commercial Code applies to the affected Intellectual Property Collateral) and also may (i) require such Grantor to, and each Grantor hereby agrees that it will at its expense and upon request of the Agent forthwith, assemble all or any part of the documents and things embodying any part of the Intellectual Property Collateral as directed by the Agent and make them available to the Agent at a place and time to be designated by the Agent; (ii) without notice except as specified below and as required by law, sell the Intellectual Property Collateral or any part thereof in one or more parcels at public or private sale, at any of the Agent's offices or elsewhere, for cash, on credit or for future delivery, and upon such other terms as the Agent may deem commercially reasonable; and (iii) occupy any premises owned or leased by such Grantor where documents and things embodying the Intellectual Property Collateral or any part thereof are assembled or located for a reasonable period in order to effectuate its rights and remedies hereunder or under law, without obligation to such Grantor in respect of such occupation. In the event of any sale, assignment, or other disposition of any of the Intellectual Property Collateral, the goodwill of the business connected with and symbolized by any of the Intellectual Property Collateral subject to such disposition will be included, and such Grantor will supply to the 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 Intellectual Property Collateral subject to such disposition and, including, but not limited to, such Grantor's customer lists and other records and documents relating to such Intellectual Property Collateral and to the manufacture, distribution, advertising and sale of such products and services. Each Grantor agrees that at least ten (10) 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 will constitute reasonable notification. The Agent shall not be obligated to make any sale of Intellectual Property Collateral regardless of notice of sale having been given. The 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 except as required by law, be made at the time and place to which it was so adjourned.

(b) All cash proceeds received by the Agent in respect of any sale of, collection from, or other realization upon, all or any part of the Intellectual Property Collateral may, in the discretion of the Agent, be held by the Agent as collateral for, and/or then or at any time thereafter applied (after payment of any amounts payable to the Agent pursuant to Section 11(b)), in whole or in part, by the Agent, for its benefit against all or any part of the Secured Obligations in such order as the Credit Agreement may require and otherwise as the Agent may elect. Any surplus of such cash or cash proceeds held by the Agent and remaining

after payment in full of all of the Secured Obligations shall be paid over to the applicable Grantor or to whomever may be lawfully entitled to receive such surplus.

(c) The Agent may exercise any and all rights and remedies of each Grantor in respect of the Intellectual Property Collateral.

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

SECTION 11. Indemnity and Expenses.

(a) Each Grantor hereby agrees to indemnify the 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 Agent's gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction.

(b) Each Grantor will, upon demand, pay to the 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 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 Intellectual Property Collateral, (iii) the exercise or enforcement of any of the rights of the Agent hereunder or (iv) the failure by such Grantor to perform or observe any of the provisions hereof.

SECTION 12. Security Interest Absolute. The obligations of each Grantor under this Agreement are independent of the Secured Obligations, and a separate action or actions may be brought and prosecuted against each Grantor to enforce this Agreement, irrespective of whether any action is brought against any other Grantor or whether any other Grantor is joined in any such action or actions. All rights of the Agent and the pledge and security interest created hereunder, and all obligations of each Grantor hereunder, shall be joint and several and absolute and unconditional, irrespective of:

(a) any lack of validity or enforceability of the Credit Agreement or any Other Document or any other agreement, instrument or document relating thereto;

(b) any change in the time, manner or place of payment of, or in any other term of, all or any of the Secured Obligations or any other amendment, restatement or other modification or waiver of or any consent to any departure from the Credit Agreement or any Other Document, including, without limitation, any increase in the Secured Obligations resulting from the extension of additional credit to any Grantor or any of their Subsidiaries or otherwise;

(c) any taking, exchange, release or non-perfection of any other collateral, or any taking, release or amendment, restatement, other modification or waiver of or consent to any departure from any guaranty, for all or any of the Secured Obligations;

(d) any manner of application of collateral, or proceeds thereof, to all or any of the Secured Obligations, or any manner of sale or other disposition of any collateral for all or any of the Secured Obligations or any other assets of any Grantor or any of their Subsidiaries;

(e) any change, restructuring or termination of the corporate or limited liability company structure or existence of any Grantor or any of their Subsidiaries; or

(f) any other circumstance that might otherwise constitute a defense available to, or a discharge of, any Grantor or a third party grantor of a security interest.

SECTION 13. Amendments, Waivers, Supplements, Etc.

(a) 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 Agent and each Grantor, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

(b) No failure on the part of the 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.

(c) Upon the execution and delivery by any Person of an intellectual property security agreement supplement, in each case in substantially the form of Exhibit A hereto (each an "Intellectual Property Security Agreement Supplement"), (i) such Person shall be referred to as an "Additional Grantor" and shall be and become a Grantor, and each reference in this Agreement to "Grantor" or "Grantors" shall also mean and be a reference to such Additional Grantor and each reference in the Credit Agreement or any Other Document to a "Grantor" or the "Grantors" shall also mean and be a reference to such Additional Grantor, and (ii) the annexes attached to each Intellectual Property Security Agreement Supplement shall be incorporated into and become a part of and supplement Schedules I, II, III and IV, as appropriate, hereto and the Agent may attach such annexes as supplements to such Schedules, and each reference to such Schedules shall mean and be a reference to such Schedules, as so supplemented.

SECTION 14. Addresses for Notices. All notices and other communications provided for hereunder shall be in writing (including telegraphic, telecopy or telex communication) and mailed, telegraphed, telecopied, telexed or delivered, if to the Grantors, addressed to them at the address set forth below; if to any Additional Grantor, addressed to it at the address set forth below its name on the signature page to the Intellectual Property Security Agreement Supplement executed and delivered by such Additional Grantor; if to the Agent, addressed to it at its address set forth below; or, as to each other party, at such other address as shall be designated by such party in a written notice to the Grantors and the Agent.

To the Agent: PNC Bank, National Association
14th Floor
70th East 55th Street
New York, NY 10022
Attention: Jack Braha
Facsimile: (646) 497-0324

With copies to: Goodwin Procter LLP
Exchange Place
Boston, MA 02109
Attention: Steven M. Ellis, Esq.
Facsimile: (617) 523-1231

To the Grantors: OS Partners LLC
6654 Gunpark Drive
Suite 102
Boulder, CO 80301
Attention: Hunter R. Glasscock
Facsimile: (303) 527-2799

With copies to: Schwartz, Cooper, Greenberger & Krauss
180 N. LaSalle Street, Suite 2700
Chicago, IL 60601
Attention: Bernard A. Schlifke, Esq.
Facsimile: (312) 782-8416

All such notices and communications shall, when mailed by certified mail, return receipt requested, telegraphed, telecopied or telexed, be effective three (3) days after mailing, upon delivery to the telegraph company, upon transmission by telecopier or upon confirmation by telex answerback, respectively, addressed as aforesaid. Any party hereto may change the Person, address or telecopier number to whom or which notices are to be given hereunder, by notice duly given hereunder; provided, however, that any such notice to the Agent shall be deemed to have been given hereunder only when actually received by the Agent.

SECTION 15. Continuing Security Interest, Assignments. This Agreement shall create a continuing security interest in the Intellectual Property Collateral and shall (a) remain in full force and effect until the latest of (i) the indefeasible payment in full in cash of all of the Secured Obligations and (ii) the date of termination in whole of all the commitments of the Lenders under the Credit Agreement, (b) be binding upon each Grantor, its successors and assigns and (c) inure, together with the rights and remedies of the Agent hereunder, to the benefit of the Lenders and their respective successors, transferees and assigns. Without limiting the generality of the foregoing clause (c), the Agent may assign or otherwise transfer all or any portion of its rights and obligations under the Credit Agreement (including, without limitation, all or any portion of its commitment under the Credit Agreement, the Advances owing to it and the Notes held by it) to any other Person, and such other Person shall thereupon become vested with all the benefits in respect thereof granted to such Agent herein or otherwise.

SECTION 16. Release and Termination. Upon the latest of (i) the indefeasible payment in full in cash of the Secured Obligations and (ii) the date of termination in whole of all commitments of the Lenders and Agent under the Credit Agreement, the pledge and security interest granted by each Grantor hereby shall terminate and all rights to the Intellectual Property Collateral shall revert to each Grantor as applicable. Upon any such termination, the Agent will, upon receipt of a written request and at the joint and several expense of the Grantors, execute and deliver to any Grantor such documents as any such Grantor shall reasonably request to evidence such termination.

SECTION 17. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by telecopier shall be as effective as delivery of a manually executed counterpart of this Agreement.

SECTION 18. Governing Law; Terms. This Agreement shall be governed by and construed in accordance with the laws of The Commonwealth of Massachusetts (without giving effect to its conflicts of law principles), except to the extent that the validity or perfection of the security interest hereunder, or remedies hereunder, in respect of the Intellectual Property Collateral are governed by the laws of a jurisdiction other than The Commonwealth of Massachusetts. Unless otherwise defined herein or in the Credit Agreement, terms used in Article 9 of the Massachusetts Uniform Commercial Code are used herein as therein defined.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each Grantor has caused this Intellectual Property Security Agreement to be duly executed and delivered by its officer, thereunto duly authorized, as of the date first above written.

OS PARTNERS LLC

By: Paul S. Kingsbury
Name: Paul S. Kingsbury
Title: manager

INNOVATIVE PAPER TECHNOLOGIES,
LLC

By: Paul S. Kingsbury
Name: Paul S. Kingsbury
Title: manager

INNOVATIVE PAPER TECHNOLOGIES
REAL ESTATE, LLC

By: Paul S. Kingsbury
Name: Paul S. Kingsbury
Title: manager

POWELL, LLC

By: Paul S. Kingsbury
Name: Paul S. Kingsbury
Title: manager

STATE OF COLORADO)
)
COUNTY OF BOULDER)

On this 20th day of May, 2004, before me, the undersigned notary public, personally appeared Paul S. Kingsbury the Manager of OS Partners LLC, proved to me through satisfactory evidence of identification, which were Co. DRIVERS LICENSE to be the person whose name is signed on the preceding or attached document and acknowledged to me that he signed it voluntarily for its stated purpose.

Marc Salazar
(official signature and seal of notary)
My commission expires: 10-31-04

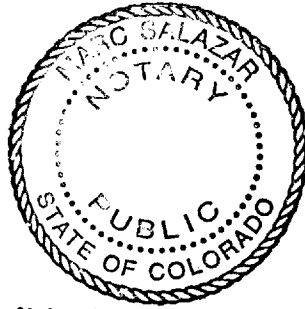


My Commission Expires 10/31/2004

STATE OF COLORADO)
)
COUNTY OF BOULDER)

On this 20 day of MAY, 2004, before me, the undersigned notary public, personally appeared PAUL S. KINGSBURY the MANAGER of Innovative Paper Technologies, LLC, proved to me through satisfactory evidence of identification, which were CO. DRIVERS LICENSE, to be the person whose name is signed on the preceding or attached document and acknowledged to me that he signed it voluntarily for its stated purpose.

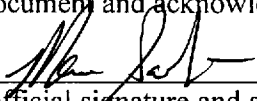
[Signature]
(official signature and seal of notary)
My commission expires: 10-31-04



My Commission Expires 10/31/2004

STATE OF Colorado)
)
COUNTY OF Boulder)

On this 20 day of MAY, 2004, before me, the undersigned notary public, personally appeared PAUL S. KINGSBURY the MANAGER of Innovative Paper Technologies Real Estate, LLC, proved to me through satisfactory evidence of identification, which were CO. DRIVERS LICENSE, to be the person whose name is signed on the preceding or attached document and acknowledged to me that he signed it voluntarily for its stated purpose.



(official signature and seal of notary)

My commission expires: 10-31-04



My Commission Expires 10/31/2004

STATE OF COLORADO)
)
COUNTY OF BOULDER)

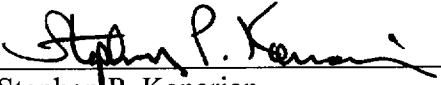
On this 20 day of MAY, 2004, before me, the undersigned notary public, personally appeared DAVE S. KINGSBURY the MANAGER of Powell, LLC, proved to me through satisfactory evidence of identification, which were CO. DRIVERS LICENSE, to be the person whose name is signed on the preceding or attached document and acknowledged to me that he signed it voluntarily for its stated purpose.

Marc Salazar
(official signature and seal of notary)
My commission expires: 10-31-04



ACCEPTED AND ACKNOWLEDGED BY:

PNC BANK, NATIONAL ASSOCIATION

By: 
Name: Stephen P. Kanarian
Title: Vice President

COMMONWEALTH OF MASSACHUSETTS)
)
COUNTY OF SUFFOLK)

On this 20th day of May, 2004, before me, the undersigned notary public, personally appeared STEPHEN KANARIS, the VICE PRESIDENT of PNC Bank, National Association, proved to me through satisfactory evidence of identification, which were PRESENTED, to be the person whose name is signed on the preceding or attached document and acknowledged to me that he signed it voluntarily for its stated purpose.

Sandra J. Gamble
(official signature and seal of notary)
My commission expires: FEB. 12. 2010

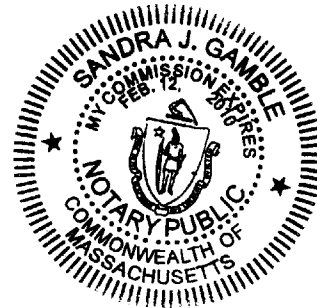


EXHIBIT A
to
Intellectual Property Security Agreement

FORM OF INTELLECTUAL PROPERTY
SECURITY AGREEMENT SUPPLEMENT

PNC Bank, National Association, as the Agent
under the Credit Agreement referred to below
Attention:

Re: Intellectual Property Security Agreement, dated as of May 24, 2004, made by OS Partners LLC, Innovative Paper Technologies, LLC, Innovative Paper Technologies Real Estate, LLC and Powell, LLC (each, a "Grantor"), for the benefit of PNC Bank, National Association, a national banking association, as Agent

Ladies and Gentlemen:

Reference is made to the above-captioned Intellectual Property Security Agreement (such Intellectual Property Security Agreement, as in effect on the date hereof and as it may hereafter be amended, supplemented, restated or otherwise modified from time to time, being the "Intellectual Property Security Agreement") made by each Grantor to the Agent. The terms defined in the Intellectual Property Security Agreement (or in the Credit Agreement referred to therein) and not otherwise defined herein are used herein as therein defined.

The undersigned hereby agrees, as the date first above written, to become a Grantor under the Intellectual Property Security Agreement as if it were an original party thereto and agrees that each reference in the Intellectual Property Security Agreement to "Grantor" or "Grantors" shall also mean and be a reference to the undersigned.

The undersigned hereby pledges to the Agent, for the benefit of the Lenders, and hereby grants to the Agent, for the benefit of the Lenders, as security for the Secured Obligations a lien on and security interest in all of the right, title and interest of the undersigned, whether now owned or hereafter acquired, in and to Intellectual Property Collateral owned by the undersigned, including, but not limited to, the property listed on Annex I, II, III and IV hereto. Schedules I, II, III and IV to the Intellectual Property Security Agreement are hereby supplemented by Annexes I, II, III and IV hereto, respectively. The undersigned hereby certifies on behalf of such Grantor that such Annexes have been prepared by the undersigned in substantially the form of Schedules I, II, III and IV to the Intellectual Property Security Agreement and are true, accurate and complete in all material respects as of the date hereof.

The undersigned on behalf of such Grantor hereby makes each representation and warranty set forth in Section 4 of the Intellectual Property Security Agreement (as supplemented by the attached Annexes) to the same extent as each other Grantor and hereby agrees to be bound

as a Grantor by all of the terms and provisions of the Intellectual Property Security Agreement to the same extent as each other Grantor.

This Intellectual Property Security Agreement Supplement shall be governed by and construed in accordance with the laws of The Commonwealth of Massachusetts.

Very truly yours,

[NAME OF ADDITIONAL
INTELLECTUAL PROPERTY
GRANTOR]

By: _____

Name: _____

Title: _____

Address: _____

Schedule I

Patents and Patent Applications

None

Schedule II

Trademark Registrations and Applications

<u>TRADEMARK</u>	<u>OWNER</u>	<u>REGISTRATION NUMBER</u>	<u>SERIAL NUMBER</u>
DMD180	IPT	1,819,486	74/271,748
CEQUINBORD	IPT	1,187,639	73/298,960
QUIN-T	IPT	1,153,932	73/224,945
LENSWRAP	IPT	1,503,685	73/688,933
TUFQUIN	IPT	1,385,225	73/549,962
CORQUIN	IPT	1,385,224	73/549,961
CEQUIN	IPT	1,342,631	73/437,356
QUINTERRA	IPT	405,678	71/460,548
THERMAL SHIELD	Powell		78/415,038

Schedule III

Copyright Registrations and Applications

None