

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

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| SUBMISSION TYPE: | NEW ASSIGNMENT |
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|------------------------------|--|
| NATURE OF CONVEYANCE: | ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL |
|------------------------------|--|

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|-----------------------------|-----------------|-----------------------|----------------------------------|
| CONVEYING PARTY DATA | | | |
| Name | Formerly | Execution Date | Entity Type |
| Union Pen & Pencil Co | | 02/25/2000 | LIMITED PARTNERSHIP: CONNECTICUT |

| | |
|-----------------------------|--------------------------|
| RECEIVING PARTY DATA | |
| Name: | Union Pen Company, Inc. |
| Also Known As: | Centillion Corp. |
| Street Address: | 70 Riverdale Avenue |
| City: | Greenwich |
| State/Country: | CONNECTICUT |
| Postal Code: | 06831 |
| Entity Type: | CORPORATION: CONNECTICUT |

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| PROPERTY NUMBERS Total: 2 | | |
| Property Type | Number | Word Mark |
| Registration Number: | 1260779 | UNIPECO |
| Registration Number: | 1263965 | UNIPECO |

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| CORRESPONDENCE DATA | |
| Fax Number: | (612)632-4347 |
| <i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i> | |
| Phone: | 612 632-3347 |
| Email: | trademark@gpmlaw.com |
| Correspondent Name: | Jennifer C. Debrow |
| Address Line 1: | P.O. Box 2906 |
| Address Line 4: | Minneapolis, MINNESOTA 55402-0906 |

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|--------------------------------|--------------|
| ATTORNEY DOCKET NUMBER: | 95060-US-001 |
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|---------------------------|---------------|
| NAME OF SUBMITTER: | Gwen Spurrier |
|---------------------------|---------------|

Total Attachments: 17
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INTERCREDITOR AND SUBORDINATION AGREEMENT

INTERCREDITOR AND SUBORDINATION AGREEMENT (the "Agreement"), dated as of February 29, 2000 among THE BANK OF NEW YORK ("BNY"), ARGOSY INVESTMENT PARTNERS, L.P., a Pennsylvania limited partnership ("Argosy") and UNION PEN COMPANY, INC. (formerly known as Centillion Corp.), a Connecticut corporation (the "Borrower").

RECITALS:

A. The Borrower and Morton Tenny ("Tenny") have entered into that certain Limited Partnership Interest Purchase Agreement, dated February 25, 2000 (the "Purchase Agreement"; which Purchase Agreement, together with the documents listed on Schedule A hereto, are, collectively, the "Acquisition Agreements"). Pursuant to the Acquisition Agreements, the Borrower (then known as Centillion) acquired the partnership interest of Tenny in Union Pen & Pencil Company, and thereafter Union Pen & Pencil Company was dissolved by operation of law, and the Borrower, successor owner of all of the assets of Union Pen & Pencil Company, changed its name to Union Pen Company, Inc., a Connecticut corporation, having the capitalization and ownership as set forth on Schedule B hereto.

B. BNY and the Borrower have entered into that certain Credit Agreement of even date herewith (as amended from time to time, the "Credit Agreement"), pursuant to which BNY has agreed to make a term loan to the Borrower and to make available a revolving credit facility to the Borrower, and has made or issued or may hereafter make or issue other credit, including letters of credit, to or for the account of the Borrower (the term loan, the revolving credit facility, and all such letters of credit being, the "Senior Credit Facilities").

C. Argosy has funded a subordinated loan to the Borrower in the amount of \$600,000 and made an equity investment in the Borrower in the amount of \$250,000, which subordinated loan and equity investment are evidenced and secured by the documents listed on Schedule C hereto (the "Argosy Documents").

D. This Agreement sets forth the agreement between BNY and Argosy concerning the subordination of payments of certain obligations of Borrower to Argosy to the prior payment of all obligations of Borrower to BNY, the relative priority of the security or other interests now or in the future held by BNY with respect to the property of Borrower and any existing or future security or other interests which Argosy may now or in the future hold or acquire with respect to the property of Borrower, and related matters.

NOW, THEREFORE, for good and valuable consideration, receipt of which is hereby acknowledged by the parties hereto, and to induce BNY to enter into the transactions contemplated by the Credit Agreement, and to better secure BNY with respect to the foregoing, the parties hereby agree as follows:

1. **Definitions.**

The following terms used herein shall have the following meanings:

"Bankruptcy Code": Title 11 of the United States Code, as amended.

"Junior Collateral": all property of the Borrower pledged to the Junior Creditor, or in which the Junior Creditor has or holds a security interest or lien, as security for any of the Junior Debt (for the avoidance of doubt, it is understood that the Junior Collateral does not include any warrants now or hereafter issued to Argosy in accordance with the Argosy Documents, any common stock of the Borrower issued to Argosy in connection with the subordinated loan made by Argosy to the Borrower and evidenced by the Argosy Documents, any common stock of the Borrower issued upon exercise of any of the warrants now or hereafter issued to Argosy in accordance with the Argosy Documents, or any common stock of the Borrower issued upon conversion of any of the promissory notes issued by the Borrower to Argosy in accordance with the Argosy Documents).

"Junior Creditor": Argosy and (subject to Section 7 below) its successors and assigns.

"Junior Debt": all indebtedness of the Borrower, now existing or hereafter incurred, owing to the Junior Creditor, including all principal, interest and other amounts under any of the Junior Loan Documents and all indebtedness or obligations of the Borrower in connection with any put rights granted to the Junior Creditor in connection with the issuance of any debt or equity security of the Borrower to the Junior Creditor or any other similar right granted to the Junior Creditor providing for the mandatory or optional repurchase by the Borrower of any debt or equity security issued by the Borrower.

"Junior Loan Documents": the Argosy Documents as each may be amended, modified, supplemented, restated or replaced from time to time.

"Senior Collateral": all real and personal property of the Borrower whether now owned or hereafter acquired, wherever located, of every kind, nature, and description, tangible or intangible and all replacements thereof, including without limitation, all accounts, contract rights, general intangibles, chattel paper, documents, instruments, inventory, equipment, fixtures and the proceeds and products thereof.

"Senior Creditor": BNY and its successors and assigns.

"Senior Debt": all indebtedness of the Borrower now existing or hereafter incurred, owing to the Senior Creditor, including all principal, interest and other amounts outstanding from time to time under any of the Senior Credit Facilities (including any increase, renewal or refinancing thereof), both before and after the commencement of any case under the Bankruptcy Code and including charges, commissions, interest, fees and expenses; provided, however, that the maximum principal amount of indebtedness of the Borrower which shall constitute "Senior Debt" under this Agreement shall not exceed \$3,000,000, plus interest, all costs of collection and any expenses incurred (i) to protect the Senior Collateral or (ii) in connection with the exercise of any remedies to enforce or collect the Senior Debt.

"Senior Loan Documents": collectively, the Credit Agreement, all other "Loan Documents" as such term is defined in the Credit Agreement, and all other documents, instruments or agreements evidencing, securing or otherwise relating to the Senior Debt, as each may be amended, modified, supplemented, restated or replaced from time to time.

2. Subordination.

(a) The Junior Creditor hereby subordinates its rights to payment and satisfaction of any and all Junior Debt to the prior indefeasible payment and satisfaction in full of all Senior Debt.

(b) The Borrower and Junior Creditor agree in favor of the Senior Creditor that until all Senior Debt is indefeasibly paid and satisfied in full:

(i) Except as provided in Section 2(c) below, the Borrower shall not directly or indirectly make, and the Junior Creditor shall not directly or indirectly accept or receive, any payment of principal or interest or any prepayment or non-mandatory payment or any payment pursuant to acceleration or claims of breach or to acquire Junior Debt or otherwise in respect of any Junior Debt;

(ii) Except as provided in Section 5 below, the Junior Creditor shall not seek to collect against Borrower any Junior Debt or otherwise enforce any of its rights against the Borrower upon a default by the Borrower under the Junior Loan Documents;

(iii) The Borrower shall not grant to the Junior Creditor and the Junior Creditor shall not acquire any additional collateral or guarantees for any of the Junior Debt;

(iv) The Borrower and Junior Creditor shall not amend, modify, alter or change the terms of any of the Junior Loan Documents or any other

arrangements related to the Junior Debt without the prior written consent of the Senior Creditor;

(v) The Borrower shall not directly or indirectly make, and the Junior Creditor shall not directly or indirectly accept or receive from the Borrower, any loan, gift or distribution of assets to the Junior Creditor, except as provided in the Argosy Documents as in effect on the date hereof;

(vi) No Junior Debt will be waived, forgiven, canceled or converted into capital interests in the Borrower, except as provided in the Argosy Documents as in effect on the date hereof;

(vii) The Junior Creditor shall furnish to the Senior Creditor copies of all notices or demands sent to Borrower under the Junior Loan Documents simultaneously with the sending or delivery of the same to the Borrower; and

(viii) The Junior Creditor and the Borrower shall, at any time or times, upon request by the Senior Creditor, promptly furnish to the Senior Creditor a true, correct and complete statement of the outstanding Junior Debt.

(c) Notwithstanding the provisions of Section 2(b)(i) above:

(i) Provided that no Default (as such term is defined in the Credit Agreement) shall have occurred and be continuing or shall be reasonably expected to be caused by any such payment, the Junior Creditor may accept payments of interest in arrears in accordance with the Argosy Documents as in effect on the date hereof;

(ii) From and after the date of the occurrence of any Event of Default (as defined in the Credit Agreement) in respect of the failure by the Borrower to pay when due of any principal of or interest or premium on, or costs, fees or expenses owing in connection with, the Senior Debt (a "Senior Debt Payment Default"), no direct or indirect payment or distribution shall be made by the Borrower or received by the Junior Creditor on account of the Junior Debt (including any principal thereof or any interest thereon) which would otherwise be permitted by this Section 2(c), unless and until such Senior Debt Payment Default shall have ceased to exist or shall have been cured or waived in writing by the Senior Creditor; and

(iii) From the date the Junior Creditor receives notice (a "Payment Blockage Notice") from the Senior Creditor of the occurrence and continuation of any Event of Default other than a Senior Debt Payment Default or an Event of Default in respect of an Insolvency Case (as defined in Section 2(f) below), no direct or indirect payment or distribution shall be made by the

Borrower or received by the Junior Creditor on account of the Junior Debt (including any principal thereof or any interest thereon) which would otherwise be permitted under this Section 2(c), unless and until such Event of Default shall have been cured or waived in writing by the Senior Creditor, provided, however, that the provisions of this paragraph (iii) shall not prevent the making of any such payment on the Junior Debt for more than a period of one hundred twenty (120) days after the date the Junior Creditor receives such Payment Blockage Notice, unless during such period, the Senior Creditor shall have accelerated the Senior Debt and commenced to enforce its remedies under the Senior Loan Documents, and provided, further, that the Senior Creditor may not (x) give a Payment Blockage Notice more than once during any 365-day period unless the Event of Default which gave rise to the first Payment Blockage Notice has been cured or waived by the Senior Creditor and the subsequent Payment Blockage Notice is based upon an Event of Default that did not exist at the time of the Event of Default which gave rise to the first Payment Blockage Notice, or (y) give more than four (4) Payment Blockage Notices prior to the repayment of the Junior Debt.

(iv) Nothing in this Agreement shall limit the rights of the Junior Creditor to receive promissory notes or warrants in lieu of principal or interest as provided in the Argosy Documents as in effect on the date hereof.

(d) All hereafter arising Junior Debt shall be and is subject to the same terms and conditions of this Agreement as the existing Junior Debt and is included in the term "Junior Debt" as defined herein.

(e) The Borrower and the Junior Creditor warrant to the Senior Creditor that (i) the Junior Creditor is and will be the exclusive legal and beneficial owner of all Junior Debt and related collateral and guarantees, and (ii) none of the Junior Debt or collateral or guarantees is or will be subject to any lien, security interest, financing statement, subordination, assignment or other claim, except in favor of the Senior Creditor or as otherwise consented to in writing by the Senior Creditor. Each of the notes and security agreements included in the Junior Loan Documents shall bear a legend, satisfactory in form and substance to the Senior Creditor, to the effect that it is subordinate to the Senior Debt and the Senior Loan Documents as provided in this Agreement, and that the rights and remedies of the holder of the Junior Loan Documents are subject to the terms of this Agreement.

(f) In the event of any insolvency or bankruptcy case or any receivership, liquidation, reorganization or similar proceedings in connection therewith relative to Borrower or its property or in the event of any cases for voluntary liquidation, dissolution or other winding up of the Borrower or in the event of any assignment for the benefit of creditors ("Insolvency Case"), the Senior Creditor shall first be entitled to receive indefeasible payment in full of all Senior Debt before the Junior Creditor shall be

entitled to receive and retain any payment on account of the Junior Debt, and, as between the Senior Creditor and the Junior Creditor, the Senior Creditor shall be entitled to receive for application in payment of the Senior Debt any payment or distribution of any kind or character, whether in cash, property or securities, which may be payable or deliverable in any such Insolvency Case in respect of the Junior Debt.

(g) Should any payment of or distribution on account of any Junior Debt be received or collected by the Junior Creditor in a manner which is not consistent with or permitted by this Agreement, such payment shall be held in trust by the Junior Creditor for the benefit of the Senior Creditor and shall be delivered forthwith to the Senior Creditor for application to Senior Debt, in the form received with any necessary endorsement or assignment.

(h) The Junior Creditor shall not be subrogated to, or be entitled to any assignment of, any Senior Debt or Junior Debt, or of any collateral for, or guarantees or evidence of, any Senior Debt or Junior Debt, until all Senior Debt is indefeasibly paid in full to the Senior Creditor. Upon the indefeasible payment and satisfaction in full of the Senior Debt, the Junior Creditor shall be subrogated to the rights of the Senior Creditor to receive payments or distributions of cash, property or securities of the Borrower made on the Senior Debt until the principal amount of and interest on the Junior Debt shall be paid in full, and for the purposes of such subrogation, no payments or distributions to the Senior Creditor of any cash, property or securities to which the Junior Creditor would be entitled except for the provisions of this Agreement, and no payment pursuant to the provisions of this Agreement to the Senior Creditor shall, as among the Borrower, its creditors other than the Senior Creditor, and the Junior Creditor, be deemed to be a payment by the Borrower to or on account of the Senior Debt. It is understood that the provisions of this Agreement are intended solely for the purpose of defining the relative rights of the Junior Creditor, on the one hand, and the Senior Creditor, on the other hand.

(i) The Borrower and the Junior Creditor waive notice of acceptance hereof by the Senior Creditor, and waive notice of and consent to the creation of any Senior Debt, extensions granted or other action taken by the Senior Creditor in reliance hereon, and the acquisition or release of collateral for or guarantors of the payment of the Senior Debt. The Borrower and the Junior Creditor waive demand, presentment, protest, notice of protest and of default and all other notices (except as expressly provided for herein) to which any of them might otherwise be entitled.

(j) The terms of this Agreement, the subordinations effected hereby, and the rights of the Senior Creditor hereunder shall not be affected by (i) any amendment, addition, modification, extension, increase, restatement or supplement of or to any of the Senior Debt or Senior Loan Documents or any instrument, document or agreement relating thereto (any of which may be done without the consent of the Junior Creditor, and none of which shall constitute a default under the Junior Loan Documents), (ii) any exercise or non-exercise of any right, power or remedy under or in respect of the

Senior Debt or the Senior Loan Documents or any instrument, document or agreement relating thereto (including any failure to collect, protect, perfect, or realize upon the Senior Collateral), (iii) any waiver, consent, release, exchange, indulgence, extension, renewal, modification, delay or other action, inaction or omission in respect of the Senior Debt, the Senior Collateral, the Senior Loan Documents or any instrument or agreement relating thereto (including the release of or failure to properly perfect, preserve or attach any interest in, the Senior Collateral), (iv) any claim or defense as to the validity or enforceability of any Senior Debt, the Senior Collateral, the Senior Loan Documents or any instruments, document or agreements relating thereto, (v) any other circumstance which might otherwise constitute a defense available to, or a discharge of, the Borrower, the Junior Creditor or any other party, or (vi) any modification or amendment of, or waiver, consent, release, extension, delay, action, inaction or indulgence granted under or in respect of, the Junior Loan Documents or any other document or instrument relating to the Junior Debt, whether or not the Junior Creditor or the Senior Creditor shall have had notice or knowledge of any of the foregoing.

3. Security Interests.

(a) The Junior Creditor hereby acknowledges that to secure all of the Senior Debt, the Senior Creditor has been granted or will be granted, from time to time, a security interest in and a general lien upon the Senior Collateral. The Junior Creditor waives the application of all provisions, if any, contained in the Junior Loan Documents which would or might otherwise prohibit the Borrower from entering into and/or consummating the Senior Loan Documents and the transactions contemplated thereunder. In addition, the Junior Creditor specifically acknowledges and consents to the execution and the performance of the Senior Loan Documents, consents to any extensions or postponements of the time of payment of the Senior Debt and any other indulgence with respect thereto, to any substitutions, exchanges or releases of the Senior Collateral which may at any time secure the Senior Debt and to the addition or release of any other party or person primarily or secondarily liable therefor.

(b) The Senior and the Junior Creditor each hereby acknowledges, confirms and agrees that the Junior Creditor may have a second lien upon any of the Senior Collateral. The Junior Creditor further acknowledges, confirms and agrees that it will not acquire, by contractual agreement, judicial process or otherwise, any security interest in or lien upon any of the Senior Collateral which is superior to the interest of the Senior Creditor in any of the Senior Collateral and the proceeds thereof.

4. Priorities In Collateral. Notwithstanding any provision contained in the Senior Loan Documents or the Junior Loan Documents to the contrary, and notwithstanding the time, order or method of attachment or perfection of the security interests or liens granted thereby or the time or order of filing or lien notation or recording of financing statements, mortgages, or other evidence of liens or security interests, and notwithstanding anything contained in any such filing, lien notation,

recorded instrument or agreement to which the Junior Creditor or the Senior Creditor may now or hereafter be a party, and notwithstanding any provision of the Uniform Commercial Code or other applicable law, the Junior Creditor agrees that the security interests and liens upon the Senior Collateral in favor of the Senior Creditor have and shall have priority over the security interests and liens, if any, upon any of the Senior Collateral which also comprises any of the Junior Collateral to the full extent of the Senior Debt outstanding at any time and from time to time; provided, however, that the Junior Creditor shall be solely entitled to the proceeds of any assignment of life insurance included in the Junior Loan Documents and may apply such proceeds to the repayment of the Junior Debt without any liability to the Senior Creditor.

5. **Standstill.** Until all Senior Debt is indefeasibly paid and satisfied in full, the Junior Creditor shall not exercise any rights (including, but not limited to, setoff rights) or assert any claims with respect to the Senior Collateral, or seek to collect against the Borrower any Junior Debt or seek to foreclose on its security interests, or take any action or institute any proceedings, directly or indirectly, with respect to the Senior Collateral (including, but not limited to, commencing or joining with any other creditor or creditors in commencing, or asserting any claims in, any Insolvency Case) or take any other action, including a declaration of default as to, or acceleration of, any Junior Debt, or instituting any legal proceeding against the Borrower until the receipt by the Junior Creditor of notice from the Senior Creditor that the Borrower has indefeasibly paid and satisfied in full all of the Senior Debt; provided, however, the Junior Creditor may, after the occurrence and during the continuance of an Event of Default under and as defined in that certain the Securities Purchase Agreement of even date herewith among the Junior Creditor, the Borrower and Robert M. Rosenthal, as in effect on the date hereof (a "Junior Debt Default"), exercise any of its rights or remedies (including the acceleration of the Junior Debt) upon the earliest to occur of the following: (A) a period of one hundred eighty (180) days shall have elapsed from the date the Junior Creditor shall have given the Senior Creditor notice of the occurrence of such Junior Debt Default (and such Junior Debt Default remains uncured at the end of such period), during which 180-day period the Senior Creditor shall have the right, but not the obligation, to cure such Junior Debt Default, and upon any such cure, any notice of default or acceleration (or similar notice) by the Junior Creditor shall be rescinded by the Junior Creditor, (B) an Insolvency Case shall have been commenced and (C) the Senior Debt shall have become due and payable, whether by its terms, by acceleration or otherwise, provided, further, that nothing contained herein shall permit the Junior Creditor to retain payment or property it may receive from the Borrower in connection with such exercise of its rights or remedies in accordance with this Section 5 so long as the Senior Debt, or any portion thereof, shall be outstanding and unpaid, and any such payment or property shall be turned over promptly to the Senior Creditor for application by it to the Senior Debt.

6. **Waivers.** No waiver shall be deemed to be made by the Junior Creditor or the Senior Creditor of any of their respective rights hereunder unless the same shall be in

writing signed by either the Senior Creditor or the Junior Creditor, as the case may be, and each waiver, if any, shall be a waiver only with respect to the specific instance involved and shall in no way impair the rights of the Junior Creditor or the Senior Creditor in any other respect at any other time.

7. **Application of Proceeds; Waiver of Marshaling.** The Junior Creditor hereby agrees that, for so long as this Agreement shall remain in effect, any proceeds of the Senior Collateral received by the Senior Creditor may be applied, reversed, and reapplied, in whole or in part, to any of the Senior Debt, as the Senior Creditor, in its sole discretion, deems appropriate. The Junior Creditor hereby waive the application of the doctrine of marshalling assets or collateral or any other legal or equitable principle or doctrine which could otherwise, in any way, constrain, limit or affect the order or manner of liquidation by the Senior Creditor of the Senior Collateral or enforcement against any person obligated for the Senior Debt all of which shall be subject to the Senior Creditor's sole discretion.

8. **Assignment; Entire Agreement.**

(a) All of the terms, covenants and conditions contained herein shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns, as the case may be.

(b) None of the Junior Debt or interests in any the Senior Creditor Collateral held by the Junior Creditor may be assigned or transferred by the Junior Creditor or its successors and assigns unless the Senior Creditor has given its prior written consent thereto, other than assignments to the partners of the Junior Creditor or trusts established for the benefit of such partners..

(c) This Agreement sets forth the entire understanding of the parties hereto with respect to the subject matter hereof. Neither this Agreement nor any term hereof may be modified, altered, waived, discharged, or terminated except by an instrument in writing executed by the party against whom such alteration, waiver, discharge or termination is sought to be enforced.

9. **No Benefit to Third Parties.** The terms and provisions of this Agreement shall be for the sole benefit of the parties hereto and their respective successors and assigns; no other person, firm, entity or corporation shall have any right, benefit, priority or interest under this Agreement

10. **Further Assurances.** The Junior Creditor shall execute and deliver such additional documents and take such additional actions as shall be necessary to acknowledge the superiority of the Senior Creditor's security and other interests and liens over the security or other interests or liens of the Junior Creditor with respect to the Senior Collateral and to effectuate the provisions and purposes of this Agreement. If requested by the Senior Creditor, the Junior Creditor shall execute such notices to be filed

with the Uniform Commercial Code records in each jurisdiction where filings have been made with respect to the Senior Collateral, indicating the existence of this Agreement and confirming the terms hereof.

11. **Governing Law/Consent to Jurisdiction.** THE JUNIOR CREDITOR HEREBY WAIVES TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT AND FURTHER HEREBY WAIVES ANY RIGHT OF OFFSET OR RIGHT TO INTERROSE ANY COUNTERCLAIM IN ANY SUCH ACTION. EACH OF THE PARTIES HERETO EXPRESSLY SUBMITS IN ADVANCE TO THE NON-EXCLUSIVE JURISDICTION OF THE SUPREME COURT OF THE STATE OF NEW YORK, COUNTY OF NEW YORK, AND THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK IN ANY ACTION OR PROCEEDING RELATING TO, ANY CLAIM, DISPUTE OR OTHER MATTER PERTAINING DIRECTLY OR INDIRECTLY TO THIS AGREEMENT. THIS AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

12. **Uniform Commercial Code Definitions.** All terms used herein which are defined in the Uniform Commercial Code in effect in the State of New York shall have the meanings set forth therein unless otherwise defined herein.

13. **Notices.**

(a) The Junior Creditor shall simultaneously provide the Senior Creditor with a copy of any written notice to Borrower of any default declared by the Junior Creditor under the Junior Loan Documents.

(b) All notices, requests or demands required to be made or given hereunder shall be deemed to have been duly given or made if by hand, immediately upon delivery; if by certified mail return receipt requested, five (5) days after mailing; if by overnight delivery service, one day after dispatch; or if by telex, telecopier (fax) or telegram, immediately upon receipt. All notices, requests or demands shall be in writing and shall be sent to the respective parties at the addresses set forth below (or such other addresses as either party may designate by notice in accordance with the provisions of this paragraph):

To the Senior Creditor:

The Bank of New York
10 Mason Street
Greenwich, Connecticut 06830
Attention: J. Scott Bognar
Vice President
Telephone: 203-863-2756
Facsimile: 203-863-2645

To the Junior Creditor:

Argosy Investment Partners, L.P.
952 West Valley Road, Suite 2902
Wayne, Pennsylvania 19389
Attention: Michael Barley
Telephone: 610-971-9685
Facsimile: 610-964-9524

14. **Insolvency.** This Agreement shall be applicable both before and after the commencement of any Insolvency Case by or against Borrower under the Bankruptcy Code and all converted and succeeding cases in respect thereof. The relative rights, as provided for in this Agreement, shall continue after the commencement of any such case on the same basis as prior to the date of the commencement of any such case, as provided in this Agreement, subject to any court order approving the financing of or use of cash collateral by Borrower, as debtor-in-possession.

15. **Term.** This Agreement is a continuing agreement and shall remain in full force and effect (a) until the indefeasible payment and satisfaction in full of all Senior Debt and the termination of all the Senior Loan Documents, or (b) until the Senior Creditor has notified the Junior Creditor, in writing, of the termination of this Agreement, or (c) upon the payment and satisfaction in full of all Junior Debt and the termination of all the Junior Loan Documents whichever shall first occur; provided that termination of this Agreement shall not release any party of its obligations hereunder with respect to matters arising or events occurring prior to termination.

16. **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original hereof and admissible into evidence, and all of which together shall be deemed to be a single instrument.

17. **Complete Documents.** The Junior Creditor represents that Schedule C hereto sets forth a complete list of all of the documents evidencing loans and

indebtedness owed by the Borrower to the Junior Creditor and the equity investment in the Borrower by the Junior Creditor.

18. **Paragraph Headings.** The paragraph headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

19. **Account.** The Borrower shall maintain the account from which payments under the Junior Loan Documents shall be made at The Bank of New York (or its division, the Putnam Trust Company)

20. **Severability.** Every provision of this Agreement is intended to be severable, and if any term or provision hereof shall be invalid, illegal or unenforceable for any reason, the validity, legality and enforceability of the remaining provisions hereof shall not be affected or impaired thereby.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first set forth above.

THE BANK OF NEW YORK

By: _____

Name: SCOTT BOGART
Title: VICE PRESIDENT

ARGOSY INVESTMENT PARTNERS, L.P.

By: _____

Name: MICHAEL R. BAILEY
Title: VICE PRESIDENT

UNION PEN COMPANY, INC.

By: _____

Name: Robert A. Rosenthal
Title: President

Schedules:

- Schedule A - Acquisition Documents
- Schedule B- - Capitalization and Ownership
- Schedule C - Junior Creditor Documents

SCHEDULE A

ACQUISITION DOCUMENTS

1. Limited Partnership Interest Purchase Agreement
2. Bill of Sale and Assignment of Limited Partnership Interest
3. Employment and Consulting Agreement between Morton Tenny and Union Pen and Pencil Company
4. General Release and Discharge of Union Pen and Pencil Company by Morton Tenny

SCHEDULE B

CAPITALIZATION

| | <u>Name</u> | <u>Shares</u> |
|----|----------------------------------|---------------|
| 1. | Robert M. Rosenthal | 4,040 |
| 2. | Argosy Investment Partners, L.P. | 2,500 |
| 3. | David Laemle | 250 |
| 4. | de Visscher, Olson & Allen LLC | 750 |
| 5. | James A Murphy | 150 |
| 6. | John C. Willert | 150 |

SCHEDULE C

JUNIOR CREDITOR DOCUMENTS

1. **Securities Purchase Agreement**
2. **Security Agreement**
3. **Assignment of Life Insurance**
4. **Negative Pledge**
5. **Warrant**
6. **Stockholders Agreement**
7. **Registration Rights Agreement**
8. **Authorization Agreement**

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