TRADEMARK ASSIGNMENT

Electronic Version v1.1
Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	SECURITY INTEREST

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
First Quality Products, Inc.		06/29/2004	CORPORATION: NEW YORK

RECEIVING PARTY DATA

Name:	Citizens Bank of Pennsylvania
Street Address:	445 Penn Street
City:	Reading
State/Country:	PENNSYLVANIA
Postal Code:	19601
Entity Type:	Financial Institution: UNITED STATES

PROPERTY NUMBERS Total: 29

Property Type	Number	Word Mark
Registration Number:	1901447	FIRST QUALITY
Registration Number:	2390759	FIRST QUALITY
Registration Number:	1986312	PREVAIL
Registration Number:	2390758	PREVAIL
Registration Number:	2278241	TOTAL CARE
Registration Number:	2559548	PER-FIT
Registration Number:	2520518	COMFORT SHAPE
Registration Number:	2703266	ADVANCED ZONING SYSTEM
Registration Number:	2722670	ALL NITES
Registration Number:	2720118	PREVAIL ALL NITES
Registration Number:	2720065	FITS TO A T
Registration Number:	2703267	AZS
Registration Number:	2678408	NU-FIT
Serial Number:	78384420	EASY AS 1-2-3

OP $740.00 1901447

Serial Number:	75355994	CUTIES
Serial Number:	78195910	AZS ADVANCED ZONING SYSTEM
Serial Number:	78159144	AT FIRST QUALITY WE PUT QUALITY OF LIFE FIRST
Serial Number:	78104531	ACTIVA SYSTEM
Serial Number:	78104519	DRI-BED
Serial Number:	78330038	BREEZERS
Serial Number:	78330741	EASY-LOCK FASTENER
Serial Number:	78330960	ELF
Serial Number:	78386077	FAITH
Serial Number:	78230823	FQ
Serial Number:	75793365	PERFIT
Serial Number:	78322171	BEN-E-FIT
Serial Number:	78322164	BENE-FIT
Serial Number:	78230394	FQP
Serial Number:	78161374	PILLOW BOND+

CORRESPONDENCE DATA

Fax Number: (215)405-2574

Correspondence will be sent via US Mail when the fax attempt is unsuccessful.

Phone: 215-977-2574

Email: ssplaver@wolfblock.com

Correspondent Name: Stacy L. Splaver

Address Line 1: 1650 Arch Street

Address Line 2: 22nd Floor

Address Line 4: Philadelphia, PENNSYLVANIA 19103

ATTORNEY DOCKET NUMBER:	MEL047-153300
NAME OF SUBMITTER:	Stacy L. Splaver
Signature:	/Stacy L. Splaver/
Date:	01/26/2006

Total Attachments: 17

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GRANT OF SECURITY INTEREST IN PATENTS, TRADEMARKS, LICENSES AND COPYRIGHTS

THIS GRANT OF SECURITY INTEREST IN PATENTS, TRADEMARKS, LICENSES AND COPYRIGHTS (the **"Agreement"**) is made effective as of the 29th day of June, 2004 by and among **FIRST QUALITY PRODUCTS, INC.** (**"Grantor"**) and **CITIZENS BANK OF PENNSYLVANIA** (successor to Mellon Bank, N.A.) (**"Collateral Agent"**) acting in the capacity of collateral agent for the benefit of Lenders (as defined below) and the Noteholders (as defined in the Security Agreement (as defined below)).

BACKGROUND

Pursuant to that certain Security Agreement dated of even date herewith, by and among Grantor, First Quality Hygienic, Inc., First Quality Nonwovens, Inc. (formerly known as First Quality Fibers, Inc.), First Quality Tissue, LLC (collectively **"Borrowers"**), First Quality International, Inc., First Quality Enterprises, Inc. (collectively with the Borrowers, the **"Obligors"**, and Collateral Agent (such Security Agreement, as the same may hereafter be amended, modified or restated, being referred to herein as the **"Security Agreement"**), Grantor granted to Collateral Agent, for the benefit of the Lenders and the Noteholders in accordance with the terms of the Intercreditor Agreement, a security interest in all of Grantor's assets, including, without limitation, its patents, patent rights, patent applications, service marks, trademarks, service trademark applications, service trade names, goodwill, copyrights and licenses.

NOW THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor agrees as follows:

1. **Incorporation of Security Agreement**. The Security Agreement and the terms and provisions thereof are hereby incorporated herein in its entirety by this reference thereto. All capitalized terms not otherwise defined herein shall have the meanings set forth in the Security Agreement. All obligations of Grantor to Collateral Agent, Lenders and/or Noteholders, whether now or hereafter owing or existing under the Security Agreement or the other Transaction Documents, and all other indebtedness and obligations constituting **"Secured Obligations"** under the Security Agreement, are referred to herein collectively as the **"Secured Obligations"**.

2. **Grant of Security Interest**. To secure the complete and timely payment and satisfaction of all Secured Obligations, Grantor hereby mortgages, pledges, grants a security interest to Collateral Agent for the benefit of the Lenders and the Noteholders in accordance with the terms of the Intercreditor Agreement, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale, to the extent permitted by law, all of such Grantor's right, title and interest in and to all of its now owned or existing and filed and hereafter acquired or arising and filed:

(i) patents and patent applications, including, without limitation, the inventions and improvements described and claimed therein, and those patents listed on **Exhibit "A"**, attached hereto and made a part hereof, and (a) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without

limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing patents and applications, together with the items described in clauses (a)-(d), are sometimes hereinafter individually and/or collectively referred to as the **"Patents"**);

(ii) service marks, trademarks, service mark and trademark registrations, trade names and trademark applications, including, without limitation, the service mark and trademark registrations and applications listed on **Exhibit "B"**, attached hereto and made a part hereof, and (a) all renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including without limitation, damages and payments for past or future infringements thereof, (c) the right to sue for past, present and future infringements thereof, and (d) all rights corresponding thereto throughout the world (all of the foregoing service marks, trademarks, service mark and trademark registrations, service mark and trade names and applications together with the items described in clauses (a)-(d), are sometimes hereinafter individually and/or collectively referred to as the **"Trademarks"**);

(iii) copyrights, copyright registrations, copyright applications and all computer programs, operating systems, application systems, hardware or software of any nature whatsoever owned by Grantor, whether operational, under development or inactive, including all object codes, source codes, modules, technical manuals, user manuals, operating instructions and procedures, in-put and out-put formats, program listings, narrative descriptions, program flow charts, file layouts, report layouts, screen layouts and other documentation therefor (including internal notes, memoranda, status evaluations, marketing information and write-ups), and all improvements, modifications, enhancements, new releases and revisions thereof, whether in machine-readable form, programming language or any other language or symbols, and whether stored, encoded, recorded or written on disk, tape, film, memory device, paper or other media of any nature; together with all tangible media upon which any of the foregoing are recorded or encoded, including, without limitation, all chips, disks, tapes, film and paper; including, without limitation, the copyrights, registrations and applications listed on **Exhibit "C"** attached hereto and made a part hereof, and (a) all renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, and (c) the right to sue for past, present and future infringements thereof (all of the foregoing items are sometimes referred to herein collectively as the **"Copyrights"**); and

(iv) license agreements with any other party, whether Grantor is a licensor or licensee under any such license agreement, including, without limitation, the licenses listed on **Exhibit "D"** attached hereto and made a part hereof, and the right to prepare for sale, sell and advertise for sale all inventory now or hereafter owned by Grantor and now or hereafter covered by such licenses (all of the foregoing is hereinafter referred to collectively as the **"Licenses"**); and

(v) the goodwill of Grantor's business connected with and symbolized by the Trademarks.

3. **Excluded Collateral**. The security interest granted under **Section 2** hereof shall not attach to any lease, license, contract, property rights or agreement to which Grantor is a party or any of its rights or interests thereunder if the grant of such security interest shall constitute or result in (i) the abandonment, invalidation or unenforceability of any right, title or interest of Grantor therein

or (ii) in a breach or termination pursuant to the terms of, or a default under, any such Lease, license, contract property rights or agreement (other than to the extent that any such term would be rendered ineffective pursuant to Sections 9-406, 9-407, 9-408 or 9-409 of the UCC (or any successor provision or provisions) of any relevant jurisdiction or any other applicable law (including the Bankruptcy Code) or principles of equity).

4. **[INTENTIONALLY DELETED.]**

5. **New Patents, Trademarks, Copyrights and Licenses**. Grantor represents and warrants that the Patents, Trademarks, Copyrights and Licenses listed on **Exhibits "A", "B", "C" and "D"**, respectively, constitute all of the registrations and applications for patents, trademarks, applications, copyrights and all material licenses now owned by Grantor. If, before all Secured Obligations shall have been satisfied in full and any other contingent obligation included in the Secured Obligations shall have been cancelled or terminated, Grantor shall (i) obtain rights to any new patentable inventions, trademarks, trademark registrations, trade names, copyrights or licenses, or (ii) become entitled to the benefit of any patent or trademark application, trademark, trademark registration, copyright or license renewal, or patent for any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent, the provisions of **Section 2** above shall automatically apply thereto and Grantor shall give to Collateral Agent prompt written notice of any registrations or applications thereof which are owned by Grantor. Grantor hereby authorizes Collateral Agent to modify this Agreement by amending **Exhibit "A", "B", "C" and/or "D"**, as applicable, to include any future patents, patent applications, trademark registrations, trademark applications, copyrights registrations and material licenses which are Patents, Trademarks, Copyrights or Licenses, as applicable, under **Section 2** above or under this **Section 5**.

6. **Royalties; Term**. Grantor hereby agrees that Collateral Agent shall have the non-exclusive worldwide right to use all Patents, Trademarks, Copyrights and Licenses in connection with the exercise of its remedies under the Security Agreement upon and during the continuation of an Event of Default without any liability for royalties or other related charges from Collateral Agent, Lenders or Noteholders to Grantor. The term of such rights of use by the Collateral Agent shall extend until the earlier of (i) the expiration of each of the respective Patents, Trademarks, Copyrights and Licenses pledged hereunder, or (ii) the date on which all Secured Obligations has been paid in full and any other contingent obligation included in the Secured Obligations shall have been terminated or cancelled.

7. **[INTENTIONALLY DELETED.]**

8. **Release of Security Interest**. This grant of security interests is made for collateral purposes only. Upon payment in full of all Secured Obligations and the cancellation or termination of the other contingent obligations included in the Secured Obligations, Collateral Agent shall execute and deliver to Grantor all deeds, assignments and other instruments as may be necessary or proper to release any and all interests held by Collateral Agent in the Patents, Trademarks, Copyrights and Licenses, subject to any disposition thereof which may have been made by Collateral Agent pursuant hereto or pursuant to the Transaction Documents.

9. **[INTENTIONALLY DELETED.]**

10. **Collateral Agent's Right to Sue**. Upon and during the continuation of an Event of Default Collateral Agent shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Licenses, Patents, Copyrights and/or Trademarks, and any licenses thereunder, and, if Collateral Agent shall commence any such suit, at such time as it is permitted to do so, Grantor shall, at the request of Collateral Agent, do any and all lawful acts and execute any and all proper documents required by Collateral Agent in aid of such enforcement and Grantor shall promptly, upon demand, reimburse and indemnify Collateral Agent for all reasonable costs and expenses incurred by Collateral Agent in the exercise of its rights under this **Section 10**.

11. **Waivers.** Neither the failure nor any delay on the part of Collateral Agent to exercise any right, remedy, power or privilege under this Agreement or the Transaction Documents upon the occurrence of any Event of Default or otherwise shall operate as a waiver thereof or impair any such right, remedy, power or privilege. No waiver of any Event of Default shall affect any later Event of Default or shall impair any rights of Collateral Agent. No single, partial or full exercise of any rights, remedies, powers and privileges by the Collateral Agent shall preclude further or other exercise thereof. No course of dealing between Collateral Agent and Grantor shall operate as or be deemed to constitute a waiver of Collateral Agent's rights under this Agreement or the Transaction Documents or affect the duties or obligations of Grantor.

12. **Severability**. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall (to the full extent permitted by law) not invalidate or render unenforceable such provision in any other jurisdiction.

13. **Modification**. Except as specifically provided in **Section 5** hereof none of the terms and conditions of this Agreement may be changed, waived, modified or varied in any manner whatsoever unless in writing duly signed by the Collateral Agent and the Grantor.

14. **Cumulative Remedies; Power of Attorney; Effect on Transaction Documents**. All of Collateral Agent's rights and remedies with respect to the Patents, Trademarks, Copyrights and Licenses, whether established hereby or by the Transaction Documents, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. In connection with Collateral Agent's exercise of its remedies under **Section** 7 of the Security Agreement upon and during the continuation of an Event of Default, Grantor hereby authorizes Collateral Agent to make, constitute and appoint any officer or agent of Collateral Agent as Collateral Agent may select, in its sole discretion, as Grantor's true and lawful attorney-in-fact, with power to (i) endorse Grantor's name on all applications, documents, papers and instruments necessary or reasonably desirable for the use by Agent, Lenders, Noteholders or their respective successors or assigns of the Patents, Trademarks, Copyrights and/or Licenses, (ii) take any other actions with respect to the Patents, Trademarks, Copyrights and/or Licenses as the Collateral Agent reasonably deems in the best interest of the Collateral Agent, Lenders and Noteholders, (iii) grant or issue any exclusive or non-exclusive license under the Patents or Trademarks to anyone, subject to licenses in effect as of the date of such grant or issuance, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Patents, Trademarks, Copyrights and/or Licenses to anyone, including Collateral Agent. Collateral Agent may act under such power of attorney to take the actions referenced in **Section 5** hereof. Grantor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until all Secured Obligations shall have been paid in full and each of the other contingent obligations

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included in the Secured Obligations shall have been cancelled or terminated. Grantor acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of Collateral Agent, Lenders or Noteholders under the Transaction Documents but rather is intended to facilitate the exercise of such rights and remedies given it by the terms of the Security Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents, Trademarks, Copyrights or Licenses may be located.

15. **Binding Effect; Benefits**. This Agreement shall be binding upon the Grantor and its successors and assigns, and shall inure to the benefit of Collateral Agent, Lenders, Noteholders and their respective nominees, successors and assigns.

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

17. **Amended and Restated Assignment**. This Assignment constitutes the amendment and restatement of that certain Collateral Assignment of Patents, Trademarks; License and Copyrights dated December 18, 2000 (as amended) by Assignor for the benefit of Collateral Agent (the **"Prior Assignment"**). Nothing contained herein shall be deemed to constitute a novation, termination, waiver, release, satisfaction, accord or accord and satisfaction of the Prior Assignment, the obligations evidenced thereby or the security granted thereunder.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement the day and year first above written.

FIRST QUALITY PRODUCTS, INC.

By: _____
Kambiz Damaghi, Executive Vice President

Attest: _____
Dennis C. Miller, Chief Administrative Officer

CITIZENS BANK OF PENNSYLVANIA,
Administrative Agent

By: _____
Joseph N. Butto, Vice President

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IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement the day and year first above written.

FIRST QUALITY PRODUCTS, INC.

By:_____
Kambiz Damaghi, Executive Vice President

Attest: _____
Thomas A. Doherty, Chief Administrative Officer

CITIZENS BANK OF PENNSYLVANIA,
Administrative Agent

By:_____
Joseph N. Butto, Vice President

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ACKNOWLEDGMENT

STATE OF NEW YORK :

: ss:

COUNTY OF Nassau :

On this 29 day of June, 2004, before me, a Notary Public, personally appeared Kambiz Damaghi, who acknowledged himself to be a duly acting Executive Vice President of First Quality Products, Inc., a New York corporation, and that he as such officer, being duly authorized to do so, executed the foregoing Agreement for the purposes therein contained by signing his name as such officer on behalf of the corporation.

Lucie R Todaro

Notary Public
My Commission Expires:

06

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ACKNOWLEDGMENT

STATE OF NEW YORK :

: ss:

COUNTY OF Nassau :

On this 29 day of June 2004, before me, a Notary Public, personally appeared Dennis C. Miller, who acknowledged himself to be a duly acting Chief Administrative Officer of First Quality Products, Inc., a New York corporation, and that he as such officer, being duly authorized to do so, executed the foregoing Agreement for the purposes therein contained by signing his name as such officer on behalf of the corporation.

Jessie R Todaro

Notary Public
My Commission Expires:

06

EXHIBIT "A"

TO

GRANT OF SECURITY INTEREST IN
PATENT, TRADEMARK, COPYRIGHT AND LICENSES AGREEMENT
Patents

Title	Patent No.	Filing Date
Absorbent Articles for Various Torso Sizes	10/134, 346	April 26, 2002
Absorbent Articles Having Improved Fastening System	09/844, 726	April 27, 2001
Absorbent Articles Having Improved Fastening System	10/434,488	July 28, 2003
Absorbent Articles Having Improved Fastening System	09/797,334	March 1, 2001
Acquisition/Distribution Layer and Method of Making Same	09/816,666	March 26, 2001
Disposable Absorbent Article Having Elastically Contractible Waist and Sides	09/097,198	June 12, 1998
Disposable Elastic Absorbent Article Having Triple Member Closure	09/149,265	September 8, 1998

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Disposable Pant Type Absorbent Article	09/965,381	September 27, 2001
Disposable Pant Type Absorbent Article Having Improved Multifold Fastening System	10/329,889	December 26, 2002
Disposable Pant Type Absorbent Article Having Improved Multifold Fastening System and Method of Making Same	10/346,607	January 17, 2003
Disposable Pant Type Absorbent Article Having Improved Multifold Fastening System and Method of Making Same	10/442,913	May 21, 2003
Disposable Pant Type Absorbent Article Having Improved Multifold Fastening System and Method of Making Same	10/646,937	August 22, 2003
Disposable Pant Type Absorbent Article Having Improved Multifold Fastening System and Method of Making Same	10/442,862	May 21, 2003
Disposable Pant Type Absorbent Article With Improved Fasteners and Method of Making Same	10/266,420	October 8, 2002

Improved Nonwoven Fabric With High CD Elongation and Method of Making Same	09/613,469	July 10, 2000
Liquid Absorbent Pad Having A Single Large Through Slit And Absorbent Article Comprising Same	10/066,721	February 4, 2002
Method Of Making A Winged Absorbent Article	09/891,976	June 26, 2001
Method Of Making Media Of Controlled Porosity And Product Thereof	09/334,587	June 16, 1999
Nonwoven Fabric With High CD Elongation And Method Of Making Same	09/373,826	August 13, 1999
Nonwoven Fabric With High CD Elongation And Method Of Making Same	09/460,659	December 13, 1999
Nonwoven With Non-Symmetrical Bonding Configuration	09/613,192	July 10, 2000
Nonwoven With Non-Symmetrical Bonding Configuration	09/460,660	December 13, 1999
Nonwoven with Non-Symmetrical Bonding Configuration	09/374,825	August 13, 1999
Sanitary Elasticized Male	10/208,615	July 30, 2002

Guard

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EXHIBIT "B"

TO

GRANT OF SECURITY INTEREST IN
PATENT, TRADEMARK, COPYRIGHT AND LICENSES AGREEMENT
Registered Trademarks

Trademark	Reg. No.	Reg. Date
FIRST QUALITY	1,901,447	June 27, 1995
FIRST QUALITY	2,390,759	October 3, 2000
PREVAIL	1,986,312	July 9, 1996
PREVAIL	2,390,758	October 3, 2000
TOTAL CARE	2,278,241	September 14, 1999
PER-FIT	2,559,548	April 9, 2002
NU-FIT	2,678,408	January 21, 2003
COMFORT SHAPE	2,520,518	December 18, 2001
ADVANCED ZONING SYSTEM	2,703,266	April 1, 2003
ALL NITES	2,722,670	June 3, 2003
PREVAIL ALL NITES	2,720,118	May 27, 2003
FITS TO AT	2,720,065	May 27, 2003
AZS	2,703,267	April 1, 2003

Trademark Applications		
Trademark	**Serial No.**	**Filing Date**
Easy As 1-2-3	78/384420	March 15, 2004
Cuties	75/355994	August 25, 1997
AZS Advanced Zoning System	78/195910	December 18, 2002
At First Quality We Put Quality of Life First	78/159144	August 8, 2002

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Trademark Applications		
Trademark	**Serial No.**	**Filing Date**
Activa System	78/104531	January 24, 2002
Dri-Bed	78/104519	January 24, 2002
Bene-Fit	78/384420	November 11, 2003
Breezers	78/3300038	November 19, 2003
Easy Lock Fastener	78/330741	November 11, 2003
Elf	78/330960	November 20, 2003
Faith	78/386077	March 17, 2004
FQ	78/230823	March 27, 2003
Perfit	75/793365	September 7, 1999
Ben-e-fit	78/322171	November 3, 2003
Ben-e-fit	78/322164	November 3, 2003
FQP	78/230,394	March 26, 2003
Pillow Bond +	78/161374	September 6, 2002

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EXHIBIT "C"

TO

GRANT OF SECURITY INTEREST IN
PATENT, TRADEMARK, COPYRIGHT AND LICENSES AGREEMENT
Copyrights

NONE

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EXHIBIT "D"

TO

GRANT OF SECURITY INTEREST IN
PATENT, TRADEMARK, COPYRIGHT AND LICENSES AGREEMENT
Licenses

NONE

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