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
MARCAL PAPER MILLS, INC.		01/12/2007	INC. ASSOCIATION:

RECEIVING PARTY DATA

Name:	NEXBANK, SSB
Street Address:	13455 Noel Road
Internal Address:	Suite 2220
City:	Dallas
State/Country:	TEXAS
Postal Code:	75240
Entity Type:	SSB:

PROPERTY NUMBERS Total: 54

Property Type	Number	Word Mark
Registration Number:	2122948	KAOFIN
Registration Number:	2523832	KAO-CLEAN
Registration Number:	1089580	WORK FORCE
Registration Number:	1551844	ASPEN
Registration Number:	2305579	AT HOME & IN THE OFFICE
Registration Number:	1027037	BELLA
Registration Number:	0861511	BELLA
Registration Number:	1672586	BUY THE BUNDLE
Registration Number:	1414918	BY THE BUNDLE
Registration Number:	0833704	CAMELLIA
Registration Number:	0847872	CAMELLIA
Registration Number:	1634789	DRAW AND STORE
Registration Number:	1412269	EASY REACH

CH $1365.00 2122948

Registration Number:	1505884	EMPIRE
Registration Number:	0843719	FLORENTINE
Registration Number:	0866387	FLORENTINE
Registration Number:	0791037	FLUFF OUT
Registration Number:	2261398	FLUFFY
Registration Number:	1757626	MARCALCULATE
Registration Number:	0372674	MARCAL
Registration Number:	0425272	MARCAL
Registration Number:	0501134	MARCAL
Registration Number:	0573133	MARCAL
Registration Number:	0667115	MARCAL
Registration Number:	0949162	MARCAL
Registration Number:	1595334	PAPER FROM PAPER, NOT FROM TREES
Registration Number:	2036006	PAPER FROM PAPER NOT FROM TREES 100%
Registration Number:	1977939	PAPER FROM PAPER NOT FROM TREES 100% RECYCLED WITHOUT CHLORINE BLEACHING
Registration Number:	0813473	PAPERPAX
Registration Number:	1627099	PURSE 'N POCKET
Registration Number:	2491129	QUALITY AWAY FROM HOME
Registration Number:	1117267	SERVI-ETAS
Registration Number:	0723888	SNOW LILY
Registration Number:	1036445	SOFPAC
Registration Number:	0348723	SUNRISE
Registration Number:	1237287	SUNRISE
Registration Number:	2010772	WORKFORCE
Registration Number:	1087719	YELLOW ALERT
Registration Number:	2221794	EASY REACH
Registration Number:	1854174	ECOPAC
Registration Number:	0309329	KITCHEN CHARM
Registration Number:	0589555	MARCAL HANKIES
Registration Number:	1265703	POLY-CASE
Registration Number:	0582691	SANI-HANKS
Registration Number:	2179159	SNAPACK
Registration Number:	1847360	WORKFORCE
Registration Number:	2132053	WORKFORCE

Registration Number:	2431471	KAOBED
Registration Number:	0822890	HUCK
Registration Number:	0813472	M'LADY
Registration Number:	1431088	COMPLIMENTS
Registration Number:	1446365	DECO LEAF
Registration Number:	2112472	DOLLAR-WISE
Registration Number:	1443140	TUXEDO

CORRESPONDENCE DATA

Fax Number: (214)200-0853

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

Phone: 7135472278

Email: ipdocketing@haynesboone.com

Correspondent Name: Haynes and Boone, LLP, John R. Wright

Address Line 1: 901 Main Street

Address Line 2: Suite 3100

Address Line 4: Dallas, TEXAS 75202

ATTORNEY DOCKET NUMBER:	37203.20
NAME OF SUBMITTER:	John R. Wright
Signature:	/John R. Wright/
Date:	02/23/2007

Total Attachments: 7

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NOTICE OF SECURITY INTEREST IN PATENTS AND TRADEMARKS

NOTICE IS HEREBY GIVEN that MARCAL PAPER MILLS, INC., a New Jersey corporation, (the "***Grantor***") with an office located at One Market Street, Elmwood Park, New Jersey 07407-1451, and NEXBANK, SSB (the "***Agent***"), with an office located at 13455 Noel Road, Suite 2220 Dallas, Texas 75240, on behalf of certain DIP Lenders (collectively, the "***Secured Parties***"), have entered into a Security Agreement dated as of January 12, 2007 (the "***Security Agreement***").

Pursuant to the Security Agreement, Grantor has conveyed, pledged, assigned and transferred to Agent, for the equal and ratable benefit of the Secured Parties, and has granted to Agent, for the equal and ratable benefit of the Secured Parties, a security interest in, (a) the registered patents, applications for registration of patents, and licenses of registered patents listed in ***Schedule A*** hereto, and (b) the registered trademarks and service marks, applications for registration of trademarks and service marks, and licenses of registered trademarks and service marks listed in ***Schedule B*** hereto, together with the goodwill of the business symbolized thereby, to secure the payment, performance and observance of the Secured Obligations as defined in the Security Agreement.

The Commissioner of Patents and Trademarks is requested to record this notice in its records.

Dated: January 12, 2007

MARCAL PAPER MILLS, INC.

By: N. Marcalus
Name: Nicholas R. Marcalus
Title: CEO

SCHEDULE A TO NOTICE OF SECURITY INTEREST IN PATENTS AND TRADEMARKS

1. Patents

Patent Description	Registration Number	Registration Date
Floor absorbent granular product	6,019,873	2/1/2000
Apparatus for making granular material	5,951,822	3/16/1999
Absorbent granular product	5,888,345	3/30/1999
Process for making granular material	5,882,480	9/15/1998
Granular material containing recycled paper components	5,807,465	9/15/1998
Process for making the absorbent granular material	5,728,270	3/17/1998

2. Applications for Federal Registration of Patents

None.

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SCHEDULE B TO NOTICE OF SECURITY INTEREST IN PATENTS AND TRADEMARKS

1. Federal Trademark and Service Mark Registrations

Trademarks - Domestic

Trademark	Registration Number
KAOFIN	2122948
KAO-CLEAN	2523832
WORK FORCE	1089580
ASPEN	1551844
AT HOME & IN OFFICE	2305579
BELLA	1027037
BELLA	0861511
BUY THE BUNDLE	1672586
BY THE BUNDLE	1414918
CAMELLIA	0833704
CAMELLA & DESIGN	0847872
DRAW AND STORE	1634789
EASY REACH	1412269
EMPIRE	1505884
FLORENTINE	0843719
FLORENTINE	0866387
FLUFF OUT	0791037
FLUFFY	2261398
MARCALULATE	1757626
MARCAL	0372674
MARCAL	0425272
MARCAL	0501134
MARCAL	0573133
MARCAL	0667115
MARCAL	0949162
PAPER FROM PAPER NOT FROM TREES	1595334
PAPER FROM PAPER NOT FROM TREES 100%	2036006

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PAPER FROM PAPER NOT FROM TREES 100% RECYCLED WITHOUT CHLORINE BLEACHING	1977939
PAPERPAX	0813473
PURSE 'N POCKET	1627099
QUALITY AWAY FROM HOME	2491129
SERVI-ETAS	1117267
SNOW LILY	0723888
SOFPAC	1036445
SUNRISE	0348723
SUNRISE	1237287
WORKFORCE	2010772
YELLOW ALERT	1087719
EAST REACH	2221794
ECOPAC	1854174
KITCHEN CHARM	0309329
MARCAL HANKIES	0589555
POLY-CASE	1265703
SANI-HANKS	0582691
SNAPACK	2179159
WORKFORCE	1847360
WORKFORCE	2132053
KAOBED	2431471
HUCK	0822890
M'LADY	0813472
COMPLIMENTS	1431088
DECO LEAF	1446365
DOLLAR-WISE	2112472
TUXEDO	1443140

Trademarks - Foreign

Country	Trademark	Registration Number
CA	BELLA	378169
CA	BUY THE BUNDLE	417286

CA	BY THE BUNDLE	381,590
CA	CAMELLIA	381,934
CA	EASY REACH	379636
CA	ECO	389731
CA	ECOPAC	381681
CA	FLORENTINE	379637
CA	FLUFF-IN	380348
CA	FLUFF-OUT	381,683
MX	FLUFFY	
CH	KAOFIN	443205
MX	KAOFIN	531884
CA	KITCHEN CHARM	390043
CA	MADEIRA	391136
CA	MARCAL	UCA23213
CA	MARCAL	UCA24270
CA	MARCAL	388605
DO	MARCAL	91987
EU	MARCAL	548339
IT	MARCAL	850490
CA	MARCAL HANKIES	381,684
CA	PAPER FROM PAPER NOT FROM TREES & DESIGN	516097
MX	PAPER FROM PAPER NOT FROM TREES & DESIGN	574204
CA	POLY-CASE	381,682
CA	PURSE 'N POCKET	398714
CA	SANI-HANKS	TMA375,950
MX	SERVICE	549431
CA	SERVI-ETAS	378168
CA	SNAPAC	381,935
CA	SNOW LILY	TMA376,940
CA	SUNRISE	378189
EU	WORKFORCE	000582668
CA	YELLOW ALERT	TMA375,949

2. Trademark and Service Mark Applications for Federal Registration

None

RECORDED: 02/23/2007

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