

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT
<b>NATURE OF CONVEYANCE:</b>	Trademark Collateral Assignment and Security Agreement

**CONVEYING PARTY DATA**

Name	Formerly	Execution Date	Entity Type
Applied Extrusion Technologies, Inc.		08/21/2007	CORPORATION: DELAWARE

**RECEIVING PARTY DATA**

<b>Name:</b>	DDJ Capital Management, LLC
<b>Street Address:</b>	130 Turner Street
<b>Internal Address:</b>	Building 3, Suite 600
<b>City:</b>	Waltham
<b>State/Country:</b>	MASSACHUSETTS
<b>Postal Code:</b>	02199
<b>Entity Type:</b>	LIMITED LIABILITY COMPANY:

**PROPERTY NUMBERS Total: 10**

Property Type	Number	Word Mark
Registration Number:	2188748	AET
Registration Number:	2188747	AET
Registration Number:	1490169	BXT
Registration Number:	2815524	HOTR
Registration Number:	2731632	SYNCARTA
Registration Number:	3036327	SYNDECOR
Registration Number:	2967549	TOPPCURE
Registration Number:	2846302	TOPPCURE
Registration Number:	2057521	VISION
Registration Number:	1586756	WTF

**CORRESPONDENCE DATA**

Fax Number: (617)227-4420

**900085891**

**TRADEMARK  
 REEL: 003612 FRAME: 0768**

**CH \$265.00 2188748**

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

Phone: 6192390310  
Email: jdavis@eapdlaw.com  
Correspondent Name: Jessica Davis  
Address Line 1: 111 Huntington Avenue  
Address Line 2: Edwards Angell Palmer & Dodge LLP  
Address Line 4: Boston, MASSACHUSETTS 02199

ATTORNEY DOCKET NUMBER:	206951.0077
NAME OF SUBMITTER:	Jessica Davis
Signature:	/Jessica Davis/
Date:	08/31/2007

**Total Attachments: 16**

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**TRADEMARK COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT**

THIS TRADEMARK COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT ("Agreement"), dated August 21, 2007, is by and between APPLIED EXTRUSION TECHNOLOGIES, INC., a Delaware corporation ("Debtor"), and DDJ CAPITAL MANAGEMENT, LLC, in its capacity as agent (in such capacity, "Secured Party") pursuant to the Loan Agreement (as hereinafter defined) acting for and on behalf of the financial institutions which are parties thereto, as lenders (each individually, a "Lender" and collectively, "Lenders").

**WITNESSETH:**

WHEREAS, Debtor has adopted, used and is using, and is the owner of the entire right, title, and interest in and to the trademarks, trade names, terms, designs and applications therefor described in Exhibit A hereto and made a part hereof;

WHEREAS, Debtor, certain affiliates of Debtor, Secured Party and Lenders have entered into or are about to enter into financing arrangements pursuant to which Secured Party and Lenders may make loans and advances and provide other financial accommodations to Debtor and certain affiliates of Debtor as set forth in the Loan and Security Agreement, dated of even date herewith, by and among Debtor, certain affiliates of Debtor, Secured Party and Lenders (as the same now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, the "Loan Agreement") and the other agreements, documents and instruments referred to therein or at any time executed and/or delivered in connection therewith or related thereto, including, but not limited to, this Agreement (all of the foregoing, together with the Loan Agreement, as the same now exist or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced, being collectively referred to herein as the "Financing Agreements");

WHEREAS, in order to induce Secured Party and Lenders to enter into the Loan Agreement and the other Financing Agreements and to make loans and advances and provide other financial accommodations to Debtor and certain affiliates of Debtor pursuant thereto, Debtor has agreed to grant to Secured Party certain collateral security as set forth herein;

WHEREAS, Secured Party is party to that certain Intercreditor Agreement dated as of the date hereof (as amended from time to time, the "Intercreditor Agreement") with Wachovia Bank, National Association (the "First Lien Secured Party"), the Debtor and certain affiliates of the Debtor, setting forth the relative rights and priorities of the First Lien Secured Party and the Secured Party with respect to the Collateral.

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

**1. GRANT OF SECURITY INTEREST**

As collateral security for the prompt performance, observance and indefeasible payment in full of all of the Obligations (as hereinafter defined), Debtor hereby grants to Secured Party, for itself and for the benefit of the Lenders, a continuing security interest in and a general lien upon, and a collateral assignment of, the following (being collectively referred to herein as the "Collateral"): (a) all of Debtor's

now existing or hereafter acquired right, title, and interest in and to: (i) all of Debtor's trademarks, trade names, trade styles and service marks and all applications for registration, registrations and recordings relating to the foregoing as may at any time be filed in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State thereof, any political subdivision thereof, including, without limitation, the trademarks, terms, designs and applications described in Exhibit A hereto, together with all rights and privileges arising under applicable law with respect to Debtor's use of any trademarks, trade names, trade styles and service marks, and all reissues, extensions, continuation and renewals thereof (all of the foregoing being collectively referred to herein as the "Trademarks"); and (ii) all prints and labels on which such trademarks, trade names, trade styles and service marks appear, have appeared or will appear, and all designs and general intangibles of a like nature; (b) the goodwill of the business symbolized by each of the Trademarks, including, without limitation, all customer lists and other records relating to the distribution of products or services bearing the Trademarks; (c) all present and future license and distribution agreements (subject to the rights of the licensors therein) pertaining to the Trademarks, (d) all income, fees, royalties and other payments at any time due or payable to Debtor with respect thereto, including, without limitation, payments under all licenses at any time entered into in connection therewith; (e) the right to sue for past, present and future infringements thereof; (f) all rights corresponding thereto throughout the world; and (g) any and all other proceeds of any of the foregoing, including, without limitation, all damages and payments or claims by Debtor against third parties for past or future infringement of the Trademarks. The priority of the Secured Party's security interest in the Collateral hereunder is subject to the terms of the Intercreditor Agreement.

## **2. OBLIGATIONS SECURED**

The security interest, lien and other interests granted to Secured Party pursuant to this Agreement shall secure the prompt performance, observance and payment in full of any and all obligations, liabilities and indebtedness of every kind, nature and description owing by Debtor to Secured Party, Lenders and the other Secured Parties (such capitalized terms and all other capitalized terms used herein without being defined have the meanings provided for in the Loan Agreement) arising under the Financing Agreements, including principal, interest, charges, fees, costs and expenses, however evidenced, whether as principal, surety, endorser, guarantor or otherwise, whether now existing or hereafter arising, whether arising before, during or after the initial or any renewal term of the Loan Agreement or after the commencement of any case with respect to Debtor under the United States Bankruptcy Code or any similar statute (including, without limitation, the payment of interest and other amounts which would accrue and become due but for the commencement of such case, whether or not such amounts are allowed or allowable in whole or in part in such case and including loans, interest, fees, charges and expenses related thereto and all other obligations of Debtor to Secured Party, any Lender or any Secured Party arising after the commencement of such case), whether direct or indirect, absolute or contingent, joint or several, due or not due, primary or secondary, liquidated or unliquidated, secured or unsecured, and however acquired by Secured Party, any Lender or any Secured Party (all of the foregoing being collectively referred to herein as the "Obligations").

## **3. REPRESENTATIONS, WARRANTIES AND COVENANTS**

Debtor hereby represents, warrants and covenants with and to Secured Party the following (all of such representations, warranties and covenants being continuing so long as any of the Obligations are outstanding):

(a) Debtor shall pay and perform all of the Obligations according to their terms.

(b) All of the existing Trademarks are valid and subsisting in full force and effect, and Debtor owns the sole, full and clear title to the Collateral (subject to the liens, claims, mortgages,

assignments, licenses, security interests or encumbrances permitted under the Loan Agreement), and the right and power to grant the security interest and collateral assignment granted hereunder. Debtor shall, at Debtor's expense, perform all acts and execute all documents necessary to maintain the existence of the registered Trademarks, including, without limitation, the filing of any renewal affidavits and applications. The Collateral is not subject to any liens, claims, mortgages, assignments, licenses, security interests or encumbrances of any nature whatsoever, except: (i) the security interests granted hereunder and pursuant to the Loan Agreement, (ii) the security interests of the First Lien Secured Party and the other security interests permitted under the Loan Agreement and (iii) the licenses referred to under Section 3(e) below.

(c) Debtor shall not assign, sell, mortgage, lease, transfer, pledge, hypothecate, grant a security interest in or lien upon, encumber, grant an exclusive or non-exclusive license relating to the Collateral, or otherwise dispose of any of the Collateral, in each case without the prior written consent of Secured Party, other than the grant of the liens, security interest and other encumbrances upon the Collateral in favor of the First Lien Secured Party as described in the Intercreditor Agreement and as otherwise permitted herein or in the Loan Agreement. Nothing in this Agreement shall be deemed a consent by Secured Party or any Lender to any such action, except as such action is expressly permitted hereunder.

(d) Debtor shall, at Debtor's expense, promptly perform all acts and execute all documents requested at any time by Secured Party to evidence, perfect, maintain, record or enforce the security interest in and collateral assignment of the Collateral granted hereunder or to otherwise further the provisions of this Agreement. Debtor hereby authorizes Secured Party to file one or more financing statements (or similar documents) with respect to the Collateral. Debtor further authorizes Secured Party to have this Agreement or any other similar security agreement filed with the Commissioner of Patents and Trademarks or any other appropriate federal, state or government office.

(e) As of the date hereof, Debtor does not have any Trademarks registered, or subject to pending applications, in the United States Patent and Trademark Office or any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country, other than those described in Exhibit A hereto and has not granted any licenses with respect thereto other than as set forth in Exhibit B hereto.

(f) Debtor shall, concurrently with the execution and delivery of this Agreement, execute and deliver to Secured Party five (5) originals of a Special Power of Attorney in the form of Exhibit C annexed hereto for the implementation of the assignment, sale or other disposition of the Collateral pursuant to Secured Party's exercise of the rights and remedies granted to Secured Party hereunder; provided, that, such Special Powers of Attorney shall be effective only upon the occurrence and during the continuance of an Event of Default.

(g) Subject to the other terms hereof, Secured Party may, in its discretion, pay any amount or do any act which Debtor fails to pay or do as required hereunder or as requested by Secured Party to preserve, defend, protect, maintain, record or enforce the security interest and collateral assignment granted hereunder, including, but not limited to, all filing or recording fees, court costs, reasonable collection charges and reasonable attorneys' fees and legal expenses. Debtor shall be liable to Secured Party for any such payment, which payment shall be deemed an advance by Secured Party to Debtor, shall be payable promptly on demand together with interest at the rate then applicable to the Obligations set forth in the Loan Agreement and shall be part of the Obligations secured hereby.

(h) Debtor shall not file any application for the registration of a Patent with the United States Patent and Trademark Office or any similar office or agency in the United States, any State thereof or any political subdivision thereof, unless Debtor has given Secured Party five (5) days prior written notice of

such action. If, after the date hereof, Debtor shall (i) obtain any registered trademark or tradename, or apply for any such registration in the United States Patent and Trademark Office or in any similar office or agency in the United States, any State thereof, any political subdivision thereof or in any other country, or (ii) become the owner of any trademark registrations or applications for trademark registration used in the United States, any State thereof or any political subdivision thereof, the provisions of Section 1 hereof shall automatically apply thereto. Upon the request of Secured Party, Debtor shall promptly execute and deliver to Secured Party any and all assignments, agreements, instruments, documents and such other papers as may reasonably be requested by Secured Party to evidence the security interest in and collateral assignment of such Trademark in favor of Secured Party.

(i) Except in the exercise of its reasonable business judgment, Debtor has not abandoned any of the Trademarks and Debtor will not do any act, nor omit to do any act, whereby the Trademarks may become abandoned, invalidated, unenforceable, avoided or avoidable. Debtor shall notify Secured Party promptly if it knows or has reason to know of any reason why any application, registration, or recording with respect to the Trademarks may become abandoned, canceled, invalidated, avoided or avoidable.

(j) Subject to the terms of the Loan Agreement, Debtor shall render any assistance, as Secured Party shall determine is reasonably necessary, to Secured Party and Lenders in any proceeding before the United States Patent and Trademark Office, any federal or state court, or any similar office or agency in the United States, any State thereof, or any political subdivision thereof, to maintain such application and registration of the Trademarks as Debtor's exclusive property and to protect Secured Party's interests and Lenders' interests therein, including, without limitation, filing of renewals, affidavits of use, affidavits of incontestability and opposition, interference, and cancellation proceedings.

(k) To the knowledge of Debtor, no material infringement or unauthorized use presently is being made of any of the Trademarks by any person that would adversely affect in any material respect the fair market value of the Collateral (taken as a whole) or the benefits of this Agreement granted to Secured Party and Lenders, including, without limitation, the validity, priority or perfection of the security interest granted herein or the remedies of Secured Party hereunder. Except as Debtor has notified Agent in writing, there has been no judgment holding any of the Trademarks invalid or unenforceable, in whole or in part, nor is the validity or enforceability of any of the Trademarks presently being questioned in any litigation or proceeding to which Debtor is a party. Debtor shall promptly notify Secured Party if Debtor (or any affiliate or subsidiary thereof) learns of any use by any person of any term or design which materially infringes on any Trademark or is likely to cause confusion with any Trademark. After the occurrence of an Event of Default, if requested by Secured Party, Debtor, at Debtor's expense, shall join with Secured Party in such action as Secured Party, in Secured Party's discretion, may deem advisable for the protection of Secured Party's interests and Lenders' interests in and to the Trademarks.

(l) Debtor assumes all responsibility and liability arising from its use of the Trademarks, and Debtor hereby indemnifies and holds Secured Party and Lenders harmless from and against any claim, suit, loss, damage, or expense (including attorneys' fees and legal expenses) arising out of any alleged defect in any product manufactured, promoted, or sold by Debtor (or any affiliate or subsidiary thereof) in connection with any Trademark or out of the manufacture, promotion, labelling, sale or advertisement of any such product by Debtor (or any affiliate or subsidiary thereof), except for any of the foregoing that results from the gross negligence or willful misconduct of Secured Party or any Lender as determined by the final non-appealable judgment of a court of competent jurisdiction. The foregoing indemnity shall survive the payment of the Obligations, the termination of this Agreement and the termination or non-renewal of the Loan Agreement.

(m) Debtor shall promptly pay Secured Party and Lenders for any and all expenditures made by Secured Party or any Lender pursuant to the provisions of this Agreement or for the defense,

protection or enforcement of the Obligations, the Collateral, or the security interests and collateral assignment granted hereunder, including, but not limited to, all filing or recording fees, court costs, collection charges, travel expenses, and attorneys' fees and legal expenses. Such expenditures shall be payable on demand, together with interest at the rate then applicable to the Obligations set forth in the Loan Agreement and shall be part of the Obligations secured hereby.

#### 4. EVENTS OF DEFAULT

The occurrence of an Event of Default, as such term is defined in the Loan Agreement, shall constitute an "Event of Default" hereunder.

#### 5. RIGHTS AND REMEDIES

At any time an Event of Default has occurred and is continuing, in addition to all other rights and remedies of Secured Party or any Lender, whether provided under this Agreement, the Loan Agreement, the other Financing Agreements, applicable law or otherwise, Secured Party shall have (subject to the terms of the Intercreditor Agreement and applicable law) the following rights and remedies which may be exercised without notice to, or consent by, Debtor except as such notice or consent is expressly provided for hereunder:

(a) Secured Party may make use of any Trademarks for the sale of goods, completion of work-in-process or rendering of services or otherwise in connection with enforcing any other security interest granted to Secured Party by Debtor or any subsidiary or affiliate of Debtor or for such other reason as Secured Party may determine.

(b) Secured Party may grant such license or licenses relating to the Collateral for such term or terms, on such conditions, and in such manner, as Secured Party shall in its discretion deem appropriate. Such license or licenses may be general, special or otherwise, and may be granted on an exclusive or non-exclusive basis throughout all or any part of the United States of America, its territories and possessions, and all foreign countries.

(c) Secured Party may assign, sell or otherwise dispose of the Collateral or any part thereof, either with or without special conditions or stipulations except that if notice to Debtor of intended disposition of Collateral is required by law, the giving of ten (10) days prior written notice to Debtor of any proposed disposition shall be deemed reasonable notice thereof and Debtor waives any other notice with respect thereto. Secured Party shall have the power to buy the Collateral or any part thereof, and Secured Party shall also have the power to execute assurances and perform all other acts which Secured Party may, in its discretion, deem reasonably appropriate or proper to complete such assignment, sale, or disposition. In any such event, Debtor shall be liable for any deficiency.

(d) In addition to the foregoing, in order to implement the assignment, sale or other disposition of any of the Collateral pursuant to the terms hereof, Secured Party may, at any time after an Event of Default has occurred and during its occurrence, execute and deliver on behalf of Debtor, pursuant to the authority granted in the Powers of Attorney described in Section 3(f) hereof, one or more instruments of assignment of the Trademarks (or any application, registration, or recording relating thereto), in form suitable for filing, recording, or registration. Debtor agrees to pay Secured Party and Lenders promptly following demand for all reasonable costs incurred in any such transfer of the Collateral, including, but not limited to, any taxes, fees, and attorneys' fees and legal expenses. Debtor agrees that Secured Party and Lenders have no obligation to preserve rights to the Trademarks against any other parties.

(e) Secured Party may first apply the proceeds actually received from any such license, assignment, sale or other disposition of any of the Collateral to the costs and expenses thereof, including, without limitation, attorneys' fees and all legal, travel and other expenses which may be incurred by Secured Party or Lenders. Thereafter, Secured Party may apply any remaining proceeds to such of the Obligations as Secured Party may in its discretion determine. Debtor shall remain liable to Secured Party and Lenders for any of the Obligations remaining unpaid after the application of such proceeds, and Debtor shall pay Secured Party on demand any such unpaid amount, together with interest at the rate then applicable to the Obligations set forth in the Loan Agreement.

(f) Debtor shall supply to Secured Party or to Secured Party's designee, Debtor's knowledge and expertise relating to the manufacture, sale and distribution of the products and services bearing the Trademarks and Debtor's customer lists and other records relating to the Trademarks and the distribution thereof.

(g) Nothing contained herein shall be construed as requiring Secured Party or any Lender to take any such action at any time. All of Secured Party's and Lenders' rights and remedies, whether provided under this Agreement, the other Financing Agreements, applicable law, or otherwise, shall be cumulative and none is exclusive. Such rights and remedies may be enforced alternatively, successively, or concurrently.

## **6. JURY TRIAL WAIVER; OTHER WAIVERS AND CONSENTS; GOVERNING LAW**

(a) The validity, interpretation and enforcement of this Agreement and the other Financing Agreements and any dispute arising out of the relationship between the parties hereto, whether in contract, tort, equity or otherwise, shall be governed by the internal laws of the State of New York but excluding any principles of conflicts of law or other rule of law that would cause the application of the law of any jurisdiction other than the laws of the State of New York.

(b) Debtor and Secured Party irrevocably consent and submit to the non-exclusive jurisdiction of the Supreme Court of the State of New York for the County of New York and the United States District Court for the Southern District of New York, whichever Secured Party may elect and waive any objection based on venue or forum non conveniens with respect to any action instituted therein arising under this Agreement or any of the other Financing Agreements or in any way connected or related or incidental to the dealings of Debtor and Secured Party in respect of this Agreement or the other Financing Agreements or the transactions related hereto or thereto, in each case whether now existing or hereafter arising, and whether in contract, tort, equity or otherwise, and agree that any dispute with respect to any such matters shall be heard only in the courts described above (except that Secured Party shall have the right to bring any action or proceeding against Debtor or its property in the courts of any other jurisdiction which Secured Party deems necessary or appropriate in order to realize on the Collateral or to otherwise enforce its rights against Debtor or its property).

(c) DEBTOR AND SECURED PARTY EACH HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION (i) ARISING UNDER THIS AGREEMENT OR ANY OF THE OTHER FINANCING AGREEMENTS OR (ii) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF DEBTOR AND SECURED PARTY OR ANY LENDER IN RESPECT OF THIS AGREEMENT OR ANY OF THE OTHER FINANCING AGREEMENTS OR THE TRANSACTIONS RELATED HERETO OR THERETO IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY OR OTHERWISE. DEBTOR AND SECURED PARTY EACH HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY



AND THAT DEBTOR OR SECURED PARTY MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF DEBTOR AND SECURED PARTY TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

(d) Notwithstanding any other provision contained herein, Secured Party and Lenders shall not have any liability to Debtor (whether in tort, contract, equity or otherwise) for losses suffered by Debtor in connection with, arising out of, or in any way related to the transactions or relationships contemplated by this Agreement, or any act, omission or event occurring in connection herewith, unless it is determined by a final and non-appealable judgment or court order binding on Secured Party or such Lender that the losses were the result of acts or omissions constituting gross negligence or willful misconduct.

## 7. MISCELLANEOUS

(a) All notices, requests and demands hereunder shall be in writing and shall be deemed to have been given or made: if delivered in person, immediately upon delivery; if by telex, telegram or facsimile transmission, immediately upon sending and upon confirmation of receipt; if by nationally recognized overnight courier service with instructions to deliver the next business day, one (1) business day after sending; and if by certified mail, return receipt requested, five (5) days after mailing. All notices, requests and demands upon the parties are to be given to the following addresses (or to such other address as any party may designate by notice in accordance with this Section):

If to Debtor:	Applied Extrusion Technologies, Inc. 15 Read's Way New Castle, Delaware 19720 Attention: Mr. Brian P. Crescenzo Telephone No.: (302) 326-5561 Telecopy No: (302) 326-5667
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If to Secured Party:	DDJ Capital Management, LLC 130 Turner Street Building 3, Suite 600 Waltham, MA 02453 Attention: General Counsel Telephone No.: 781-283-8500 Telecopy No.: 781-283-8541
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(b) All references to the plural herein shall also mean the singular and to the singular shall also mean the plural. All references to Debtor, any Lender or any Secured Party pursuant to the definitions set forth in the recitals hereto, or to any other person herein, shall include their respective successors and assigns. The words "hereof," "herein," "hereunder," "this Agreement" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not any particular provision of this Agreement and as this Agreement now exists or may hereafter be amended, modified, supplemented, extended, renewed, restated or replaced.

(c) This Agreement, the other Financing Agreements and any other document referred to herein or therein shall be binding upon Debtor and its successors and assigns and inure to the benefit of and be enforceable by Secured Party and Lenders and their respective successors and assigns.

(d) This Agreement, the priority of the security interests granted to the Secured Party hereunder, and the rights and remedies of Secured Party hereunder are subject in all respects to the terms

of the Intercreditor Agreement. In the event of any conflict between the terms of the Intercreditor Agreement and this agreement or any of the other Financing Agreements, the Intercreditor Agreement shall govern.

(e) If any provision of this Agreement is held to be invalid or unenforceable, such invalidity or unenforceability shall not invalidate this Agreement as a whole, but this Agreement shall be construed as though it did not contain the particular provision held to be invalid or unenforceable and the rights and obligations of the parties shall be construed and enforced only to such extent as shall be permitted by applicable law.

(f) Neither this Agreement nor any provision hereof shall be amended, modified, waived or discharged orally or by course of conduct, but only by a written agreement signed by an authorized officer of Secured Party. Secured Party and Lenders shall not, by any act, delay, omission or otherwise be deemed to have expressly or impliedly waived any of its rights, powers and/or remedies unless such waiver shall be in writing and signed by an authorized officer of Secured Party. Any such waiver shall be enforceable only to the extent specifically set forth therein. A waiver by Secured Party or any Lender of any right, power and/or remedy on any one occasion shall not be construed as a bar to or waiver of any such right, power and/or remedy which Secured Party or such Lender would otherwise have on any future occasion, whether similar in kind or otherwise.

(g) This Agreement may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission shall have the same force and effect as the delivery of an original executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by telefacsimile or other electronic method of transmission shall also deliver an original executed counterpart, but the failure to do so shall not affect the validity, enforceability or binding effect of this Agreement.

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STATE OF Delaware  
COUNTY OF New Castle ss.:

On the 21<sup>st</sup> day of August, 2007, before me personally came Brian P. Crescenzo  
to me known, who being by me duly sworn, did depose, acknowledge and say that he is the VP of Secretary  
Applied Extrusion Technologies, Inc., the corporation which executed the foregoing instrument and that + CFO  
he signed his name thereto by order of the Board of Directors of said corporation.

Brian P. Crescenzo

Notary Public

My commission  
expires April 27, 2009

Trademark Collateral Assignment  
and Security Agreement

TRADEMARK  
REEL: 003612 FRAME: 0779

IN WITNESS WHEREOF, Debtor and Secured Party have executed this Agreement as of the day and year first above written.

APPLIED EXTRUSION TECHNOLOGIES, INC., as  
Debtor

By: \_\_\_\_\_  
Name:  
Title:

DDJ CAPITAL MANAGEMENT, LLC, as Agent and  
as Secured Party

By: \_\_\_\_\_  
Name: Jackson Craig  
Title: Authorized Signatory

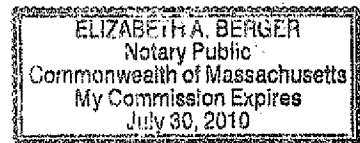
By: \_\_\_\_\_  
Name: Anthony Ranaldi  
Title: Authorized Signatory

STATE OF Massachusetts  
COUNTY OF Middlesex ss.:

On the 17 day of August, 2007, before me personally came Jackson Craig, to me known, who being by me duly sworn, did depose, acknowledge and say that he is an authorized signatory of DDJ CAPITAL MANAGEMENT, LLC, the limited liability company which executed the foregoing instrument and that he signed his name thereto by order of the managers of said limited liability company.

Elizabeth A Berger

Notary Public



STATE OF Massachusetts  
COUNTY OF Middlesex ss.:

On the 17 day of August, 2007, before me personally came Anthony Ronald me known, who being by me duly sworn, did depose, acknowledge and say that he is an authorized signatory of DDJ CAPITAL MANAGEMENT, LLC, the limited liability company which executed the foregoing instrument and that he signed his name thereto by order of the managers of said limited liability company.

Elizabeth A Berger

Notary Public

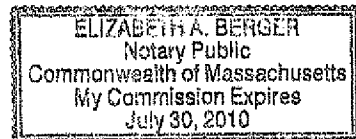


EXHIBIT A  
TO  
TRADEMARK COLLATERAL ASSIGNMENT  
AND SECURITY AGREEMENT

LIST OF TRADEMARKS AND TRADEMARK APPLICATIONS

I. Trademarks

A. United States Trademarks

Trademark	Registration Number	Registration Date	Expiration Date
AET	2188748	9/15/98	9/15/08
AET (Stylized)	2188747	9/15/98	9/15/08
BXT	1490169	5/31/88	5/31/08
HOTR	2815524	2/17/04	2/17/14
SYNCARTA	2731632	7/01/03	7/01/13
SYNDECOR	3036327	12/27/05	12/27/15
TOPPCURE (Equip)	2967549	7/12/05	7/12/15
TOPPCURE (Film)	2846302	5/25/04	5/25/14
VISION	2057521	4/29/97	4/29/17
WTF	1586756	3/13/90	3/13/10

B. Canadian Trademarks

Trademark	Registration Number	Registration Date	Expiration Date
BX	TMA224,355	11/25/77	11/25/22
BXT	TMA224,354	11/25/77	11/25/22
SYNCARTA	TMA611,756	6/02/04	6/02/19
SYNDECOR	TMA680,959	2/01/07	2/01/22
TOPPCURE (Film)	TMA688,164	5/24/07	5/24/22
VISION	TMA491,307	3/12/98	3/12/13

II. Trademark Applications – United States and Canada

Trademark Application	Application/Serial Number	Application Date
None.		

EXHIBIT B  
TO  
TRADEMARK COLLATERAL ASSIGNMENT  
AND SECURITY AGREEMENT

LIST OF LICENSES

None.



SPECIAL POWER OF ATTORNEY

STATE OF \_\_\_\_\_ )  
 ) ss.:  
COUNTY OF \_\_\_\_\_ )

KNOW ALL MEN BY THESE PRESENTS, that APPLIED EXTRUSION TECHNOLOGIES, INC. ("Debtor"), having an office at 15 Read's Way, New Castle, Delaware 19720, hereby appoints and constitutes, DDJ CAPITAL MANAGEMENT, LLC, as Agent ("Secured Party"), and each of its officers, its true and lawful attorney, with full power of substitution and with full power and authority to perform the following acts on behalf of Debtor:


Execution and delivery of any and all agreements, documents, instrument of assignment, or other papers which Secured Party, in its discretion, deems necessary or advisable for the purpose of assigning, selling, or otherwise disposing of all right, title, and interest of Debtor in and to any trademarks and all registrations, recordings, reissues, extensions, and renewals thereof, or for the purpose of recording, registering and filing of, or accomplishing any other formality with respect to the foregoing.

Execution and delivery of any and all documents, statements, certificates or other papers which Secured Party, in its discretion, deems necessary or advisable to further the purposes described in Subparagraph 1 hereof.

This Power of Attorney is made pursuant to a Trademark Collateral Assignment and Security Agreement, dated of even date herewith, between Debtor and Secured Party (the "Security Agreement") and is subject to the terms and provisions thereof. This Power of Attorney, being coupled with an interest, is irrevocable until all "Obligations", as such term is defined in the Security Agreement, are paid in full and the Security Agreement is terminated in writing by Secured Party.

Dated: \_\_\_\_\_, 2007

APPLIED EXTRUSION TECHNOLOGIES,  
INC.

By: 

Title: VP, Secretary + CFO

[Special Power of Attorney – Trademark]

STATE OF Delaware  
COUNTY OF New Castle } ss.:

On the 21<sup>st</sup> day of August, 2007, before me personally came Brian P. Crescenzo to me known, who being by me duly sworn, did depose, acknowledge and say that he is the VP of secretary Applied Extrusion Technologies, Inc., the corporation which executed the foregoing instrument and that he signed his name thereto by order of the Board of Directors of said corporation. + CFO

Elizabeth Brune

Notary Public

My commission  
expires April 27, 2009

[Special Power of Attorney – Trademark]