

**TRADEMARK ASSIGNMENT**

Electronic Version v1.1  
 Stylesheet Version v1.1

<b>SUBMISSION TYPE:</b>	NEW ASSIGNMENT		
<b>NATURE OF CONVEYANCE:</b>	ASSIGNS THE ENTIRE INTEREST AND THE GOODWILL		
<b>CONVEYING PARTY DATA</b>			
<b>Name</b>	<b>Formerly</b>	<b>Execution Date</b>	<b>Entity Type</b>
Marcal Paper Mills, Inc.		11/20/2007	CORPORATION: NEW JERSEY
<b>RECEIVING PARTY DATA</b>			
<b>Name:</b>	Marcal Paper Mills, LLC		
<b>Composed Of:</b>	COMPOSED OF Bill of Sale and Asset Purchase Agreement which transfer title of the Transferred Assets including trademark registrations.		
<b>Street Address:</b>	One Market Street		
<b>City:</b>	Elmwood		
<b>State/Country:</b>	NEW JERSEY		
<b>Postal Code:</b>	07407		
<b>Entity Type:</b>	LIMITED LIABILITY COMPANY: DELAWARE		
<b>PROPERTY NUMBERS Total: 26</b>			
<b>Property Type</b>	<b>Number</b>	<b>Word Mark</b>	
Registration Number:	1551844	ASPEN	
Registration Number:	1027037	BELLA	
Registration Number:	1672586	BUY THE BUNDLE	
Registration Number:	1414918	BY THE BUNDLE	
Registration Number:	1634789	DRAW AND STORE	
Registration Number:	1412269	EASY REACH	
Registration Number:	0791037	FLUFF OUT	
Registration Number:	1757626	MARCALCULATE	
Registration Number:	0372674	MARCAL	
Registration Number:	0425272	MARCAL	
Registration Number:	0573133	MARCAL	
Registration Number:	0949162	MARCAL	

CH \$665.00 1551844

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:	1627099	PURSE 'N POCKET
Registration Number:	0723888	SNOW LILY
Registration Number:	1036445	SOFPAC
Registration Number:	1237287	SUNRISE
Registration Number:	2010772	WORKFORCE
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:	1847360	WORKFORCE

**CORRESPONDENCE DATA**

Fax Number: (419)874-1130  
*Correspondence will be sent via US Mail when the fax attempt is unsuccessful.*  
Phone: 419-874-1100  
Email: howard@fraser-ip.com  
Correspondent Name: Richard G. Martin  
Address Line 1: 28366 Kensington Lane  
Address Line 4: Perrysburg, OHIO 43551

ATTORNEY DOCKET NUMBER:	1-40334
NAME OF SUBMITTER:	Richard G. Martin
Signature:	/richard g. martin/
Date:	02/11/2010

Total Attachments: 14  
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**BILL OF SALE**

This Bill of Sale is made May \_\_, 2008 (the "**Execution Date**"), by Marcal Paper Mills, Inc., a New Jersey corporation ("**Seller**"), in favor of Marcal Paper Mills, LLC, a Delaware limited liability company ("**Paper Mills**").

Seller hereby acknowledges that:

A. Seller is a debtor and debtor in possession in Chapter 11 proceedings before the United States Bankruptcy Court for the District of New Jersey.

B. Seller is executing this Bill of Sale pursuant to Section 3.5.4 of the Amended and Restated Asset Purchase Agreement dated November 19, 2007, as amended on December 14, 2007 and as of the date hereof (the "**Purchase Agreement**"), by and between Seller and NexBank, SBB, a Texas State savings bank acting solely in its capacity as agent under the Second Lien Loan Agreement ("**Agent**").

C. Agent has assigned all of its rights under the Purchase Agreement to Marcal Paper Mills Holding Company, LLC ("**Holding Company**") and Holding Company has designated Paper Mills, along with Marcal Paper Warehouse, LLC, Marcal Manufacturing, LLC and Marcal Chicago, LLC, all Delaware limited liability companies, as a Purchaser of certain of the Transferred Assets pursuant to the Purchase Agreement; *provided, however*, that Paper Mills shall be a Purchaser of the Transferred Assets pursuant to the Purchase Agreement to the extent and only to the extent that such Transferred Assets are not otherwise assigned to Marcal Paper Warehouse, LLC, Marcal Manufacturing, LLC or Marcal Chicago, LLC (the "**Paper Mills Transferred Assets**").

D. Except for terms specifically defined in this Bill of Sale, all capitalized terms used in herein shall have the same meanings as such terms have in the Purchase Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged, Seller hereby sells, transfers, assigns and delivers to Paper Mills all of its right, title and interest in and to the Paper Mills Transferred Assets, free and clear of any Liens other than the Permitted Encumbrances.

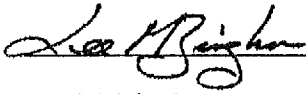
To the extent there is any conflict between this Bill of Sale and any other Bill of Sale executed by Seller as of the date hereof with respect to the Transferred Assets, including those Transferred Assets included in the Paper Mills Transferred Assets, Seller hereby acknowledges that Purchaser may subsequently omit to include or elect to include any such Transferred Assets as a part of or as excluded from the Paper Mills Transferred Assets, in its sole and exclusive discretion.

Notwithstanding anything to the contrary herein, Seller is executing and delivering this Bill of Sale in accordance with and subject to all of the terms and provisions of the Purchase Agreement. Without limiting the foregoing, in no event shall the Paper Mills Transferred Assets be deemed to include any Excluded Assets.

IN WITNESS WHEREOF, Seller has caused this Bill of Sale to be executed as of the date first written above.


**SELLER:**

**MARCAL PAPER MILLS, INC.,**  
a New Jersey corporation,  
Debtor and Debtor in Possession

By:   
Name: Lee M. Bingham  
Title: President and Chief Operating Officer

STATE OF NEW JERSEY        )  
  ) SS.:  
COUNTY OF Bergen        )

I certify that on the 14 day of May, 2008, Lee M. Bingham personally came before me and that this person acknowledged under oath, to my satisfaction, that he (a) executed this instrument; and (b) was authorized to and did execute this instrument on behalf of and as President and Chief Operating Officer of MARCAL PAPER MILLS, INC., the entity named in this instrument.

  
NOTARY PUBLIC

AISHLING TUREK  
A Notary Public of New Jersey  
My Commission Expires 12/07/2010

[SIGNATURE PAGE TO BILL OF SALE]

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**EXECUTION VERSION**

**ASSET PURCHASE AGREEMENT**

**dated as of November 5, 2007**

**by and between**

**Marcal Paper Mills, Inc.,**

**as Seller,**

**and**

**NexBank, SSB,**

**acting solely in its capacity as agent under the  
Second Lien Loan Agreement**

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (this "*Agreement*") is made and entered into as of November 5, 2007 (the "*Execution Date*"), by and between Marcal Paper Mills, Inc., a New Jersey corporation ("*Seller*"), and NexBank, SSB, a Texas State savings bank acting solely in its capacity as agent under the Second Lien Loan Agreement ("*Agent*").

Capitalized terms used in this Agreement that are not otherwise defined herein shall have the meanings ascribed to those terms in Section 10 below.

RECITALS

- A. Seller is a debtor and debtor in possession in Chapter 11 proceedings before the Bankruptcy Court and is entering into this Agreement in that capacity.
- B. Seller has its principal executive offices at One Market Street, Elmwood, New Jersey 07407 and is engaged in the Business.
- C. This Agreement is conditioned upon the Bankruptcy Court entering an order (i) Approving Sale Procedures in Connection With Sale of Substantially All the Debtors' Operating Assets; (ii) Scheduling Auction and Hearing to Consider Approval of Sale; (iii) Approving Notice of Respective Dates, Times, and Places for Auction and for Hearing on Approval of (a) Sale and (b) Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; (iv) Approving Forms of Notice; and (v) Granting Related Relief in respect of Seller (the "*Procedures Order*").
- D. Agent is the second lien agent under the Second Lien Loan Agreement pursuant to which the Majority Lenders have authorized, and provided written instructions to, Agent to enter into this Agreement as Agent for the Majority Lenders and cause a newly formed Delaware limited liability company ("*Purchaser*") to acquire substantially all of the assets used by Seller in connection with the Business on the terms and subject to the conditions set forth in this Agreement and the Procedures Order and otherwise effect the Contemplated Transactions.
- E. Pursuant to the Procedures Order and Sections 363 and 365 of the Bankruptcy Code, Seller wishes to sell and transfer to Purchaser, and Purchaser wishes purchase and acquire from Seller, substantially all of the assets used by Seller in connection with the Business, all on the terms and subject to the conditions set forth in this Agreement and the Procedures Order.
- F. In connection with the sale of substantially all of the Debtor's assets, the proceeds of such sale will be distributed pursuant to the Amended Plan, or as otherwise approved by the Bankruptcy Court, and the sale of the Seller's assets is essential and necessary to the consummation of the Amended Plan of Reorganization.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and intending to be legally bound hereby, the parties agree as follows:

1. Transfer of Assets.

1.1 Purchase and Sale of Assets. On the terms and subject to the conditions of this Agreement, on the Closing Date, Seller shall sell, assign, transfer, convey and deliver to Purchaser, and Agent shall cause Purchaser to purchase, acquire and accept from Seller, free and clear of all Liabilities (other than Assumed Liabilities) and Liens, all of the assets of Seller including, without limitation, the assets described in Sections 1.1.1 through 1.1.10, inclusive, wherever located but excluding the Excluded Assets and Excluded Liabilities (such assets, other than any of the Excluded Assets and Excluded Liabilities, the "*Transferred Assets*"):

1.1.1 Owned Real Property and Improvements. All Owned Real Property, including without limitation, that described on Schedule 1.1.1, but excluding the Owned Real Property located in Maine.

1.1.2 Improvements on Leased Real Property. Seller's right, title and interest in improvements located on Leased Real Property.

1.1.3 Tangible Personal Property. All Tangible Personal Property.

1.1.4 Intangible Property. All Intangible Property, including without limitation the Seller Intellectual Property and Licenses and Permits described on Schedule 1.1.4.

1.1.5 Leases and Contracts. Seller's right, title and interest (a) as lessee under the Real Property Leases, as described on Schedule 1.1.5-1, (b) as lessee, licensee, lessor, or licensor under those Personal Property Leases described on Schedule 1.1.5-2, and (c) as a party to those other Contracts described on Schedule 1.1.5-3 (collectively, the "*Other Contracts*") in each case, only as and to the extent designated by Purchaser on or before November 15, 2007 at 5:00 p.m. (EST) as a Section 365 Contract, subject to Section 7.4.1, and to be assumed by Purchaser at the Closing and, in the case of Intangible Property held pursuant to licenses from third parties, only to the extent the same are transferable over the licensor's objection pursuant to applicable law.

1.1.6 Receivables. Any accounts receivable, notes receivable, refunds and all rights, claims and causes of action as of the Closing Date (collectively, the "*Receivables*").

1.1.7 Inventory. The Inventory as of the Closing Date (the "*Closing Date Inventory*").

1.1.8 Business Records. The Business Records.

1.1.9 Rights of Action. All Rights of Action but excluding the Retained Rights of Action.

1.1.10 Liquid Assets. All Liquid Assets.



"Intangible Property" means all intangible personal property of Seller, including, without limitation, all goodwill of the Business; all Seller Intellectual Property; all Business Records; all guaranties, warranties, indemnities and similar rights in favor of Seller to the extent related to any of the Transferred Assets; all credits, prepaid expenses, deferred charges, security deposits, prepaid items and duties to the extent related to the Transferred Assets; all licenses and permits issued to Seller by any Government Entity, to the extent such licenses and permits are assignable under the Bankruptcy Code; all income, royalties or payments due and payable, including, without limitation, all claims for damages by reason of past, present and future infringement, and all legal privileges associated therewith; all suits, claims, charges and causes of action against third parties; and, to the extent transferable or assignable, telephone exchange numbers identified with the Business. Intangible Property shall in all events exclude, (i) any Excluded Asset; (ii) any Bankruptcy Court filings or documents related to or necessary for winding up of the Seller and the administration of the Case, (iii) any materials containing communications or information about employees, disclosure of which would violate an employee's reasonable expectation of privacy; and (iv) any other materials subject to attorney-client, work product or any other privilege or requirement to maintain confidentiality.

"Intellectual Property" means the following: (i) trademarks, service marks, brand names, certification marks, collective marks, d/b/a's, domain names, logos, symbols, trade dress, rights of publicity, domain names, assumed names, fictitious names, trade names and other indicia of origin, all applications and registrations for the foregoing, including all renewals of same (collectively, "**Trademarks**"); (ii) inventions and discoveries, whether patentable or not, and all patents, registrations, invention disclosures and applications therefor, including divisions, continuations, continuations-in-part and renewal applications, and including renewals, extensions and reissues (collectively, "**Patents**"); (iii) trade secrets, confidential information and know-how, including processes, schematics, business methods, formulae, drawings, prototypes, models, designs, customer lists and supplier lists (collectively, "**Trade Secrets**"); (iv) published and unpublished works of authorship, whether copyrightable or not (including without limitation databases and any compilations or information) (collectively "**Copyrights**"); and (v) any other intellectual property or proprietary rights.

"Internal Revenue Code" means the Internal Revenue Code of 1986, 26 U.S.C.A. §§1, *et seq.*, as amended.

"ISRA" means the New Jersey Industrial Site Recovery Act, N.J.S.A. 13:1K and N.J.A.C. 7:26B, and any related NJDEP regulations.

"Inventory" means all supplies, goods, materials, raw and finished goods, work in process, inventory and stock in trade owned by Seller as of the Closing Date exclusively for use or sale in the Ordinary Course of the Business, including but not limited to spare parts, supplies of business forms, and packing materials, other than any Excluded Assets.

"Knowledge" means, with respect to Seller, the actual knowledge or the knowledge that such person would reasonably be expected to have upon due inquiry (except that, with respect to environmental matters, due inquiry is not required only to the extent such inquiry would require testing) or that a person in like position would reasonably be expected to have through the

IN WITNESS WHEREOF, Agent and Seller have executed this Amended and Restated Asset Purchase Agreement as of the day and year first above written.

**AGENT:**

**NEXBANK, SSB,**  
a Texas State savings bank,  
acting solely in its capacity as agent under  
the Second Lien Loan Agreement

**SELLER:**

**MARCAL PAPER MILLS, INC.,**  
a New Jersey corporation,  
Debtor and Debtor in Possession

By: \_\_\_\_\_



Name:

Title:

Date:

**Jeff Scott**  
**Vice President**  
**NexBank, SSB**

11-19-07

By: \_\_\_\_\_

Name:

Title:

Date:

**[SIGNATURE PAGE TO  
AMENDED AND RESTATED  
ASSET PURCHASE AGREEMENT]**

IN WITNESS WHEREOF, Agent and Seller have executed this Amended and Restated Asset Purchase Agreement as of the day and year first above written.

**AGENT:**

**NEXBANK, SSB,**  
a Texas State savings bank,  
acting solely in its capacity as agent under  
the Second Lien Loan Agreement

**SELLER:**

**MARCAL PAPER MILLS, INC.,**  
a New Jersey corporation,  
Debtor and Debtor in Possession

By: \_\_\_\_\_

By: *N.R. Marcalus*

Name:  
Title:  
Date:

Name: *N.R. Marcalus*  
Title: *Chairman/CEO*  
Date: *11/20/07*

**[SIGNATURE PAGE TO  
AMENDED AND RESTATED  
ASSET PURCHASE AGREEMENT]**

Nicholas R. Marcalus has executed this Asset Purchase Agreement solely in his capacity as the Chairman/C.E.O. of the Seller, upon the advice and recommendation of William Henrich, the Approved Consultant for the Seller. Pursuant to an Order of the Bankruptcy Court dated October 9, 2007, the Bankruptcy Court approved an Amended Engagement Letter for the Approved Consultant, which Amended Engagement Letter provided that the Approved Consultant "shall have primary responsibility for ... (b) overseeing the process for the sale of substantially all of the Assets of the Company that will be embodied in the plan of reorganization (the "Sale Process"). Mr. Henrich's advice and recommendation to Mr. Marcalus is based upon Mr. Henrich's exercise of his business judgment and his conclusion that execution of this Asset Purchase Agreement is in the best interests of the Company. Mr. Henrich's advice and recommendation is evidenced by his signature below.

The Purchaser acknowledges that Mr. Marcalus and members of his family either: (i) own, directly or indirectly, the equity interests in, or (ii) are beneficiaries of a trust, that own, the lessors (collectively, the "Insider Lease Lessors") under the Insider Leases. In executing this Asset Purchase Agreement on behalf of the Seller, Mr. Marcalus is not agreeing with, consenting to or otherwise ratifying any representation, warranty, covenant, definition, schedule, term or condition of this Asset Purchase Agreement or any other document related thereto, by or on behalf of the Insider Lease Lessors, and such Insider Lease Lessors are reserving all of their respective rights, claims, positions and defenses as they relate to the Insider Leases and the transactions contemplated by this Asset Purchase Agreement. Without limiting the foregoing, the Insider Lease Lessors are not waiving and are reserving all of their respective rights, claims, positions and defenses under Bankruptcy Code Section 365(d)(4).

The undersigned Approved Consultant hereby confirms his advice and recommendation to Mr. Marcalus to sign this Asset Purchase Agreement on behalf of the Seller.

*[Signature]*  
William Henrich, Approved Consultant

Date: November 20, 2007

## Schedules and Exhibits

### Schedules

Number	Title
Schedule 1.1.1	Real Property Improvements
Schedule 1.1.3	Tangible Personal Property
Schedule 1.1.4	Intangible Property
Schedule 1.1.5-1	Real Property Leases
Schedule 1.1.5-2	Personal Property Leases
Schedule 1.1.5-3	Other Contracts
Schedule 2.1(i)	Categories of expenses included in the Amended Plan Obligation Amount
Schedule 2.1(iii)	Assumed Liabilities
Schedule 3.8	Business Employee Data
Schedule 5.2	Qualified Jurisdictions
Schedule 5.4	Conflicts
Schedule 5.5	Consent or Approval Required
Schedule 5.7	Disclosed Liens
Schedule 5.9	Former Subsidiaries
Schedule 5.10	Breaches Under Contracts
Schedule 5.13.3	Survey/Title Policies and Insurance-Owned Real Property
Schedule 5.13.4.5	Real Property Assessments; Violations of Laws affecting the Real Property
Schedule 5.13.5	Zoning Matters
Schedule 5.14	Environmental Matters
Schedule 5.14.4	Rights of Action

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**Schedule 1.1.4: Intellectual Property and Licenses and Permits**

**Intellectual Property**

The following is a complete list of all United States and foreign patents, copyrights, trademarks, trade names and service marks registered or for which applications are pending in the name of Seller:

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

**Trademarks - Domestic**

Trademark	Registration Number
KAOFIN	2122948
KAO-CLEAN	2523832
WORKFORCE	1089580
ASPEN	1551844
AT HOME AND IN THE OFFICE	23305579
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
PAPER FROM PAPER NOT FROM TREES 100% RECYCLED WITHOUT	1977939

CHLORINE BLEACHING	
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
EASY REACH	2221794
ECOPAC	1854174
KITCHEN CHARM	0309329
MARCAL HANKIES	0589555
POLY-CASE	1265703
SANI-HANKS	0582691
SNAPACK & DESIGN	2179179
WORKFORCE	1847360
WORKFORCE	2132053
KAOBED	2431471
HUCK	0822890***
M'LADY	0813472***

COMPLIMENTS	1431088***
DECO LEAF	1446365***
DOLLAR-WISE	2112472***
TUXEDO	1443140***

\*\*\* Although search results indicate that these trademarks are owned by Marcal, Marcal previously sold such trademarks and no longer has an ownership interest in same.

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

\*Canadian database shows these trademarks as being expunged for failure to renew.

### Licenses and Permits