

TRADEMARK ASSIGNMENT COVER SHEET

Electronic Version v1.1
Stylesheet Version v1.2

ETAS ID: TM361197

SUBMISSION TYPE:	NEW ASSIGNMENT
NATURE OF CONVEYANCE:	Security Agreement

CONVEYING PARTY DATA

Name	Formerly	Execution Date	Entity Type
ADVANCED ENVIRONMENTAL RECYCLING TECHNOLOGIES, INC.		10/30/2015	CORPORATION: DELAWARE

RECEIVING PARTY DATA

Name:	Webster Business Credit Corporation
Street Address:	360 Lexington Avenue
City:	New York
State/Country:	NEW YORK
Postal Code:	10017
Entity Type:	CORPORATION: NEW YORK

PROPERTY NUMBERS Total: 9

Property Type	Number	Word Mark
Registration Number:	3972986	ESSENTIAL COLLECTION
Registration Number:	3937583	SNAP-TO
Registration Number:	3922432	ELITE COLLECTION
Registration Number:	3922431	VANTAGE COLLECTION
Registration Number:	3120123	LIFECYCLE
Registration Number:	4039194	NANOPOLY
Registration Number:	3817016	ECODEK TILES
Registration Number:	3790124	DECKVISION
Registration Number:	1734846	MOISTURESHIELD

CORRESPONDENCE DATA

Fax Number:

Correspondence will be sent to the e-mail address first; if that is unsuccessful, it will be sent using a fax number, if provided; if that is unsuccessful, it will be sent via US Mail.

Email: michael.barys@thomsonreuters.com

Correspondent Name: James Murray

Address Line 1: 4400 Easton Commons Way Suite 125

Address Line 2: CT

Address Line 4: Columbus, OHIO 43219

TRADEMARK

NAME OF SUBMITTER:	James Murray
SIGNATURE:	/Michael Barys/
DATE SIGNED:	11/04/2015
Total Attachments: 11 source=Advanced Environmental Recycling Trademark Revised#page1.tif source=Advanced Environmental Recycling Trademark Revised#page2.tif source=Advanced Environmental Recycling Trademark Revised#page3.tif source=Advanced Environmental Recycling Trademark Revised#page4.tif source=Advanced Environmental Recycling Trademark Revised#page5.tif source=Advanced Environmental Recycling Trademark Revised#page6.tif source=Advanced Environmental Recycling Trademark Revised#page7.tif source=Advanced Environmental Recycling Trademark Revised#page8.tif source=Advanced Environmental Recycling Trademark Revised#page9.tif source=Advanced Environmental Recycling Trademark Revised#page10.tif source=Advanced Environmental Recycling Trademark Revised#page11.tif	

INTELLECTUAL PROPERTY SECURITY AGREEMENT

THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT, dated as of October 30, 2015, is made by the undersigned (the "Grantor") in favor of WEBSTER BUSINESS CREDIT CORPORATION, a New York corporation ("WBCC") individually, as lender and as agent for itself and each other Lender (as hereinafter defined) (WBCC, acting in both capacities, herein called "Agent").

BACKGROUND

Pursuant to that certain Credit and Security Agreement dated as of the date hereof by and among Grantor, as a Borrower thereunder, certain Guarantors party thereto, the financial institutions from time to time party thereto ("Lenders") and Agent (as from time to time amended, restated, supplemented or otherwise modified, the "Credit Agreement"). Lender has agreed to make the Advances for the benefit of Grantor.

Agent and Lenders are willing to make the Advances as provided for in the Credit Agreement, but only upon the condition, among others, that Grantor shall have executed and delivered to Agent this Intellectual Property Security Agreement

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

1. Defined Terms. (a) All capitalized terms used but not otherwise defined herein have the meanings given to them in the Credit Agreement.

(b) When used in this Intellectual Property Security Agreement the following terms shall have the following meanings (such meanings being equally applicable to both the singular and plural forms of the terms defined):

"Copyrights" means all of the following now owned or hereafter adopted or acquired by any Person: (i) all copyrights in any original work of authorship fixed in any tangible medium of expression, now known or later developed, all registrations and applications for registration of any such copyrights in the United States or any other country, including registrations, recordings and applications, and supplemental registrations, recordings, and applications in the United States Copyright Office; and (ii) all Proceeds of the foregoing, including license royalties and proceeds of infringement suits, the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all renewals and extensions thereof.

"Patents" means all of the following in which any Person now holds or hereafter acquires any interest: (i) all letters patent of the United States or any other country, all registrations and recordings thereof, and all applications for letters patent of the United States or any other country, including registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any state or territory thereof, or any other country; and (ii) all reissues, continuations, continuations-in-part or extensions thereof.

“Trademarks” means all of the following now owned or hereafter adopted or acquired by any Person: (i) all trademarks, trade names, trade styles, service marks, logos, other source identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of like nature (whether registered or unregistered), all registrations and recordings thereof, and all applications in connection therewith, including all registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, any State or Territory thereof, or any other country or any political subdivision thereof, (ii) all reissues, extensions or renewals thereof; and (iii) all goodwill associated with or symbolized by any of the foregoing.

2. Grant Of Security Interest In Intellectual Property Collateral. To secure the complete and timely payment of all the Obligations now or hereafter existing from time to time, Grantor hereby pledges and grants to Agent a continuing first priority security interest in all of Grantor’s right, title and interest subject only to Permitted Encumbrances in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the “Intellectual Property Collateral”):

(a) all of its Patents to which it is a party including those referred to on Schedule I hereto;

(b) all of its Trademarks to which it is a party including those referred to on Schedule II hereto;

(c) all of its Copyrights to which it is a party including those referred to on Schedule III hereto;

(d) all reissues, continuations or extensions of the foregoing;

(e) all goodwill of the business connected with the use of, and symbolized by, each Patent, each Trademark and each Copyright; and

(f) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (i) infringement or dilution of any Patent, (ii) injury to the goodwill associated with any Patent, (iii) infringement or dilution of any Trademark, (iv) injury to the goodwill associated with any Trademark, (v) infringement or dilution of any Copyright, and (vi) injury to the goodwill associated with any Copyright.

Notwithstanding anything to the contrary contained herein, the definition “Intellectual Property Collateral” shall exclude all Excluded Assets including, for the avoidance of doubt, any intent-to-use trademark application prior to the filing and acceptance by the U.S. Patent and Trademark Office of a “Statement of Use” or “Amendment to Allege Use.”

3. Representations and Warrantees. As of the date hereof, Grantor represents and warrants that Grantor does not have any interest in, or title to, any registered Patent, Trademark or Copyright except as set forth in Schedule I, Schedule II and Schedule III, respectively, hereto. This Intellectual Property Security Agreement is effective to create a valid and continuing Lien on and, upon the filing hereof with the United States Patent and Trademark Office and the United States Copyright Office, perfected security interests in favor of Agent in all of Grantor’s

Patents, Trademarks and Copyrights and such perfected security interests are enforceable as such as against any and all creditors of, and purchasers from Grantor, subject to any federal or state laws concerning bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights generally, including, without limitation, fraudulent transfer or fraudulent conveyance laws. Upon filing of this Intellectual Property Security Agreement with the United States Patent and Trademark Office and the United States Copyright Office and the filing of appropriate financing statements in the applicable filing office in the state of formation of Grantor all action necessary or desirable to protect and perfect Agent's Lien on Grantor's Patents, Trademarks and Copyrights shall have been duly taken.

4. Covenants. Grantor covenants and agrees with Agent as follows:

(a) Grantor shall notify Agent promptly if it knows or has reason to know that any application or registration relating to any Patent, Trademark or Copyright (now or hereafter existing) material to the operation of Grantor's business may become abandoned or dedicated, or of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any court) regarding Grantor's ownership of any Patent, Trademark or Copyright, its right to register the same, or to keep and maintain the same.

(b) Grantor shall take all actions necessary or reasonably requested by Agent to maintain and pursue each application, to obtain the relevant registration and to maintain the registration of each of the Patents or Trademarks (now or hereafter existing), in each case, material to the operation of Grantor's business, including the filing of applications for renewal, affidavits of use, affidavits of noncontestability and opposition and interference and cancellation proceedings.

(c) In the event that any of the Patents or Trademarks material to the operation of Grantor's business is infringed upon, or misappropriated or diluted by a third party, Grantor shall notify Agent promptly after Grantor learns thereof. Grantor shall, unless it shall reasonably determine that such Patents or Trademarks are in no way material to the conduct of its business or operations, promptly sue for infringement, misappropriation or dilution and to recover any and all damages for such infringement, misappropriation or dilution, and shall take such other actions as Agent shall deem appropriate under the circumstances to protect such Patents or Trademarks.

5. Security Agreement. The security interests granted pursuant to this Intellectual Property Security Agreement are granted in conjunction with the security interests granted to Agent pursuant to the Credit Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Agent with respect to the security interest in the Intellectual Property Collateral made and granted hereby are more fully set forth in the Credit Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

6. Reinstatement. This Intellectual Property Security Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against Grantor for liquidation or reorganization, should Grantor become insolvent or make an assignment for the benefit of any creditor or creditors or should a receiver or trustee be appointed for all or any

significant part of Grantor's assets, and shall continue to be effective or be reinstated, as the case may be, if at any time payment and performance of the Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a "voidable preference," "fraudulent conveyance," or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.


7. Notices. Whenever it is provided herein that any notice, demand, request, consent, approval, declaration or other communication shall or may be given to or served upon any of the parties by any other party, or whenever any of the parties desires to give and serve upon any other party any communication with respect to this Intellectual Property Security Agreement, each such notice, demand, request, consent, approval, declaration or other communication shall be in writing and shall be given in the manner, and deemed received, as provided for in the Credit Agreement.

8. Termination of this Security Agreement/Release. Subject to Section 6 hereof, this Intellectual Property Security Agreement shall terminate upon termination of the Credit Agreement. If any Intellectual Property Collateral shall be sold, transferred or otherwise disposed of by any Grantor in a transaction permitted by the Credit Agreement, such Intellectual Property Collateral shall be automatically released from the Liens created hereby. WBCC, at the request and sole expense of the Grantor, shall promptly execute and deliver to such Grantor all releases or other documents necessary or desirable to event such release or termination.

[Signature page to follow]

IN WITNESS WHEREOF, Grantor has caused this Intellectual Property Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

ADVANCED ENVIRONMENTAL RECYCLING
TECHNOLOGIES, INC.

By: 
Name: J. R. Brian Hanna
Title: Chief Financial Officer

ACCEPTED and ACKNOWLEDGED by:

WEBSTER BUSINESS CREDIT CORPORATION

By: _____
Name: James Cullen
Title: Vice President

Signature Page to Intellectual Property Security Agreement

TRADEMARK
REEL: 005660 FRAME: 0950

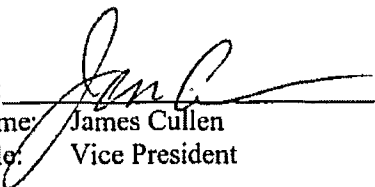
IN WITNESS WHEREOF, Grantor has caused this Intellectual Property Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

ADVANCED ENVIRONMENTAL RECYCLING
TECHNOLOGIES, INC.

By: _____
Name: J. R. Brian Hanna
Title: Chief Financial Officer

ACCEPTED and ACKNOWLEDGED by:

WEBSTER BUSINESS CREDIT CORPORATION

By:  _____
Name: James Cullen
Title: Vice President

Signature Page to Intellectual Property Security Agreement

TRADEMARK
REEL: 005660 FRAME: 0951

**SCHEDULE I
TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT**

PATENTS

Patent	Patent Number	Patent Application Number	Date Patent Issued	Filing Date
Method and apparatus for cleaning and recycling post-consumer plastic films	5,540,244 (USA)	08/171,509	July 30, 1996	December 22, 1993
System and method for cleaning and recovering plastic from coated fiber polywaste	6,149,012 (USA)	09/193,829	November 21, 2000	November 17, 1998
Extruded composite interlocking corner assembly	6,526,712 (USA)	10/052,850	March 4, 2003	November 2, 2001
Method for processing and analyzing contaminated mixed waste plastics to produce reformulated blended feed materials having a desired rheology	7,968,022 (USA)	12/177,001	June 28, 2011	July 21, 2008
Method for processing and analyzing contaminated mixed waste plastics to produce reformulated, blended feed materials having desired physical properties	8,066,207 (USA)	12/177,015	November 29, 2011	July 21, 2008
Method for processing and analyzing contaminated mixed waste plastics to produce reformulated, blended feed materials having a target density	8,101,100 (USA)	12/176,986	January 24, 2012	July 21, 2008

Patent	Patent Number	Patent Application Number	Date Patent Issued	Filing Date
Method for processing and analyzing contaminated mixed waste plastics to produce reformulated, blended feed materials having a desired color	8,106,103 (USA)	12/177,008	January 31, 2012	July 21, 2008
Method for processing and analyzing contaminated mixed waste plastics to produce reformulated, blended feed materials having a desired plastic content	8,106,104 (USA)	12/176,995	January 31, 2012	July 21, 2008
METHOD FOR RECYCLING PLASTIC COATED PAPER PRODUCT WASTE & POLYMERIC FILM CIP	213,849 (Mexico)	N/A	April 3, 2003	N/A

**SCHEDULE II
TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT**

TRADEMARKS

Trademark	Application Number	Registration Number	Date of Application	Date of Registration
ESSENTIAL COLLECTION	85031194	3,972,986	May 5, 2010	June 7, 2011
SNAP-TO	85093498	3,937,583	July 27, 2010	March 29, 2011
ELITE COLLECTION	85031191	3,922,432	May 5, 2010	February 22, 2011
VANTAGE COLLECTION	85031187	3,922,431	May 5, 2010	February 22, 2011
LIFECYCLE	78676529	3,120,123	July 22, 2005	July 25, 2006
NANOPOLY	77943547	4,039,194	February 24, 2010	October 11, 2011
ECODEK TILES	77841185	3,817,016	October 5, 2009	July 13, 2010
DECKVISION	77841156	3,790,124	October 5, 2009	May 18, 2010
MOISTURESHIELD	74259515	1,734,846	March 26, 1992	November 24, 1992

**SCHEDULE III
TO
INTELLECTUAL PROPERTY SECURITY AGREEMENT**

COPYRIGHTS

COPYRIGHT	REGISTRATION OR APPLICATION NUMBER	REGISTRATION OR APPLICATION DATE
Recycling hands with earth and designs	VAu000182199	May 29, 1990