

Form PTO-1595

**RECORDATION FORM COVER SHEET  
PATENTS ONLY**U. S. Department of Commerce  
Patent and Trademark Office

(rev 06/04)

To the Director of the U.S. Patent and Trademark Office: Please record the attached documents or the new address(es) below:

**1. Name of conveying party(ies)/Execution Date(s):**North American Green, Inc.  
5883 Glenridge Drive  
Atlanta, Georgia 30328**2. Name and Address of receiving party(ies)**Name: Merrill Lynch PCG, Inc.

Internal Address: \_\_\_\_\_

Street Address: 4 World Financial CenterCity: New YorkState: New YorkCountry: USA Zip: 10080Execution Date(s) September 24, 2004Additional name(s) of conveying party(ies) attached? \_\_\_ Yes X No**3. Nature of conveyance:**☐ Assignment ☐ Merger  
☒ Security Agreement ☐ Change of Name  
☐ Government Interest Assignment  
☐ Executive Order 9424, Confirmatory License  
☐ Other \_\_\_\_\_Additional name(s) & address(es) attached? X Yes \_\_\_ No**4. Application number(s) or patent number(s):**

A. Patent Application No(s).

10620400

This document is being filed together with a new application

B. Patent No(s).

4826066 5025969 5849645  
D456674 D466378 D456224Additional numbers attached? \_\_\_ Yes X No**5. Name and address of party to whom correspondence concerning document should be mailed:**Ronald, J. Turiello, Jr., Esq.  
SKADDEN, ARPS, SLATE, MEAGHER  
& FLOM LLP  
Four Times Square  
New York, New York 10036  
Tel: (212) 735-3000  
Fax: (212) 735-2000  
RTURIELL@skadden.com**6. Total number of applications and patents involved:**7**7. Total fee (37 CFR 1.21(h) and 3.41) \$280**☒ All fees and any deficiencies are authorized to be charged to Deposit Account  
(Our Ref. 374220/2079)**8. Payment Information**Deposit Account No. 19-2385Authorized user Name: Michael McGuire**9. Signature.**

Signature

October 26, 2004

Date

Ronald J. Turiello, Jr., Esq.

Name of Person Signing

Total number of pages including cover sheet, and documents:

CH \$280.00 192385 10620400

**Page 2**

**CONTINUATION OF Item 2. Names of Additional Receiving Parties**

**Madison Capital Funding LLC  
30 South Wacker Drive, Suite 3700  
Chicago, IL 60606  
Limited Liability Company - Delaware**

**Antares Capital Corporation  
311 South Wacker Drive, Suite 4400  
Chicago, IL 60606  
Corporation - Delaware**

## **PATENT SECURITY AGREEMENT**

PATENT SECURITY AGREEMENT, dated as of September 24, 2004 (this "Patent Security Agreement"), by NORTH AMERICAN GREEN, INC., an Indiana corporation ("Grantor"), in favor of the Lenders signatories hereto (the "Lenders").

### **W I T N E S S E T H:**

WHEREAS, pursuant to that certain Credit Agreement dated as of April 23, 2004 among the Borrowers (as defined therein), including Grantor, the other Credit Parties (as defined therein) and the Lenders (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "SCIL Credit Agreement"), the Lenders have agreed to make the Term Loan for the benefit of the Borrowers;

WHEREAS, The Tensar Corporation, a Delaware corporation, has guaranteed the payment of the Obligations pursuant to a Guaranty dated as of April 23, 2004;

WHEREAS, the Lenders are willing to make the Term Loan as provided for in the SCIL Credit Agreement, but only upon the condition, among others, that Grantor shall have executed and delivered to the Lenders that certain Amended and Restated Security Agreement dated as of the date hereof between the Grantors (as defined therein), including Grantor, and the Lenders (including all annexes, exhibits or schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "Security Agreement");

WHEREAS, pursuant to the Security Agreement, Grantor is required to execute and deliver to the Lenders this Patent 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.** All capitalized terms used but not otherwise defined herein have the meanings given to them in Annex A to the SCIL Credit Agreement.

2. **GRANT OF SECURITY INTEREST IN PATENT COLLATERAL.** Grantor hereby grants to the Lenders a continuing security interest in all of Grantor's right, title and interest in, to and under the following, whether presently existing or hereafter created or acquired (collectively, the "Patent Collateral");

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

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

(c) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future infringement or dilution of any Patent or any Patent licensed under any Patent License.

Notwithstanding anything contained in this Patent Security Agreement to the contrary, in no event shall the Patent Collateral include, and Grantor shall not be deemed to have granted a security interest in, any of Grantor's right, title or interest in any license, contract or agreement to which Grantor is or shall become a party or any of its right, title or interest thereunder (other than in respect of the Proceeds thereof) to the extent, but only to the extent, that such a grant would, under the terms of such license, contract or agreement result in a breach of the terms of, or constitute a default under any license, contract or agreement to which Grantor is a party (other than to the extent that any such term would be rendered ineffective pursuant to Section 9-406 or Section 9-409 of the Code or any other applicable law (including the Bankruptcy Code) or principles of equity); provided, that immediately upon the ineffectiveness, lapse or termination of any such provision, the Collateral shall include, and Grantor shall be deemed to have granted a security interest in, all such rights and interest as if such provision had never been in effect.

3. SECURITY AGREEMENT. The security interests granted pursuant to this Patent Security Agreement are granted in conjunction with the security interests granted to the Lenders pursuant to the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of the Lenders with respect to the security interest in the Patent Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein. Notwithstanding anything to the contrary contained in this Patent Security Agreement, the priorities with respect to all security interests granted to the Lenders hereunder and under the other Collateral Documents and to the Agent under the Second Amended and Restated Security Agreement, dated as of the date hereof (the "Second Amended and Restated Security Agreement"), between the Grantors (as defined therein) and the Agent, and the Patent Security Agreements, dated as of April 23, 2004, between certain of the Grantors (as defined in the Second Amended and Restated Security Agreement) and the Agent, and the Patent Security Agreement, dated as of the date hereof, between Grantor and the Agent, shall be governed by the terms and provisions of the Intercreditor Agreement, dated as of April 23, 2004 and as amended as of the date hereof, between the Agent and the Lenders.

[Signatures follow]

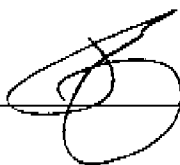
IN WITNESS WHEREOF, Grantor has caused this Patent Security Agreement to be executed and delivered by its duly authorized officer as of the date first set forth above.

NORTH AMERICAN GREEN, INC.

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**ACKNOWLEDGMENT OF GRANTOR**

STATE OF Georgia )  
COUNTY OF Fulton ) ss.

On this 24 day of Sept 2004 before me personally appeared Philip D. Egan, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of North American Green, Inc., who being by me duly sworn did depose and say that he is an authorized officer of said corporation, that the said instrument was signed on behalf of said corporation as authorized by its Board of Directors and that he acknowledged said instrument to be the free act and deed of said corporation.

Kimberly A. East  
{seal} Notary Public

ACCEPTED AND ACKNOWLEDGED BY:

MERRILL LYNCH PCG, INC.,  
as a Lender

By: M. J. Johnson  
Name: M. J. Johnson  
Title: Vice Pres. Int'l

MADISON CAPITAL FUNDING LLC,  
as a Lender

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

ANTARES CAPITAL CORPORATION,  
as a Lender

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

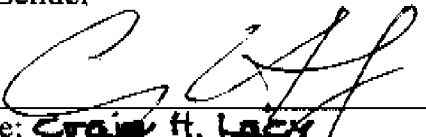
[SCIL NAG Patent Security Agreement]

ACCEPTED AND ACKNOWLEDGED BY:

MERRILL LYNCH PCG, INC.,  
as a Lender

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

MADISON CAPITAL FUNDING LLC,  
as a Lender

By:   
Name: Craig H. Lacy  
Title: Managing Director

ANTARES CAPITAL CORPORATION,  
as a Lender

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

*[SCIL NAG Patent Security Agreement]*

ACCEPTED AND ACKNOWLEDGED BY:

MERRILL LYNCH PCG, INC.,  
as a Lender

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

MADISON CAPITAL FUNDING LLC,  
as a Lender

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

ANTARES CAPITAL CORPORATION,  
as a Lender

By:   
Name:  
Title: **Michael P. King**  
**Director**

*[SCIL NAG Patent Security Agreement]*



SCHEDULE I  
to  
PATENT SECURITY AGREEMENT  
PATENT REGISTRATIONS

Mark	Country	Reg. No.	Date
Staple Insertion Apparatus	U.S.	4,826,066	5/2/89
Dual Actuation Staple Insertion Apparatus	U.S.	5,025,969	6/25/91
Reinforced Composite Matting	U.S.	5,849,645	
12/15/98			
Erosion Control Blanket	U.S.	D456,674	5/7/02
Erosion Control Blanket	U.S.	D466,378	
12/3/02			
Erosion Control Blanket	U.S.	D456,224	
4/30/02			
Reinforced Composite Matting	Australia	760,284	
8/21/03			

PATENT APPLICATIONS

Appl. No.	Filed	Country	Title
P198043234	10/16/98	Brazil	Reinforced Composite Matting
2,247,740	9/22/98	Canada	Reinforced Composite Matting
334840/97	11/20/97	Japan	Reinforced Composite Matting
08/868,378	10/5/98	Mexico	Reinforced Composite Matting
10/620400	7/15/03	US	Convertible Pneumatic Staple Gun

PATENT LICENSES

Name of Agreement, Parties, Date of Agreement