# PATENT ASSIGNMENT

Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT	
NATURE OF CONVEYANCE:	SECURITY AGREEMENT	

# **CONVEYING PARTY DATA**

Name	Execution Date
Capitol Plastic Products, LLC	09/07/2005

## **RECEIVING PARTY DATA**

Name:	Wells Fargo Bank, National Association	
Street Address:	420 Montgomery St.	
City:	San Francisco	
State/Country:	CALIFORNIA	
Postal Code:	94163	

## PROPERTY NUMBERS Total: 3

Property Type	Number
Application Number:	10603296
Application Number:	10140698
Application Number:	10148849

#### **CORRESPONDENCE DATA**

Fax Number: (212)801-6400

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

Phone: 2128012242

Email: NYIPmail@GTlaw.com
Correspondent Name: Greenberg Traurig

Address Line 1: Met Life Bldg., 200 Park Ave.

Address Line 4: New York, NEW YORK 10166

NAME OF SUBMITTER: Barry J. Schindler

Total Attachments: 13

source=Security Interest\_001#page1.tif source=Security Interest\_001#page2.tif source=Security Interest\_001#page3.tif source=Security Interest\_001#page4.tif

PATENT REEL: 016524 FRAME: 0637

500049525

10603

CH \$120.0

source=Security Interest\_001#page5.tif source=Security Interest\_001#page6.tif source=Security Interest\_001#page7.tif source=Security Interest\_001#page8.tif source=Security Interest\_001#page9.tif source=Security Interest\_001#page10.tif source=Security Interest\_001#page11.tif source=Security Interest\_001#page12.tif source=Security Interest\_001#page13.tif

# PATENT AND TRADEMARK SECURITY AGREEMENT

This Agreement, dated as of the 7<sup>th</sup> day of September, 2005, is made by and among CV HOLDINGS, L.L.C., a Delaware limited liability company ("Parent"), CAPITOL PLASTIC PRODUCTS, L.L.C., a Delaware limited liability company ("Capitol Plastic"), CSP TECHNOLOGIES, INC., an Alabama corporation ("CSP"), CAPITOL INSULATED PRODUCTS, INC., a Delaware corporation ("Capitol Insulated"), CAPITOL CUPS, INC., a Delaware corporation ("Capitol Plastic, CSP, Capitol Insulated and Capitol Cups are sometimes referred to herein individually as a "Debtor" and collectively as the "Debtors"), and Wells Fargo Bank, National Association (the "Secured Party"), acting through its Wells Fargo Business Credit operating division.

# Recitals

The Debtors and the Secured Party are parties to a Credit and Security Agreement of even date herewith (as the same may hereafter be amended, supplemented or restated from time to time, the "Credit Agreement") setting forth the terms on which the Secured Party may now or hereafter extend credit to or for the account of the Debtors.

As a condition to extending credit to or for the account of the Debtors, the Secured Party has required the execution and delivery of this Agreement by the Debtors.

ACCORDINGLY, in consideration of the mutual covenants contained in the Loan Documents and herein, the parties hereby agree as follows:

1. <u>Definitions</u>. All terms defined in the Recitals hereto or in the Credit Agreement that are not otherwise defined herein shall have the meanings given to them therein. In addition, the following terms have the meanings set forth below:

"Obligations" means each and every debt, liability and obligation of every type and description arising under or in connection with any Loan Document (as defined in the Credit Agreement) which any Debtor may now or at any time hereafter owe to the Secured Party, whether such debt, liability or obligation now exists or is hereafter created or incurred and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, independent, joint, several or joint and several, and including specifically, but not limited to, the Obligations (as defined in the Credit Agreement).

"Patents" means all of each Debtor's right, title and interest in and to patents or applications for patents, fees or royalties with respect to each, and including without limitation the right to sue for past infringement and damages therefor, and licenses thereunder, all as presently existing or hereafter arising or acquired, including without limitation the patents listed on **Exhibit A**.

"Security Interest" has the meaning given in Section 2.

"Trademarks" means all of each Debtor's right, title and interest in and to: (i) trademarks, service marks, collective membership marks, registrations and applications for registration for each, and the respective goodwill associated with each, (ii) licenses, fees or royalties with respect to each, (iii) the right to sue for past, present and future infringement, dilution and damages therefor, (iv) and licenses thereunder, all as presently existing or hereafter arising or acquired, including, without limitation, the marks listed on **Exhibit B**.

- 2. <u>Security Interest</u>. Each Debtor hereby irrevocably pledges and assigns to, and grants the Secured Party a security interest (the "Security Interest") with power of sale to the extent permitted by law, in the Patents and in the Trademarks to secure payment of the Obligations. As set forth in the Credit Agreement, the Security Interest is coupled with a security interest in substantially all of the personal property of each Debtor. This Agreement grants only the Security Interest herein described, is not intended to and does not affect any present transfer of title of any trademark registration or application and makes no assignment and grants no right to assign or perform any other action with respect to any intent to use trademark application, unless such action is permitted under 15 U.S.C. § 1060.
- 3. <u>Representations, Warranties and Agreements</u>. Each Debtor, jointly and severally, represents, warrants and agrees as follows:
  - (a) **Existence**; **Authority**. Each Debtor is a limited liability company or corporation duly organized, validly existing and in good standing under the laws of its state of incorporation or organization, and this Agreement has been duly and validly authorized by all necessary corporate action on the part of each Debtor.
  - (b) Patents. Exhibit A accurately lists all Patents owned or controlled by each Debtor as of the date hereof, or to which any Debtor has a right as of the date hereof to have assigned to it, and accurately reflects the existence and status of applications and letters patent pertaining to the Patents as of the date hereof. If after the date hereof, any Debtor owns, controls or has a right to have assigned to it any Patents not listed on Exhibit A, or if Exhibit A ceases to accurately reflect the existence and status of applications and letters patent pertaining to the Patents, then the Debtors shall within 60 days provide written notice to the Secured Party with a replacement Exhibit A, which upon acceptance by the Secured Party shall become part of this Agreement.
  - (c) **Trademarks. Exhibit B** accurately lists all Trademarks owned or controlled by each Debtor as of the date hereof and accurately reflects the existence and status of Trademarks and all applications and registrations pertaining thereto as of the date hereof; provided, however, that **Exhibit B** need not list common law marks (i.e., Trademarks for which there are no applications or registrations) which are not material to any Debtor's or any Affiliate's business(es). If after the date hereof, any

Debtor owns or controls any Trademarks not listed on **Exhibit B** (other than common law marks which are not material to any Debtor's or any Affiliate's business(es)), or if **Exhibit B** ceases to accurately reflect the existence and status of applications and registrations pertaining to the Trademarks, then the Debtors shall promptly provide written notice to the Secured Party with a replacement **Exhibit B**, which upon acceptance by the Secured Party shall become part of this Agreement.

- (d) Affiliates. As of the date hereof, no Affiliate owns, controls, or has a right to have assigned to it any items that would, if such item were owned by a Debtor, constitute Patents or Trademarks. If after the date hereof any Affiliate owns, controls, or has a right to have assigned to it any such items, then the Debtors shall promptly either: (i) cause such Affiliate to assign all of its rights in such item(s) to a Debtor; or (ii) notify the Secured Party of such item(s) and cause such Affiliate to execute and deliver to the Secured Party a patent and trademark security agreement substantially in the form of this Agreement.
- (e) **Title.** The Debtor identified as the owner thereof has absolute title to each Patent and each Trademark listed on **Exhibits A** and **B**, free and clear of all Liens except junior Permitted Liens. Each Debtor (i) will have, at the time such Debtor acquires any rights in Patents or Trademarks hereafter arising, absolute title to each such Patent or Trademark free and clear of all Liens except junior Permitted Liens, and (ii) will keep all Patents and Trademarks free and clear of all Liens except junior Permitted Liens.
- (f) No Sale. Except as permitted in the Credit Agreement, no Debtor will assign, transfer, encumber or otherwise dispose of any Patents or Trademarks, or any interest therein, without the Secured Party's prior written consent.
- (g) **Defense.** Each Debtor will, at its own expense and using commercially reasonable efforts, protect and defend the Patents and Trademarks against all claims or demands of all Persons other than those holding Permitted Liens.
- (h) Maintenance. Each Debtor will at its own expense maintain the Patents and the Trademarks to the extent reasonably advisable in its business, including, but not limited to, filing all applications to obtain letters patent or trademark registrations and all affidavits, maintenance fees, annuities, and renewals possible with respect to letters patent, trademark registrations and applications therefor. Each Debtor covenants that it will not abandon nor fail to pay any maintenance fee or annuity due and payable on any Patent or Trademark, nor fail to file any required affidavit or renewal in support thereof, without first providing the Secured Party: (i) sufficient written notice, of at least 30 days, to allow the Secured Party to timely pay any such maintenance fees or annuities which may become due on any Patents or Trademarks, or to file any affidavit or renewal with respect thereto, and (ii) a separate written power of attorney or other authorization to pay such maintenance fees or annuities, or to file such affidavit or renewal, should such be

necessary or desirable. Notwithstanding any other provision of this Agreement Debtors may prosecute or withdraw any patent application created after the date hereof in their reasonable business discretion.

- (i) Secured Party's Right to Take Action. If any Debtor fails to perform or observe any of its covenants or agreements set forth in this Section 3, and if such failure continues for a period of ten (10) calendar days after the Secured Party gives the Debtors written notice thereof (or, in the case of the agreements contained in subsections (b), (c) and (h), immediately upon the occurrence of such failure, without notice or lapse of time), or if any Debtor notifies the Secured Party that it intends to abandon a Patent or Trademark, the Secured Party may (but need not) perform or observe such covenant or agreement or take steps to prevent such intended abandonment on behalf and in the name, place and stead of one or more Debtors (or, at the Secured Party's option, in the Secured Party's own name) and may (but need not) take any and all other actions which the Secured Party may reasonably deem necessary to cure or correct such failure or prevent such intended abandonment.
- (j) Costs and Expenses. Except to the extent that the effect of such payment would be to render any loan or forbearance of money usurious or otherwise illegal under any applicable law, each Debtor, jointly and severally, shall pay the Secured Party on demand the amount of all moneys expended and all costs and expenses (including reasonable attorneys' fees and disbursements) incurred by the Secured Party in connection with or as a result of the Secured Party's taking action under subsection (i) or exercising its rights under Section 6, together with interest thereon from the date expended or incurred by the Secured Party at the Default Rate.
- (k) Power of Attorney. To facilitate the Secured Party's taking action under subsection (i) and exercising its rights under Section 6, each Debtor hereby irrevocably appoints (which appointment is coupled with an interest) the Secured Party, or its delegate, as the attorney-in-fact of such Debtor with the right (but not the duty) from time to time to create, prepare, complete, execute, deliver, endorse or file, in the name and on behalf of such Debtor, any and all instruments, documents, applications, financing statements, and other agreements and writings required to be obtained, executed, delivered or endorsed by such Debtor under this Section 3, or. necessary for the Secured Party, after an Event of Default, to enforce or use the Patents or Trademarks or to grant or issue any exclusive or non-exclusive license under the Patents or Trademarks to any third party, or to sell, assign, transfer, pledge, encumber or otherwise transfer title in or dispose of the Patents or Trademarks to any third party. Each Debtor hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. The power of attorney granted herein shall terminate upon the termination of the Credit Agreement as provided therein and the payment and performance of all Obligations.

- 4. <u>Debtors' Use of the Patents and Trademarks</u>. Each Debtor shall be permitted to control and manage the Patents and Trademarks, including the right to exclude others from making, using or selling items covered by the Patents and Trademarks and any licenses thereunder, in the same manner and with the same effect as if this Agreement had not been entered into, so long as no Event of Default occurs and remains uncured.
- 5. Events of Default. Each of the following occurrences shall constitute an event of default under this Agreement (herein called "Event of Default"): (a) an Event of Default, as defined in the Credit Agreement, shall occur; or (b) any Debtor shall fail promptly to observe or perform any covenant or agreement herein binding on it; or (c) any of the representations or warranties contained in Section 3 shall prove to have been incorrect in any material respect when made.
- 6. Remedies. Upon the occurrence of an Event of Default and at any time thereafter, the Secured Party may, at its option, take any or all of the following actions:
  - (a) The Secured Party may exercise any or all remedies available under the Credit Agreement.
  - (b) The Secured Party may sell, assign, transfer, pledge, encumber or otherwise dispose of the Patents and Trademarks.
  - (c) The Secured Party may enforce the Patents and Trademarks and any licenses thereunder, and if Secured Party shall commence any suit for such enforcement, the Debtors shall, at the request of Secured Party, do any and all lawful acts and execute any and all proper documents required by Secured Party in aid of such enforcement.
- 7. Miscellaneous. This Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by the Secured Party. A waiver signed by the Secured Party shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any of the Secured Party's rights or remedies. All rights and remedies of the Secured Party shall be cumulative and may be exercised singularly or concurrently, at the Secured Party's option, and the exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. All notices to be given to the Debtors under this Agreement shall be given in the manner and with the effect provided in the Credit Agreement. The Secured Party shall not be obligated to preserve any rights any Debtor may have against prior parties, to realize on the Patents and Trademarks at all or in any particular manner or order, or to apply any cash proceeds of Patents and Trademarks in any particular order of application. This Agreement shall be binding upon and inure to the benefit of each Debtor and the Secured Party and their respective participants, successors and assigns and shall take effect when signed by the Debtors and delivered to the Secured Party, and each Debtor waives notice of the Secured Party's acceptance hereof. The Secured Party may

execute this Agreement if appropriate for the purpose of filing, but the failure of the Secured Party to execute this Agreement shall not affect or impair the validity or effectiveness of this Agreement. A carbon, photographic or other reproduction of this Agreement or of any financing statement signed by the Debtors shall have the same force and effect as the original for all purposes of a financing statement. This Agreement shall be governed by the internal law of New York without regard to conflicts of law provisions. The parties hereto hereby (a) consent to the personal jurisdiction of the state and federal courts located in the State of New York in connection with any controversy related to this Agreement; (b) waive any argument that venue in any such forum is not convenient; (c) agree that any litigation initiated by the Secured Party or any Debtor in connection with this Agreement or the other Loan Documents may be venued in either the state or federal courts located in the City of New York, County of New York and State of New York; and (d) agree that a final judgment in any such suit, action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby. representations and warranties contained in this Agreement shall survive the execution, delivery and performance of this Agreement and the creation and payment of the Obligations.

THE PARTIES HERETO WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR PERTAINING TO THIS AGREEMENT.

[The Remainder of This Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed this Patent and Trademark Security Agreement as of the date written above.

CV HOLDINGS, L.L.C.
Ву:
Name: Robert N. Sawyer
Title: Senior Vice President
CARITOI DI ACTIC DE ODIICTO I I C
CAPITOL PLASTIC PRODUCTS, L.L.C.
By: /2/1/
Name: Robert N. Sawyer
Title: Senior Vice President
CSP TECHNOLOGIES, INC.
By:
Name: Robert N. Sawyer
Title: Senior Vice President
CAPITOL INSULATED PRODUCTS, INC.
That her
By:
Name: Robert N. Sawyer Title: Senior Vice President
Title: Senior Vice President
CAPITOL CUPS, INC.
Thank
By:
Name: Robert N. Sawyer
Title: Senior Vice President
WELLS FARGO BANK, NATIONAL
ASSOCIATION, acting through its Wells
Fargo Business Credit operating division
By: Ju VauM  Bruce Van Weele, Vice President
Bruce Van Weele, Vice President

STATE OF GEORGIA )
COUNTY OF <u>Falton</u> )
The foregoing instrument was acknowledged before me this 7th day of September, 2005, by Pobert N. Sowyer, the Senior Vice President of CV HOLDINGS, L.L.C., a Delaware limited liability company, on behalf of the limited liability company.  Carolan J. Laukert  Notary Public 1.6.08
STATE OF GEORGIA ) COUNTY OF Fulton )
The foregoing instrument was acknowledged before me this 7 <sup>th</sup> day of September, 2005, by Robert N. Sawyer, the Senor Vice President of CAPITOL PLASTIC PRODUCTS, L.L.C., a Delaware limited liability company, on behalf of the limited liability company.    Mark Public 1.608
STATE OF GEORGIA ) COUNTY OF FULTON )
The foregoing instrument was acknowledged before me this 7 <sup>th</sup> day of September, 2005, by Robert N. Sawyer, the Senior Vice President of CSP FECHNOLOGIES, INC., an Alabama corporation, on behalf of the corporation.
Notary Public 1.6.08

STATE OF GEORGIA )
COUNTY OF <u>Fulton</u> )
The foregoing instrument was acknowledged before me this 7th day of September, 2005, by  Robert N Sawyer, the Senior Vice President of  CAPITOL INSULATED PRODUCTS, INC., a Delaware corporation, on behalf of the corporation.  Audit Laket  Notary Rublic 1.5.03
STATE OF GEORIGA ) COUNTY OF Gillon )
The foregoing instrument was acknowledged before me this 7 <sup>th</sup> day of September, 2005, by CAPITOL CUPS, INC., a Delaware corporation, on behalf of the corporation.
Notary Public 1.5.08
STATE OF GEORGIA )
STATE OF GEORGIA )  COUNTY OF <u>Fulton</u> )
The foregoing instrument was acknowledged before me this 7 <sup>th</sup> day of September, 2005, by Bruce Van Weele, a Vice President of Wells Fargo Bank, National Association, acting through its Wells Fargo Business Credit operating division, on behalf of the national association.

Notary Public 1-5.08

# EXHIBIT A

Title	Owner	Patent No. [Publication No.] (Serial No.)
Application And Assembly Suited For Use As A Disposable Leak Proof Child Drinking Cup	Capitol Cups, Inc.	[2004/0169045]
		(10/634,156)
Lid For Disposable Drink Cups Having A Flap Wherein The Lid/Cup Assembly Is Leak And Drop Resistant	Capitol Cups, Inc.	6,886,707
·		(10/447,072)
Method Of Incorporating A Promotional Item Into A Dual Wall Cup	Capitol Cups, Inc.	6,889,455
		(10/301,428)
Learning Material Delivery System And Corresponding Method By Incorporating The Learning Material Into A Dual Wall Cup	Capitol Cups, Inc.	(11/022,207)
Dual Wall Insulated Overmold Cup Assembly	Capitol Insulated Products, Inc.	[2004/0212120]
	Froducts, inc.	(10/849,454)
Moisture-Proof Resealable Non-Cylindrical Container For Consumer Packages	Capitol Plastics Products,	[2004/0065669]
		(10/603,296)
A System, Method For Maintaining, Tracking And Identifying The Integrity Of A Disposable Specimen Container With A Reusable Transponder	Capitol Plastic Products, L.L.C.	(10/140,698)
Unitary Container And Cap Assembly Having Mating Profiles	Capitol Plastic Products, L.L.C.	
		(10/148,849)
Monolithic Polymer Composition Having A Releasing Material	CSP Technologies, Inc.	(10/714,474)
Method And Composition For An Active Drop-In Liner	CSP Technologies, Inc.	(10/804,508)
Meter Strip Dispenser Assembly	CSP Technologies, Inc.	[2002/0104849]
		(09/751,191)
Co-Continous Interconnecting Channel Morphology Composition	CSP Technologies, Inc.	[2004/0122175]
		(10/723,873)

Title	Owner	Patent No. [Publication No.] (Serial No.)
Solid Objects Dispensers	CSP Technologies, Inc.	[2004/0124204
		(10/683,176)
Lancet Systems Including Test Strips And Cassettes For Drawing And Sampling Bodily Material	CSP Technologies, Inc.	[2004/0138688]
		(10/683,692)
Leakproof, Resealable Container And Cap Assembly	CSP Technologies, Inc.	[2004/0159666]
		(10/779,507)
Dispenser For Solid Objects	CSP Technologies, Inc.	[2004/0169049]
		(10/799,487)
Method And Composition For An In-Mold Liner	CSP Technologies, Inc.	[2004/0170780]
		(10/213,516)
Resealable Moisture Tight Containers For Strips And The Like	CSP Technologies, Inc.	[2004/0173612]
		(10/683,311)
Thermoplastic Composition Comprising A C02 Releasing Material	CSP Technologies, Inc.	[2004/0242746]
		(10/794,306)
Desiccant Vial Assembly For Effervescent Tablets	CSP Technologies, Inc.	[2005/0016873]
		(10/219,570)
Egg-Shaped Vial	CSP Technologies, Inc.	D421,216
		(29/096,986)
Desiccant Entrainer Polymer	CSP Technologies, Inc.	5,911,937
		(08/611,298)
esiccant Entrainer Polymer	CSP Technologies, Inc.	6,080,350
		(09/086,880)

Title	Owner	Patent No. [Publication No.] (Serial No.)
Modified Polymers Having Controlled Transmission Rates	CSP Technologies, Inc.	6,124,006
		(09/087,830)
Desiccant Entrainer Polymer	CSP Technologies, Inc.	6,130,263
		(08/812,315)
Monolithic Polymer Composition Having A Water Absorption Material	CSP Technologies, Inc.	6,174,952
		(09/156,720)
Monolithic Polymer Composition Having An Activation Material	CSP Technologies, Inc.	6,177,183
		(09/157,014)
Monolithic Polymer Composition Having An Absorption Material	CSP Technologies, Inc.	6,194,079
		(09/156,937)
Desiccant Entrainer Polymer	CSP Technologies, Inc.	6,214,255
		(09/122,912)
Modified Polymers Having Controlled Transmission Rates	CSP Technologies, Inc.	6,221,446
		(09/087,824)
Barrier Pack Having An Absorbing Agent Applied To The Interior Of The Pack	CSP Technologies, Inc.	6,279,736
		(09/333,711)
Monolithic Polymer Composition Having A Releasing Material	CSP Technologies, Inc.	6,316,520
		(09/157,032)
Tamper-Proof Container Cap Assembly And Related Methods	CSP Technologies, Inc.	6,398,067
		(09/710,330)
Insert Having Interconnecting Channel Morphology For Aldehyde Absorption	CSP Technologies, Inc.	6,460,271
^		(09/736,559)

Title	Owner	Patent No. [Publication No.] (Serial No.)
Co-Continuous Interconnecting Channel Morphology Polymer Having Controlled Gas Transmission Rate Through	CSP Technologies, Inc.	6,465,532
The Polymer		(09/627,630)
Co-Continuous Interconnecting Channel Morphology Composition	CSP Technologies, Inc.	6,486,231
		(09/504,029)
Monolithic Composition Having The Capability Of Maintaining Constant Relative Humidity In A Package	CSP Technologies, Inc.	6,613,405
		(09/823,355)
Co-Continuous Interconnecting Channel Morphology Polymer Having Modified Surface Properties	CSP Technologies, Inc.	6,696,002
, and a second s		(09/627,631)
Flip Golf Ball Container Assembly Provided With Moisture Barrier Properties	CSP Technologies, Inc.	6,705,463
		(09/876,381)
Dispenser For Solid Objects	CSP Technologies, Inc.	6,726,058
		(10/177,786)
Leakproof, Resealable Container And Cap Assembly	CSP Technologies, Inc.	6,769,558
		(09/386,702)
Interconnecting Channel Morphology Composition For Releasing C02	CSP Technologies, Inc.	6,852,783
		(10/033,973)
Re-Sealable Moisture Tight Containers for Strips and the Like Having Alternative Sealing Mechanisms		(60/620,513)
Unitary Container and Flip-Top Cap Assembly with Tab- Lock Fastener for Child Resistance		(60/665,004)

**RECORDED: 09/12/2005**