Electronic Version v1.1 Stylesheet Version v1.1

SUBMISSION TYPE: **NEW ASSIGNMENT** NATURE OF CONVEYANCE: SECURITY AGREEMENT

CONVEYING PARTY DATA

| Name | Execution Date |
|-------------------------|----------------|
| Exopack-Technology, LLC | 01/31/2006 |

RECEIVING PARTY DATA

| Name: | General Electric Capital Corporation, as U.S. Agent |
|-----------------|---|
| Street Address: | 299 Park Avenue |
| City: | New York |
| State/Country: | NEW YORK |
| Postal Code: | 10171 |

PROPERTY NUMBERS Total: 48

| Property Type | Number |
|----------------|---------|
| Patent Number: | 6374461 |
| Patent Number: | 6213644 |
| Patent Number: | 6019713 |
| Patent Number: | 6046443 |
| Patent Number: | 5482376 |
| Patent Number: | 5770839 |
| Patent Number: | 5871790 |
| Patent Number: | 5529396 |
| Patent Number: | 5728037 |
| Patent Number: | 5488220 |
| Patent Number: | 5601369 |
| Patent Number: | 5345399 |
| Patent Number: | 5171594 |
| Patent Number: | 5038009 |
| Patent Number: | 4994324 |
| | DATENT |

PATENT

REEL: 017105 FRAME: 0749

500075366

| Patent Number: | 4952441 |
|---------------------|----------|
| Patent Number: | 4946289 |
| Patent Number: | 6893686 |
| Patent Number: | 6979482 |
| Patent Number: | 6969196 |
| Application Number: | 10366490 |
| Patent Number: | 6986605 |
| Application Number: | 10843760 |
| Application Number: | 10843771 |
| Application Number: | 10760337 |
| Application Number: | 10860366 |
| Patent Number: | 6402379 |
| Patent Number: | 6299351 |
| Patent Number: | 6231232 |
| Patent Number: | 5611626 |
| Patent Number: | 6065871 |
| Patent Number: | 5593229 |
| Patent Number: | 5558438 |
| Patent Number: | 5051284 |
| Patent Number: | 6609999 |
| Application Number: | 10649715 |
| Application Number: | 11240944 |
| Application Number: | 11283990 |
| Application Number: | 11214327 |
| Application Number: | 11218477 |
| Application Number: | 11218476 |
| Application Number: | 11201871 |
| Application Number: | 11214419 |
| Application Number: | 11214434 |
| Application Number: | 11265620 |
| Application Number: | 11265742 |
| Application Number: | 11265946 |
| Application Number: | 11285698 |

CORRESPONDENCE DATA

Fax Number: (404)572-5149

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

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Email: jbalcita@kslaw.com
Correspondent Name: Jeffrey P. Balcita

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Address Line 4: Atlanta, GEORGIA 30303

ATTORNEY DOCKET NUMBER: 09631.015009

NAME OF SUBMITTER: Jeffrey P. Balcita

Total Attachments: 8

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PATENT SECURITY AGREEMENT

PATENT SECURITY AGREEMENT, dated as of January 31, 2006, by EXOPACK-TECHNOLOGY, LLC, a California limited liability company ("Grantor"), in favor of GENERAL ELECTRIC CAPITAL CORPORATION, a Delaware corporation, in its capacity as agent (in such capacity, "US Agent") for itself, GE CANADA FINANCE HOLDING COMPANY, a Nova Scotia unlimited liability company ("Canadian Agent", together with US Agent, the "Agents"), and the Lenders from time to time signatory to the Credit Agreement hereinafter defined ("Lenders").

WITNESSETH:

WHEREAS, pursuant to that certain Credit Agreement dated as of the date hereof by and among Exopack, LLC, a Delaware limited liability company ("Exopack"), Cello-Foil Products, Inc., a Michigan corporation ("Cello-Foil" and together with Exopack each, individually, a "US Borrower" and, collectively and jointly and severally, the "US Borrowers"), and Exopack-Newmarket, Ltd., an Ontario corporation ("Canadian Borrower", and together with the US Borrowers, each individually a "Borrower" and collectively (but no jointly and severally) the "Borrowers"), the Persons named therein as Credit Parties, US Agent, Canadian Agent and the Lenders (including all annexes, exhibits or schedules thereto, and as from time to time amended, restated, supplemented or otherwise modified, the "Credit Agreement"), Lenders have agreed to make the Loans and to incur Letter of Credit Obligations for the benefit of Borrowers and guaranteed by Grantor;

WHEREAS, US Agent, Canadian Agent and Lenders are willing to make the Loans and to incur Letter of Credit Obligations as provided for in the Credit Agreement, but only upon the condition, among others, that Grantor shall have executed and delivered to US Agent, for itself, Canadian Agent and the ratable benefit of Lenders, that certain Security Agreement dated as of the date herewith (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 US Agent, for itself, Canadian Agent and the ratable benefit of 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 <u>DEFINED TERMS</u>. All capitalized terms used but not otherwise defined herein have the meanings given to them in <u>Annex A</u> thereto to the Credit Agreement.
- 2 GRANT OF SECURITY INTEREST IN PATENT COLLATERAL. Grantor hereby grants to US Agent, on behalf of itself, Canadian Agent and Lenders, a continuing first priority 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; and
- (b) 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.
- 3 <u>SECURITY AGREEMENT</u>. The security interests granted pursuant to this Patent Security Agreement are granted in conjunction with the security interests granted to US Agent, on behalf of itself, Canadian Agent and Lenders, pursuant to the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of US Agent 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.
- 4 Applicable Law. THIS SECURITY AGREEMENT SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES.

[signature page follows]

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.

CELLO-FOIL PRODUCTS, INC.

By: DAVID RANDEN

Title: CHIEF FINANCIAL OFFICER

ACKNOWLEDGMENT OF GRANTOR

) ss. COUNTY OF WY

On this 2th day of January, 2006 before me personally appeared ANID LAUDEN, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of Court For Papears, 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.

{seal} Notary Public

JOHN P. BONURA
Notary Public, State of New York
No. 01B05086261
Qualified in New York County
Commission Expires October 6, 2009

ISIGNATURE PAGE TO US PATENT SECURITY AGREEMENT - CELLO-FOIL]

ACCEPTED AND ACKNOWLEDGED BY: GENERAL ELECTRIC CAPITAL CORPORATION,

as US Agent

Namé: Title:___ Gina Provenzale

Vice President

Duly Authorized Signatory

[SIGNATURE PAGE TO US PATENT SECURITY AGREEMENT - EXOPACK-TECHNOLOGY]

SCHEDULE I TO PATENT SECURITY AGREEMENT PATENTS

| EXOPACK-TECHNOLOGY, LLC | | | | | | |
|--|------------|-------------|-----------------|---------------------|------------|------------|
| DESCRIPTION | SERIAL NO. | FILING DATE | PUBLICATION NO. | PUBLICATION DATE | PATENT No. | ISSUE DATE |
| US - FLEXIBLE HINGED HANDLE AND CARRYING BAG EMPLOYING THE SAME | 09/522,698 | 03/10/2000 | | | 6,374,461 | 04/23/2002 |
| JS -A MULTI-PLY BAG WITH TEAR STRIP OPENING MECHANISM | 09/373,256 | 08/12/1999 | | | 6,213,644 | 04/10/2001 |
| US -TUBING MACHINE WITH ROTATING FORMER SECTION FOR QUICK CHANGE-OVER | 09/156,303 | 09/17/1998 | | | 6,019,713 | 02/01/2000 |
| US -GUSSETED BAG WITH ANTI-LEAK FEATURE | 09/304,178 | 05/03/1999 | | | 6,046,443 | 04/04/2000 |
| US -LOAD CARRYING BAG VITH PERFORATED TEAR LINE OPENING | 08/167,757 | 12/15/1993 | | | 5,482,376 | 01/09/1996 |
| US -MICROWAVEABLE BAG FOR COOKING AND SERVING FOOD | 08/666,895 | 06/20/1996 | | | 5,770,839 | 06/23/1998 |
| US -LAMINATED BAG WALL CONSTRUCTION | 08/810,043 | 03/04/1997 | | | 5,871,790 | 02/16/1999 |
| US -ENVIRONMENTALLY FRIENDLY PINCH BOTTOM AG ASSEMBLY AND METHOD OF MAKING | 08/146,961 | 11/10/1993 | | | 5,529,396 | 06/25/1996 |
| US -ENVIRONMENTALLY FRIENDLY PINCH BOTTOM GAG ASSEMBLY AND METHOD OF MAKING | 08/468,444 | 06/06/1995 | | | 5,728,037 | 03/17/1998 |
| US -BAG FOR MICROWAVE COOKING | 08/282,647 | 07/29/1994 | | | 5,488,220 | 01/30/1996 |
| US -LOAD CARRYING BAG VITH PERFORATED TEAR LINE OPENING | 08/417,407 | 04/05/1995 | | | 5,601,369 | 02/11/1997 |
| US -SYSTEM AND METHOD FOR MONITORING AND CONTROLLING THE WIDTH OF A PRODUCT | 07/909,554 | 07/06/1992 | | | 5,345,399 | 09/06/1994 |
| US -MICROWAVEABLE FOOD PACKAGE WITH PRINTED-ON SUSCEPTOR | 07/676,901 | 03/27/1991 | | | 5,171,594 | 12/15/1992 |
| US -PRINTED MICROWAVE SUSCEPTOR AND PACKAGE CONTAINING THE SUSCEPTOR | 07/439,120 | 11/17/1989 | | | 5,038,009 | 08/06/1991 |
| JS -HOT-FILL POLYETHYLENE BAGS | 07/299,861 | 01/19/1989 | | | 4,994,324 | 02/19/1991 |
| US -THERMAL INSULATION BATT | 07/154,159 | 02/09/1988 | | | 4,952,441 | 08/28/1990 |
| US -RECLOSABLE OPEN MOUTH BAG | 07/012,146 | 02/06/1987 | | | 4,946,289 | 08/07/1990 |

| EXOPACK-TECHNOLOGY, | | | | | | |
|---|---|--------------|-----------------------|---------------|------------|------------|
| LLC | gNo | Franco Diese | Printing and printing | PUBLICATION | PATENT NO. | ISSUE DATE |
| DESCRIPTION | SERIAL NO. | FILING DATE | PUBLICATION NO. | DATE | | |
| MX - LOAD CARRYING BAG VITH PERFORATED TEAR LINE | 9409292 | 11/30/1994 | | | 193,183 | 08/30/1999 |
| US - Non-Fluorocarbon | 10/200,209 | 07/22/2002 | | | 6,893,686 | 05/17/2005 |
| OIL/GREASE BARRIER | • | | | | | |
| 'ACKAGING AND METHODS OF | | | | | | İ |
| APPLICATION CA - A MULTI-PLY BAG WITH | 2,304,261 | 03/31/2000 | | | 2,304,261 | 08/03/2004 |
| TEAR STRIP OPENING | , , | | | | | |
| MECHANISM ¹ | 10/200 (81 | 11/08/2002 | 2004-0091648 A1 | 05/13/2004 | 6,979,482 | 12/27/2005 |
| US - MULTIWALL BAG HAVING SLIDER ZIPPER AND | 10/290,681 | 11/08/2002 | 2004-0091046 A1 | 03/13/2004 | 0,373,482 | 12/2//2003 |
| FIN COMBINATION AND | | | | | | |
| ASSOCIATED METHODS | 10/202020 | 02/07/2002 | 2004-0175060 A1 | 09/09/2004 | 6,969,196 | 11/29/2005 |
| US - BAG HAVING RECLOSABLE SEAL AND | 10/383,929 | 03/07/2003 | 2004-01/3000 A1 | 09/09/2004 | 0,909,190 | 11/29/2003 |
| ASSOCIATED METHODS | | | | | | |
| S - TAMPER EVIDENT MULTI- | 10/366,490 | 2/13/2003 | 2004-0136616 A1 | 07/15/2004 | | |
| WALL PACKAGING AND ASSOCIATE METHODS (CIP) | | | | | 1 1 | |
| (CLAIMS PRIORITY TO | | | | | | |
| 10/341,947) | | | | | 6.006.605 | 01/17/2006 |
| US - MULTIWALL VENTED BAG, VENTED BAG FORMING | 10/421,607 | 4/24/2003 | | | 6,986,605 | 01/17/2006 |
| APPARATUS, AND ASSOCIATED | | | | | | |
| METHODS | | | | 0.1.12.0.00.0 | | ļ |
| US - NON-FLUROCARBON HIGH TEMPERATURE | 10/843,760 | 5/12/2004 | 2005-0008736-A1 | 01/13/2005 | | |
| PACKAGING HAVING | | | | | | |
| FLEXIBLE STARCH-BASED | | | | | | ļ |
| FILM AND METHODS OF | | | | | | |
| PRODUCING SAME US - NON-FLUROCARBON | 10/843,771 | 05/12/2004 | | | | 1 |
| PAPER HAVING FLEXIBLE | , | | | | | |
| STARCH-BASED FILM AND | | | | | | |
| METHODS OF PRODUCING SAME | | | | | | |
| US - ELASTOMER AND | 10/760,337 | 01/20/2004 | 2004-0137206 A1 | 07-15-2004 | | |
| POLYOLEFIN RESIN BASED | | | | | | |
| SHRINK FILMS AND ASSOCIATED METHODS | | | | | | |
| US - ENHANCED SLIDER | 10/860,366 | 06/03/2004 | 2004-0228547 A1 | 11-18-2004 | | |
| LIPPER MULTIWALL BAG AND | | | | | | |
| ASSOCIATED METHODS MX - BAG HAVING | PA/A/2004/002201 | 03/05/2004 | | | | |
| RECLOSABLE SEAL AND | *************************************** | | | | | |
| ASSOCIATED METHODS | 200120000 | 00/00/0004 | | | | |
| AU - MULTI-/WALL BAG HAVING SLIDER ZIPPER AND | 2004200680 | 02/20/2004 | | | | |
| FIN COMBINATION AND | | | | | | |
| ASSOCIATED METHODS | - 1 / 10 00 / 100 f 1 | 00/05/2004 | | | | |
| MX - MULTI-/WALL BAG | PA/A/2004/001911 | 02/27/2004 | | | | |
| HAVING SLIDER ZIPPER AND FIN COMBINATION AND | | | | | | |
| ASSOCIATED METHODS | | | | | | |
| CA - NON-FLUOROCARBON | 2,467,602 | 05/18/2004 | | | | |
| HIGH TEMPERATURE ACKAGING HAVING FLEXIBLE | | | | | | |
| STARCH-BASED FILM AND | | | | | | |
| 1ETHOD OF PRODUCING SAME | | | | | | |

¹ This is in the name of International Paper

| EXOPACK-TECHNOLOGY, LLC | | | | | | |
|---|------------------|-------------|--|---------------------|------------|------------|
| DESCRIPTION | SERIAL NO. | FILING DATE | PUBLICATION NO. | PUBLICATION DATE | PATENT No. | Issue Date |
| MX – NON-FLUOROCARBON HIGH TEMPERATURE 'ACKAGING HAVING FLEXIBLE STARCH-BASED FILM AND 4ETHOD OF PRODUCING SAME | PA/A/2004/004720 | 05/19/2004 | | | | |
| CA – NON-FLUOROCARBON PAPER HAVING FLEXIBLE STARCH-BASED FILM AND 4ETHOD OF PRODUCING SAME | 2,467,601 | 05/18/2004 | | | | |
| MX – Non-Fluorocarbon Low temperature 'ACKAGING HAVING FLEXIBLE STARCH-BASED FILM AND 4ETHOD OF PRODUCING SAME | PA/A/2004/004721 | 05/19/2004 | | | | |
| US - BAG WITH ARCUATE- TRANSITION TEAR LINE | 09/858,984 | 05/16/2001 | | | 6,402,379 | 06/11/2002 |
| US - SIDE GUSSET BAG WITH CONVENIENT CARRY HANDLE | 09/650,478 | 08/29/2000 | | | 6,299,351 | 10/09/2001 |
| US - BAG WITH TEAR- RESISTANT HANDLE | 09/512,712 | 02/24/2000 | | | 6,231,232 | 05/15/2001 |
| US - BAG WITH REINFORCED HANDLE AND RESEALABLE POUR SPOUT OPENING | 621,575 | 03/26/1996 | | | 5,611,626 | 03/18/1997 |
| US - BAG WITH TEAR- RESISTANT HANDLE | 09/261,986 | 03/04/1999 | | | 6,065,871 | 05/23/2000 |
| JS - HEAVY DUTY BAG WITH SASILY-REMOVABLE CORNER FOR POURING | 08/500,173 | 07/10/1995 | | | 5,593,229 | 01/14/1997 |
| US - BAG WITH REINFORCED HANDLE AND RESEALABLE POUR SPOUT OPENING | 509,831 | 08/01/1995 | | | 5,558,438 | 09/24/1996 |
| US - PROTECTIVE WRAPPING OF FILM | 07/249,368 | 09/23/1988 | | | 5,051,284 | 09/24/1991 |
| CA - PERFORATION BLADE FOR FORMING A BURST- RESISTANT EASY-OPEN CORNER IN A HEAVY DUTY BAG | 2,398,198 | 08/15/2002 | | | | |
| MX - BAG WITH ARCUATE- TRANSITION TEAR LINE | PA/A/2001/09630 | 09/24/2001 | | | | |
| CA - BAG WITH ARCUATE- TRANSITION TEAR LINE | 2,354,823 | 08/08/2001 | | | 2,354,823 | 07/05/2005 |
| CA - SIDE GUSSET BAG WITH CONVENIENT CARRY HANDLE | 2,352,353 | 07/04/2001 | | | 2,352,353 | 11/29/2005 |
| US - PERFORATION BLADE FOR FORMING A BURST- RESISTANT EASY-OPEN CORNER IN A HEAVY DUTY BAG | 09/934,417 | 08/21/2001 | 2003-0040411 A1 | 02-27-2003 | 6,609,999 | 08/26/2003 |
| US - METHOD OF FORMING A BURST-RESISTANT EASY- OPEN CORNER IN A HEAVY DUTY BAG | 10/649,715 | 08/26/2003 | 2004-0038792 A1 | 02-26-2004 | | |
| US – GREASE-RESISTANT HEAT-SEALABLE BAG AND RELATED METHODS | 11/240,944 | 09/30/2005 | A SALES CONTRACTOR OF THE SALE | | | |

| EXOPACK-TECHNOLOGY, LLC | | | | | | |
|--|-----------------|-------------|-----------------|---------------------|------------|------------|
| DESCRIPTION | SERIAL NO. | FILING DATE | PUBLICATION NO. | PUBLICATION DATE | PATENT No. | ISSUE DATE |
| US – MICROWAVE COOKING PACKAGE FOR FOOD PRODUCTS AND ASSOCIATED METHODS | 11/283,990 | 11/21/2005 | | | | |
| AU - ENHANCED SLIDER LIPPER MULTIWALL BAG AND ASSOCIATED METHODS | 2005202393 | 06/02/2005 | | | | |
| MX - ENHANCED SLIDER LIPPER MULTIWALL BAG AND ASSOCIATED METHODS | PA/A/2005/00530 | 06/03/2005 | | | | |
| JS – METHOD OF FORMING A VENTED BAG DIVISIONAL OF 10/421,607 | 11/214,327 | 08/29/2005 | | | | |
| JS – APPARATUS OF FORMING A VENTED BAG DIVISIONAL OF 10/421,607 | 11/218,477 | 09/02/2005 | | | | |
| US – METHOD OF USING A VENTED BAG DIVISIONAL OF 10/421,607 | 11/218,476 | 09/02/2005 | | | | |
| JS – METHOD OF FORMING A BAG DIVISIONAL OF 10/366,490 | 11/201,871 | 08/11/2005 | | | | |
| US – GREASE-RESISTANT PINCH-BOTTOM BAG, ADHESIVE CLOSURE FOR BAG, AND RELATED METHODS | 11/214,419 | 08/29/2005 | | | | |
| US – GREASE-RESISTANT PINCH-BOTTOM BAG, ADHESIVE CLOSURE FOR BAG, AND RELATED METHODS | 11/214,434 | 08/29/2005 | | | | |
| JS – METHOD OF FORMING A BAG HAVING RECLOSABLE SEAL | 11/265,620 | 11/02/2005 | | | | |
| DIVISIONAL OF 10/383,929 US – METHOD OF FILLING A PREFORMED BAG HAVING RECLOSABLE SEAL DIVISIONAL OF 10/383,929 | 11/265,742 | 11/02/2005 | | | | |
| US - MULTIWALL BAG HAVING SLIDER ZIPPER AND FIN COMBINATION AND ASSOCIATED METHODS CONTINUATION OF 10/290,681 | 11/265,946 | 11/03/2005 | | | | |
| US - MULTIWALL BAG HAVING SLIDER ZIPPER AND FIN COMBINATION AND ASSOCIATED METHODS CONTINUATION OF 11/283,990 | 11/285,698 | 11/22/2005 | | | | |

RECORDED: 02/02/2006