

06-09-2008

Form PTO-1595 (Rev. 07/05)  
OMB No. 0551-0027 (exp. 6/30/2008)U.S. DEPARTMENT OF COMMERCE  
United States Patent and Trademark OfficeCorrective Document  
Reel/Frame # 020859/0763

103507396

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)

Knowlton Technologies, LLC

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

## 3. Nature of conveyance/Execution Date(s):

Execution Date(s) April 15, 2007

☐ Assignment ☐ Merger  
☐ Security Agreement ☐ Change of Name☐ Joint Research Agreement☐ Government Interest Assignment☐ Executive Order 9424, Confirmatory License☒ Other Corrective assignment to correct the assignor's name

## 2. Name and address of receiving party(ies)

Name: HSBC Bank USA, National Association

Internal Address: Stephen Mitchell

Street Address: 360 South Warren Street

City: Syracuse

State: New York

Country: USA Zip: 13202

Additional name(s) & address(es) attached? ☐ Yes ☒ No

## 4. Application or patent number(s):

A. Patent Application No.(s)

☐ This document is being filed together with a new application.

B. Patent No.(s)

1) 5,989,390 (5) 6,896,148  
2) 6,770,582  
3) 6,846,759  
4) 8,008,149Additional numbers attached? ☐ Yes ☒ No

## 5. Name and address to whom correspondence concerning document should be mailed:

Name: Hancock &amp; Estabrook, LLP

Internal Address: Attn: Douglas J. Gorman

Street Address: 1500 AXA Tower I, 100 Madison Street

City: Syracuse

State: New York Zip: 13202

Phone Number: (315) 471-3151

Fax Number: (315) 471-3167

Email Address: dgorman@hancocklaw.com

## 6. Total number of applications and patents involved: 5

## 7. Total fee (37 CFR 1.21(h) &amp; 3.41) \$ 200.00

☐ Authorized to be charged by credit card  
☒ Authorized to be charged to deposit account  
☐ Enclosed  
☐ None required (government interest not affecting title)

## 8. Payment Information

a. Credit Card Last 4 Numbers  
Expiration Date

b. Deposit Account Number 50-0576

Authorized User Name Sheila A. Sagert

## 9. Signature:

Signature

Stephen Mitchell

Name of Person Signing

4/24/08  
Date

Total number of pages including cover sheet, attachments, and documents:

11

Documents to be recorded (including cover sheet) should be faxed to (871) 273-0140, or mailed to:  
Mail Stop Assignment Recordation Services, Director of the USPTO, P.O. Box 1460, Alexandria, V.A. 22313-1460

06/09/2008 DBYRNE 00000087 500576 5989390

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PATENT  
REEL: 021085 FRAME: 0372

Form PTO-1595 (Rev. 07/05)  
OMB No. 0651-0027 (exp. 6/30/2008)

U.S. DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office

## RECORDATION FORM COVER SHEET PATENTS ONLY

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**INTELLECTUAL PROPERTY SECURITY AGREEMENT**

**THIS INTELLECTUAL PROPERTY SECURITY AGREEMENT** (this "**Agreement**"), dated as of April 15, 2008, is entered into by and between **KNOWLTON TECHNOLOGIES, LLC**, a New York limited liability company with offices at 213 Factory Street, Watertown, New York 13601 ("**Borrower**"), and **HSBC BANK USA, NATIONAL ASSOCIATION**, a national banking association with offices at 360 South Warren Street, Syracuse, New York 13202 ("**HSBC**").

**WITNESSETH:**

WHEREAS, pursuant to that certain Loan and Security Agreement, dated as of the date hereof, by and between Borrower and HSBC, (including all annexes, exhibits and schedules thereto, as from time to time amended, restated, supplemented or otherwise modified, the "**Loan Agreement**"), HSBC has, subject to certain terms and conditions set forth therein, agreed to make the Term Loan and to make Advances under the Revolving Line of Credit as provided for in the Loan Agreement (the "**Loan Obligations**"); and

WHEREAS, in order to induce HSBC to enter into the Loan Agreement and other related documents and to induce HSBC to make the Term Loan and Advances under the Revolving Line of Credit, Borrower has agreed to grant a lien on the Intellectual Property Collateral (as hereinafter defined) to secure the Loan Obligations.

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, the parties hereto agree as follows:

1. **Definitions.** All capitalized terms used but not otherwise defined herein have the meanings given to them in the Loan Agreement. All other terms contained in this Agreement, unless the context indicates otherwise, have the meanings provided for in the Uniform Commercial Code (the "**Code**") to the extent the same are used or defined therein.

2. **Grant of Security Interest.** To secure the prompt and complete payment and performance of all of the Loan Obligations, Borrower hereby grants, assigns, conveys, mortgages, pledges, hypothecates and transfers to HSBC a lien upon all of the right, title and interest of Borrower in, to and under the following, whether presently existing or hereafter created or acquired (collectively the "**Intellectual Property 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 of its Trademarks and Trademark Licenses to which it is a party including those referred to on **Schedule II** hereto;

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(c) all of its Copyrights and Copyright Licenses 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 Patent License, each Trademark, each Trademark License, each Copyright and each Copyright License; and

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

3. **Representations and Warranties.** Borrower represents and warrants to HSBC that Borrower does not have any interest in, or title to, any Patent, Trademark or Copyright except as set forth in Schedule I, Schedule II and Schedule III, respectively, hereto. This Agreement is effective to create a valid and continuing lien on and, upon the recording hereof with the United States Copyright Office and the United States Patent and Trademark Office, perfected liens in favor of HSBC on Borrower's Patents, Trademarks and Copyrights and such perfected liens are enforceable as such as against any and all creditors of and purchasers from Borrower. Upon recording of this Agreement with the United States Copyright Office and the United States Patent and Trademark Office and the filing of appropriate financing statements in the State of New York, all action necessary or desirable to protect and perfect HSBC's lien on Borrower's Patents, Trademarks or Copyrights shall have been duly taken.

4. **Covenants.** Borrower covenants and agrees with HSBC that from and after the date of this Agreement and until the Termination Date:

(a) Borrower shall notify HSBC immediately if Borrower knows or has reason to know that any application or registration relating to any Patent, Trademark or Copyright (now or hereafter existing) 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 Borrower's ownership of any Patent, Trademark or Copyright, its right to register the same, or to keep and maintain the same.

(b) In no event shall Borrower, either directly or through any agent, employee, licensee or designee, file an application for the registration of any

Patent, Trademark or Copyright with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency without giving HSBC prior written notice thereof and, upon request of HSBC, Borrower shall execute and deliver a supplement hereto (in form and substance satisfactory to HSBC) to evidence HSBC's lien on such Patent, Trademark or Copyright, and the General Intangibles of Borrower relating thereto or represented thereby.

(c) Borrower shall take all actions necessary or requested by HSBC to maintain and pursue each application, to obtain the relevant registration and to maintain the registration of each of the Patents, Trademarks and Copyrights (now or hereafter existing), including the filing of applications for renewal, affidavits of use, affidavits of noncontestability and opposition and interference and cancellation proceedings.

(d) In the event that any of the Intellectual Property Collateral is infringed upon, or misappropriated or diluted by a third party, Borrower shall notify HSBC promptly after Borrower learns thereof unless it shall reasonably determine that such Intellectual Property Collateral is 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 HSBC shall deem appropriate under the circumstances to protect such Intellectual Property Collateral.

5. **Loan Agreement.** The security interests granted by Borrower pursuant to this Agreement are granted in conjunction with the security interest granted by Borrower to HSBC pursuant to the Loan Agreement. Borrower and HSBC expressly agree that the security interests granted under this Agreement and the Loan Agreement in the Intellectual Property Collateral are intended to be treated as a single security interest for purposes of Article 9 of the Code and other applicable law. The exercise by HSBC of any rights or remedies with respect to any of the Intellectual Property Collateral shall be deemed to be an exercise of such rights or remedies in connection with both this Agreement and the Loan Agreement. In the event of any inconsistency between the terms and conditions of this Agreement and the Loan Agreement, then the terms and conditions of the Loan Agreement shall prevail. All proceeds of HSBC's exercise of its rights and remedies hereunder or under the Loan Agreement or applicable law with respect to all or any of the Intellectual Property Collateral shall be applied in accordance with the terms of the Loan Agreement.

6. **Reinstatement.** This Agreement shall remain in full force and effect and continue to be effective should any petition be filed by or against Borrower for liquidation or reorganization, should Borrower 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 Borrower'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 of Borrower pursuant to the Loan agreement (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.** Except as otherwise provided herein, 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 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 notice provisions of the Loan Agreement.

8. **Termination.** Subject to Section 6 hereof, this Agreement shall terminate upon the Termination Date. Upon any such termination of the liens created hereunder upon the Termination Date, or any such release of Intellectual Property Collateral prior to the Termination Date, HSBC will, at the expense of Borrower, promptly execute and deliver to Borrower such documents as Borrower shall reasonably request to evidence the termination of the liens created hereby or the release of such Intellectual Property Collateral, as the case may be.

9. **Governing Law.** THIS AGREEMENT AND THE OBLIGATIONS ARISING HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND PERFORMED IN THAT STATE, AND ANY APPLICABLE LAWS OF THE UNITED STATES OF AMERICA. BORROWER HEREBY CONSENTS AND AGREES THAT THE STATE OR FEDERAL COURTS LOCATED IN ONONDAGA COUNTY, NEW YORK, SHALL HAVE EXCLUSIVE JURISDICTION TO HEAR AND DETERMINE ANY CLAIMS OR DISPUTES BETWEEN BORROWER AND HSBC PERTAINING TO THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS OR TO ANY MATTER ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE RELATED DOCUMENTS, PROVIDED THAT HSBC AND BORROWER ACKNOWLEDGE THAT ANY APPEALS FROM THOSE COURTS MAY HAVE TO BE HEARD BY A COURT LOCATED OUTSIDE OF ONONDAGA COUNTY, NEW YORK, AND, PROVIDED, FURTHER, NOTHING IN THIS AGREEMENT SHALL BE DEEMED OR OPERATE TO PRECLUDE HSBC FROM BRINGING SUIT OR TAKING OTHER LEGAL ACTION IN ANY OTHER JURISDICTION TO REALIZE ON THE COLLATERAL OR ANY OTHER SECURITY FOR THE OBLIGATIONS, OR TO ENFORCE A JUDGMENT OR OTHER COURT ORDER IN FAVOR OF HSBC. BORROWER EXPRESSLY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR SUIT COMMENCED IN ANY SUCH COURT, AND BORROWER HEREBY WAIVES ANY OBJECTION

WHICH IT MAY HAVE BASED UPON LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS AND HEREBY CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY SUCH COURT. BORROWER HEREBY WAIVES PERSONAL SERVICE OF THE SUMMONS, COMPLAINT AND OTHER PROCESS ISSUED IN ANY SUCH ACTION OR SUIT AND AGREES THAT SERVICE OF SUCH SUMMONS, COMPLAINT AND OTHER PROCESS MAY BE MADE BY REGISTERED OR CERTIFIED MAIL ADDRESSED TO BORROWER AT THE ADDRESS SET FORTH IN THE APPLICABLE NOTICE SECTION OF THE LOAN AGREEMENT AND THAT SERVICE SO MADE SHALL BE DEEMED COMPLETED UPON THE EARLIER OF THE ACTUAL RECEIPT THEREOF OR THREE (3) DAYS AFTER DEPOSIT IN THE U.S. MAIL, PROPER POSTAGE PREPAID.

10. **Concerning HSBC.** The provisions of the Loan Agreement shall inure to the benefit of HSBC in respect of this Agreement and shall be binding upon the parties hereto and thereto in such respect.

11. **Appointment of Agent.** At any time or times, in order to comply with any legal requirement in any jurisdiction, HSBC may appoint another bank or trust company or one or more other persons, either to act as agent or agents on behalf of HSBC with such power and authority as may be necessary for the effectual operation of the provisions hereof and may be specified in the instrument of appointment (which may, in the discretion of HSBC, include provisions for the protection of such agent similar to the provisions referred to in Section 10).

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Borrower has caused this Agreement to be executed and delivered by its duly authorized officer or other representative as of the date first set forth above.

KNOWLTON TECHNOLOGIES, LLC,  
a New York limited liability company

By: Frederick G. Rudmann  
Frederick G. Rudmann, President

ACCEPTED AND ACKNOWLEDGED BY:  
HSBC BANK USA, NATIONAL ASSOCIATION

By: Stephen A. Mitchell, II  
Stephen A. Mitchell, II, First Vice President

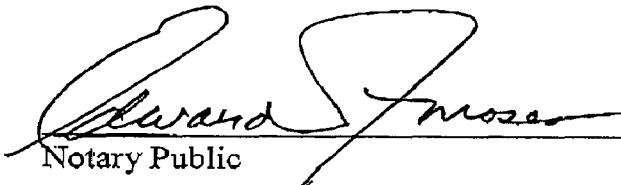


ACKNOWLEDGMENT OF BORROWER

STATE OF NEW YORK

COUNTY OF ONONDAGA

On this 15<sup>th</sup> day of April, 2008, before me personally appeared Frederick G. Rudmann, proved to me on the basis of satisfactory evidence to be the person who executed the foregoing instrument on behalf of Knowlton Technologies, LLC, a New York limited liability company and who being by me duly sworn did depose and say that he is an authorized officer of said company, that the said instrument was signed on behalf of said company as authorized by its Board of Directors (or equivalent governing body) and that he acknowledged said instrument to be the free act and deed of said company.

  
Notary Public

{seal}

EDWARD J. POGGES  
Notary Public in the State of New York  
Qualified in Onon. Co. No. 34-8034924  
My Commission Expires March 30, 2010  
*Sept*

{H0914822.1}

SCHEDULE I  
to  
INTELLECTUAL PROPERTY SECURITY AGREEMENT

**I. PATENT REGISTRATIONS**

Friction Paper Containing Activated Carbon, (1) filed by James M. Lee on January 6, 1999 under Application # 09226750, (2) granted to James M. Lee under Patent # 5,989,390 on November 23, 1999, (3) assigned to Knowlton Specialty Papers, Inc., a Delaware corporation, on January 6, 1999 by Assignment Recorded on January 6, 1999, Reel 9706, Frame 0643, (4) subsequently assigned to Franklin D. Cean on April 17, 2000 by Assignment Recorded on April 17, 2000, Reel 10756, Frame 0984, and (5) subsequently assigned to Borrower on April 15, 2008.

**II. PATENT APPLICATIONS**

None

**III. PATENT LICENSES**

The following patents were perpetually and irrevocably licensed to Borrower by way of a Patent License Agreement, dated as of April 15, 2008, by and between Franklin D. Cean and Borrower.

1. Adhesive Coated Polyester Felt – Patent # 6,770,582; Application Serial # 09/961,531

2. Adhesive Coated Polyester Felt – Patent # 6,846,759; Application Serial # 09/961,676

3. Moldable Composite Article and Method of Manufacture – Patent # 6,008,149; Application Serial # 09/286,916

4. Transmission Filter Felt – Patent # 6,695,148; Application Serial # 10/224,264

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**SCHEDULE II**  
**to**  
**INTELLECTUAL PROPERTY SECURITY AGREEMENT**

**I. TRADEMARK REGISTRATIONS**

None

**II. TRADEMARK APPLICATIONS**

None

**III. TRADEMARK LICENSES**

None

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**SCHEDULE III**  
**to**  
**INTELLECTUAL PROPERTY SECURITY AGREEMENT**

**I. COPYRIGHT REGISTRATIONS**

None

**II. COPYRIGHT APPLICATIONS**

None

**III. COPYRIGHT LICENSES**

None

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