

01-20-1999

MRP-19-99
Tab number 000



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Send original documents or copy thereof.

1. Name of conveying party(ies):

Capitol Specialty Plastics, Inc.
151 Riverside Drive
Fultonville, NY 12072

- Individual(s)
- General Partnership
- Corporation-State Alabama
- Other
- Association
- Limited Partnership

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

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

Name: Wachovia Bank, N.A.

Internal Address: Attn: Specialized Finance

Street Address: 191 Peachtree Street, 30th Floor

City Atlanta State GA ZIP 30303

- Individual(s) citizenship
- Association National Bank
- General Partnership
- Limited Partnership
- Corporation-State
- Other

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No

(Designation must be a separate document from Assignment)

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

3. Nature of conveyance:

- Assignment
- Security Agreement
- Other
- Merger
- Change of Name

Execution Date: December 30, 1998

4. Application number(s) or registration number(s):

A. Trademark Application No.(s)

See Exhibit A attached

B. Trademark registration No.(s)

Additional numbers attached? Yes No

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

Name: Pamela Allen

Internal Address: King & Spalding

Street Address: 191 Peachtree Street

City: Atlanta State: GA ZIP: 30303

6. Total number of applications and registrations involved: 6

7. Total fee (37 CFR 3.41): \$ 165.00

Enclosed \$120.00 expedited fee

Authorized to be charged to deposit account

8. Deposit account number: 110980

(Attach duplicate copy of this page if paying by deposit account)

DO NOT USE THIS SPACE

165E
120E

9. Statement and signature.

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Pamela A. Allen

Pamela A. Allen

1/11/99

Name of Person Signing

Signature

Date

Total number of pages comprising cover sheet: 5

OMB No. 0651-0011 (exp. 4/94)

Do not detach this portion

01/20/1999 Mail documents to be recorded with required cover sheet information to:

01 FC:481 40.00 OP
02 FC:482 125.00 OP
03 FC:484 120.00 OP

Commissioner of Patents and Trademarks
Box Assignments
Washington, D.C. 20231

Public burden reporting for this sample cover sheet is estimated to average about 30 minutes per document to be recorded, including time for reviewing the document and gathering the data needed, and completing and reviewing the sample cover sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Office of Information Systems, PK2-1000C, Washington, D.C. 20231, and to the Office of Management and Budget, Paperwork Reduction Project (0651-0011), Washington, D.C. 20503

TRADEMARK

REEL: 1792 FRAME: 0324

RECEIVED

Exhibit A

The following U.S. Trademark Applications are owned by Capitol Specialty Plastics, Inc.:

- a) "ACTIV-DRI"; filed October 7, 1998, Serial No. 75/566494
- b) "ACTIV-VIAL"; filed October 7, 1998, Serial No. 75/566499
- c) "ACTIV-STRIP"; filed October 7, 1998, Serial No. 75/566497
- d) "ACTIV-PAK"; filed October 7, 1998, Serial No. 75/566496
- e) "ACTIV-TAB"; filed October 7, 1998, Serial No. 75/566498
- f) "ACTIV-GUARD"; filed October 7, 1998, Serial No. 75/566495

**COLLATERAL ASSIGNMENT AND
TRADEMARK SECURITY AGREEMENT**

THIS COLLATERAL ASSIGNMENT AND TRADEMARK SECURITY AGREEMENT (this "Agreement"), made as of the 30th day of December, 1998, by the undersigned ("Grantor"), in favor of WACHOVIA BANK, NATIONAL ASSOCIATION, a national bank ("Wachovia"), as collateral agent under that certain Intercreditor Agreement, dated as of even date herewith, among Wachovia, not individually but as agent for itself and certain other financial institutions from time to time party to the "Senior Loan Agreement" (as defined in the Security Agreement hereinafter referred to) (collectively, "Senior Lenders"), Wachovia Capital Associates, Inc., a Georgia corporation ("WCA"), BNY Capital Corporation, a New York corporation ("BNY"; WCA and BNY sometimes referred to collectively herein as "Subordinated Lenders"; Senior Lenders and Subordinated Lenders sometimes referred to collectively herein as "Lenders"), and Wachovia, as collateral agent (as amended or modified from time to time, the "Intercreditor Agreement") (Wachovia, in such capacity as collateral agent, herein called, the "Collateral Agent");

WITNESSETH THAT:

WHEREAS, Grantor owns and uses certain trademarks and trademark applications filed in the United States Patent and Trademark Office, as more fully described on Exhibit "A" attached hereto and by reference made part hereof (hereinafter, together with all rights, benefits and privileges derived therefrom, the goodwill of the business symbolized thereby, all registrations thereof, all reissues, divisions, continuations, renewals and extensions thereof, and all proceeds of the foregoing, called the "TrademarkRights"); and

WHEREAS, as more particularly described in the Intercreditor Agreement, Lenders propose to make certain loans and other financial accommodations to Grantor or upon the security of its guaranty; and

WHEREAS, as a condition precedent (among others) to the extension of such financial accommodations, Lenders have required that Grantor execute and deliver this Agreement in favor of Collateral Agent;

NOW, THEREFORE, in order to induce Lenders to consummate such financial accommodations, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby grants to Collateral Agent a security interest in, and makes to Collateral Agent a collateral assignment of, the entire right, title, and interest of Grantor in and to the TrademarkRights. The TrademarkRights shall serve as collateral security for the payment of all "Secured Obligations", as that term is defined in the Security Agreement dated as of even date herewith, made by Grantor (among others) in favor of Collateral Agent (as amended or modified from time to time, the "Security Agreement"; capitalized terms used herein and not defined herein shall have the meanings assigned to them in the Security Agreement), shall constitute a part of the Collateral and shall be subject to all of the terms and conditions of the Security Agreement.

Notwithstanding the foregoing, unless and until Collateral Agent exercises the rights and remedies accorded to it under the Security Agreement and by law with respect to the realization upon its security interest in and collateral assignment of the TrademarkRights, Grantor shall own, and may use and enjoy the TrademarkRights in connection with its business operations, but only in a manner consistent with the preservation of their current substance, validity, registration and the security interest herein granted.

Grantor further agrees (a) that Collateral Agent shall not have any obligation or responsibility to protect or defend the TrademarkRights and Grantor shall at its own expense protect, defend and maintain the same to the extent advisable for its business, (b) that it shall forthwith advise Collateral Agent in writing of infringements of the TrademarkRights detected by it and (c) that if Grantor fails to comply with the requirements of the preceding clause (a), Collateral Agent may do so in Grantor's name or in Collateral Agent's name but at Grantor's expense, and Grantor hereby agrees to reimburse Collateral Agent for all expenses, including attorneys' fees, incurred by Collateral Agent in protecting, defending and maintaining the TrademarkRights owned by Grantor.

The security interest in and collateral assignment of the TrademarkRights granted hereunder shall remain in full force and effect until the termination of the Senior Loan Agreement and the Subordinated Note Agreements and the payment and satisfaction in full of the Secured Obligations. At such time Collateral Agent shall, if requested by Grantor, execute and deliver to Grantor, or to a third party upon Grantor's instructions, for filing with the United States Patent and Trademark Office and in each office in which any financing statement relative to the security interest granted hereby may have been filed, (i) documentation in accordance with the rules and regulations of said office, (ii) termination statements under the Uniform Commercial Code and (iii) any other documentation reasonably requested by Grantor, all as may be necessary to release Collateral Agent's interest in the TrademarkRights, all at the cost and expense of Grantor.

This Agreement shall inure to the benefit of Collateral Agent and its successors and assigns, and bind Grantor and its successors and assigns.

IN WITNESS WHEREOF, Grantor has caused this Agreement to be executed by its officer thereunto duly authorized, under seal, as of the date first above written.

CAPITOL SPECIALTY PLASTICS, INC. (SEAL)

By: Robert S. Abrams
Robert S. Abrams
President

Attest: Robert Dorfman
Robert Dorfman
Assistant Secretary

STATE OF GEORGIA

COUNTY OF FULTON

On this 30th day of December 1998, before me appeared Robert S. Abrams, the person who signed the within and foregoing Collateral Assignment and Trademark Security Agreement in his capacity as President of the Grantor named therein, who acknowledged that he signed same as a free act for and on behalf of the identified corporation with authority to do so.

[Signature]
Notary Public

Commission Expiration Date:

[NOTARIAL SEAL]

