



Tab Set

09-10-1998

U.S. Patent & TMO/TM Mail Rpt Dt. #22

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TRADEMARKS AND PATENTS. PLEASE RETURN THE ATTACHED ORIGINAL DOCUMENTS OR COPY THEREOF.

1. Name of conveying party(ies):
Disposable Products Company, LLC
9-10-98

Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State
 Other: Delaware limited liability company

Additional names of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies):
Name: PNC Bank, National Association
Internal Address: _____
Street Address: 249 Fifth Avenue
City: Pittsburgh State: PA ZIP: 15222

Individual(s) citizenship: _____
 Association: _____
 General Partnership: _____
 Limited Partnership: _____
 Corporation-State: _____
 Other: national bank

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
(Designations must be a separate document from Assignment)
Additional name(s) & address(es) attached? Yes No

3. Nature of conveyance:

Assignment Merger
 Security Agreement Change of Name
 Other: _____

Execution Date: August 13, 1998

4. Application number(s) or registration number(s):
A. Trademark Application No.(s)
75/226,183

Additional numbers attached? Yes No

B. Trademark registration No.(s)

5. Name and address of party to whom concerning document should be mailed:
Name: Michael L. Dever
Internal Address: Buchanan Ingersoll, P.C.
Street Address: 301 Grant Street
20th Floor
City: Pittsburgh State: PA ZIP: 15219

6. Total number of applications and registrations involved: 1

7. Total fee (37 CFR 3.41): \$ 40.00

Enclosed
 Authorized to be charged to deposit account

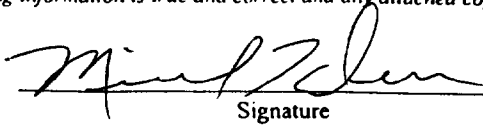
8. Deposit account number: _____

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

09/28/1998 DMSUYEN 00000256 75226183
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DO NOT USE THIS SPACE

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.

Michael L. Dever  9/8/98
Name of Person Signing Signature Date

Total number of pages comprising cover sheet: 11

09-10-1998

U.S. Patent & TMOft/TM Mail Rcpt Dt. #22

**DISPOSABLE PRODUCTS COMPANY, LLC
PATENT AND TRADEMARK SECURITY AGREEMENT**

DISPOSABLE PRODUCTS COMPANY, LLC (the "Company"), a Delaware limited liability company having its principal place of business and chief executive offices at 313 West Fourth Street, Bridgeport, PA 19405, hereby grants, assigns and conveys to PNC BANK, NATIONAL ASSOCIATION, a national bank with its head office at 249 Fifth Avenue, Pittsburgh, Pennsylvania 15222, in its capacity as agent (the "Agent") for the Banks and the Agent under (and each as defined in) the Loan Agreement (as hereinafter defined), for the ratable benefit of the Agent and the Banks, to secure the Company's obligations under a Revolving Credit and Term Loan Agreement dated as of August 14, 1998 (the "Loan Agreement"), among the Company, the Guarantors, the Banks and the Agent (the Agent, together with its successors and assigns, being herein sometimes called the "Secured Party"), and the payment and performance of all other Obligations under (and as defined in) the Loan Agreement, a security interest in all patents and patent applications listed on Schedule A hereto, together with all foreign patents, trademarks and other properties corresponding thereto, to the extent not already listed on such Schedule A, and all patents and all reissues and extensions thereof, which issue or have issued in any country or jurisdiction upon any patent applications which correspond with any of such applications or patents or any divisional, continuation or continuation-in-part thereof, including, without limitation, the right to sue for past, present and future infringements, and proceeds of the foregoing, including, but not limited to, proceeds of licensing (collectively, the "Patents"), and all trademarks and service marks and United States, state and foreign registrations thereof, and applications therefor that are listed on Schedule B hereto or that correspond with any marks therein listed and all foreign patents, trademarks or other properties that correspond thereto, to the extent not already listed on such Schedule B, together with the goodwill of the business with which the foregoing trademarks and service marks are used and the right to sue for past, present and future infringements of rights in such trademarks and service marks and all renewals thereof, and all proceeds of the foregoing including, but not limited to, proceeds of licensing (collectively, the "Trademarks") (all terms not otherwise defined herein shall have the meaning set forth in the Loan Agreement).

The Company represents and warrants to and agrees with the Secured Party as follows:

1. The Company is the sole owner in the United States and all other applicable jurisdictions of the entire right, title and interest in and to each of the Patents and Trademarks, free from any mortgage, pledge, lien, security interest, charge, adverse claim or other encumbrance including, without limitation, licenses, shop rights (with regard to the Patents) and covenants not to sue, except the security interest herein granted.

2. As of the date hereof, each of the Patents and Trademarks listed on Schedules A and B is valid and enforceable, and they constitute all patents, patent applications, trademarks and service marks now owned or used by the Company. In addition, the only Patents and Trademarks listed on Schedules A and B that are material to the Company's business or prospects are marked with an asterisk.

**TRADEMARK
REEL: 1793 FRAME: 0113**

3. The Patents and Trademarks are subsisting and have not been adjudged invalid or unenforceable, in whole or in part.

4. The execution, delivery and performance of this Agreement are within the power of the Company and have been duly authorized by all necessary corporate action and do not contravene any law, rule, regulation or any judgment, decree or order of any tribunal or of any agreement to which the Company is a party or by which any of its property is bound.

5. The Company agrees to use for the duration of this Agreement standards of quality in its manufacture of products sold under the Patents and Trademarks consistent with those standards used by Company prior to this Agreement.

6. The Company will use and continue to use for the duration of this Agreement proper statutory notice in connection with its use of the Patents and Trademarks.

7. The Company shall defend the Patents and Trademarks against all claims and demands of all persons at any time claiming the same or any interests therein adverse to the Secured Party. Until the Obligations shall have been satisfied in full, the Company shall not pledge, mortgage or create or suffer to exist a security interest in, or enter into any license, sublicense or other agreement relating to the use of, the Patents and Trademarks, without the Secured Party's prior consent.

8. The Company shall promptly apply for and obtain all renewals or extensions of the Patents and Trademarks to the full extent permitted by law except to the extent, in the Company's reasonable discretion, exercised in good faith, such renewal or extension is not reasonable, prudent or beneficial to the Company or its operations. If, before all Obligations have been satisfied in full, the Company shall obtain rights to any new patentable inventions, or become entitled to the benefit of any patent application, patent for any reissue, or of any patent improvement, or if the Company develops any new trademark or service mark, the Company shall give the Secured Party prompt written notice of all such patents, trademarks, service marks, extensions and renewals, and the provisions of this Agreement shall apply thereto. The Company authorizes the Secured Party to modify this Agreement by amending Schedule A and Schedule B to include any new patents, any divisions, continuations, renewals, extensions, continuations-in-part on any patent, and any new trademark or service mark, and any trademark renewal of the Company applied for and obtained hereafter.

9. The Company shall promptly notify the Secured Party of the institution of, and any adverse determination in, any proceeding in the United States Patent and Trademark Office or any other foreign or domestic governmental agency, court or body, regarding the Company's claim of ownership in any of the Patents and Trademarks which could have a material adverse effect on the Company. In the event of any material infringement of any of the Patents or Trademarks by a third party, the Company shall promptly notify the Secured Party of such infringement and shall take all reasonably necessary actions to obtain the cessation of such infringement and recover all damages resulting therefrom, including, after an Event of Default, such action as the Secured Party deems reasonably necessary. If the Company shall fail to take such action within three (3) months after such notice is given to the Secured Party, the Secured

Party may upon notice to the Company, but shall not be required to, itself take such action in the name of the Company, and the Company hereby appoints the Secured Party the true and lawful attorney of the Company, for it and in its name, place and stead, on behalf of the Company, to commence judicial proceedings in any court or before any other tribunal to enjoin and recover damages for such infringement, any such damages due to the Company, net of costs and attorneys' fees reasonably incurred, to be applied to the Obligations.

10. The Company shall, at its sole expense, do, make, execute and deliver all such reasonable additional and further acts, things, deeds, assurances, and instruments, in each case in form and substance satisfactory to the Secured Party, relating to the creation, validity, or perfection of the security interests and assignments provided for in this Agreement under 35 U.S.C. Section 261, 15 U.S.C. Section 1051 *et seq.*, the Uniform Commercial Code or other laws of the United States or the Commonwealth of Pennsylvania or of any other countries or states as the Secured Party may from time to time reasonably request, and shall take all such other action as the Secured Party may reasonably require to more completely vest in and assure to the Secured Party, the Agent and the Banks their respective rights hereunder or in any of the Patents or Trademarks, and the Company hereby irrevocably authorizes the Secured Party or its designee, at the Company's expense, to execute such documents, and file such financing statements with respect thereto with or without the Company's signature, as the Secured Party may deem appropriate. In the event that any rerecording or refiling (or the filing of any statement of continuation or assignment of any financing statement) or any repledge or reassignment, or any other action, is required at any time to protect and preserve such security interest and assignments, the Company shall, at its sole cost and expense, cause the same to be done or taken at such time and in such manner as may be reasonably necessary and as may be reasonably requested by the Secured Party.

The Secured Party is hereby irrevocably appointed by the Company as its lawful attorney and agent, with full power of substitution to execute and deliver on behalf of and in the name of the Company, such financing statements, assignments, pledges and other documents and agreements, and to take such other action as the Secured Party may deem necessary for the purpose of perfecting, protecting or effecting the security interests and assignments granted herein and effected hereby, and any mortgages or liens necessary or desirable to implement or effectuate the same, under any applicable law, and the Secured Party is hereby authorized to file on behalf of and in the name of the Company at the Company's sole expense, such financing statement, assignments, documents, and agreements in any appropriate governmental office.

11. If any Event of Default (as defined in the Loan Agreement) shall have occurred and be continuing, the Secured Party may without notice or demand declare this Agreement to be in default and the Secured Party shall thereafter have in any jurisdiction in which enforcement hereof is sought, in addition to all other rights and remedies, the rights and remedies of a secured party under the Uniform Commercial Code, including, without limitation, the right to dispose of the Patents and Trademarks at public or private sale. The Secured Party shall give to the Company at least ten (10) days' prior written notice (which the Company agrees is "reasonable notification" within the meaning of Section 9-504(3) of the Uniform Commercial Code) of the

time and place of any public sale of the Patents and Trademarks or of the time after which any private sale or any other intended disposition is to be made.

If any Event of Default shall have occurred and be continuing, the Company hereby grants to the Secured Party the right and exclusive license to make, have made, use and sell the inventions and marks disclosed and claimed in the Patents and the Trademarks for the Secured Party's benefit and account, and for none other.

The Company hereby waives any and all rights that it may have to judicial hearing in advance of the enforcement of any of the Secured Party's rights hereunder, including, without limitation, its rights following any Event of Default to take immediate possession of the Patents and Trademarks and exercise its rights with respect thereto.

The Secured Party shall not be required to marshal any present or future security for (including, but not limited to, this Agreement and the Patents and Trademarks subject to a security interest hereunder), or guaranties of, the Obligations or any of them, or to resort to such security or guaranties in any particular order; and all of the rights hereunder and in respect of such security and guaranties shall be cumulative and in addition to all other rights, however existing or arising. To the extent that it lawfully may, the Company hereby agrees that it will not invoke any law relating to the marshalling of collateral which might cause delay in or impede the enforcement of the Secured Party's, the Agent or any Bank's rights under this Agreement or any other instrument evidencing any of the Obligations or by which any of the Obligations is secured or guaranteed, and to the extent that it lawfully may the Company hereby irrevocably waives the benefits of all such laws.

12. Except for notices specifically provided for herein, the Company hereby expressly waives demand, notice, protest, notice of acceptance of this Agreement, notice of loans made, credit extended, collateral received or delivered or other action taken in reliance hereon and all other demands and notices of any description. With respect both to the Obligations and any collateral therefor, the Company assents to any extension or postponement of the time of payment or any other indulgence, to any substitution of any party or person primarily or secondarily liable, to the acceptance of partial payment thereon and the settlement, compromising or adjusting of any thereof, all in such manner and at such time or times as the Secured Party, the Agent or the Banks may deem advisable. Neither the Secured Party nor any Bank shall have any duty as to the protection of the Patents or Trademarks or any income thereon, nor as to the preservation or rights against prior parties, nor as to the preservation of any rights pertaining thereto. The Secured Party, the Agent and the Banks may exercise their rights with respect to the Patents and Trademarks without resorting or regard to other collateral or sources of reimbursement for liability. The Secured Party and the Banks shall not be deemed to have waived any of their rights upon or under the Obligations or the Patents and Trademarks unless such waiver be in writing and signed by the Secured Party and the Banks in accordance with the terms of the Loan Agreement. No delay or omission on the part of the Secured Party or the Banks in exercising any right shall operate as a waiver of any right on any future occasion. All rights and remedies of the Secured Party or the Banks with respect to the Obligations or the

Patents or Trademarks, whether evidenced hereby or by any other instrument or papers, shall be cumulative and may be exercised singularly or concurrently.

13. The Company will pay any and all (i) reasonable charges and costs and all taxes incurred in implementing or subsequently amending this Agreement, including, without limitation, recording and filing fees, appraisal fees, stamp taxes, and fees and disbursements of the Secured Party's counsel incurred by the Secured Party, in connection with this Agreement, and (ii) fees and disbursements reasonably incurred by the Secured Party in the preparation, execution and delivery of any waiver or consent by the Secured Party relating to this Agreement, and in the enforcement of this Agreement and in the enforcement or foreclosure of any liens, security interests or other rights of the Secured Party under this Agreement, or under any other documentation heretofore, now, or hereafter given to the Secured Party or the Banks in furtherance of the transactions contemplated hereby. In addition, after the occurrence of an Event of Default, the Company will also pay all reasonable costs and expenses of the Banks in connection with the enforcement of this Agreement and with the enforcement or foreclosure of any liens, security interests or other rights the Banks under this Agreement, or under any other documentation heretofore, now, or hereafter given to the Secured Party or the Banks in furtherance of the transactions contemplated hereby.

14. The Company and the Secured Party may from time to time agree in writing to the release of certain of the Patents and Trademarks from the security interest created hereby.

15. The Company shall hold the Secured Party and the Banks harmless from any and all costs, damages and expenses which may be incurred by the Secured Party, the Banks or the Company in connection with any action or failure to act by the Secured Party or any Bank in connection with this Agreement.

16. This Agreement and all rights and obligations hereunder, including matters of construction, validity and performance, shall be governed by the laws of the United States, and, to the extent that the laws of the United States are not applicable, by the laws of the Commonwealth of Pennsylvania (without regard to principles of conflicts of laws). This Agreement is intended to take effect as a sealed instrument.

17. All notices hereunder shall be in writing and shall be given as provided in the Loan Agreement.

18. When all Obligations have been paid and performed in full, and if at the time the Banks are not committed to extend any credit to the Company under the Loan Agreement or under any other Loan Document, this Agreement shall terminate, and the Secured Party shall upon request, at the Company's expense, execute all such documentation necessary to release its security interest hereunder, provided, that notwithstanding the foregoing, this Agreement shall continue to be effective or be reinstated, as the case may be, if at any time payment or other satisfaction of any of the Obligations is rescinded or must otherwise be restored or returned upon the bankruptcy, Insolvency or reorganization of the Company, or otherwise, as though such payment had not been made or such performance occurred.

19. Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated except by a written instrument expressly referring to this Agreement and to the provisions so modified or limited, and executed by all the parties hereto.

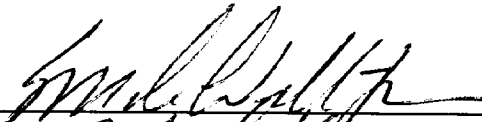
20. This Agreement and all obligations of the Company shall be binding upon the successors and assigns of the Company, and shall, together with the rights and remedies of the Secured Party hereunder, inure to the benefit of the Secured Party, the Banks and their respective successors and assigns. If any term of this Agreement shall be held to be invalid, illegal or unenforceable, the validity of all other terms hereof shall be in no way affected thereby, and this Agreement shall be construed and be enforceable as if such invalid, illegal or unenforceable term had not been included herein. The Company acknowledges receipt of a copy of this Agreement. Terms used herein without definition which are defined in the Uniform Commercial Code of Pennsylvania have such defined meanings herein, unless the context otherwise indicates or requires.

[SIGNATURES BEGIN ON NEXT PAGE]

[SIGNATURE PAGE 1 OF 1 TO
PATENT AND TRADEMARK SECURITY AGREEMENT]

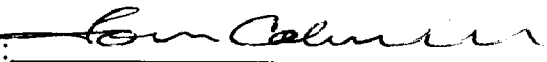
IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its
duly authorized officer as of the 13 day of August, 1998.

DISPOSABLE PRODUCTS COMPANY, LLC

By: 
Name E. H. deHaven, Jr.
Its Texas
Hereunto duly authorized

Accepted:

PNC BANK, NATIONAL ASSOCIATION,
as Agent

By: 
Name Tom Caldwell
Its VP
Hereunto duly authorized

STATE OF OHIO

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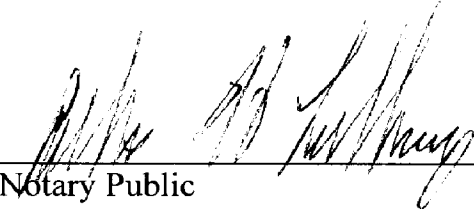
COUNTY OF CUYAHOGA

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On this 13th day of August, 1998, before me, a notary public, personally appeared E. M. de Windt, Jr. known to me (or satisfactorily proven), who acknowledged himself to be a managing member of Disposable Products Company, LLC, a Delaware limited liability company, and, being authorized to do so, executed the same for the purposes therein contained by signing the name of the limited liability company in his capacity as such member.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Notary Public

ARTHUR H. LUNDBERG, ATTORNEY
NOTARY PUBLIC - STATE OF OHIO
My Commission Has No Expiration Date
Section 147.03 R.C.

My Commission expires:

Schedule A
To the Patent and Trademark
Security Agreement

None.

Schedule B
To the Patent and Trademark
Security Agreement

Federal registered tradename ALLWIPE And Design for "nonwoven fabric wipes" subject to an Opposition filed by Kimberly-Clark Tissue Company due to its registered mark WYPALL for "bonded cellulose wipers."

Pending registration - Serial Number 75/226,183