

TRADEMARK ASSIGNMENT

Electronic Version v1.1
 Stylesheet Version v1.1

SUBMISSION TYPE:	NEW ASSIGNMENT		
NATURE OF CONVEYANCE:	SECURITY INTEREST		
CONVEYING PARTY DATA			
Name	Formerly	Execution Date	Entity Type
INOLEX CHEMICAL COMPANY		07/07/2011	CORPORATION: PENNSYLVANIA
RECEIVING PARTY DATA			
Name:	CITIZENS BANK OF PENNSYLVANIA		
Street Address:	1701 JFK Blvd.		
Internal Address:	22nd Floor		
City:	Philadelphia		
State/Country:	PENNSYLVANIA		
Postal Code:	19103		
Entity Type:	State-Chartered Bank: PENNSYLVANIA		
PROPERTY NUMBERS Total: 1			
Property Type	Number	Word Mark	
Registration Number:	1011975	INOLEX	
CORRESPONDENCE DATA			
Fax Number:	(215)789-6673		
	<i>Correspondence will be sent via US Mail when the fax attempt is unsuccessful.</i>		
Phone:	215-864-6857		
Email:	albrights@whiteandwilliams.com		
Correspondent Name:	Samuel C. Albright		
Address Line 1:	1650 Market Street		
Address Line 2:	One Liberty Place, Suite 1800		
Address Line 4:	Philadelphia, PENNSYLVANIA 19103		
NAME OF SUBMITTER:	Samuel C. Albright		
Signature:	/salbright/		
Date:	07/19/2011		

OP \$40.00 1011975

Total Attachments: 17

source=INOLEX - IP Security Agreement#page1.tif
source=INOLEX - IP Security Agreement#page2.tif
source=INOLEX - IP Security Agreement#page3.tif
source=INOLEX - IP Security Agreement#page4.tif
source=INOLEX - IP Security Agreement#page5.tif
source=INOLEX - IP Security Agreement#page6.tif
source=INOLEX - IP Security Agreement#page7.tif
source=INOLEX - IP Security Agreement#page8.tif
source=INOLEX - IP Security Agreement#page9.tif
source=INOLEX - IP Security Agreement#page10.tif
source=INOLEX - IP Security Agreement#page11.tif
source=INOLEX - IP Security Agreement#page12.tif
source=INOLEX - IP Security Agreement#page13.tif
source=INOLEX - IP Security Agreement#page14.tif
source=INOLEX - IP Security Agreement#page15.tif
source=INOLEX - IP Security Agreement#page16.tif
source=INOLEX - IP Security Agreement#page17.tif

PATENTS, TRADEMARKS, COPYRIGHTS AND LICENSES SECURITY AGREEMENT

THIS PATENTS, TRADEMARKS, COPYRIGHTS AND LICENSES SECURITY AGREEMENT (this "**Agreement**") is made effective as of the 7th day of July, 2011 by and among **INOLEX GROUP, INC., INOLEX CHEMICAL COMPANY, and INOLEX INVESTMENT CORP.** (each an "**Assignor**" and collectively, the "**Assignors**") and **CITIZENS BANK OF PENNSYLVANIA** ("**Assignee**").

BACKGROUND

A. Pursuant to that certain Loan and Security Agreement dated of even date herewith by and among Assignee and Assignors (such Loan and Security Agreement, as heretofore or hereafter amended, modified or restated, being referred to herein as the "**Loan Agreement**"), Assignee agreed to establish for Assignors a (i) TWELVE MILLION FIVE HUNDRED THOUSAND DOLLAR (\$12,500,000) revolving credit facility, (ii) a TWO MILLION FIVE HUNDRED THOUSAND DOLLAR (\$2,500,000) term loan and (iii) a ONE MILLION FIVE HUNDRED THOUSAND DOLLAR equipment line of credit.

B. The Loan Agreement provides, *inter alia*, that each Assignor will grant to Assignee a security interest in all of each Assignor's assets, including, without limitation, its patents, patent rights, patent applications, servicemarks, trademarks, service trademark applications, service tradenames, goodwill, copyrights and licenses.

NOW THEREFORE, in consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Assignor agrees as follows:

1. **Incorporation of Loan Agreement.** The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All capitalized terms not otherwise defined herein shall have the meanings set forth in the Loan Agreement. All obligations of Assignors to Assignee, whether now or hereafter owing or existing, including without limitation all obligations hereunder, under the Loan Agreement, the Loan Documents and the Note, and the payment, performance and discharge of all other obligations or undertakings now or hereafter made by or for the benefit of Assignors to or for the benefit of Assignee, under this Agreement or under any other agreement, promissory note or undertaking now existing or hereafter entered into by Assignors with or to Assignee, including any guaranty or surety obligations of Assignors owed to Assignee, and the undertakings of Assignors to immediately pay to Assignee the amount of any overdraft on any deposit account maintained with Assignee are sometimes hereinafter referred to collectively as the "**Bank Indebtedness**".

2. **Security Interests.**

2.1 **Security Interest.** To secure the complete and timely payment and satisfaction of all Bank Indebtedness, each Assignor hereby assigns, mortgages and pledges to

Assignee and grants to Assignee a security interest in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale, to the extent permitted by law, all of such Assignor's right, title and interest in and to all of the following, whether now owned or existing and filed or hereafter acquired or arising and filed (collectively with items named in section 2.2, below, the "**Collateral**"):

(a) patents and patent applications, including, without limitation, the inventions and improvements described and claimed therein, and those patents listed on Exhibit "A", attached hereto and made a part hereof, and (i) the reissues, divisions, continuations, renewals, extensions and continuations-in-part thereof, (ii) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing patents and applications, together with the items described in clauses (i)-(iv), are sometimes hereinafter individually and/or collectively referred to as the "**Patents**");

(b) copyrights, copyright registrations, copyright applications and all computer programs, operating systems, application systems, hardware or software of any nature whatsoever owned by such Assignor, whether operational, under development or inactive, including all object codes, source codes, modules, technical manuals, user manuals, operating instructions and procedures, in-put and out-put formats, program listings, narrative descriptions, program flow charts, file layouts, report layouts, screen layouts and other documentation therefor (including internal notes, memoranda, status evaluations, marketing information and write-ups), and all improvements, modifications, enhancements, new releases and revisions thereof, whether in machine-readable form, programming language or any other language or symbols, and whether stored, encoded, recorded or written on disk, tape, film, memory device, paper or other media of any nature; together with all tangible media upon which any of the foregoing are recorded or encoded, including, without limitation, all chips, disks, tapes, film and paper; including, without limitation, the copyrights, copyrights registrations and copyrights applications listed on Exhibit "C" attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including, without limitation, damages and payments for past or future infringements thereof, and (c) the right to sue for past, present and future infringements thereof (all of the foregoing items are sometimes referred to herein collectively as the "**Copyrights**"); and

(c) license agreements with any other party, whether such Assignor is a licensor or licensee under any such license agreement, including, without limitation, the licenses listed on Exhibit "D" attached hereto and made a part hereof, and the right to prepare for sale, sell and advertise for sale all inventory now or hereafter owned by such Assignor and now or hereafter covered by such licenses (all of the foregoing is hereinafter referred to collectively as the "**Licenses**").

2.2 Security Interest. To secure the complete and timely payment and satisfaction of all Bank Indebtedness, each Assignor hereby mortgages and pledges to Assignee and grants to Assignee a security interest in, as and by way of a first mortgage and security interest having priority over all other security interests, with power of sale, to the extent

permitted by law, all of such Assignor's right, title and interest in and to all of the following, whether now owned or existing and filed or hereafter acquired or arising and filed (collectively with items named in section 2.1, above, the "Collateral"):

(a) servicemarks, trademarks, servicemark and trademark registrations, tradenames, trademark applications, and all goodwill attendant thereto, including, without limitation, the servicemarks, trademarks, tradenames, registrations and applications listed on Exhibit "B", attached hereto and made a part hereof, and (i) all renewals thereof, (ii) all income, royalties, damages and payments now and hereafter due and/or payable with respect thereto, including without limitation, damages and payments for past or future infringements thereof, (iii) the right to sue for past, present and future infringements thereof, and (iv) all rights corresponding thereto throughout the world (all of the foregoing servicemarks, trademarks, servicemark and trademark registrations, tradenames and applications together with the items described in clauses (i)-(iv), are sometimes hereinafter individually and/or collectively referred to as the "Trademarks").

3. Restrictions on Future Agreements. Each Assignor agrees that until all Bank Indebtedness shall have been satisfied in full and the Loan Agreement shall have been terminated, no Assignor will, without Assignee's prior written consent, enter into any agreement (including, without limitation, any license or royalty agreement) which is inconsistent with such Assignor's obligations under this Security Agreement or the Loan Agreement and each Assignor further agrees that it will not take any action, or permit any action to be taken by others, subject to their control, including licensees, or fail to take any action, that is material to the operation of the business of Assignor, which would affect the validity or enforcement of the rights of Assignee under this Security Agreement.

4. New Patents, Trademarks, and Licenses. Each Assignor represents and warrants that the Patents, Trademarks, Copyrights and Licenses listed on Exhibits "A", "B", "C" and "D", respectively, constitute all of the patents, trademarks, copyrights, applications and licenses, now owned by such Assignor. If, before all Bank Indebtedness shall have been satisfied in full and the Loan Agreement shall have been terminated, any Assignor shall (i) obtain rights to any new patentable inventions, trademarks, trademark registrations, tradenames, copyrights or licenses, or (ii) become entitled to the benefit of any patent, trademark or copyright application, trademark, trademark registration or license renewal, or patent for any reissue, division, continuation, renewal, extension, or continuation-in-part of any Patent or any improvement on any Patent, the provisions of Article 2 above shall automatically apply thereto and such Assignor shall give to Assignee prompt written notice thereof. Each Assignor hereby authorizes Assignee to modify this Security Agreement by amending Exhibit "A", "B", "C" and/or "D", as applicable, to include any future patents, patent applications, trademarks, trademark registrations, trademark applications, tradenames, copyrights and licenses which are Patents, Trademarks, Copyrights or Licenses, as applicable, under Article 2 above or under this Section 4. Each Assignor hereby agrees to provide to Assignee such assignment or other documentation as Assignee may request to record Assignee's lien on such future Patents, Trademarks, Copyrights or Licenses.

5. Royalties; Term. Assignor hereby agrees that the use by Assignee of all Patents, Trademarks, Copyrights and Licenses as described herein shall be worldwide and without any

liability for royalties or other related charges from Assignee to any Assignor. The term of the security interest granted herein shall extend until the earlier of (i) the expiration of each of the respective Patents, Trademarks, Copyrights and Licenses assigned hereunder, or (ii) the date on which all Bank Indebtedness has been paid in full and the Loan Agreement is terminated.

6. **Assignee's Right to Inspect.** Assignee shall have the right, at any time and from time to time, to inspect any Assignor's premises and to examine such Assignor's books, records and operations, including, without limitation, such Assignor's quality control processes. Each Assignor agrees that Assignee, or a conservator appointed by Assignee, shall have the right to establish such additional reasonable product quality controls, as set forth by customary industry standards, to assure maintenance of the quality of products sold by such Assignor under the Trademarks. Each Assignor agrees (i) not to sell or assign its interest in, or grant any license under, the Patents, Trademarks, Copyrights or Licenses, without the prior written consent of Assignee; (ii) to maintain the quality of any and all products in connection with which the Trademarks and/or Copyrights are used, consistent with quality of said products as of the date hereof; (iii) not to adversely change the quality of said products without Assignee's express written consent; and (iv) to provide Assignee, upon request, with a certificate of an officer of such Assignor certifying such Assignor's compliance with the foregoing.

7. **Termination.** This Security Agreement is made for collateral purposes only. Upon payment in full of all Bank Indebtedness and termination of the Loan Agreement, Assignee shall execute and deliver to Assignors a termination of Assignee's security interest granted herein and all deeds, assignments and other instruments as may be necessary or proper to re-vest in Assignors full title to the Patents, Trademarks, Copyrights and Licenses, subject to any disposition thereof which may have been made by Assignee pursuant hereto.

8. **Duties of Assignors.** Each Assignor shall have the duty (i) to prosecute diligently any patent, trademark and copyright application pending as of the date hereof or thereafter, that is material to the operation of the business of Assignor, until all Bank Indebtedness shall have been paid in full and the Loan Agreement is terminated, (ii) to make application on unpatented but patentable inventions and on trademarks and copyrights, as appropriate and material to the operation of the business of Assignor, and (iii) to preserve and maintain all rights in patent applications and patents of the Patents, in trademark applications, trademarks and trademark registrations of the Trademarks and in copyright applications and copyrights of the Copyrights, that is material to the operation of the business of Assignor. Any expenses incurred in connection with such applications shall be borne by Assignors. No Assignor shall abandon any right to file a patent, trademark or copyright application, or any pending patent, trademark or copyright application or any Patent, Trademark, License or Copyright, that is material to the operation of the business of Assignor, without the consent of the Assignee, which consent shall not be unreasonably withheld.

9. **Event of Default.** Upon the occurrence of an Event of Default, as defined in the Loan Agreement, if such Event of Default has not been cured or waived by Bank within thirty (30) days, Assignee may, without further notice to or consent of any Assignor, immediately record all assignments previously executed and delivered to Assignee by Assignors and/or execute and record with all applicable offices (including, without limitation, the Patent and Trademark Office) an absolute assignment to Assignee by Assignors of all rights, title and

interest of each Assignor in and to the Patents, Trademarks, Copyrights, Licenses and other Collateral. Each Assignor hereby authorizes and agrees that Assignee may, through the power of attorney granted in **Section 14** hereof, irrevocably execute and deliver in such Assignor's name any and all such assignments and agreements and to take any and all other actions in such Assignor's name as Assignee shall deem reasonable or appropriate to transfer and convey all right, title and interest of such Assignor in and to the Collateral to Assignee or any other person or entity selected by Assignee.

10. **Assignee's Right to Sue.** Assignee shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Patents, Trademarks, Copyrights and/or Licenses, and any licenses thereunder, and, if Assignee shall commence any such suit, Assignors shall, at the request of Assignee, do any and all lawful acts and execute any and all proper documents required by Assignee in aid of such enforcement and Assignors shall promptly, upon demand, reimburse and indemnify Assignee for all costs and expenses incurred by Assignee in the exercise of its rights under this **Section 10**.

11. **Waivers.** No course of dealing between any Assignor and Assignee, nor any failure to exercise, nor any delay in exercising, on the part of Assignee, any right, power or privilege hereunder or under the Loan Agreement shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege.

12. **Severability.** The provisions of this Security Agreement are severable, and if any clause or provision shall be invalid and unenforceable in whole or in part in any jurisdiction, then such invalidity or unenforceability shall affect only such clause or provision, or part thereof, in such jurisdiction, and shall not in any manner affect such clause or provision in any other jurisdiction, or any other clause or provision of this Security Agreement in any jurisdiction.

13. **Modification.** This Security Agreement cannot be altered, amended or modified in any way, except as specifically provided in **Section 4** hereof or by a writing signed by the parties hereto.

14. **Cumulative Remedies; Power of Attorney; Effect on Loan Agreement.** All of Assignee's rights and remedies with respect to the Patents, Trademarks, Copyrights and Licenses, whether established hereby or by the Loan Agreement, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Each Assignor hereby authorizes Assignee to make, constitute and appoint any officer or agent of Assignee as Assignee may select, in its sole discretion, as such Assignor's true and lawful attorney-in-fact, with power to (i) endorse such Assignor's name on all applications, documents, papers and instruments necessary or reasonably desirable for the Assignee to protect, evidence, perfect or enforce its security interest in the Patents, Trademarks, Copyrights and Licenses, (ii) following the occurrence of an Event of Default, if such Event of Default has not been cured or waived by Bank within any applicable cure or grace period set forth in the Loan Agreement, with ten (10) days prior notice to Assignors (provided, however, the failure to provide such prior notice shall have no effect on Assignee's rights and remedies hereunder), take any other actions with respect to the Patents, Trademarks, Copyrights and/or Licenses as the Assignee reasonably deems in the best interest of the Assignee, (iii) following the occurrence of an Event of Default, if such Event

of Default has not been cured or waived by Bank within any applicable cure or grace period set forth in the Loan Agreement, with ten (10) days prior notice to Assignors (provided, however, the failure to provide such prior notice shall have no effect on Assignee's rights and remedies hereunder), grant or issue any exclusive or non-exclusive license under the Patent or Trademark to anyone, including Assignee, and/or (iv) following the occurrence of an Event of Default, if such Event of Default has not been cured or waived by Bank within any applicable cure or grace period set forth in the Loan Agreement, with ten (10) days prior notice to Assignors (provided, however, the failure to provide such prior notice shall have no effect on Assignee's rights and remedies hereunder), assign, pledge, convey or otherwise transfer title in or dispose of the Patents, Trademarks, Copyrights or Licenses to anyone, including Assignee. Assignee may act under such power of attorney to take the actions referenced in Section 4. Assignee hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney shall be irrevocable until all Bank Indebtedness shall have been paid in full and the Loan Agreement shall have been terminated. Each Assignor acknowledges and agrees that this Security Agreement is not intended to limit or restrict in any way the rights and remedies of Assignee under the Loan Agreement but rather is intended to facilitate the exercise of such rights and remedies given it by the terms of this Security Agreement, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Patents, Trademarks, Copyrights or Licenses may be located.

15. **Binding Effect; Benefits.** This Security Agreement shall be binding upon the Assignors and their successors and assigns, and shall inure to the benefit of Assignee, its nominees, successors and assigns.


16. **Governing Law.** This Security Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have duly executed this Security Agreement the day and year first above written.


ASSIGNORS:

INOLEX GROUP, INC.

By: 


Edward N. Heinz, President

INOLEX CHEMICAL COMPANY

By: 

Edward N. Heinz, President

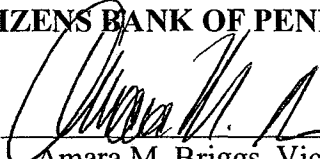
INOLEX INVESTMENT CORP.

By: 

Edward N. Heinz, President

ASSIGNEE:

CITIZENS BANK OF PENNSYLVANIA

By: 

Amara M. Briggs, Vice President

EXHIBIT "A"
TO
PATENTS, TRADEMARKS, COPYRIGHTS
AND LICENSES SECURITY AGREEMENT

Patents

US PATENTS

<u>PAT. #</u>	<u>TITLE</u>	<u>DATE</u>
7,317,068	Complex polyol polyester polymer compositions for use in personal care products and related methods	1/8/2008
7,008,909	Alpha branched esters for use in metalworking fluids and metalworking fluids containing such esters	3/7/2006
6,103,822	Polymeric acid functional polyols, polyurethanes and methods for making same	8/15/2000
5,989,527	Compositions and methods for improving the performance of chemical eliating agents, sunless tanning agents, skin lightening agents and insect repellents	11/23/1999
5,880,250	Polymeric acid functional polyols, polyurethanes and methods for making same	5/9/1999
5,833,961	Polyester-based sunscreen formulations	11/10/1998
4,978,526	Hair and skin conditioning agents and methods	12/18/1990
4,246,131	Low-irritant surfactant composition	1/20/1981
4,229,429	Process for preparing alcohol soluble condensates of abietic acid and a protein hydrolsate	10/21/1980
4,225,622	Protein hydrolysis products from limed splits	9/30/1980
4,137,191	Low-irritant surfactant composition	1/30/1979
4,128,543	Process for preparing alcohol soluble condensates of abietic acid and a protein hydrolsate	12/5/1978

INTERNATIONAL PATENTS

<u>APPL. #</u>	<u>TITLE</u>	<u>PUB. DATE</u>
PCT/US2010/055154	Polyester polymers, compositions containing UV absorbing complex polyester polymers, and related methods	5/5/2011
PCT/US2010/040336	Non-petrochemically derived cationic emulsifiers that are neutralized amino acid esters and related compositions and methods	1/6/2011
PCT/US2009/054006	Esters derived from natural sources having lower viscosity and higher spread rate, natural personal care compositions and related methods	2/18/2010
PCT/US2009/046151	Method of lubricating food processing equipment and related food grade, high temperature lubricants and compositions	12/10/2009
PCT/US2008/084983	Preservatives for cosmetic toiletry and pharmaceutical compositions	6/4/2009
07775140	Hair conditioning cosmetic compositions containing a mixture of amidoamines	1/7/2009
07762776	Improved high temperature lubricant compositions	10/22/2008
PCT/US2007/008889	Hair conditioning cosmetic compositions containing a mixture of amidoamines	10/25/2007
PCT/US2007/004325	Anti-microbial Compositions	8/30/2007
PCT/US2007/002632	Improved high temperature lubricant compositions	8/9/2007
PCT/US2006/004965	High temperature lubricant compositions and methods of making the same	8/17/2006
PCT/US2005/023243	Complex polyol polyester polymer compositions for use in personal care products and related methods	1/12/2006
04711099	Tertiary amine functional complex polyester polymers and methods of production and use	11/23/2005
PCT/US2004/010642	Personal care products containing high refractive index esters and methods of preparing the same	11/17/2005
PCT/US2004/016032	Polyol polyester-containing personal care products that do not contain low viscosity silicone fluids	12/2/2004
PCT/US2004/015649	Personal care products that do not contain tetramer and/or pentamer cyclomethicones	12/2/2004
PCT/US2004/004139	Tertiary amine functional complex polyester polymers	9/2/2004
PCT/US2000/007868	Polyurethane foam cell opening agents and methods for making foam using the same	10/26/2000
98124412	Polymeric acid functional polyols, polyurethanes and method for making same	6/28/2000
PCT/US1995/010789	Derivatized polyester compounds and uses thereof	3/7/1996
89910268	* Hair and skin conditioning compositions	7/10/1991
PCT/US1989/003803	* Hair and skin conditioning agents and methods	4/5/1990
83111309	* Quarternary ammonium derivatives of amino acid units	5/23/1984

7771893v.4

* Registered under "Inolex Chemical Company"

7771893v.4

TRADEMARK
REEL: 004586 FRAME: 0463

EXHIBIT "B"

TO

PATENTS, TRADEMARKS, COPYRIGHTS

AND LICENSES SECURITY AGREEMENT

Trademarks

<u>REG. #</u>	<u>WORD MARK</u>	<u>REG. DATE</u>
3208681	SPECTRAGARD	2/13/2007
3121348	LEXFILM	7/25/2006
2929574	LEXFEEL	3/1/2005
2496765	LEXAD	10/9/2001
1063692	LEXOLUBE	4/19/1977
1175640	LEXOREZ	11/3/1981
1062553	LEXGARD	4/5/1977
1062552	LEXEMUL	4/5/1977
0531552	MAYPON	10/3/1950
1011975	INOLEX	06/03/1975

EXHIBIT "C"
TO
PATENTS, TRADEMARKS, COPYRIGHTS
AND LICENSES SECURITY AGREEMENT

Copyrights

NONE.

EXHIBIT "D"

TO

**PATENTS, TRADEMARKS, COPYRIGHTS
AND LICENSES SECURITY AGREEMENT**

Licenses

NONE.

7771893v.4