

7-5-02

07-05-2002

Form PTO-1594 (Rev. 03/01) OMB No. 0651-0027 (exp. 5/31/2002)



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

Tab settings

102144927

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):
Cantar/Polyair Inc.

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

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

2. Name and address of receiving party(ies)
Name: LaSalle Business Credit, Inc., as Agent
Internal
Address: _____
Street Address: 135 South LaSalle Street, Ste.
City: Chicago State: IL Zip: 60603

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

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: 6/21/02

4. Application number(s) or registration number(s):
 A. Trademark Application No.(s) 75-671391
 B. Trademark Registration No.(s) 1694366

Additional number(s) attached Yes No

6. Total number of applications and registrations involved: 40

5. Name and address of party to whom correspondence concerning document should be mailed:
 Name: Maisha Gibson, Paralegal
 Internal Address: _____
 Street Address: Goldberg Kohn et al.
 55 E. Monroe Street, 37th Floor
 City: Chicago State: IL Zip: 60603

7. Total fee (37 CFR 3.41).....\$ 1015.00
 Enclosed
 Authorized to be charged to deposit account

8. Deposit account number: _____

DO NOT USE THIS SPACE

9. Signature.
 Maisha Gibson
 Name of Person Signing

Maisha Gibson
 Signature

July 3, 2002
 Date

Total number of pages including cover sheet, attachments, and document: 10

07/05/2002 TDI A21 00000135 75671391
01 FC:481 40.00 DP
02 FC:482 975.00 DP

Mail documents to be recorded with required cover sheet information to: Commissioner of Patent & Trademarks, Box Assignments Washington, D.C. 20231

TRADEMARK REEL: 002537 FRAME: 0871

SCHEDULE A**TRADEMARK REGISTRATIONS****CANTAR POLYAIR INC.**

MARK	SERIAL NO.	REG. NO.
Air-Foam (Words Only)	74-073173	1694366
Airlite (Words Only)	75-671391	NOT AVAILABLE
Air Space (Words and Design)	75-555187	NOT AVAILABLE
Aqua-Cover (Words Only)	73-124122	1089222
Aqua Foam (Words Only)	74-022904	1630039
Aqualiner (Words Only)	73-781448	1635495
Aquareel (Words Only)	73-781529	1616412
Box-A-Bubble (Words Only)	74-100483	1701713
Cantar (Words Only)	73-781411	1659741
Country Crest (Words Only)	73-803697	1652412
Duraback (Words Only)	75-015500	2155979
Durabond (Words Only)	76-025549	NOT AVAILABLE
Durabubble (Words Only)	75-512123	2247820
Durabubble Lite (Words Only)	76-314519	NOT AVAILABLE
Duracote (Words Only)	75-016807	NOT AVAILABLE
Duralite (Words Only)	76-054443	NOT AVAILABLE
Duramask (Words Only)	76-025548	NOT AVAILABLE
Ecolite (Words Only)	74- 0063435	1725513
E-Com.Mailer (Stylized letters)	76-026182	NOT AVAILABLE

Endurable (Words Only)	76-095330	NOT AVAILABLE
Epoxilast (Words Only)	75-015618	NOT AVAILABLE
Fastpak (Words Only)	76-065025	2087105
Flexfoil (Words Only)	75-026099	2108203
Hold-Tite (Words Only)	73-359185	1247695
Lamibag (Words Only)	74-491348	1929153
Lamifilm Bag (Words Only)	74-490383	1927122
Lamifoam (Words Only)	74-490384	1929149
Polyair (Words Only)	73-769971	1564514
Pull Tite (Words Only)	73-814049	1645297
Pull Tite (Words Only)	75-298971	2341669
Securapool (Words Only)	73-781451	1622530
Secur & Clean (Words and Design)	74-409701	1906542
Starbond (Words Only)	76-025547	NOT AVAILABLE
Starfoam (Words Only)	74-490382	1929148
Starkraft (Words Only)	76-095331	NOT AVAILABLE
Starmask (Words Only)	76-025546	NOT AVAILABLE
Star Mover (Words Only)	75-671392	2429253
Starnet (Words Only)	75-117645	2050981
Summer Fun (Words Only)	75-015502	2093554
Textural (Words Only)	75-015501	2155980

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (the "**Security Agreement**") made as of this 21st day of June, 2002, by CANTAR/POLYAIR INC., an Ontario corporation ("**Company**") in favor of LASALLE BUSINESS CREDIT, INC., as agent for the Lenders party to the Loan Agreement (defined below) and the Canadian Lender, with an office at 135 South LaSalle Street, Suite 425, Chicago, Illinois 60603 ("**Agent**");

W I T N E S S E T H

WHEREAS, Company, Mabex Universal Corporation, a California corporation ("**Mabex**"), Performa Corp., an Ohio corporation ("**Performa**"), Cantar/Polyair Canada Limited, an Ontario corporation, Cantar/Polyair Corporation, a Delaware corporation ("**Cantar U.S.**"), Cantar/Polyair of Illinois, Inc., an Illinois corporation, C/P International Corp., Inc., an Illinois corporation, Agent and Lenders are parties to a certain Loan and Security Agreement of even date herewith (as amended, amended and restated or otherwise modified from time to time, the "**Loan Agreement**") and other related loan documents of even date herewith (collectively, with the Loan Agreement, and as each may be amended or otherwise modified from time to time, the "**Financing Agreements**"), which Financing Agreements provide (i) for Lenders to, from time to time, extend credit to or for the account of Cantar U.S., Mabex and Performa and (ii) for the grant by Company to Agent, for benefit of Lenders, of a security interest in certain of Company's assets, including, without limitation, its trademarks and trademark applications; and

WHEREAS, Company has also entered into that certain Guaranty in favor of LaSalle Business Credit, a division of ABN AMRO Bank N.V., Canada Branch ("**Canadian Lender**") of even date herewith (as amended, supplemented or otherwise modified from time to time, the "**Canadian Guaranty**") pursuant to which Company has guaranteed all of the obligations of Cantar Canada owing to Canadian Lender under that certain Credit Agreement dated as of June 21, 2002 between Cantar Canada and Canadian Lender;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, Company agrees as follows:

1. Incorporation of Financing Agreements. The Financing Agreements and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto. All terms capitalized but not otherwise defined herein shall have the same meanings herein as in the Loan Agreement.

2. Grant and Reaffirmation of Grant of Security Interests. To secure the complete and timely payment and satisfaction of the Liabilities (including, without limitation, the obligations of Company under the Canadian Guaranty), Company hereby grants to Agent, for the benefit of Agent, Lenders and Canadian Lender, and hereby reaffirms its prior grant pursuant to the Financing Agreements of, a continuing security

interest in Company's entire right, title and interest in and to all of its now owned or existing and hereafter acquired or arising trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, logos, other business identifiers, prints and labels on which any of the foregoing have appeared or appear, all registrations and recordings thereof, and all applications (other than "intent to use" applications until a verified statement of use is filed with respect to such applications) in connection therewith, including, without limitation, the trademarks and applications listed on Schedule A attached hereto and made a part hereof and the trademarks, and renewals thereof, and all income, royalties, damages and payments now or hereafter due and/or payable under or with respect to any of the foregoing, including, without limitation, damages and payments for past, present and future infringements of any of the foregoing and the right to sue for past, present and future infringements of any of the foregoing (all of the foregoing are sometimes hereinafter individually and/or collectively referred to as the "**Trademarks**"); all rights corresponding to any of the foregoing throughout the world and the goodwill of the Company's business connected with the use of and symbolized by the Trademarks.

3. Warranties and Representations. Company warrants and represents to Agent, Lenders and Canadian Lender that:

(i) no Trademark has been adjudged invalid or unenforceable by a court of competent jurisdiction nor has any such Trademark been cancelled, in whole or in part and each such Trademark is presently subsisting;

(ii) Company is the sole and exclusive owner of the entire and unencumbered right, title and interest in and to each Trademark, free and clear of any liens, charges and encumbrances, including without limitation, shop rights and covenants by Company not to sue third persons;

(iii) Company has no notice of any suits or actions commenced or threatened with reference to any Trademark; and

(iv) Company has the unqualified right to execute and deliver this Security Agreement and perform its terms.

4. Restrictions on Future Agreements. Company agrees that until Company's Liabilities shall have been satisfied in full and the Commitments and all Letters of Credit shall have been terminated, Company shall not, without the prior written consent of Agent, sell or assign its interest in any Trademark or enter into any other agreement with respect to any Trademark which would affect the validity or enforcement of the rights transferred to Agent under this Security Agreement.

5. New Trademarks. Company represents and warrants that, based on a diligent investigation by Company, the Trademarks listed on Schedule A constitute all of the federally registered Trademarks, and federal applications for registration of Trademarks (other than "intent to use" applications until a verified statement of use is filed with respect to such applications) now owned by Company. If, before Company's Liabilities shall have been

satisfied in full or before the Commitments and all Letters of Credit have been terminated, Company shall (i) become aware of any existing Trademarks of which Company has not previously informed Agent, or (ii) become entitled to the benefit of any Trademarks, which benefit is not in existence on the date hereof, the provisions of this Security Agreement above shall automatically apply thereto and Company shall give to Agent prompt written notice thereof. Company hereby authorizes Agent to modify this Security Agreement by amending Schedule A to include any such Trademarks.

6. Term. The term of this Security Agreement shall extend until the payment in full of Company's Liabilities and the termination of the Commitments and all Letters of Credit. Company agrees that upon the occurrence of an Event of Default, the use by Agent of all Trademarks shall be without any liability for royalties or other related charges from Agent to Company.

7. Product Quality. Company agrees to maintain the quality of any and all products in connection with which the Trademarks are used, consistent with commercially reasonable business practices. Upon the occurrence of an Event of Default, Company agrees that Agent, or a conservator appointed by Agent, shall have the right to establish such additional product quality controls as Agent, or said conservator, in its reasonable judgment, may deem necessary to assure maintenance of the quality of products sold by Company under the Trademarks.

8. Release of Security Agreement. This Security Agreement is made for collateral purposes only. Upon payment in full of Company's Liabilities and termination of the Commitments and all Letters of Credit, Agent shall take such actions as may be necessary or proper to terminate the security interests created hereby and pursuant to the Financing Agreements

9. Expenses. All expenses incurred in connection with the performance of any of the agreements set forth herein shall be borne by Company. All fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by Agent in connection with the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, reasonable counsel fees, maintenance fees, encumbrances or otherwise in protecting, maintaining or preserving the Trademarks or in defending or prosecuting any actions or proceedings arising out of or related to the Trademarks shall be borne by and paid by Company and until paid shall constitute Liabilities.

10. Duties of Company. Company shall have the duty (i) to file and prosecute diligently any trademark applications pending as of the date hereof or hereafter until Company's Liabilities shall have been paid in full and the Commitments and all Letters of Credit have been terminated, (ii) to preserve and maintain all rights in the Trademarks, as commercially reasonable and (iii) to ensure that the Trademarks are and remain enforceable, as commercially reasonable. Any expenses incurred in connection with Company's Liabilities under this Section 10 shall be borne by Company.

11. Agent's Right to Sue. After an Event of Default, Agent shall have the right, but shall in no way be obligated, to bring suit in its own name to enforce the Trademarks and, if Agent shall commence any such suit, Company shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents required by Agent in aid of such enforcement and Company shall promptly, upon demand, reimburse and indemnify Agent for all costs and expenses incurred by Agent in the exercise of its rights under this Section 11.

12. Waivers. No course of dealing among Company, Agent, Lenders and Canadian Lender, nor any failure to exercise, nor any delay in exercising, on the part of Agent, any right, power or privilege hereunder or under the Financing Agreements 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.

13. Severability. The provisions of this Security Agreement are severable, and if any clause or provision shall be held 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.

14. Modification. This Security Agreement cannot be altered, amended or modified in any way, except as specifically provided in Section 5 hereof or by a writing signed by the parties hereto.

15. Cumulative Remedies; Power of Attorney; Effect on Financing Agreements. All of Agent's rights and remedies with respect to the Trademarks, whether established hereby or by the Financing Agreements, or by any other agreements or by law shall be cumulative and may be exercised singularly or concurrently. Company hereby authorizes Agent upon the occurrence of an Event of Default and so long as such Event of Default continues, to make, constitute and appoint any officer or agent of Agent as Agent may select, in its sole discretion, as Company's true and lawful attorney-in-fact, with power to (i) endorse Company's name on all applications, documents, papers and instruments necessary or desirable for Agent in the use of the Trademarks or (ii) take any other actions with respect to the Trademarks as Agent deems to be in the best interest of Agent, or (iii) grant or issue any exclusive or non-exclusive license under the Trademarks to anyone, or (iv) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone. Company hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney, being coupled with an interest, shall be irrevocable until Company's Liabilities shall have been paid in full and the Commitments and all Letters of Credit have been terminated. Company acknowledges and agrees that this Security Agreement is not intended to limit or restrict in any way the rights and remedies of Agent under the Financing Agreements but rather is intended to facilitate the exercise of such rights and remedies. Agent shall have, in addition to all other rights and remedies given it by the terms of this Security Agreement and the Financing Agreements, all rights and remedies allowed by law and the rights and remedies of a secured party under the Uniform Commercial Code as enacted in Illinois.

16. Binding Effect; Benefits. This Security Agreement shall be binding upon Company and its respective successors and assigns, and shall inure to the benefit of Agent, its successors, nominees and assigns.

17. Governing Law. This Security Agreement shall be governed by and construed in accordance with the laws of the State of Illinois and applicable federal law.

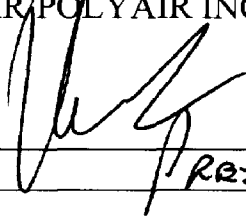
18. Headings. Paragraph headings used herein are for convenience only and shall not modify the provisions which they precede.

19. Further Assurances. Company agrees to execute and deliver such further agreements, instruments and documents, and to perform such further acts, as Agent shall reasonably request from time to time in order to carry out the purpose of this Security Agreement and agreements set forth herein.

20. Survival of Representations. All representations and warranties of Company contained in this Security Agreement shall survive the execution and delivery of this Security Agreement and shall be remade on the date of each borrowing under the Financing Agreements.

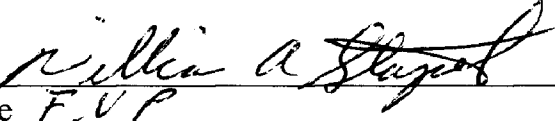
IN WITNESS WHEREOF, Company has duly executed this Security Agreement as of the date first written above.

CANTAR/POLYAIR INC.

By 
Title President

Agreed and Accepted
As of the Date First Written Above

LASALLE BUSINESS CREDIT, INC., as Agent

By 
Title F.V.P.