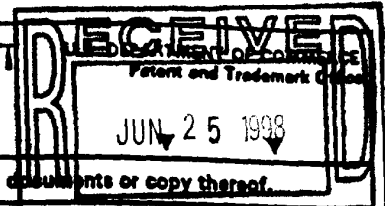


1100
6-24-98

07-09-1998



COVER SHEET ONLY



Tab settings **DDD**

To the Honorable Commissioner

100757741

is attached original documents or copy thereof.

1. Name of conveying party(ies):

Twitchell Corporation
4031 Ross Clark Circle, NW
P. O. Box 8156
Dothan, AL 36304

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

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

3. Nature of conveyance:

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

Execution Date: June 16, 1998

2. Name and address of receiving party(ies)

Name: Antares Leverage Capital Co.

Internal Address: Suite 2725

Street Address: 311 South Wacker Drive

City: Chicago State: IL Zip: 60606

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

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

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

A. Trademark Application No.(s)

B. Trademark Registration No.(s)

See attached Exhibit A

Additional numbers attached? Yes No

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

Name: Elizabeth Burns, Paralegal

Internal Address: Latham & Watkins

Street Address: Sears Tower, Suite 5800

City: Chicago State: IL ZIP: 60606

6. Total number of applications and registrations involved: 5

7. Total fee (37 CFR 3.41) \$ 140.00

- Enclosed
- Authorized to be charged to deposit

8. Deposit account number:

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

07/09/1998 DCURTES 00000051 1372405

DO NOT USE THIS SPACE

01 FC:481 40.00 DP
02 FC:482 100.00 DP

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.

Elizabeth Burns
Name of Person Signing

Elizabeth Burns
Signature

6/25/98
Date

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

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

TRADEMARK
REEL: 1749 FRAME: 0733

EXHIBIT A

**Schedule 1
to Trademark Security Agreement**

<u>Mark</u>	<u>Status</u>	<u>Reg. No.</u>	<u>Goods</u>	<u>Filing Date</u>	<u>Registration Date</u>	<u>Next Renewal</u>
KANECRAFT	Registered	1,372,486	Woven and knitted paper for use in making hats, wallpaper and furniture	01/23/85	11/26/85	11/26/05
TEXTILENE	Registered	1,329,669	Synthetic fabrics	06/25/84	04/09/85	04/09/05
TEXTILENE DESIGN	Registered	404,925	Yarns	07/31/43	12/28/43	12/28/03
TEXTILENE SUNSURE	Registered	1,373,879	Synthetic awning fabrics	07/25/84	12/03/85	12/03/05
TYCO-TUFF	Pending	75/421,004	Synthetic yarns	01/21/98		
SPUNSURE*						
DURA-SOFT ACRYLICS*						

*These marks are not pending or registered in the U.S. Patent and Trademark Office.

TRADEMARK

REEL: 1749 FRAME: 0734

TRADEMARK SECURITY AGREEMENT

WHEREAS, TWITCHELL CORPORATION, a Delaware corporation (“Grantor”), owns the Trademarks, Trademark registrations and Trademark applications listed on Schedule 1 annexed hereto, and is a party to the Trademark licenses listed on Schedule 1 annexed hereto; and

WHEREAS, Grantor, as Borrower, has entered into a Credit Agreement dated as of June 16, 1998 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the “Credit Agreement”), with Antares Leveraged Capital Corp., as agent (“Agent”) for the benefit of all financial institutions that from time to time become lenders under the Credit Agreement (collectively, the “Lenders”) and as a Lender, Heller Financial, Inc., as Documentation Agent and as a Lender, and the other Lenders, providing for extensions of credit and other financial accommodations to be made to Borrower by Lenders; and

WHEREAS, pursuant to the terms of a Security Agreement dated as of the date hereof (as the same may be amended, restated, supplemented or otherwise modified from time to time, the “Security Agreement”), between Borrower and Agent (in such capacity, “Grantee”), Grantor has granted to Grantee for the benefit of Lenders a security interest in substantially all the assets of Grantor including all right, title and interest of Grantor in, to and under all now owned and hereafter acquired Trademarks (as defined in the Security Agreement), Trademark registrations, Trademark applications and Trademark licenses, together with the goodwill of the business symbolized by Grantor’s Trademarks, and all proceeds thereof, to secure the payment of the “Liabilities” (as defined in the Security Agreement);

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant to Grantee a continuing security interest in all of Grantor’s right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the “Trademark Collateral”), whether presently existing or hereafter created or acquired:

- (1) each Trademark, Trademark registration and Trademark application, including, without limitation, the Trademarks, Trademark registrations (together with any reissues, continuations or extensions thereof) and Trademark applications referred to in Schedule 1 annexed hereto, and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark, Trademark registration and Trademark application;
- (2) each Trademark license and all of the goodwill of the business connected with the use of, and symbolized by, each Trademark license; and
- (3) all products and proceeds of the foregoing, including, without limitation, any claim by Grantor against third parties for past, present or future (a) infringement or dilution of any Trademark or Trademark registration including, without limitation, the Trademarks and Trademark registrations referred to in Schedule 1 annexed hereto, the Trademark registrations

issued with respect to the Trademark applications referred to in Schedule 1 and the Trademarks licensed under any Trademark license, or (b) injury to the goodwill associated with any Trademark, Trademark registration or Trademark licensed under any Trademark license;

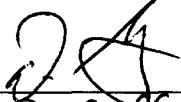
but excluding from Trademark Collateral any "intent to use" Trademark registration or application to the extent that the granting of a security interest therein is prohibited by applicable law.

This security interest is granted in conjunction with the security interests granted to Grantee pursuant to the Security Agreement and is not intended to increase the rights of Grantee or the obligations of Grantor beyond the rights and obligations contained in the Security Agreement. Grantor hereby acknowledges and affirms that the rights and remedies of Grantee with respect to the security interest in the Trademark Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

[remainder of page intentionally blank]

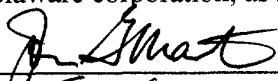
IN WITNESS WHEREOF, Grantor has caused this Trademark Security Agreement to be duly executed by its duly authorized officer on this 16 day of June, 1998.

TWITCHELL CORPORATION,
a Delaware corporation

By: 
Name: D. Geoffrey P. Tuman
Title: President

Acknowledged:

ANTARES LEVERAGED CAPITAL CORP.,
a Delaware corporation, as Agent

By: 
Name: JOHN G. MARTIN
Title: Managing Director

ACKNOWLEDGMENT

STATE OF NEW YORK)
) SS.
COUNTY OF NEW YORK)

On the 16th day of June, 1998, before me personally appeared W. Geoffrey Pitman, to me personally known or proved to me on the basis of satisfactory evidence to be the person described in and who executed the foregoing instrument, who being by me duly sworn, did depose and say that he/she is President of Twitchell Corporation, a Delaware corporation described in and which executed the foregoing instrument; that the said instrument was signed on behalf of said corporation by order of its Board of Directors; and that he/she acknowledged said instrument to be the free act and deed of said corporation.

Barbara DiMartino
Notary Public

My commission expires:

October 4, 1999

BARBARA DIMARTINO
Notary Public, State of New York
No. 01D15018566
Qualified in Nassau County
Certificate Filed in New York County
Commission Expires Oct. 4, 1999

LATHAM & WATKINS

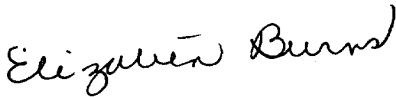
Commissioner of Patents & Trademarks

June 25, 1998

Page 2

Thank you for your assistance in this matter

Truly yours,



Elizabeth J. Burns,
Paralegal

EJB:ms
enclosure

cc: Jennifer Hansen, Esq.

CH_DOCS\99709.1

**Schedule 1
to Trademark Security Agreement**

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