

MD 8-24-98

FORM PTO-1618A
Expires 06/30/99
OMB 0651-0027

09-02-1998



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RECORDATION FORM COVER SHEET
TRADEMARKS ONLY

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U.S. Department of Commerce
Patent and Trademark Office
TRADEMARK

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID # _____
- Correction of PTO Error
Reel # _____ Frame # _____
- Corrective Document
Reel # _____ Frame # _____

Conveyance Type

- Assignment
- License
- Security Agreement
- Nunc Pro Tunc Assignment
Effective Date
Month Day Year

- Merger
- Change of Name
- Other _____

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name Chipman-Union, Inc.

073198

Formerly _____

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other _____
- Citizenship/State of Incorporation/Organization Georgia corporation

Receiving Party

Mark if additional names of receiving parties attached

Name Congress Financial Corporation (Southern)

DBA/AKA/TA _____

Composed of _____

Address (line 1) 200 Galleria Parkway

Address (line 2) Suite 1500

Address (line 3) Atlanta, _____

Georgia
State/Country

30339
Zip Code

- Individual
 - General Partnership
 - Limited Partnership
 - Corporation
 - Association
 - Other _____
- If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

Citizenship/State of Incorporation/Organization Georgia corporation

08/24/1998 DCOATES 00000129 1510229

FOR OFFICE USE ONLY

01 FC:481
02 FC:482

40.00 OP
75.00 OP

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

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

TRADEMARK
REEL: 1776 FRAME: 0022

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)			Registration Number(s)		
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1510229"/>	<input type="text" value="1817465"/>	<input type="text" value="1754004"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="1805353"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

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. Charges to deposit account are authorized, as indicated herein.

Laura DeHaven, Paralegal

8-21-98

Name of Person Signing

Signature

Date Signed

SCHEDULE A

<u>Trademark</u>	<u>Status</u>	<u>Registration Date</u>	<u>Registration No.</u>
B (and Design)	Registered	10/25/88	1,510,229
FOOTLOOSE	Registered	1/18/94	1,817,465
TALL `N ALL	Registered	2/23/93	1,754,004
CHRONICLE STREET	Registered	11/16/93	1,805,353

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TRADEMARK
REEL: 1776 FRAME: 0024

TRADEMARK COLLATERAL ASSIGNMENT AND SECURITY AGREEMENT

THIS AGREEMENT is made this 31st day of July, 1998, between **CONGRESS FINANCIAL CORPORATION (SOUTHERN)**, a Georgia corporation having an office at 200 Galleria Parkway, Suite 1500, Atlanta, Georgia 30339 ("Lender"), and **CHIPMAN-UNION, INC.**, a Georgia corporation having its principal place of business at 500 Sibley Avenue, Union Point, Georgia 30669 (the "Assignor").

W I T N E S S E T H:

WHEREAS, Assignor desires to continue to obtain loans from Lender pursuant to a certain Loan and Security Agreement, dated November 26, 1998, by and between Assignor and Lender (hereinafter referred to, together with all amendments thereto, as the "Loan Agreement"); and

WHEREAS, Lender is willing to make loans to Assignor from time to time, in Lender's discretion, provided Assignor executes this Agreement;

WHEREAS, Assignor has contemporaneously herewith pursuant to the Loan Agreement, granted to Lender a lien upon and security interest in Assignor's now existing or hereafter acquired inventory, machinery, equipment, equipment formulations, manufacturing procedures, quality control procedures and product specifications relating to products sold under the Trademarks (as hereinafter defined);

NOW, THEREFORE, for Ten Dollars (\$10.00) and other valuable consideration, and in consideration of the premises, Assignor hereby agrees with Lender as follows:

1. To secure the payment and performance of the Obligations (as defined in the Loan Agreement), Assignor hereby assigns and conveys to Lender, and grants to Lender a security interest in, Assignor's entire right, title and interest in and to the trademark applications and trademarks listed on Schedule A attached hereto (as the same may be amended pursuant hereto from time to time), including, without limitation, all renewals thereof, all proceeds of infringement suits, license royalties, the right to sue for past, present and future infringements and all rights corresponding thereto throughout the world, together with the goodwill of the business to which each of the trademarks relate ("Goodwill"), and all proceeds of the foregoing (all such trademarks, trademark

rights, Goodwill and proceeds thereof, being collectively called the "Trademarks").

2. Assignor covenants and warrants that:

(a) Each of the Trademarks is subsisting and has not been adjudged invalid or unenforceable;

(b) Each of the Trademarks is valid and enforceable;

(c) Assignor is the sole and exclusive owner of the entire right, title and interest in and to each of the Trademarks, free and clear of any liens, charges and encumbrances, including, without limitation, pledges, assignments, licenses, registered user agreements and covenants by Assignor not to sue third persons;

(d) No claim has been made that the use of any of the Trademarks does or may violate the rights of any third person;

(e) Assignor has the unqualified right to enter into this Agreement and perform its terms;

(f) Assignor will maintain the quality of the products associated with the Trademarks, at a level consistent with the quality at the time of this Agreement, and will provide Lender quarterly with a certificate to that effect in the form attached hereto as Exhibit 1 executed by an officer of Assignor;

(g) Assignor will not change the quality of the products associated with the Trademarks, in any manner that would adversely affect Assignor's or Lender's right, title and interest in and to the Trademarks or the value of the Trademarks, without Lender's prior written consent; and

(h) Assignor has used and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Trademarks, including, without limitation, filing an affidavit of use with the United States Patent and Trademark Office during the sixth year of registration for each Trademark as required by law.

3. Assignor hereby grants to Lender and its employees and agents the right upon prior notice to Assignor to visit Assignor's plants and facilities which manufacture, inspect or store products sold under any of the Trademarks and to inspect the products and quality control records relating thereto at reasonable times during regular business hours. Assignor shall do any and all acts required by Lender to ensure Assignor's compliance with paragraph 2(f) of this Agreement.

4. Assignor agrees that, until all of the Obligations have been satisfied in full, it will not enter into any agreement (including, without limitation, any license agreement) which is inconsistent with Assignor's duties under this Agreement.

5. If, before the Obligations have been satisfied in full, Assignor shall obtain rights to any new trademarks, or become entitled to the benefit of any trademark application or trademark or any renewal of any Trademark, the provisions of paragraph 1 hereof shall automatically apply thereto and Assignor shall give to Lender prompt notice thereof in writing.

6. Assignor authorizes Lender to modify this Agreement by amending Schedule A to include any future trademarks and trademark applications within the definition of Trademarks under paragraph 1 or paragraph 5 hereof.

7. Lender hereby grants to Assignor for so long as no Event of Default (as defined in the Loan Agreement) exists, the exclusive, nontransferable right and license to use the Trademarks on and in connection with products sold by Assignor, for Assignor's own benefit and account and for none other. Assignor agrees not to sell or assign its interest in, or grant any sublicense under, the license granted to Assignor in this paragraph 7, without the prior written consent of Lender.

8. Upon and at any time after the occurrence of an Event of Default (as defined in the Loan Agreement), Assignor's license under the Trademarks, as set forth in paragraph 7 hereof, shall immediately terminate, and Lender shall have, in addition to all other rights and remedies given it by this Agreement, all rights and remedies under Applicable Law (as defined in the Loan Agreement) and all rights and remedies of a secured party under the Uniform Commercial Code as adopted and then in force in the State of Georgia. Without limiting the generality of the foregoing, Lender may immediately, without demand of performance, sell at public or private sale or otherwise realize upon all or from time to time, any of the Trademarks or any interest which Assignor may have therein. Assignor hereby agrees that ten (10) days written notice to Assignor of any public or private sale or other disposition of any of the Trademarks shall be reasonable notice; provided, however, that no notice shall be required hereunder if not otherwise required by Applicable Law. At any such sale or disposition, Lender may, to the extent permitted by law, purchase the whole or any part of the Trademarks sold, free from any right of redemption on the part of Assignor, which right is hereby waived and released. After deducting from the proceeds of such sale or other disposition of the Trademarks all costs and expenses incurred by Lender in enforcing its rights hereunder (including, without limitation, all attorneys' fees), Lender shall apply the remainder of such proceeds to the payment of the Obligations in such order and manner as Lender in its sole discretion may determine. Any

remainder of the proceeds after payment in full of the Obligations shall be paid over to Assignor. If any deficiency shall arise, Assignor and each guarantor of the Obligations shall remain jointly and severally liable to Lender therefor.

9. Assignor hereby makes, constitutes and appoints Lender and any officer or agent of Lender as Lender may select as Assignor's true and lawful attorney-in-fact, with full power to do any or all of the following if an Event of Default shall occur and be continuing: to endorse Assignor's name on all applications, documents, papers and instruments necessary for Lender to use the Trademarks, or to grant or issue any exclusive or nonexclusive license under the Trademarks to anyone else, or to assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone else. Assignor 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 of the Obligations shall have been satisfied in full and the Loan Agreement shall have been terminated.

10. At such time as all of the Obligations shall have been satisfied finally and in full and the Loan Agreement shall have been terminated, Lender shall execute and deliver to Assignor all deeds, assignments and other instruments as may be necessary or proper to re-vest in Assignor full title to the Trademarks subject to any dispositions thereof which may have been made by Lender pursuant hereto.

11. Any and all fees, costs and expenses, of whatever kind or nature, including reasonable attorneys' fees and legal expenses, incurred by Lender in connection with the preparation of this Agreement and all other documents relating hereto and the consummation of this transaction, the filing or recording of any documents (including all taxes in connection therewith) in public offices, the payment or discharge of any taxes, counsel fees, maintenance fees, encumbrances or otherwise 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 and paid by Assignor ON DEMAND by Lender and shall bear interest at the rate prescribed in the Loan Agreement.

12. Assignor shall use its best efforts to detect any infringers of the Trademarks and shall notify Lender in writing of infringements detected. Assignor shall have the duty, through counsel acceptable to Lender, to prosecute diligently any trademark application of the Trademarks pending as of the date of this Agreement or thereafter until the Obligations shall have been paid in full, to make federal application on registrable but unregistered Trademarks, to file and prosecute opposition and cancellation proceedings, to file and prosecute lawsuits to enforce the Trademarks and to do any and all acts which are deemed

necessary or desirable by Lender to preserve and maintain all rights in the Trademarks. Any expenses incurred in connection with such applications or proceedings shall be borne by Assignor. Assignor shall not abandon any right to file a trademark application, or any pending trademark application or trademark without the consent of Lender.

13. Notwithstanding anything to the contrary contained in paragraph 12 hereof, Lender shall have the right, but shall in no way be obligated, to bring suit instead in its own name to enforce the Trademarks and any license thereunder, in which event Assignor shall at the request of Lender do any and all lawful acts (including bringing suit) and execute any and all proper documents required by Lender to aid such enforcement, and Assignor shall promptly, upon demand, reimburse and indemnify Lender for all costs and expenses incurred in the exercise of Lender's rights under this paragraph 13. Nothing herein shall be deemed to prohibit Assignor from bringing any such suit in its own name at any time that an Event of Default does not exist, if Lender declines to institute such suit.

14. If Assignor fails to comply with any of its obligations hereunder, to the extent permitted by applicable law, Lender may do so in Assignor's name or in Lender's name, but at Assignor's expense, and Assignor agrees to reimburse Lender in full for all expenses, including attorney's fees, incurred by Lender in prosecuting, defending or maintaining the Trademarks or Lender's interest therein pursuant to this Agreement.

15. No course of dealing between Assignor and Lender, nor any failure to exercise, nor any delay in exercising, on the part of Lender, 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.

16. All of Lender's rights and remedies with respect to the Trademarks, 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.

17. The provisions of this 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 Agreement in any jurisdiction.

18. This Agreement is subject to modification only by a writing signed by the parties, except as provided in paragraph 6 hereof.

19. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assigns of the parties.

20. The validity and interpretation of this Agreement and the rights and obligations of the parties shall be governed by the laws of the State of Georgia. Notice of acceptance hereof is hereby waived by Assignor.

21. THIS AGREEMENT HAS BEEN NEGOTIATED, EXECUTED AND DELIVERED AT AND SHALL BE DEEMED TO HAVE BEEN MADE IN ATLANTA, GEORGIA. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF GEORGIA.

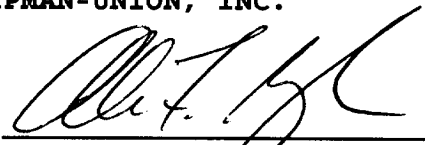
22. ASSIGNOR, AGENT AND LENDERS EACH WAIVES THE RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM OF ANY KIND ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRADEMARKS.

WITNESS the execution hereof under seal as of the day and year first above written.

ATTEST:

CHIPMAN-UNION, INC.

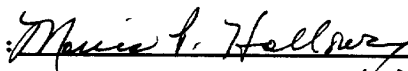

A. Henry Reynolds, Secretary

By: 
Alan Brumbaugh, President

[CORPORATE SEAL]

Accepted in Atlanta, Georgia:

CONGRESS FINANCIAL CORPORATION
(SOUTHERN)
("Lender")

By: 
Title: First Vice President

STATE OF GEORGIA)
 GREENE)
COUNTY OF ~~FULTON~~)

BEFORE ME, the undersigned authority, on this day personally appeared Alan Brumbaugh, President of Chipman-Union, Inc., to me known to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 3RD day of AUGUST, 1998.

Gail R. Lindsey
Notary Public
My Commission Expires OCTOBER 22, 1999
[NOTARIAL SEAL]

STATE OF GEORGIA)
))
COUNTY OF FULTON)

BEFORE ME, the undersigned authority, on this day personally appeared Morris P. Holloway, 1ST Vice President of Congress Financial Corporation (Southern), known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and consideration therein expressed, in the capacity therein stated, and as the act and deed of said corporation.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 6th day of August, 1998.

Diane S. Weatherly
Notary Public
My Commission Expires:
Notary Public, Cobb County, Georgia
My Commission Expires June 30, 2000
[NOTARIAL SEAL]

CERTIFICATE

The undersigned officer of CHIPMAN-UNION, INC. (the "Company"), DOES HEREBY CERTIFY to CONGRESS FINANCIAL CORPORATION (SOUTHERN) ("Lender") that the quality of the products associated with the Trademarks listed on Schedule A of the Trademark Collateral Assignment and Security Agreement dated July 31, 1998, between Assignor and Lender (as amended from time to time to include future trademarks and trademark applications) (the "Agreement"), has been maintained at a level consistent with the quality of such products at the time of the execution of the Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Certificate, this ____ day of _____, 199__.

CHIPMAN-UNION, INC.

By: _____

Title: _____