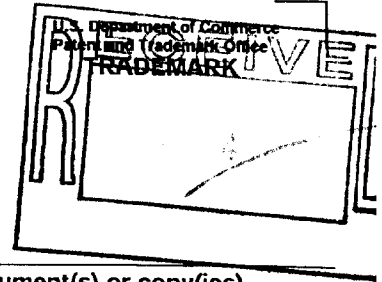


08-06-1999



101112671

RECORDATION FORM COVER SHEET  
TRADEMARKS ONLY



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

Name

Execution Date  
Month Day Year

Formerly

- ☐ Individual ☐ General Partnership ☐ Limited Partnership ☒ Corporation ☐ Association
- ☐ Other
- ☒ Citizenship/State of Incorporation/Organization

Receiving Party

☐ Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

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

08/06/1999 NTHA11 00000082 1333163

FOR OFFICE USE ONLY

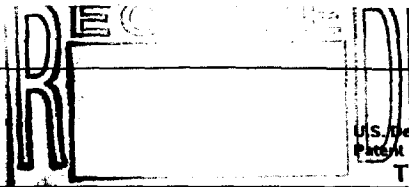
01 FC:481  
02 FC:482

40.00 OP  
1525.00 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: 001932 FRAME: 0540



**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"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

<input type="text" value="1,333,163"/>	<input type="text" value="1,333,164"/>	<input type="text" value="1,344,418"/>
<input type="text" value="1,344,419"/>	<input type="text" value="777,207"/>	<input type="text" value="777,473"/>
<input type="text" value="701,445"/>	<input type="text" value="692,133"/>	<input type="text" value="799,596"/>

**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.

Kathleen O. Curney

Name of Person Signing

Signature

8.3.99

Date Signed

RECORDATION FORM COVER SHEET  
CONTINUATION  
TRADEMARKS ONLY

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

**Conveying Party**

Enter Additional Conveying Party

☐ Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name

Formerly

☐ Individual ☐ General Partnership ☐ Limited Partnership ☐ Corporation ☐ Association

☐ Other

☐ Citizenship State of Incorporation/Organization

**Receiving Party**

Enter Additional Receiving Party

☐ Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

☐ Individual ☐ General Partnership ☐ Limited Partnership

☐ Corporation ☐ Association

☐ Other

☐ Citizenship/State of Incorporation/Organization

☐ 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 the Assignment.)

**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)**


799,597	799,598	929,629
1,837,408	2,194,320	1,633,240
2,194,319	954,499	1,103,916
691,758	539,347	1,772,392
539,375	2,178,945	2,082,425
262,136	539,348	1,171,334
540,784	540,776	540,778

RECORDATION FORM COVER SHEET  
CONTINUATION  
TRADEMARKS ONLY

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

Conveying Party

Enter Additional Conveying Party

☐ Mark if additional names of conveying parties attached

Execution Date  
Month Day Year

Name

Formerly

☐ Individual ☐ General Partnership ☐ Limited Partnership ☐ Corporation ☐ Association

☐ Other

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

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

☐ Mark if additional numbers attached

Trademark Application Number(s)

Registration Number(s)

75-242,636 75-274,293 75-419,344

732,777 539,350 692,127

75-419,512 75-419,515 75-068,194

691,759 1,633,241 1,849,350

75-058,825 75-058,823 75-058,984

545,573 1,848,409 1,231,176

72-069,035 72-077,041

1,223,699 1,223,700 1,297,702

1,297,708 1,468,684 1,718,248

1,394,113 1,396,869 771,955

944,757 1,592,136 181,789

# **SCHEDULE 1 TO TRADEMARK SECURITY AGREEMENT**

## **Current Trademarks:**

See Schedule 1(a)

## **Trademarks Not Currently in Use:**

None

## **Trademark Applications:**

None

## **Trade Names:**

None

# SCHEDULE 1(a)

## THOMASTON MILLS, INC. TRADEMARK SUMMARY

Trademark	Serial No.	Date Filed	Registration No.	Registration Date	Class/ Deed/ Status
Rattlers and Design	73-496,408	08/24/84	1,333,163	04/30/85	Gun Cases and Ammunition Pouches
Rattlers	73-496,409	08/24/84	1,333,164	04/30/85	Gun Cases and Ammunition Pouches
Rattlers	73-462,957	01/27/84	1,344,418	06/25/85	Fabric Bags (Luggage, Backpacks, Duffel Bags, Fanny Packs and All-Purpose Sports Bags)
Rattlers and Design	73-462,958	01/27/84	1,344,419	06/25/85	Fabric Bags (Luggage, Backpacks, Duffel Bags, Fanny Packs and All-Purpose Sports Bags)
Dependable Thomaston Fabrics and Design	72-163-900	03/04/63	777,207	09/22/64 Renewed: 09/22/84	Wrapping Twine and Cable Cords
Dependable Thomaston Fabrics and Design	72-163-901	03/04/63	777,473	09/22/64 Renewed: 09/22/84	Yarn and Sewing Thread
Thomaston	72-069,372	03/11/59	701,445	07/19/60 Renewed: 07/19/80	Thread
Thomaston	72-069,452	03/12/59	692,133	01/26/60 Renewed: 01/26/80	Yarns
"Nite-Lite"	72-215,025	03/25/65	799,596	11/30/65 Renewed: 11/30/85	Blankets
"Thom-Cell"	72-215,026	03/25/65	799,597	11/30/65 Renewed: 11/30/85	Blankets
"Waffle-Aire"	72-215,027	03/25/65	799,598	11/30/65 Renewed: 11/30/85	Blankets

# SCHEDULE 1(a)

## THOMASTON MILLS, INC. TRADEMARK SUMMARY

Trademark	Serial No.	Date Filed	Registration No.	Registration Date	Class/ Deed/ Status
American Mood	72-364,281	07/02/70	929,629	02/22/72 Renewed: 02/22/92	Sheets and Pillowcases
American Mood	74-404,460	06/21/93	1,837,408	05/24/94	Bedding, Curtains and Draperies
Cityscape	75-275,306	04/15/97	2,194,320	10/06/98	Bedding, Curtains and Draperies
Dependable Thomaston Fabrics Since 1899 and Design	74-051,053	04/20/90	1,633,240	01/29/91	Bedding, Curtains and Draperies
Eastport Linens	75-275,305	04/15/97	2,194,319	10/06/98	Bedding, Curtains and Draperies
From Fiber to Consumer	72-401,900	09/02/71	954,499	03/06/73 Renewed: 03/06/93	Bedding
New Era	73-150,387	12/01/77	1,103,916	10/10/78 Renewed: 10/10/98	Sheets and Pillow Cases
Old South	72-070,757	04/02/59	691,758	01/19/60 Renewed: 01/19/80	Cotton Piece Goods
PAGE (Stylized)	71-588,191	11/22/49	539,347	03/13/51 Renewed: 03/13/91	Bed Sheets
Pilgrim	74-208,626	10/01/91	1,772,392	05/18/93	Bedding, Curtains and Draperies
Quality Muslin	71-589,925	12/24/49	539,375	03/13/51 Renewed: 03/13/91	Bed Sheets
Splash	75-058,824	02/16/96	2,178,945	08/04/98	Bedding and Draperies
Stone Cottage	75-058,816	02/16/96	2,082,425	07/22/97	Bedding and Draperies

# SCHEDULE 1(a)

## THOMASTON MILLS, INC. TRADEMARK SUMMARY

Trademark	Serial No.	Date Filed	Registration No.	Registration Date	Class/Deed/Status
Tavern (Stylized)	71-285,221	06/07/29	262,136	10/01/29 Renewed: 10/01/89	Bedding
Tavern (Stylized)	71-588,192	11/22/49	539,348	03/13/51 Renewed: 03/13/91	Bed Sheets
Tender Rest	73-218,840	06/08/79	1,171,334	09/29/81	Sheets and Pillow Cases
Thomaston Page Quality Muslin and Design	71-589,397	12/15/49	540,784	04/10/51 Renewed: 04/10/91	Bed Sheets
Thomaston Fire Side (Stylized)	71-588,337	11/25/49	540,776	04/10/51 Renewed: 04/10/91	Bed Sheets
Thomaston Tavern Quality Muslin and Design	71-588,663	12/01/49	540,778	04/10/51 Renewed: 04/10/91	Bed Sheets
Thomaston Fabrics Dependable and Design	72-128,486	09/22/61	732,777	06/12/62 Renewed: 06/12/82	Bedding, Linens, Cloth
Thomaston (Stylized)	71-588,336	11/25/49	539,350	03/13/51 Renewed: 03/13/91	Bed Sheets
Thomaston	72-068,530	02/26/59	692,127	01/26/60 Renewed: 01/26/80	Cotton Piece Goods, Sheeting, Shirts, Suits, Nylon Fabrics, Cotton Dammask Tablecloths and Napkins
Thomaston	72-071,519	04/14/59	691,759	01/19/60 Renewed: 01/19/80	Bedspreads



# SCHEDULE 1(a)

## THOMASTON MILLS, INC. TRADEMARK SUMMARY

Trademark	Serial No.	Date Filed	Registration No.	Registration Date	Class/ Desc/ Status
Thomaston	74-051,088	04/20/90	1,633,241	01/29/91	Bedding, Curtains and Draperies
Viper	74-378,688	04/14/93	1,849,350	08/09/94	Air Texturized Nylon for Use in Snake Proof Boots
<b>**Design Only**</b> (Man and Sailing Ship)	71-588,662	12/01/49	545,573	07/24/51 Renewed: 07/24/91	Bed Sheets
Campwear	74-429,402	08/30/93	1,848,409	08/02/94	Clothing for Outdoor Activities
Rattlers	73-315,321	06/18/81	1,231,176	03/15/83	Fabric Snake Proof Chaps for Personal Wear
Thomaston Thom-Set-Finish Dependable and Design	73-313,527	06/08/81	1,223,699	01/11/83	Resin Type Finish to Wash and Wear Fabrics of Others
Thomaston Finish Dependable and Design	73-313,533	06/08/81	1,223,700	01/11/83	Applying Various Finishes to the Fabrics of Others
Rattlers	73-424,303	05/03/83	1,297,702	09/25/84	Fabric Clothing
Rattlers and Design	73-426,042	05/16/83	1,297,708	09/25/84	Fabric Clothing
Room Mates	75-242,636	02/18/97	PENDING		Bedding, Curtains and Draperies
The Complete Bed Set	75-274,293	04/14/97	PENDING		Bedding
Thomaston Mills Bed-in-a-Bag	75-419,344	01/16/98	PENDING		Bedding

# SCHEDULE 1(a)

## THOMASTON MILLS, INC. TRADEMARK SUMMARY

Trademark	Serial No.	Date Filed	Registration No.	Registration Date	Class/ Deed/ Status
Thomaston Bed-in-a-Bag	75-419,512	01/16/98	PENDING		Bedding
Thomaston Mills Bed-in-a-Bag	75-419,515	01/16/98	PENDING		Bedding
Tuscany	75-068,194	03/06/96	PENDING		Bedding, Curtains and Draperies
Re-Heat and Design	73-603,477	06/10/86	1,468,684	12/08/87 Cancelled: 07/26/94	Chemically Activated Heat Packs for Hand Warmers and For Belt-Shaped Body Warmers
American Mood	74-240,250	01/27/92	1,718,248	09/22/92 Cancelled: 11/16/93	Bedding, Curtains and Draperies
Bantam Tri-Blend	73-495,093	08/16/84	1,394,113	05/20/86 Cancelled: 01/05/93	Cloth Fabric Rolls of Plainweave Nylon Blends for Use in Hunting Parkas, Jackets, Vests and Other Rugged Outerwear in the Wholesale Market
Bantam	73-495,095	08/16/84	1,396,869	06/10/86 Cancelled: 01/26/93	Cloth Fabric Rolls of Plainweave Nylon Blends for Use in Hunting Parkas, Jackets, Vests and Other Rugged Outerwear in the Wholesale Market
Thom-Set	72-162,797	02/14/63	771,955	06/23/64 Expired	Stretch Fabric to be Used For Making Garments

# SCHEDULE 1(a)

## THOMASTON MILLS, INC. TRADEMARK SUMMARY

Trademark	Serial No.	Date Filed	Registration No.	Registration Date	Class/Deed/Status
From Fiber to Consumer	72-401,901	09/02/71	944,757	10/10/72 Expired	Men's Shirt
Hardwood	73-828,395	09/29/89	1,592,136	04/17/90 Cancelled: 12/03/96	Clothing
City Scapes	75-058,825	02/16/96		Abandoned: 12/04/97	Beddin, Curtains and Draperies
Hearthstone	775-058,823	02/16/96		Abandoned: 02/02/99	Bedding, Curtains and Draperies
Lakeside	75-058,984	02/16/96		Abandoned: 06/18/97	Bedding, Curtains and Draperies
**Design Only**	71-182,990	07/09/23	181,789	03/25/24 Renewed: 03/25/64 Expired	Bedding
Thomaston Dependable Finish	72-069,035	03/05/59	696,208	04/12/60 Not Renewed	Applying Various Finishes to the Fabrics of Others
Thomaston Thom-Set Finish Dependable	72-077,041	07/03/59	696,209	04/12/60 Not Renewed	Applying a Resin Type Finish to Wash and Wear Fabrics of Others

# TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this "Agreement") is made as of July 27, 1999, between Thomaston Mills, Inc., a Georgia corporation (the "Borrower"), and Foothill Capital Corporation, a California corporation with an office in Atlanta, Georgia (the "Agent"), as agent for the Lender Group (as defined below).

## WITNESSETH:

WHEREAS, the Borrower, the financial institutions listed on the signature pages thereof (such financial institutions, together with their respective successors and assigns, being hereinafter each referred to as a "Lender" and collectively as the "Lenders"), the Co-Agents (as defined in the Loan Agreement), and the Agent are parties to that certain Loan and Security Agreement of even date herewith (as the same may hereafter be modified, amended, restated or supplemented from time to time, the "Loan Agreement"), pursuant to which the Lenders have agreed to extend credit to the Borrower from time to time and the Borrower has granted a security interest in all of its assets to the Agent for the benefit of the Lender Group (as defined in the Loan Agreement); and

WHEREAS, the Lender Group has required that the Borrower execute and deliver this Agreement (i) in order to secure, as further described below, the payment and performance of, among other things, (a) the obligations of the Borrower arising from this Agreement, and (b) all Obligations (as defined in the Loan Agreement) of the Borrower under the Loan Agreement, ((a) and (b) being hereinafter together referred to as the "Secured Obligations") and (ii) as a condition precedent to any extension of credit to the Borrower under the Loan Agreement;

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

### 1. Defined Terms.

(a) Unless otherwise defined herein, each capitalized term used herein that is defined in the Loan Agreement shall have the meaning specified for such term in the Loan Agreement.

(b) The words "hereof", "herein" and "hereunder" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and paragraph references are to this Agreement unless otherwise specified.

(c) All terms defined in this Agreement in the singular shall have comparable meanings when used in the plural, and vice versa, unless otherwise specified.

2. Incorporation of Premises. The premises set forth above are incorporated into this Agreement by this reference thereto and are made a part hereof.

3. **Incorporation of the Loan Agreement.** The Loan Agreement and the terms and provisions thereof are hereby incorporated herein in their entirety by this reference thereto.

4. **Security Interest in Trademarks.** To secure the complete and timely payment, performance and satisfaction of all of the Secured Obligations, the Pledgor hereby grants to the Agent for the benefit of the Lender Group 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 applicable law, all of the Borrower's now owned or existing and hereafter acquired or arising: (i) trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, including, without limitation, the trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications listed on Schedule 1 attached hereto and made a part hereof, and (a) all renewals thereof, (b) all income, royalties, damages and payments now and hereafter due and/or payable under and with respect thereto, including, without limitation, payments under all licenses entered into in connection therewith and damages and payments for past or future infringements or dilutions thereof, (c) the right to sue for past, present and future infringements and dilutions thereof, and (d) all of the Borrower's rights corresponding thereto throughout the world (all of the foregoing trademarks, trade names, registered trademarks and trademark applications, service marks, registered service marks and service mark applications, together with the items described in clauses (a)-(d) in this paragraph 4(i), are sometimes hereinafter individually and/or collectively referred to as the "Trademarks"; and (ii) the goodwill of the Borrower's business connected with and symbolized by the Trademarks.

5. **Restrictions on Future Agreements.** The Borrower agrees that it will not, without the Agent's prior written consent, enter into any agreement, including, without limitation, any license agreement, which is inconsistent with this Agreement, and the Borrower further agrees that it will not take any action, and will use its best efforts not to permit any action to be taken by others subject to its control, including, without limitation, licensees, or fail to take any action, which would in any material respect affect the validity or enforcement of the rights transferred to the Agent under this Agreement or the rights associated with the Trademarks.

6. **New Trademarks.** The Borrower represents and warrants that, from and after the Agreement Date, (a) the Trademarks listed on Schedule 1 include all of the trademarks in use by the Borrower, trade names, registered trademarks, trademark applications, service marks in use by the Borrower, registered service marks and service mark applications now owned or held by the Borrower, and (b) no liens, claims or security interests in such Trademarks have been granted by the Borrower to any Person other than the Agent and except as disclosed in the Loan Agreement. If, prior to the termination of this Agreement, the Borrower shall (i) obtain rights to any new trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks or service mark applications or (ii) become entitled to the benefit of any trademarks, trade names, registered trademarks, trademark applications, trademark licenses, trademark license renewals, service marks, registered service marks, service mark applications, service mark licenses or service mark license renewals or license agreements whether as licensee or licensor, the provisions of paragraph 4 above shall automatically apply thereto

(to the extent permitted by licensors under agreements in connection with the granting of such licenses). The Borrower shall give to the Agent written notice of events described in clauses (i) and (ii) of the preceding sentence promptly after the occurrence thereof. The Borrower hereby authorizes the Agent to modify this Agreement unilaterally (i) by amending Schedule 1 to include any future trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, which are Trademarks under paragraph 4 above or under this paragraph 6 and (ii) by filing, in addition to and not in substitution for this Agreement, a duplicate original of this Agreement containing on Schedule 1 thereto, as the case may be, such future trademarks, trade names, registered trademarks, trademark applications, service marks, registered service marks and service mark applications.

7. **Royalties.** The Borrower hereby agrees that the use by the Agent of the Trademarks as authorized hereunder in connection with the Agent's exercise of its rights and remedies under paragraph 15 or pursuant to any Loan Document shall be coextensive with the Borrower's rights thereunder and with respect thereto and without any liability for royalties or other related charges from the Agent and the Lenders to the Borrower.

8. **Right to Inspect; Further Assignments and Security Interest.** The Co-Agents, or any of them, may from time to time hereafter have access to, examine, audit, make copies (at the Borrower's expense) and extracts from and inspect the Borrower's premises and examine the Borrower's books, records and operations relating to the Trademarks. The Borrower agrees not to sell or assign its interests in, or grant any license under, the Trademarks without the prior and express written consent of the Agent.

9. **Nature and Continuation of the Agent's Security Interest; Termination of the Agent's Security Interest.** This Agreement is made for collateral security purposes only. This Agreement shall create a continuing security interest in the Trademarks and shall terminate only when the Secured Obligations have been paid in full and the Loan Agreement has been terminated. When this Agreement has terminated, the Agent shall promptly execute and deliver to the Borrower, at the Borrower's expense, all termination statements and other instruments as may be necessary or proper to terminate the Agent's security interest in the Trademarks, subject to any disposition thereof which may have been made by the Agent pursuant to this Agreement or the Loan Agreement.

10. **Duties of the Borrower.** The Borrower shall have the duty, to the extent desirable in the normal conduct of its business, to prosecute diligently any trademark application or service mark application that is part of the Trademarks pending as of the date hereof or hereafter until the termination of this Agreement. The Borrower further agrees (i) not to abandon any Trademark without the prior written consent of the Agent, and (ii) to use its best efforts to maintain in full force and effect the Trademarks that are or shall be necessary or economically desirable in the operation of the Borrower's business. Any expenses incurred in connection with the foregoing shall be borne by the Borrower. The Agent shall not have any duty with respect to the Trademarks. Without limiting the generality of the foregoing, neither the Agent nor any of the Lenders shall be under any obligation to take any steps necessary to preserve rights in the Trademarks against any other parties, but the Agent may do so at its option from and after the occurrence of an Event of Default, and all expenses incurred in connection therewith shall

be for the sole account of the Borrower and shall be added to the Secured Obligations secured hereby.

11. The Agent's Right to Sue. From and after the occurrence of an Event of Default, the Agent shall have the right, but shall not be obligated, to bring suit in its own name to enforce the Trademarks and, if the Agent shall commence any such suit, the Borrower shall, at the request of the Agent, do any and all lawful acts and execute any and all proper documents reasonably required by the Agent in aid of such enforcement. The Borrower shall, upon demand, promptly reimburse the Agent for all costs and expenses incurred by the Agent in the exercise of its rights under this paragraph 11 (including, without limitation, fees and expenses of attorneys and paralegals for the Agent).

12. Waivers. The Agent's failure, at any time or times hereafter, to require strict performance by the Borrower of any provision of this Agreement shall not waive, affect or diminish any right of the Agent thereafter to demand strict compliance and performance therewith nor shall any course of dealing between the Borrower and the Agent have such effect. No single or partial exercise of any right hereunder shall preclude any other or further exercise thereof or the exercise of any other right. None of the undertakings, agreements, warranties, covenants and representations of the Borrower contained in this Agreement shall be deemed to have been suspended or waived by the Agent unless such suspension or waiver is in writing signed by an officer of the Agent and directed to the Borrower specifying such suspension or waiver.

13. Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but 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 hereof, 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.

14. Modification. This Agreement cannot be altered, amended or modified in any way, except as specifically provided in paragraph 6 hereof or by a writing signed by the parties hereto.

15. Power of Attorney; Cumulative Remedies. (a) The Borrower hereby irrevocably designates, constitutes and appoints the Agent (and all officers and agents of the Agent designated by the Agent in its sole and absolute discretion) as the Borrower's true and lawful attorney-in-fact, and authorizes the Agent and any of the Agent's designees, in the Borrower's or the Agent's name, upon the occurrence and during the continuation of an Event of Default to take any action and execute any instrument necessary or reasonably advisable to accomplish the purposes of this Agreement, including, without limitation, to (i) endorse the Borrower's name on all applications, documents, papers and instruments necessary or reasonably desirable for the Agent in the use of the Trademarks, (ii) assign, pledge, convey or otherwise transfer title in or dispose of the Trademarks to anyone (iii) grant or issue any exclusive or nonexclusive license under the Trademarks to anyone and (iv) take any other actions with respect to the Trademarks as the Agent reasonably deems in the best interest of the Lender

Group. The Borrower hereby ratifies all that such attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is coupled with an interest and shall be irrevocable until this Agreement is terminated. The Borrower acknowledges and agrees that this Agreement is not intended to limit or restrict in any way the rights and remedies of the Agent under the Loan Agreement or any other Loan Document, but rather is intended to facilitate the exercise of such rights and remedies.

(b) The Agent shall have, in addition to all other rights and remedies given it by the terms of this 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 Trademarks may be located or deemed located. Upon the occurrence of an Event of Default and the election by the Agent to exercise any of its remedies under Section 9-504 or Section 9-505 of the Uniform Commercial Code as in effect in the State of Georgia with respect to the Trademarks, the Borrower agrees to assign, convey and otherwise transfer title in and to the Trademarks to the Agent or any transferee of the Agent and to execute and deliver to the Agent or any such transferee all such agreements, documents and instruments as may be necessary, in the Agent's sole discretion, to effect such assignment, conveyance and transfer. All of the Agent's rights and remedies with respect to the Trademarks, whether established hereby, by the Loan Agreement or by any other agreements or by law, shall be cumulative and may be exercised separately or concurrently. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence of an Event of Default, the Agent may exercise any of the rights and remedies provided in this Agreement, the Loan Agreement or any of the other Loan Documents. The Borrower agrees that any notification of intended disposition of any of the Trademarks required by law shall be deemed reasonably and properly given if given at least five (5) days, if such notice is given by facsimile or overnight courier or eight (8) days, if such notice is given by mail, before such disposition; provided, however, that the Agent may give any shorter notice that is commercially reasonable under the circumstances.

16. Successors and Assigns. This Agreement shall be binding upon the Borrower and its successors and assigns, and shall inure to the benefit of each of the Agent and the other members of the Lender Group and their respective nominees, successors and assigns.

17. Governing Law. This Agreement shall be construed and enforced and the rights and duties of the parties shall be governed by in all respects in accordance with the laws and decisions of the State of Georgia without reference to the conflicts or choice of law principles thereof.

18. Notices. All notices or other communications hereunder shall be given in the manner and to the addresses set forth in the Loan Agreement.

19. Paragraph Titles. The paragraph titles herein are for convenience of reference only, and shall not affect in any way the interpretation of any of the provisions hereof.

20. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each



of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

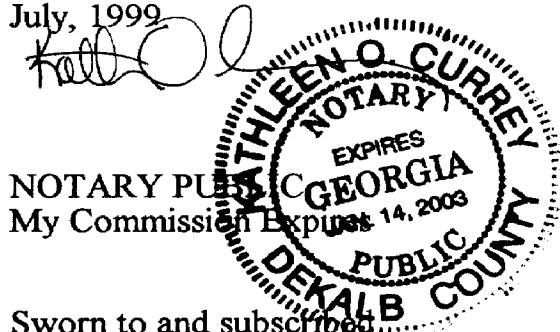
21. Merger. This Agreement represents the final agreement of the Borrower, the Lenders, the Co-Agents and the Agent with respect to the matters contained herein and may not be contradicted by evidence of prior or contemporaneous agreements, or subsequent oral agreements, between the Borrower and the Agent, any Co-Agent or any Lender.

22. Effectiveness. This Agreement shall become effective on the Closing Date.

(remainder of page intentionally left blank)

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

Sworn to and subscribed  
before me this 23<sup>rd</sup> day of  
July, 1999.



Sworn to and subscribed  
before me this 24<sup>th</sup> day of  
July, 1999.

A handwritten signature, likely of the second notary, written in ink.

NOTARY PUBLIC  
My Commission Expires



THOMASTON MILLS, INC., a Georgia corporation

By: Paul W. Hopton

Its: President and CEO

FOOTHILL CAPITAL CORPORATION,  
as Agent

By: Janice V. Harris

Its: Vice President

THOMASTON MILLS TRADEMARKS & PATENTS

Trademark and Country	(Foreign)		Status in	Registration	Registration
	Owner	Trademark Office	No.	Date	Date
THOMASTON - Puerto Rico	Thomaston Mills, Inc.	Expire 1/18/2002	#23859	1/18/1982	
THOMASTON - Puerto Rico	Thomaston Mills, Inc.	Expire 5/18/2002	#30597	5/13/1991	
THOMASTON AND SPINNING WHEEL DESIGN - Canada	Thomaston Mills, Inc.	Expire 5/18/2002	#30595	5/13/1991	
THOMASTON - Canada	Thomaston Mills, Inc.	Expire 5/28/2012	#288564	5/28/1982	
NEW ERA - Canada	Thomaston Mills, Inc.	Expire 5/28/2012	#288559	5/28/1982	
NEW ERA - South Africa	Thomaston Mills, Inc.	Expire 4/27/2002	#423055	4/27/1982	
THOMASTON - South Africa	Thomaston Mills, Inc.	Expire 4/27/2002	#3823056	4/27/1982	
THOMASTON - Korea	Thomaston Mills, Inc.	Expire 5/18/2005	#112737	5/18/1985	
NEW ERA - Venezuela	Thomaston Mills, Inc.	Expire 7/15/2000	#112602F	7/15/1985	
NEW ERA - Australia	Thomaston Mills, Inc.	Expire 6/3/2003	#A379358	6/3/1982	
THOMASTON - Venezuela	Thomaston Mills, Inc.	Expire 4/18/2000	#115308	4/18/1985	
THOMASTON - Saudi Arabia	Thomaston Mills, Inc.	Expire 5/5/2000	#238724	5/22/1980	
THOMASTON & SPINNING WHEEL LOGO - Saudi Arabia	Thomaston Mills, Inc.	Expire 5/5/2000	#238725	5/22/1980	
THOMASTON - Canada	Thomaston Mills, Inc.	Expire 6/14/2006	#385788	6/14/1981	
THOMASTON FABRICS AND DESIGN - Canada	Thomaston Mills, Inc.	Expire 10/11/2006	#389389	10/11/1981	
THOMASTON - Arabia	Thomaston Mills, Inc.	Expire 6/8/2001	#81080712	6/7/1981	
THOMASTON AND SPINNING WHEEL DESIGN - Arabia	Thomaston Mills, Inc.	Expire 6/8/2001	#80160711	6/7/1981	
THOMASTON - United Arab Emirates	Thomaston Mills, Inc.	Expire 6/22/2003	#1884	6/12/1985	
THOMASTON AND SPINNING WHEEL DESIGN (U.A.E.)	Thomaston Mills, Inc.	Expire 6/22/2003	#1884	6/12/1985	
THOMASTON - Netherlands Antilles (Curacao)	Thomaston Mills, Inc.	Expire 6/12/2001	#1884	6/12/1985	
THOMASTON SPINNING WHEEL AND DESIGN - Netherlands Antilles (Curacao)	Thomaston Mills, Inc.	Expire 6/12/2001	#1884	6/12/1985	
THOMASTON - Mexico	Thomaston Mills, Inc.	Expire 6/12/2001	#1884	6/12/1985	
THOMASTON AND DESIGN - Mexico	Thomaston Mills, Inc.	Expire 6/12/2001	#1884	6/12/1985	
THOMASTON - Suriname	Thomaston Mills, Inc.	Expire 6/12/2002	#13203	5/13/1982	
THOMASTON AND SPINNING WHEEL DESIGN - Suriname	Thomaston Mills, Inc.	Expire 6/12/2002	#13203	5/13/1982	
THOMASTON - France	Thomaston Mills, Inc.	Expire 5/13/2002	#13202	5/13/1982	
THOMASTON SPINNING WHEEL DESIGN - France	Thomaston Mills, Inc.	Expire 7/22/2002	#82407388	7/22/1982	
THOMASTON - Peru	Thomaston Mills, Inc.	Expire 7/22/2002	#82407387	7/22/1982	
THOMASTON SPINNING WHEEL DESIGN - Peru	Thomaston Mills, Inc.	Expire 6/5/2002	#808582	6/5/1982	
THOMASTON SPINNING WHEEL DESIGN - Paraguay	Thomaston Mills, Inc.	Expire 6/5/2002	#808583	6/5/1982	
THOMASTON SPINNING WHEEL DESIGN - Paraguay	Thomaston Mills, Inc.	Expire 11/18/2002	#158888	11/18/1982	
THOMASTON - Honduras	Thomaston Mills, Inc.	Expire 11/18/2002	#158888	11/18/1982	
THOMASTON AND DESIGN - Honduras	Thomaston Mills, Inc.	Expire 2/23/2003	#57067	2/23/1983	
THOMASTON - Costa Rica	Thomaston Mills, Inc.	Expire 2/23/2003	#57068	2/23/1983	
THOMASTON SPINNING WHEEL DESIGN - Costa Rica	Thomaston Mills, Inc.	Expire 11/18/2002	#81327	11/18/1982	
THOMASTON SPINNING WHEEL DESIGN - Nicaragua	Thomaston Mills, Inc.	Expire 5/18/2003	#823886	5/18/1983	
THOMASTON SPINNING WHEEL AND DESIGN - Nicaragua	Thomaston Mills, Inc.	Expire 2/8/2003	#823886	2/8/1983	
THOMASTON SPINNING WHEEL AND DESIGN - Nicaragua	Thomaston Mills, Inc.	Expire 10/20/2003	#824225	10/20/1983	
THOMASTON - Nicaragua	Thomaston Mills, Inc.	Expire 12/12/2004	#827418 CC	12/12/1984	
THOMASTON - Nicaragua	Thomaston Mills, Inc.	Expire 3/18/2003	#85743	3/18/1983	

THOMASTON - Ecuador  
 THOMASTON - Kuwait  
 THOMASTON SPINNING WHEEL DESIGN - Kuwait  
 THOMASTON - Chile  
 THOMASTON SPINNING WHEEL and Design - Chile  
 THOMASTON - Uruguay  
 THOMASTON AND SPINNING WHEEL DESIGN - Uruguay  
 THOMASTON - Brazil  
 THOMASTON SPINNING WHEEL and Design - Brazil  
 CALIPNEAR  
 DEPENDABLE THOMASTON FABRIC & Design - Panama  
 THOMASTON - Panama  
 THOMASTON SPINNING WHEEL and Design - Panama  
 THOMASTON - Qatar  
 THOMASTON SPINNING WHEEL DESIGN - Qatar  
 THOMASTON - Guatemala  
 THOMASTON SPINNING WHEEL DESIGN - Guatemala  
 THOMASTON - Sudan  
 THOMASTON SPINNING WHEEL DESIGN - Sudan  
 THOMASTON - Bolivia  
 THOMASTON SPINNING WHEEL DESIGN - Bolivia  
 THOMASTON - Greece  
 THOMASTON SPINNING WHEEL DESIGN - Greece  
 AMERICAN MOOD - Greece  
 THOMASTON - Colombia  
 DEPENDABLE THOMASTON FABRICS  
 AND DESIGN - Colombia  
 THOMASTON - Argentina  
 THOMASTON and Design - Argentina  
 CITYSCAPE - Argentina  
 RATTLEBRAKE and Design - Japan  
 THOMASTON - Japan  
 THOMASTON and SPINNING WHEEL DESIGN - Japan  
 THOMASTON SPINNING WHEEL DESIGN - El Salvador

Thomaston Mills, Inc.	Expires 3/16/2003	#469-93	3/16/1993
Thomaston Mills, Inc.	Expires 6/17/2003	#23560	6/17/1992
Thomaston Mills, Inc.	Expires 6/17/2002	#23561	6/17/1992
Thomaston Mills, Inc.	Expires 6/14/2002	#360 168	6/4/1992
Thomaston Mills, Inc.	Expires 6/4/2002	#360 169	6/4/1992
Thomaston Mills, Inc.	Expires 11/4/2002	#252 872	11/6/1992
Thomaston Mills, Inc.	Expires 11/4/2002	#252 871	11/4/1992
Thomaston Mills, Inc.	Expires 11/30/2003	#618714380	11/30/1993
Thomaston Mills, Inc.	Expires 6/21/2003	#618714371	6/21/1993
Thomaston Mills, Inc.	Expires 6/2/2004	#1 848 409	6/2/1994
Thomaston Mills, Inc.	Expires 6/10/2004	#53776	6/10/1994
Thomaston Mills, Inc.	Expires 11/22/2004	#73502	11/22/1994
Thomaston Mills, Inc.	Expires 11/22/2004	#73503	11/22/1994
Thomaston Mills, Inc.	Expires 10/7/2000	#6369	7/1/1994
Thomaston Mills, Inc.	Expires 11/6/2004	#6360	11/6/1994
Thomaston Mills, Inc.	Expires 6/12/2004	#73163	6/12/1994
Thomaston Mills, Inc.	Expires 6/12/2004	#72540	6/17/1994
Thomaston Mills, Inc.	Expires 6/17/2004	#22839	6/20/1994
Thomaston Mills, Inc.	Expires 11/17/2000	#22840	6/20/1994
Thomaston Mills, Inc.	Expires 5/8/2004	#58463-C	5/8/1994
Thomaston Mills, Inc.	Expires 5/8/2004	#58462-C	5/8/1994
Thomaston Mills, Inc.	Expires 6/13/2001	#105 880	6/13/1991
Thomaston Mills, Inc.	Expires 6/13/2001	#105 891	6/13/1991
Thomaston Mills, Inc.	Expires 6/8/2006	#130.325	6/17/96
Thomaston Mills, Inc.	Expires 6/29/2004	#139628	5/30/1994
Thomaston Mills, Inc.	Expires 5/29/2004	#160815	5/30/1994
Thomaston Mills, Inc.	Expires 1/31/2007	#1 814 944	1/31/1997
Thomaston Mills, Inc.	Expires 1/31/2007	#1 825 781	1/31/1997
Thomaston Mills, Inc.	Expires 1/4/2009	#1.713.360	1/4/1999
Thomaston Mills, Inc.	Expires 3/6/2008	#66480/1996	3/6/1996
Thomaston Mills, Inc.	Expires 1/16/2008	#4102849	6/1/6/1996
Thomaston Mills, Inc.	Expires 1/16/2008	#4102850	6/1/6/1996
Thomaston Mills, Inc.	Expires 5/5/2009	#00047	5/5/1996