

08-25-1999



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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
 - Merger Change of Name
 - Other _____
- Effective Date
Month Day Year

Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year
08 17 1999

Name Alamac Enterprises, Inc.

Formerly _____

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

Receiving Party

Mark if additional names of receiving parties attached

Name BankBoston, N.A., as Collateral Agent

DBA/AKA/TA _____

Composed of _____

Address (line 1) 115 Perimeter Center Place, N.E.

Address (line 2) Suite 800

Address (line 3) Atlanta Georgia 30346
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 Assignment.)

FOR OFFICE USE ONLY

08/25/1999 MTHAI1 00000042 75150370

01 FC:461 40.00 OP
02 FC:462 50.00 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 Practices. 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

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" value="75150370"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="799586"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text" value="2080294"/>	<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.

Leigh C. Freer Leigh C. Freer 8/23/99
 Name of Person Signing Signature Date Signed

TRADEMARK SECURITY AGREEMENT

THIS TRADEMARK SECURITY AGREEMENT (this "Agreement") is made this 17th day of August, 1999, among **BANKBOSTON, N.A.**, a national bank, in its capacity as collateral agent (together with its successors in such capacity, "Collateral Agent") for itself, the Administrative Agent (as defined herein) and the Lenders (as defined herein), and **ALAMAC ENTERPRISES, INC.**, a Delaware corporation having an office at 1315 Phillips Street, Dyersburg, Tennessee (the "Company").

RECITALS:

Collateral Agent, various financial institutions ("Lenders") and **CONGRESS FINANCIAL CORPORATION (SOUTHERN)**, in its capacity as administrative agent for Lenders (together with its successors in such capacity, "Administrative Agent"), have entered or are about to enter into certain financing arrangements with **DYERSBURG CORPORATION**, a Tennessee corporation, **DYERSBURG FABRICS LIMITED PARTNERSHIP, I**, a Tennessee limited partnership, **DYERSBURG FABRICS INC.**, a Tennessee corporation, **UNITED KNITTING, INC.**, a Tennessee corporation, **UNITED KNITTING LIMITED PARTNERSHIP, I**, a Tennessee limited partnership, **IQUE, INC.**, a Tennessee corporation, **IQUE LIMITED PARTNERSHIP, I**, a Tennessee limited partnership, **ALAMAC KNIT FABRICS, INC.**, a Delaware corporation, and **AIH INC.**, a Delaware corporation (individually, a "Borrower" and collectively, the "Borrowers"), pursuant to which Collateral Agent, Administrative Agent and Lenders may make loans and provide other financial accommodations to Borrowers; and

The Company has executed and delivered or is about to execute and deliver to Collateral Agent, for the benefit of itself, Administrative Agent and Lenders, various guarantees in favor of Collateral Agent (the "Guaranty Agreements") pursuant to which the Company absolutely and unconditionally guarantees to Collateral Agent the payment and performance of all now existing and hereafter arising obligations, liabilities and indebtedness of each Borrower to Collateral Agent, Administrative Agent and Lenders; and

In connection with such guarantees, the Company has executed and delivered or is about to execute and deliver to Collateral Agent, for the benefit of itself, Administrative Agent and Lenders, a General Security Agreement pursuant to which the Company has granted to Collateral Agent, for the benefit of itself, Administrative Agent and Lenders, a lien upon and security interest in, among other things, the Company's now existing and hereafter acquired inventory, machinery, equipment, equipment formulations, manufacturing procedures, quality control procedures and product specifications relating to products sold under the Trademarks (as defined herein).

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

1. All capitalized terms used herein, including those used in the Recitals hereto, unless otherwise defined shall have the meanings ascribed to them in the Loan Agreement.

2. To secure the prompt payment and performance of the Obligations, the Company hereby pledges, assigns and grants to Collateral Agent, for the benefit of itself, Administrative Agent and Lenders, a continuing security interest in and Lien upon all of the following property of the Company, whether now owned or existing or hereafter acquired (collectively, the "Collateral"):

(a) all trademarks, trademark registrations and trade names and all trademark applications that have been filed based on use or for which a verified statement of use has been filed, including, without limitation, each trademark and application listed on Exhibit A attached hereto and made a part hereof (as the same may be amended from time to time), and (i) all renewals thereof, (ii) all income, royalties, damages and payments now or hereafter due or payable with respect thereto, including, without limitation, damages and payments for past or future infringements or dilution thereof or injury to the associated goodwill, (iii) the right to sue for past, present and future infringements or dilution thereof or injury to the associated goodwill, and (iv) all rights corresponding thereto throughout the world (all of the foregoing trademarks, trademark registrations, trade names and applications, together with the items described in clauses (i)-(iv), are hereinafter collectively referred to as the "Trademarks");

(b) the goodwill of the Company's business connected with and symbolized by each Trademark; and

(c) all proceeds and products of the foregoing.

3. The Company represents and warrants to Collateral Agent, Administrative Agent and Lenders that:

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

(b) Upon filing of this Agreement in the United States Patent and Trademark Office, this Agreement will create a legal and valid perfected lien upon and security interest in the Collateral (other than foreign trademarks), enforceable against the Company and all third Persons in accordance with its terms;

(c) Upon the registering of appropriate Personal Property Security Act filings in Canada, this Agreement will create a legal and valid perfected Lien upon and security interest in the Collateral consisting of Trademarks registered in Canada, enforceable against the Company and all third Persons in accordance with its terms;

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

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

(g) The Company is the sole and exclusive owner of the entire right, title and interest in and to all of the Collateral, free and clear of any Liens other than Permitted Liens.

4. The Company covenants and agrees with Collateral Agent, Administrative Agent and Lenders that:

(a) The Company will maintain the quality of the products associated with the Trademarks, at a level consistent with or superior to the quality at the time of this Agreement, and will provide Collateral Agent and Administrative Agent, upon request, with a certificate to that effect in the form attached hereto as Exhibit B executed by an officer of the Company;

(b) The Company will not lower the level of quality of the products associated with the Trademarks without Collateral Agent's prior written consent; and

(c) Where applicable, the Company has used, and will continue to use for the duration of this Agreement, proper statutory notice in connection with its use of the Trademarks and has made, and will continue to make, all appropriate filings with the United States Patent and Trademark Office and all applicable foreign government offices to maintain the Trademark registrations in existence, including, without limitation, filing an affidavit of use with the United States Patent and Trademark Office and all applicable foreign government offices for each Trademark as required by Applicable Law to maintain the registration thereof without loss of protection therefor.

5. The Company hereby grants to Collateral Agent, Administrative Agent and Lenders and their respective employees and agents the right upon prior notice to the Company, and subject only to any obligations of confidentiality to which the Company, its employees and agents are then subject with respect thereto, to visit the Company'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. The Company shall do any and all acts required by Collateral Agent, Administrative Agent and Lenders to ensure the Company's compliance with paragraph 4(c) of this Agreement.

6. The Company agrees that, until all of the Obligations have been satisfied in full, it will not enter into any license agreement relating to any of the Trademarks, except non-exclusive

licenses to customers of the Company in the regular and ordinary course of the Company's business as presently conducted and for reasonable and customary compensation, and shall not enter into any agreement that is inconsistent with the Company's duties under this Agreement.

7. If, before the Obligations have been satisfied in full, the Company 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 2 hereof shall automatically apply thereto, and the Company shall give to Collateral Agent and Administrative Agent prompt notice thereof in writing.

8. The Company authorizes Collateral Agent to modify this Agreement by amending Exhibit A to include any future trademarks and trademark applications within the definition of Trademarks under paragraph 2 or paragraph 7 hereof.

9. If an Event of Default shall have occurred and be continuing, Collateral Agent shall have, in addition to all other rights and remedies given it by this Agreement, all rights and remedies under Applicable Law and all rights and remedies of a secured party under the UCC. Without limiting the generality of the foregoing, Collateral Agent may immediately, for its benefit and the benefit of Administrative Agent and Lenders, without demand of performance and without notice (except as described in the next sentence, if required by Applicable Law), or demand whatsoever to the Company, each of which the Company hereby waives, collect directly any payments due the Company in respect of the Collateral, or sell at public or private sale or otherwise realize upon all or from time to time, any of the Collateral. The Company hereby agrees that seven (7) days written notice to the Company of any public or private sale or other disposition of any of the Collateral shall be reasonable notice; provided, however, that no such notice shall be required hereunder if not otherwise required by Applicable Law. At any such sale or disposition, Collateral Agent may, to the extent permitted by Applicable Law, purchase the whole or any part of the Collateral sold, free from any right of redemption on the part of the Company, which right the Company hereby waives and releases. After deducting from the proceeds of such sale or other disposition of the Collateral all costs and expenses incurred by Collateral Agent in enforcing its rights hereunder (including, without limitation, all attorneys' fees), Collateral Agent shall apply the remainder of such proceeds to the payment of the Obligations in accordance with the terms of the Loan Agreement. If any deficiency shall arise, the Company and each guarantor of the Obligations shall remain jointly and severally liable to Lenders therefor.

10. The Company hereby makes, constitutes and appoints Collateral Agent and any officer or agent of Collateral Agent as Collateral Agent may select as the Company'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 the Company's name on all applications, documents, papers and instruments necessary for Collateral Agent to continue the registration of or to use the Trademarks, or to grant or issue any exclusive or nonexclusive license under the Trademarks to any other Person, or to assign, pledge, convey or otherwise transfer title in or dispose of the Collateral to any other Person. The 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 all of the Obligations shall have been satisfied in full and the Loan Agreement shall have been terminated.

11. At such time as all of the Obligations shall have been satisfied finally and in full and the Commitments under the Loan Agreement shall have been terminated, Collateral Agent shall execute and deliver to the Company, without representation, warranty or recourse and at the Company's expense, all releases and other instruments necessary to terminate Collateral Agent's security interest in the Collateral, subject to any disposition thereof which may have been made by Collateral Agent pursuant to the terms of this Agreement, the Loan Agreement or any other Loan Document.

12. Any and all fees, costs and expenses, of whatever kind or nature, (including, without limitation, reasonable attorneys' fees and legal expenses), incurred by Collateral Agent, Administrative Agent or any 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, without limitation, 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 Collateral, or in defending or prosecuting any actions or proceedings arising out of or related to the Collateral, shall be borne and paid by the Company (it being the intent of the Company and Collateral Agent that the Company shall be responsible for the payment of all sums, fees, costs and expenses, including, without limitation, all renewal fees with respect to the Trademarks) or, if paid by Collateral Agent, shall be paid by the Company **on demand** to Collateral Agent and until so paid shall be added to the principal amount of the Obligations and shall bear interest at the rate per annum in effect from time to time for Base Rate Loans under the Loan Agreement.

13. The Company shall use reasonable commercial efforts to detect any infringers of the Trademarks and shall notify Collateral Agent and Administrative Agent in writing of any infringements detected. The Company shall have the duty, through counsel acceptable to Collateral Agent, 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 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 Collateral Agent to preserve and maintain all rights in the Trademarks. Any expenses incurred in connection with such applications or proceedings shall be borne by the Company. The Company shall not abandon any pending trademark application that is filed based on use or as to which a verified statement of use has been filed or Trademark without the prior written consent of Collateral Agent.

14. Without limiting the obligations of the Company described in paragraph 13 hereof, after Collateral Agent's receipt of notice from the Company as provided in paragraph 13, or if Collateral Agent reasonably believes the act of any Person constitutes an infringement of any Trademark or a violation of any right of the Company or Collateral Agent therein, or an unlawful

or unauthorized use thereof, Collateral Agent shall have the right (but shall not be obligated) to take such steps and institute such suits or proceedings as Collateral Agent shall deem necessary or advisable in its own name, or in the name of the Company or in the names of Collateral Agent and the Company jointly, to enforce the Trademarks and any license thereunder or to protect the rights of the parties thereunder, in which event the Company shall at the request of Collateral Agent do any and all lawful acts (including bringing suit) and execute any and all proper documents required by Collateral Agent to aid such enforcement, and the Company shall promptly, **upon demand**, reimburse and indemnify Collateral Agent for all costs and expenses incurred in the exercise of Collateral Agent's rights under this paragraph 14. Nothing herein shall be deemed to prohibit the Company from bringing any such suit in its own name at any time that an Event of Default does not exist, if Collateral Agent declines to institute such suit.

15. If the Company fails to comply with any of its obligations hereunder, to the extent permitted by Applicable Law, Collateral Agent may do so in the Company's name or in Collateral Agent's name, but at the Company's expense, and the Company agrees to reimburse Collateral Agent in full for all expenses, (including, without limitation, attorneys' fees and legal expenses), incurred by Collateral Agent, Administrative Agent or any Lender in prosecuting, defending or maintaining the Trademarks or Collateral Agent's interest therein pursuant to this Agreement.

16. No course of dealing between the Company and Collateral Agent, Administrative Agent or any Lender, nor any failure to exercise, nor any delay in exercising, on the part of Collateral Agent, Administrative Agent or any 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.

17. All of Collateral Agent's, Administrative Agent's and each Lender's rights and remedies with respect to the Collateral, whether established by this Agreement, by the Financing Agreements, by any other agreements or by Applicable Law shall be cumulative and may be exercised singularly or concurrently.

18. 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.

19. This Agreement is subject to modification only by a writing signed by the parties, except as provided in paragraph 8 hereof.

20. The benefits and burdens of this Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Collateral Agent, Administrative Agent and of each

Lender and upon the successors of the Company. The Company shall not assign its rights or delegate its duties hereunder without the prior written consent of Collateral Agent.

21. Notice of Collateral Agent's acceptance hereof is hereby waived by the Company.

22. 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.

23. THE COMPANY AND COLLATERAL AGENT 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 COLLATERAL.

WITNESS the execution hereof under seal in Atlanta, Georgia, as of the day and year first above written.

ATTEST:

ALAMAC ENTERPRISES, INC.
("Company")

By: Paul L. Hallock
Paul L. Hallock, Vice President -
Finance, Assistant Secretary
[CORPORATE SEAL]

By: William S. Shropshire, Jr.
William S. Shropshire, Jr., Executive
Vice President, Chief Financial Officer,
Treasurer and Secretary

Accepted in Atlanta, Georgia:

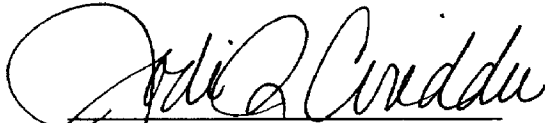
BANKBOSTON, N.A., as Collateral Agent
("Collateral Agent")

By: [Signature]
Title: Vice President

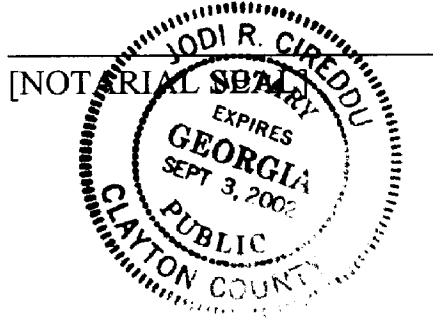
STATE OF GEORGIA §
 §
COUNTY OF FULTON §

BEFORE ME, the undersigned authority, on this day personally appeared William S. Shropshire, Jr., Executive Vice President, Chief Executive Officer, Secretary and Treasurer of ALAMAC ENTERPRISES, 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 17th day of August, 1999.



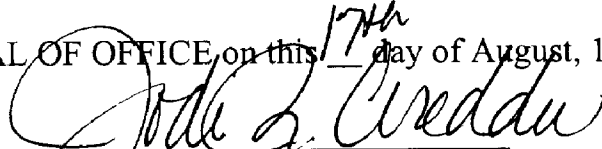
Notary Public
My Commission Expires:



STATE OF GEORGIA)
)
COUNTY OF FULTON)

BEFORE ME, the undersigned authority, on this day personally appeared David Rich of BANKBOSTON, N.A., 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 17th day of August, 1999.



Notary Public
My Commission Expires:

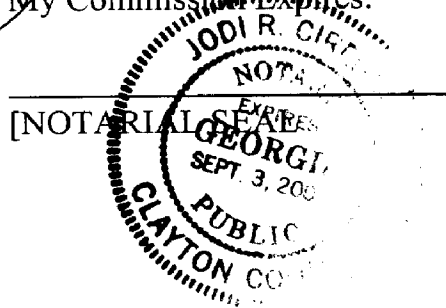


EXHIBIT A

DOMESTIC TRADEMARKS

Trademark	Country	IC	Goods/Services Covered	Serial (S), App (A) or Reg (R) #	File Date (F) App Date (A), Reg. Date (R)	Status
ADVANTAGE KNIT	USA	24	Apparel Fabric	75-150370 (S)	07-08-1996 (F)	Pending
ALAMAC	USA	24	Knitted fabrics in the piece of natural or synthetic fibers or combination thereof	799586 (R)	11-30-1965 (R)	Registered
SANITECH	USA	24	Fabrics for use in the manufacture of apparel	2080294 (R)	07-15-1997 (R)	Registered

EXHIBIT B

CERTIFICATE

The undersigned officer of **ALAMAC ENTERPRISES, INC.** (the "Company"), DOES HEREBY CERTIFY to (1) **BANKBOSTON, N.A.**, a national bank, as collateral agent (together with its successors in such capacity, "Collateral Agent"), as collateral agent for itself, the Administrative Agent (as defined herein) and Lenders (as defined herein), under that certain Loan and Security Agreement (as at any time amended, the "Loan Agreement") dated August 17, 1999, among the financial institutions ("Lenders") that are parties from time to time thereto, the Company, the other borrowers noted therein, Collateral Agent, and **CONGRESS FINANCIAL CORPORATION**, a Delaware corporation, as administrative agent for Lenders (together with its successors in such capacity, "Administrative Agent"), (2) Administrative Agent, and (3) Lenders, that the quality of the products associated with the Trademarks listed on Exhibit A of the Trademark Security Agreement dated August __, 1999, between the Company and Collateral Agent (as amended from time to time to include future trademarks and trademark applications, the "Agreement"), has been maintained at a level consistent with or superior to 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 _____, _____.

ALAMAC ENTERPRISES, INC.

By: _____

Title: _____