

04-17-2000



3-16-00

101321112
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/AKATA

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 Assignment.)

04/14/2000 DWGUYEN 00000357 75583189

FOR OFFICE USE ONLY

01 FC:481 40.00 OP
02 FC:482 1250.00 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

REEL: 002051 FRAME: 0590

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)

36 Trademark Applications as listed on attached schedule

15 Trademark Registrations as listed on attached schedule

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.

James F. Donato

Name of Person Signing



Signature

3-16-2000

Date Signed

Schedule A
to Restated and Amended
Trademark Security Agreement

Dated as of December 9, 1999

Trademarks

	<u>U.S. Trademark Reg. No.</u>	<u>Date Registered</u>	<u>Name</u>
1.	Pending 75/583,189	Filed November 5, 1999	KRAZY KIDZ
2.	Pending New Application	Filed September 29, 1999	ALICE APPROVED
3.	Pending 75/585,852	Filed November 10, 1998	ARGONNE
4.	2,285,516	October 12, 1999	BC
5.	Pending 75/616,151 75/616,150	Filed November 6, 1999	BC DESIGN
6.	Pending 75/767,300	Filed August 4, 1999	BEAUBASIC
7.	Pending 75/578,466	Filed October 28, 1998	BEAULIEU COMMERICAL
8.	Pending 75/767,302	Filed August 4, 1999	BEAUTIQUE
9.	Pending 75/585,853	Filed November 10, 1999	BERBER BOUTIQUE
10.	2,285,533	October 12, 1999	BOLYU (Class 40)
11.	2,285,534	October 12, 1999	BOLYU (Class 42)
12.	Pending 75/600,245	Filed December 3, 1998	BOUNTIFUL BERBERS
13.	Pending 75/601,983	Filed December 9, 1998	BRING OUT THE BEAUTY

14.	Pending New Application	Filed September 29, 1999	DENNIS-PROOF
15.	Pending 75/553,445	Filed September 15, 1998	DIATRON (Class 22)
16.	Pending New Application	Filed September 30, 1999	DIMENSION CARPET (Class 40 & 42)
17.	2,285,127	October 12, 1999	DURA-KID
18.	Pending 75/650,827	Filed February 26, 1999	ECOPAD
19.	Pending 75/787,087	Filed August 4, 1999	FOUR SEASONS
20.	Pending 75/585,854	Filed November 10, 1998	GRASSMORE
21.	Pending 75/787,084	Filed August 4, 1999	ICE CREAM DEMON
22.	Pending 75/583,193	Filed November 5, 1998	LEAN AND MEAN
23.	Pending New Application	Filed September 29, 1999	MENACE-PROOF
24.	Pending New Application	Filed September 23, 1999	PASSPORT TO SYDNEY
25.	Pending 75/601,982	Filed December 9, 1998	PERSUASIONS FROM CORONET AND DESIGN
26.	Pending 75/601,984	Filed December 9, 1998	PRECISION PLUS
27.	2,292,488	November 16, 1999	ROYALIST
28.	Pending 75/522,098	Filed July 20, 1998	SOFTRELLE
29.	Pending 75/787,086	Filed August 30, 1999	STAIN RANGER
30.	Pending New Application	Filed October 22, 1999	STYLES FOR LIVING
31.	Pending 75/718,105	Filed May 21, 1999	SURE N' EASY
32.	Pending	Filed May 21, 1999	SURE N' EASY II

	75/716,351		
33.	Pending 75/748,298	Filed July 12, 1999	SURE-LOC (CLASS 1)
34.	Pending 75/586,834	Filed November 12, 1998	SURFACES
35.	Pending 75/754,753	Filed July 20, 1999	THE LIVING COLOR COLLECTION
36.	1,199,686	June 29, 1982	BRINK CREST
37.	1,250,753	September 13, 1983	BRINK-FLOR
38.	1,413,471	October 14, 1986	DESIGNS FOR LIVING
39.	2,021,675	December 10, 1996	PRO FLOORING
40.	2,057,387	April 29, 1997	PERMA CRIMP
41.	2,034,114	January 28, 1997	PRO FLOORING CREDIT AND DESIGN
42.	2,223,932	February 16, 1999	QP4 ADVANTAGE PERFORMANCE RATING SYSTEM
43.	1,946,292	January 9, 1996	RSP
44.	2,133,860	February 3, 1998	WORTHINGTON CARPET MILLS & DESIGN
45.	1,282,858	June 26, 1984	L.D. BRINKMAN
46.	Pending 75/676,451	Filed April 6, 1999	ARTISAN COLLECTION & DESIGN
47.	Pending 75/676,657	Filed April 6, 1999	NATURAL CHOICES HARDWOOD COLLECTION & DESIGN
48.	Pending 75/532,703	Filed April 6, 1999	PRO FLOORING GALLERY & DESIGN
49.	Pending 75/516,124	Filed July 9, 1998	RENAISSANCE COLLECTION & DESIGN
50.	Pending 75/676,424	Filed April 6, 1999	THE RENAISSANCE COLLECTION & DESIGN

RESTATED AND AMENDED TRADEMARK SECURITY AGREEMENT

THIS RESTATED AND AMENDED TRADEMARK SECURITY AGREEMENT ("Agreement") is made as of December 9, 1999 by and between Beaulieu Group, LLC, a Georgia limited liability company (the "Borrower"), and Bank of America, National Association, formerly BankAmerica Business Credit, Inc., as collateral agent (the "Collateral Agent") for the "Lenders" (as defined below).

WITNESSETH:

A. The Borrower executed and delivered that certain Restated and Amended Trademark Security Agreement dated as of July 30, 1998 in favor of the Collateral Agent (the "Prior Trademark Security Agreement"), which Prior Trademark Security Agreement was recorded with the United States Patent and Trademark Office in the trademark assignment records on April 14, 1999 at Reel 1885, Frames 0545 to 0560.

B. The Borrower and Beaulieu of America, Inc., a Georgia corporation, as Borrowers, the financial institutions from time to time parties thereto (each a "Lender" and collectively the "Lenders"), Bank of America, National Association, as administrative agent and as collateral agent, Mellon Bank, N.A. and Societe Generale, as syndication agents, and Fleet Business Credit Corporation and SunTrust Bank, Atlanta, as co-documentation agents, are parties to a certain Loan and Security Agreement dated as of November 14, 1995, Restated and Amended as of December 9, 1999 (such agreement, as it has been or may be amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"). Capitalized terms used herein and not otherwise defined are used herein as defined in the Loan Agreement.

C. Contemporaneously with (1) the "Mergers" (as such term is defined in the Loan Agreement), and (2) the execution and delivery of the Loan Agreement, the Borrower shall acquire certain property previously held in the name of Hollytex Carpet Mills, Inc., L.D. Brinkman & Co. (Texas), Inc., L.D. Brinkman & Co. and/or L.D. Brinkman Trucking Corp., including, without limitation, certain property that will constitute "Trademarks" and "Licenses" upon the transfer thereof to the Borrower.

D. The Collateral Agent, the Agents and the Lenders have required that the Borrower restate and amend the Prior Trademark Security Agreement in order to reflect the contemporaneous (1) execution and delivery of the Loan Agreement, and (2) acquisition by the Borrower of the Trademarks and Licenses described in the preceding clause (C).

In consideration of the premises set forth herein and for other good and valuable consideration, the receipt and sufficiency 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. This Agreement shall be deemed to restate and amend in its entirety the Prior Trademark Security Agreement.

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 and Licenses. To secure the complete and timely payment, performance and satisfaction of all of the "Obligations" under and as defined in the Loan Agreement and the Borrower's obligations and liabilities hereunder (collectively, the "Liabilities"), the Borrower hereby (a) reaffirms its grant to the Collateral Agent, for the benefit of the Collateral Agent and the Lenders, pursuant to the Prior Trademark Security Agreement, of 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 Trademarks and Licenses covered by the Prior Trademark Security Agreement (the "Prior Trademarks" and "Prior Licenses", respectively), and (b) grants or regrants to the Collateral Agent, for the benefit of the Collateral Agent and the Lenders, 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, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, including, without limitation, the trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications listed on Schedule A attached hereto and made a part hereof, together with any good will connected with and symbolized by any such trademarks, trademark applications, service marks, registered service marks, service mark applications, 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, registered trademarks and trademark applications, and 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) rights under or interest in any trademark license agreements or service mark license agreements with any other party, whether the Borrower is a licensee or licensor under any such license agreement, including, without limitation, those trademark license agreements and service mark license agreements listed on Schedule B attached hereto and made a part hereof, together with any goodwill connected with and symbolized by any such trademark license agreements or service mark license agreements, and the right to prepare for sale and sell any and all Inventory now or hereafter owned by the Borrower and now or hereafter covered by such licenses (all of the foregoing are hereinafter referred to collectively as the "Licenses"); provided, that notwithstanding the foregoing, the Borrower shall not be deemed to have assigned hereunder any License including, without limitation, those listed on Schedule B, under which the Borrower is licensee, if such assignment would result in breach or termination of the applicable license agreement.

5. Restrictions on Future Agreements. The Borrower will not, without the Collateral Agent's prior written consent, which consent shall not be unreasonably withheld or delayed, enter into any agreement which is inconsistent with this Agreement, and the Borrower further agrees that it will not take any action, and will use commercially reasonable efforts not to permit any action to be taken by others, including, without limitation, licensees, or fail to take any action, which would in any respect affect the validity or enforcement of the rights transferred to the Collateral Agent under this Agreement or the rights associated with those Trademarks or Licenses.

6. New Trademarks and Licenses. The Borrower represents and warrants that, except for such Trademarks and Licenses as shall not be used or usable in the Borrower's business or as shall not otherwise have any material value, (a) the Prior Trademarks and the Trademarks listed on Schedule A, collectively, include all of the trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications now owned by the Borrower, (b) the Prior Licenses and the Licenses listed on Schedule B, collectively, include all of the trademark license agreements and service mark license agreements pursuant to which the Borrower is the licensee or licensor thereunder, and (c) no other liens, claims or security interests in such Trademarks and Licenses have been granted by the Borrower to any Person other than the Collateral Agent, except for such liens, claims and security interests as have been disclosed in the Loan Agreement and schedules thereto. If, prior to the termination of this Agreement, the Borrower shall (i) obtain rights to any new trademarks, registered trademarks, trademark applications, service marks, registered service marks or service mark applications having any material value, (ii) become entitled to the benefit of any trademarks, 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 having any material value, whether as licensee or licensor, or (iii) enter into any new trademark license agreement or service mark license agreement having any material value, the provisions of paragraph 4 above shall automatically apply thereto. The

Borrower shall give to the Collateral Agent written notice of events described in clauses (i), (ii) and (iii) of the preceding sentence within 30 days after the end of each fiscal quarter. The Borrower hereby authorizes the Collateral Agent to modify this Agreement unilaterally (x) by amending Schedule A to include any future trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications and by amending Schedule B to include any future trademark license agreements and service mark license agreements, which are Trademarks or Licenses under paragraph 4 above or under this paragraph 6 and (y) by filing, in addition to and not in substitution for this Agreement a duplicate original of this Agreement containing on Schedule A or Schedule B thereto, as the case may be, such future trademarks, registered trademarks, trademark applications, service marks, registered service marks and service mark applications, and trademark license agreements and service mark license agreements.

7. Royalties. The Borrower hereby agrees that the use by the Collateral Agent of the Trademarks and the Licenses as authorized hereunder in connection with the exercise of its remedies under paragraph 15 or pursuant to Section 10.2 of the Loan Agreement shall be coextensive with the Borrower's rights under the Trademarks and the Licenses and with respect thereto and without any liability for royalties or other related charges from the Collateral Agent or the Lenders to the Borrower.

8. Right to Inspect; Further Assignments and Security Interests. Subject to the confidentiality obligations set forth in Section 5.6 of the Loan Agreement, the Collateral Agent may at all reasonable times (and at any time when an Event of Default exists) 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 and the Licenses, including, without limitation, the Borrower's quality control processes; provided, that in conducting such inspections and examinations, the Collateral Agent shall use reasonable efforts not to unnecessarily disturb the conduct of the Borrower's ordinary business operations. From and after the occurrence and during the continuance of an Event of Default, the Borrower agrees that the Collateral Agent, or a conservator appointed by the Collateral Agent, shall have the right to establish such reasonable additional product quality controls as the Collateral Agent or such conservator, in its sole and absolute judgment, may deem necessary to assure maintenance of the quality of products sold by the Borrower under the Trademarks and the Licenses or in connection with which such Trademarks and Licenses are used. The Borrower agrees not to sell or assign its respective interests in the Trademarks or the Licenses without the prior and express written consent of the Collateral Agent which consent will not be unreasonably withheld, provided, that nothing contained in this clause shall be deemed to prohibit the entering into by the Borrower of licensing agreements with respect to which the Borrower is the licensor, on commercially reasonable terms. The Borrower shall maintain the quality of its products to a sufficient degree to maintain the validity of the Trademarks.

9. Nature and Continuation of the Collateral Agent's Security Interest; Termination of the Collateral 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 Licenses and shall remain in full force and effect until the payment in full of the Liabilities and termination of the Loan Agreement. Upon payment in full in cash of all of the

Liabilities and termination of the Loan Agreement, this Agreement shall terminate and the Collateral 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 Collateral Agent's security interest in the Trademarks and the Licenses, subject to any disposition thereof which may have been made by the Collateral Agent pursuant to this Agreement or the Loan Agreement.

10. Duties of the Borrower. The Borrower shall exercise commercially reasonable judgment in determining whether to: (i) 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, and (ii) make application for trademarks or service marks. The Borrower further agrees (a) except to the extent desirable in the Borrower's reasonable business judgment, not to abandon any Trademark or License, and (b) to use its commercially reasonable efforts to maintain in full force and effect the Trademarks and the Licenses 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.

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

12. Waivers. The Collateral 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 Collateral Agent thereafter to demand strict compliance and performance therewith nor shall any course of dealing between the Borrower and the Collateral 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 Collateral Agent unless such suspension or waiver is in writing signed by an officer of the Collateral 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 paragraphs 4 and 6 hereof or by a writing signed by the parties hereto.

15. Cumulative Remedies; Power of Attorney. From and after the occurrence and during the continuance of an Event of Default, and the giving by the Collateral Agent of notice to the Borrower of the Collateral Agent's intention to enforce its rights and claims against the Borrower, the Borrower hereby irrevocably designates, constitutes and appoints the Collateral Agent (and all Persons designated by the Collateral Agent in its sole and absolute discretion) as the Borrower's true and lawful attorney-in-fact, and authorizes the Collateral Agent and any of the Collateral Agent's designees, in the Borrower's or the Collateral Agent's name, from and after the occurrence and during the continuance of an Event of Default, to (i) endorse the Borrower's name on all applications, documents, papers and instruments necessary or desirable for the Collateral Agent in the use of the Trademarks or the Licenses, (ii) assign, pledge, convey or otherwise transfer title in or dispose of any or all of the Trademarks or the Licenses to anyone on commercially reasonable terms, (iii) grant or issue any exclusive or nonexclusive license under the Trademarks or, to the extent permitted, under the Licenses, to anyone on commercially reasonable terms, and (iv) take any other actions with respect to the Trademarks or the Licenses as the Collateral Agent deems in its own or Lenders' best interest. The Collateral Agent shall take no action pursuant to subparagraphs (i), (ii), (iii) or (iv) of this paragraph 15 without taking like action with respect to the entire goodwill of the Borrower's business connected with the use of, and symbolized by, such Trademarks and Licenses. The Borrower hereby ratifies all that such attorney in good faith 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 all of the Liabilities shall have been paid in full in cash and the Loan Agreement shall have been 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 Collateral Agent or the Lenders under the Loan Agreement, but rather is intended to facilitate the exercise of such rights and remedies.

The Collateral 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 or the Licenses may be located or deemed located. Upon the occurrence and during the continuance of an Event of Default and the election by the Collateral Agent to exercise any of its remedies under the Uniform Commercial Code with respect to the Trademarks and Licenses, the Borrower agrees to assign, convey and otherwise transfer title in and to the Trademarks and the Licenses to the Collateral Agent or any transferee of the Collateral Agent and to execute and deliver to the Collateral Agent or any such transferee all such agreements, documents and instruments as may be necessary, in the Collateral Agent's determination, to effect such assignment, conveyance and transfer. All of the Collateral Agent's rights and remedies with respect to the Trademarks and the Licenses, whether established hereby, by the Loan Agreement, by any other agreements or by law, shall be cumulative and may be exercised singularly or concurrently. Notwithstanding anything set forth herein to the contrary, it is hereby expressly agreed that upon the occurrence and during the continuance of an Event of Default, the Collateral

Agent may exercise any of the rights and remedies provided in this Agreement, the Loan Agreement and any other Loan Document.

16. Successors and Assigns. This Agreement shall be binding upon the Borrower and their successors and assigns, and shall inure to the benefit of each of the Collateral Agent and the Lenders and its successors and assigns. The Borrower's successors and assigns shall include, without limitation, a receiver, trustee or debtor-in-possession to the extent that any of the foregoing are considered to be a successor or assign of the Borrower; provided, however, that the Borrower shall not voluntarily assign or transfer its rights or obligations hereunder without the Collateral Agent's prior written consent.

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 internal laws (as opposed to conflicts of law provisions, provided that issues with respect to Article 9 of the Uniform Commercial Code may give effect to applicable choice or conflict of law rules set forth in Article 9 the Uniform Commercial Code) and decisions of the State of Georgia.

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

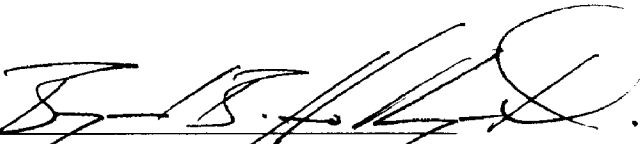
19. No Duty of Care. Except as set forth in Section 5.6 of the Loan Agreement, neither the Collateral Agent nor any Lender shall have any duty with respect to the Trademarks or the Licenses, other than to act in good faith with respect thereto; provided, however, that neither the Collateral Agent nor any Lender shall take any action which may cause any goodwill of the Borrower's business connected with the use of, and symbolized by, any Trademark to become separated or disassociated with such Trademark so as to affect adversely such Trademark's validity. Without limiting the generality of the foregoing, neither the Collateral Agent nor any of the Lenders shall be under any obligation to take any steps necessary to preserve rights in the Trademarks or the Licenses against any other parties, but may do so at its option, and all reasonably incurred expenses in connection therewith shall be for the sole account of the Borrower and shall be added to the Liabilities secured hereby.

20. 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.

21. 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 when taken together shall constitute one and the same agreement.

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

BEAULIEU GROUP, LLC

By: 
Name: BAYARD HAULTNASWORTH
Title: CFO

Accepted and agreed to as of December __, 1999.

BANK OF AMERICA, NATIONAL
ASSOCIATION, as Collateral Agent

By: _____
Name:
Title:

Signature Page to
Restated and Amended Trademark Security Agreement

TRADEMARK
REEL: 002051 FRAME: 0602

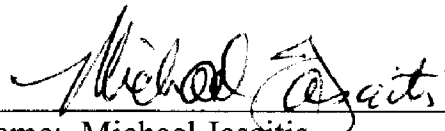
IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the day and year first written above.

BEAULIEU GROUP, LLC

By: _____
Name:
Title:

Accepted and agreed to as of December __, 1999.

BANK OF AMERICA, NATIONAL
ASSOCIATION, as Collateral Agent

By: 
Name: Michael Jasaitis
Title: Vice President

Signature Page to
Restated and Amended Trademark Security Agreement

TRADEMARK
REEL: 002051 FRAME: 0603

Schedule A
to Restated and Amended
Trademark Security Agreement

Dated as of December 9, 1999

Trademarks

	<u>U.S. Trademark Reg. No.</u>	<u>Date Registered</u>	<u>Name</u>
1.	Pending 75/583,189	Filed November 5, 1999	KRAZY KIDZ
2.	Pending New Application	Filed September 29, 1999	ALICE APPROVED
3.	Pending 75/585,852	Filed November 10, 1998	ARGONNE
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5.	Pending 75/616,151 75/616,150	Filed November 6, 1999	BC DESIGN
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7.	Pending 75/578,466	Filed October 28, 1998	BEAULIEU COMMERICAL
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11.	2,285,534	October 12, 1999	BOLYU (Class 42)
12.	Pending 75/600,245	Filed December 3, 1998	BOUNTIFUL BERBERS
13.	Pending 75/601,983	Filed December 9, 1998	BRING OUT THE BEAUTY

14.	Pending New Application	Filed September 29, 1999	DENNIS-PROOF
15.	Pending 75/553,445	Filed September 15, 1998	DIATRON (Class 22)
16.	Pending New Application	Filed September 30, 1999	DIMENSION CARPET (Class 40 & 42)
17.	2,285,127	October 12, 1999	DURA-KID
18.	Pending 75/650,827	Filed February 26, 1999	ECOPAD
19.	Pending 75/787,087	Filed August 4, 1999	FOUR SEASONS
20.	Pending 75/585,854	Filed November 10, 1998	GRASSMORE
21.	Pending 75/787,084	Filed August 4, 1999	ICE CREAM DEMON
22.	Pending 75/583,193	Filed November 5, 1998	LEAN AND MEAN
23.	Pending New Application	Filed September 29, 1999	MENACE-PROOF
24.	Pending New Application	Filed September 23, 1999	PASSPORT TO SYDNEY
25.	Pending 75/601,982	Filed December 9, 1998	PERSUASIONS FROM CORONET AND DESIGN
26.	Pending 75/601,984	Filed December 9, 1998	PRECISION PLUS
27.	2,292,488	November 16, 1999	ROYALIST
28.	Pending 75/522,098	Filed July 20, 1998	SOFTRELLE
29.	Pending 75/787,086	Filed August 30, 1999	STAIN RANGER
30.	Pending New Application	Filed October 22, 1999	STYLES FOR LIVING
31.	Pending 75/718,105	Filed May 21, 1999	SURE N' EASY
32.	Pending	Filed May 21, 1999	SURE N' EASY II

75/716,351

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|-----|-----------------------|----------------------------|--|
| 33. | Pending
75/748,298 | Filed July 12, 1999 | SURE-LOC (CLASS 1) |
| 34. | Pending
75/586,834 | Filed November 12,
1998 | SURFACES |
| 35. | Pending
75/754,753 | Filed July 20, 1999 | THE LIVING COLOR
COLLECTION |
| 36. | 1,199,686 | June 29, 1982 | BRINK CREST |
| 37. | 1,250,753 | September 13, 1983 | BRINK-FLOR |
| 38. | 1,413,471 | October 14, 1986 | DESIGNS FOR LIVING |
| 39. | 2,021,675 | December 10, 1996 | PRO FLOORING |
| 40. | 2,057,387 | April 29, 1997 | PERMA CRIMP |
| 41. | 2,034,114 | January 28, 1997 | PRO FLOORING CREDIT AND
DESIGN |
| 42. | 2,223,932 | February 16, 1999 | QP4 ADVANTAGE
PERFORMANCE RATING
SYSTEM |
| 43. | 1,946,292 | January 9, 1996 | RSP |
| 44. | 2,133,860 | February 3, 1998 | WORTHINGTON CARPET MILLS
& DESIGN |
| 45. | 1,282,858 | June 26, 1984 | L.D. BRINKMAN |
| 46. | Pending
75/676,451 | Filed April 6, 1999 | ARTISAN COLLECTION &
DESIGN |
| 47. | Pending
75/676,657 | Filed April 6, 1999 | NATURAL CHOICES
HARDWOOD COLLECTION &
DESIGN |
| 48. | Pending
75/532,703 | Filed April 6, 1999 | PRO FLOORING GALLERY &
DESIGN |
| 49. | Pending
75/516,124 | Filed July 9, 1998 | RENAISSANCE COLLECTION &
DESIGN |
| 50. | Pending
75/676,424 | Filed April 6, 1999 | THE RENAISSANCE
COLLECTION & DESIGN |

Schedule B
to Restated and Amended
Trademark Security Agreement

Dated as of December 9, 1999

Licenses

None

STATE OF GEORGIA)
) SS
COUNTY OF FULTON)

The foregoing Restated and Amended Trademark Security Agreement was executed and acknowledged before me as of this ___ day of December, 1999, by Bayard B. Hollingsworth, personally known to me to be the Chief Financial Officer of BEAULIEU GROUP, LLC, a Georgia limited liability company, on behalf of such corporation.

(SEAL)

Mary Duhon Beamy

Notary Public

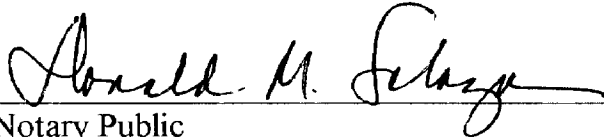
DeKalb Fulton County, Georgia Notary Public, Notary Public, Dekalb County, Georgia
My commission expires: My Commission Expires on 12/31/2001

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

The foregoing Restated and Amended Trademark Security Agreement was executed and acknowledged before me as of this 9th day of December, 1999, by Michael Jasaitis, personally known to me to be a Vice President of BANK OF AMERICA, NATIONAL ASSOCIATION, on behalf of such corporation.

(SEAL)




Notary Public
Cook County, Illinois
My commission expires: 1-9-2001